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REMARKS

Remarks by President Trump on Lowering Drug Prices

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Rose Garden

2:08 P.M. EDT

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THE PRESIDENT: Thank you very much. Thank you. Please. And I want to thank Secretary Azar, Secretary Mnuchin, Secretary Ross, Ambassador Lighthizer, Commissioner Gottlieb — Scott Gottlieb has done a fantastic job. Where is Scott? Stand up, Scott. Stand up. (Applause.) And “Right to Try” is happening, right? You have that moving? “Right to Try.” So important. Administrator Verma, Director Mulvaney for being here with us today in the beautiful Rose Garden at the White House.

We’re also honored to be joined by Senator Bill Cassidy. Senator. Where’s Senator Cassidy? Please. Please. (Applause.) One of my great friends, Senator Orrin Hatch. Thank you, Orrin. (Applause.) Thank you. Congressman Michael Burgess. Michael, thank you very much. Thank you. Thank you, Michael. (Applause.) Congressman Buddy Carter. (Applause.) Congressman Greg Gianforte. Hi, Greg. (Applause.) And numerous state officials from all over the country.

Today, my administration is launching the most sweeping action in history to lower the price of prescription drugs for the American people. We’ve wanted to be doing this. We’ve been working on it right

from day one. It's been a complicated process, but not too complicated. And today it's happening. We will have tougher negotiation, more competition, and much lower prices at the pharmacy counter. And it will start to take effect very soon.

My administration has already taken significant steps to get drug prices under control. We reformed the Drug Discount Program for safety net hospitals to save senior citizens hundreds of millions of dollars on drugs this year alone.

We're also increasing competition and reducing regulatory burdens so drugs can be gotten to the market quicker and cheaper. We're very much eliminating the **middlemen**. The **middlemen** became very, very rich. Right? (Applause.) Whoever those **middlemen** were — and a lot of people never even figured it out — they're rich. They won't be so rich anymore.

Last year, the FDA approved more than 1,000 low-cost generics, the most in history, which has already saved the American people nearly \$9 billion. Thank you, Scott. (Applause.)

Next, we're going to take on one of the biggest obstacles to affordable medicine: the tangled web of special interests. Not too many are sitting here today, but they used to be here all the time. The drug lobby is making an absolute fortune at the expense of American consumers.

No industry spends more money on lobbying than the pharmaceutical health products industry. Last year, these companies spent nearly \$280 million on lobbyists. That's more than tobacco, oil, and defense contractors combined. Health insurance companies and other providers spent another \$200 million to protect the status quo and to keep prices artificially high. And they've been very successful doing it for many, many years.

Everyone involved in the broken system — the drug makers, insurance companies, distributors, pharmacy benefit managers, and many others — contribute to the problem. Government has also been part of the problem because previous leaders turned a blind eye to this incredible abuse.

But under this administration, we are putting American patients first. (Applause.) Thank you. I've instructed Secretary Azar to begin moving forward on reforms that will bring soaring drug prices back down to

earth. Our plan takes steps to derail the gravy train for special interests by ending Obamacare's twisted incentives that actually encourage higher drug prices.

It also gives Medicare Part D plans new tools to negotiate lower prices for more drugs, and make sure that Medicare Part D incentives encourage drug companies to keep prices low. There's a big incentive to do that. We are not going to reward companies that constantly raise prices, which, in the past, has been most companies. Frankly, Alex used to run one of them — (laughter) — so nobody knows the system better than Alex. That's what we needed. And a very successful one.

Our plan will end the dishonest double-dealing that allows the **middleman** to pocket rebates and discounts that should be passed on to consumers and patients.

Our plan bans the Pharmacist Gag Rule, which punishes pharmacists for telling patients how to save money. (Applause.) This is a total rip-off, and we are ending it.

We are getting tough on the drug makers that exploit our patent laws to choke out competition. Our patent system will reward innovation, but it will not be used as a shield to protect unfair monopolies.

The FDA will also speed up the approval process for over-the-counter medicines so that patients can get more medicines without prescription.

Finally, as we demand fairness for American patients at home, we will also demand fairness overseas. When foreign governments extort unreasonably low prices from U.S. drug makers, Americans have to pay more to subsidize the enormous cost of research and development.

In some cases, medicine that costs a few dollars in a foreign country costs hundreds of dollars in America for the same pill, with the same ingredients, in the same package, made in the same plant. And that is unacceptable. You can look at some of the countries; their medicine is a tiny fraction of what the medicine costs in the USA. It's unfair and it's ridiculous, and it's not going to happen any longer. (Applause.)

It's time to end the global freeloading once and for all. I have directed U.S. Trade Representative Bob Lighthizer to make fixing this injustice a top priority with every trading partner. And we have great power over

the trading partners; you're seeing that already. America will not be cheated any longer, and especially will not be cheated by foreign countries.

The American people deserve a healthcare system that takes care of them — not one that taxes and takes advantage of our patients and our consumers and our citizens.

These reforms are just the beginning. In the coming weeks, we will work with Congress to pass legislation that will save Americans even more money at the pharmacy. For that, we need the help of Congress, and we think it will be forthcoming.

We will work every day to ensure all Americans have access to the quality, affordable medication they need and they deserve. And we will not rest until the job of unfair pricing is a total victory for the USA. It will happen, and it's going to happen quickly.

So thank you, again, everybody in the audience. Thank you, Secretary Azar.

And I'd like to ask the Secretary — a very talented man — to come up and do a little explanation, because we're going to see those prices go down. It will be a beautiful thing to watch. Thank you. Mr. Secretary. (Applause.)

END

2:18 P.M. EDT



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