

## **Conservative Organizations Calls On Republican Congressional Leadership To Overturn The Inflation Reduction Act's Healthcare Measures After Receiving Nearly \$1 Million From The Pharmaceutical Research And Manufacturers Of America (PhRMA)**

**In June 2024, A Coalition of Conservative Organizations Wrote A Letter To Republican Congressional Leaders Urging They Repeal the Inflation Reduction Act And Its Medicare Drug Negotiation Measures—This Letter Came A Year After PhRMA Filed An Unsuccessful Lawsuit Seeking To Overturn the Program.**

**In June 2024, A Coalition of Conservative Organizations Wrote A Letter To House Speaker Mike Johnson (R-LA) And Senate Minority Leader Mitch McConnell (R-KY) Urging For The Repeal Of The Inflation Reduction Act And Its Medicare Drug Negotiation Measures.**

**June 2024: A Coalition Of Conservative Organizations Wrote A Letter To House Speaker Mike Johnson (R-LA) And Senate Minority Leader Mitch McConnell (R-KY) Criticizing The Inflation Reduction Act And Urging The Repeal Of the Inflation Reduction Act And Its Medicare Drug Negotiation Measures.** “The drug pricing provisions in the IRA are in no way a “negotiation.” In a true negotiation, both parties have the ability to walk away from the table. But companies that do not comply with the IRA's price controls have to pay up to a 95% tax on the gross sales of the medicine in question. The 95% tax creates using a similar mechanism to impose price controls on any consumer product on a whim. Nationalizing entire industries is what socialist dictatorships do, not America. [...] For all these reasons and more, we welcome the opportunity to work with you to enact meaningful, market-based reforms that work for all Americans.” [Coalition Letter to House Speaker Mike Johnson And Senate Minority Leader Mitch McConnell, [06/25/24](#)]

**In June 2023, The Pharmaceutical Research And Manufacturers Of America (PhRMA) Targeted Medicare Price Negotiation Measures In Court, Calling Them “Unconstitutional” Claiming They Would Lead To “Drug Shortages, Rationing, And Declining Innovation.”**

**June 2023: The Pharmaceutical Research And Manufacturers Of America (PhRMA) Joined The National Infusion Center Association And The Global Colon Cancer Association In Filing A Lawsuit Against Medicare Price Negotiation Measures Arguing They Will Result In “Drug Shortages, Rationing, And Declining Innovation.”** “Congress’s recently enacted Inflation Reduction Act of 2022, Pub. L. 117-169 (IRA or the Act), however, upends this time-tested, market-based system for encouraging innovation. In its place, Congress established a system of price controls, seeking to reduce expenditures even at the cost of drastically slowing innovation, reducing drug availability, and worsening patient outcomes. But that type of scheme, if implemented transparently, would come at a high cost for Congress, resulting in significant public criticism and political blowback. Had Congress made clear that it was mandating price controls, the resulting drug shortages, rationing, and declining innovation would be clearly attributable to the elected officials who supported the law.” [Pharmaceutical Research and Manufacturers of America, [06/21/23](#)]

**In Response To The Centers For Medicare & Medicaid Services Releasing Final Guidance On The Inflation Reduction Act (IRA) Drug Negotiation Provisions In June 2023, PhRMA Claimed These Provisions Were “Unconstitutional” And Would Disincentivize Manufacturers From Conducting Research And Development.**” “Today, the Pharmaceutical Research and Manufacturers of America (PhRMA) issued the following statement in response to the Centers for Medicare & Medicaid Services (CMS) releasing final guidance on the Inflation Reduction Act’s (IRA) price setting provisions: [...] ‘The approach CMS took in this final guidance confirms what we claimed in our lawsuit – Congress’ unconstitutional shortcuts taken in the law have given the administration far too much flexibility to set prices at their whim without any oversight or accountability to anyone. The final guidance demonstrates the administration is more focused on scoring political points than minimizing harm to patients, providers and future R&D [...] CMS is disincentivizing manufacturers from conducting research and development for new treatment options, which would especially affect younger patient populations and those with rare diseases who have significant unmet medical needs.’” [Pharmaceutical Research and Manufacturers of America, [06/30/23](#)]

**February 2024: Judge David Ezra Of The Western District Of Texas Dismissed The Lawsuit Filed By PhRMA, The National Infusion Center Association, And The Global Colon Cancer Association.** “U.S. Judge David Ezra of the Western District of Texas sided with the Biden administration in dismissing the suit by the Pharmaceutical Research and Manufacturers of America, or PhRMA, the Global Colon Cancer Association and the National Infusion Center Association, which argued that the price talks were unconstitutional.” [CNBC, [02/23/24](#)]

**According To Its FY 2022 Form 990, PhRMA Contributed Nearly \$1 Million To Conservative Organizations That Later Signed The Letter Urging For The Repeal Of The Inflation Reduction Act’s Healthcare Measures, Including The Medicare Drug Negotiation Program.**

**According To Its FY 2022 Form 990, PhRMA Contributed Nearly \$1 Million In Grants And Contributions To Organizations That Later Signed The Coalition Letter Criticizing The Inflation Reduction Act And Urging For The Repeal Of Its Healthcare Measures, Including The Medicare Drug Negotiation Program.**

<b>Group</b>	<b>FY 2022 Contributions from PhRMA 990</b>
American Commitment	\$75,000
CASE (Consumer Action For A Strong Economy)	\$115,000
Center for a Free Economy	\$152,000
Center for Individual Freedom	\$75,000
Consumer Choice Center	\$75,000
Galen Institute	\$100,000
Heritage Action*	\$125,000
Pacific Research Institute	\$125,000
Taxpayers Protection Alliance	\$60,000
Trade Alliance to Promote Prosperity	\$50,000
<b>TOTAL:</b>	<b>\$952,000</b>

\* Contribution to the Heritage Foundation