United States Senate

WASHINGTON, DC 20510

April 3, 2025

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Avenue, N.W. Washington, DC 20500

Dear President Trump,

We are concerned that the tariffs you have proposed on our trade partners will impact prescription drugs, driving up prices for Americans, exacerbating supply chain issues, and hurting domestic pharmaceutical manufacturers. Steep tariffs on our closest trade partners only further increase the cost of prescription drugs for both consumers and manufacturers and will lead to drug shortages.

Americans have faced increasing prescription drug prices for decades. Rising costs have real consequences: nearly <u>one-third</u> of Americans are leaving prescriptions unfilled at the pharmacy every month due to cost. This has forced some patients to ration their prescriptions to stretch their budgets, which has deadly consequences. To cut down on cost, most Americans depend on access to generic drugs which account for <u>90 percent of all U.S. prescriptions</u>. Many of these drugs and their components are imported from overseas.

Many Americans also depend on brand-name drugs. Most brand-name prescription drugs available in the U.S. are <u>manufactured overseas</u> and imported by their marketers. In fact, several of these drugs were recently found to have price increases greatly <u>outpacing the rate of inflation</u>. Just three of these drugs used to treat type 2 diabetes, a disease <u>developing more in children</u>, <u>teens</u>, <u>and young adults</u> than ever before, were responsible for more than <u>\$8.5 billion</u> in total Medicare Part D spending in 2022. Of these drugs, one has had a lifetime price increase of <u>293 percent</u>. Thus, broad and sweeping tariffs will only exacerbate the issue of access to affordable medicine continually perpetuated by greedy actors.

In addition to raising prices for everyday Americans, blanket tariffs also threaten domestic prescription drug manufacturers. Many pharmaceutical companies outsource production of active pharmaceutical ingredients (APIs), which are then imported and used to formulate prescription drugs here in the United States. One such example is the anticoagulant drug Eliquis, whose API is manufactured in Switzerland. This drug has accounted for more Medicare Part D spending than any other drug for several years in a row. These trade barriers will drive up the cost of this already costly drug, further increasing Medicare spending and burdening patients' pocketbooks. While brand-name pharmaceutical companies may have the resources to continue operations with rising costs, those that manufacture generic drugs will not. Generic manufacturers do not have this financial flexibility, which makes their ability to absorb new costs difficult. If generic manufacturers cannot keep up with rising costs, they may be forced to exit the market, leading to shortages of generic drugs that Americans rely on. As such, tariffs on imported APIs and other

materials used to manufacture prescription drugs may hurt domestic pharmaceutical manufacturers, the supply chain, and thereby the American consumer.

We strongly urge you to consider the impacts of broad and sweeping tariffs on Americans and domestic manufacturing. Americans cannot afford to continue emptying their pockets just to refill their prescriptions at the pharmacy.

Thank you for your attention to this critical matter.

Sincerely,

Ben Ray Lujan

United States Senator

Raphael Warnock

United States Senator

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