executive insight
HEALTHCARE CONSULTANTS

HealthPolicyStrategies

MFN After the Midterms:
Escalation, De-escalation, or a New Direction?

November 6th, 2026



Today's speakers



Jayson Slotnik
Partner

HealthPolicyStrategies



Marc Pesse
Partner

executive insight
HEALTHCARE CONSULTANTS



Philippe Coune
Partner

executive insight
HEALTHCARE CONSULTANTS

Webinar objectives

OBJECTIVES

Recap the 2026 Mid-term elections:
Review the election outcomes, key political stakeholders and how they may shape the future of MFN

MFN outlook after the 2026-midterms:
Discuss the potential policy scenarios within the US, and how Ex-US markets are likely to respond

Discuss implications for pharma:
Explore how the likely future evolution of MFN policy will impact pharma, and potential strategies to mitigate additional impact



© Executive Insight AG HealthPolicyStrategies

Submit your questions throughout the webinar for the Q&A session at the end

1. Click on the Q&A button in the Teams ribbon and select Ask a question

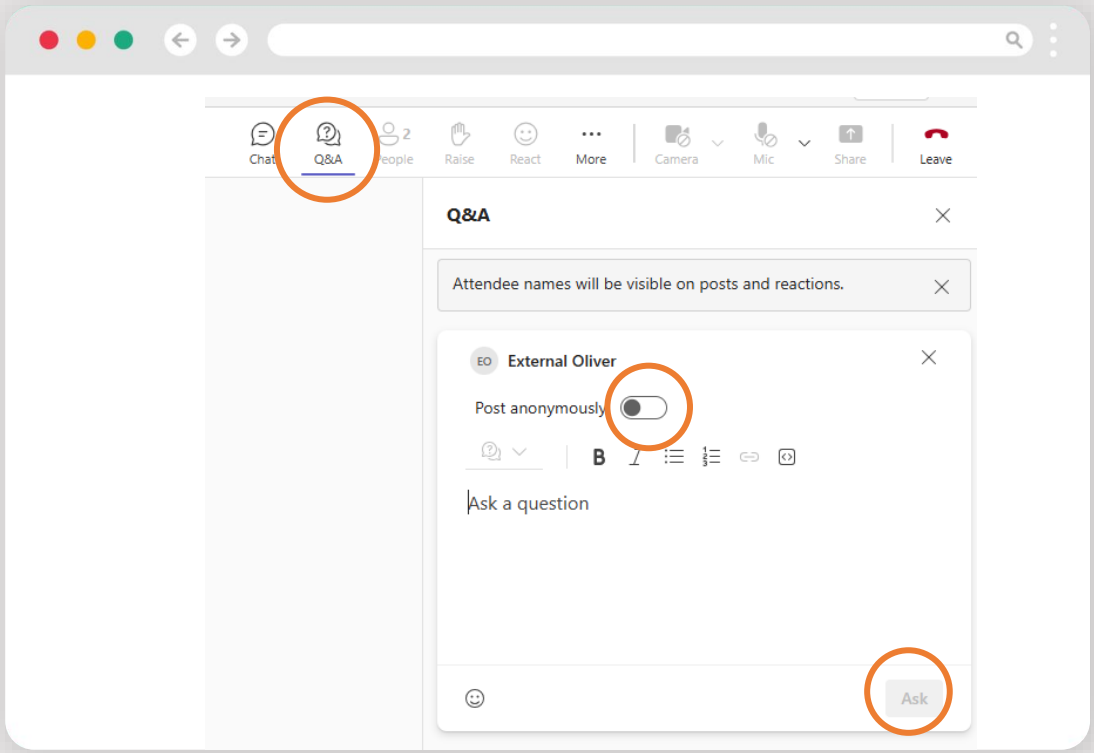


2. Type your question in the compose box
You can also ask questions anonymously

3. Select Ask

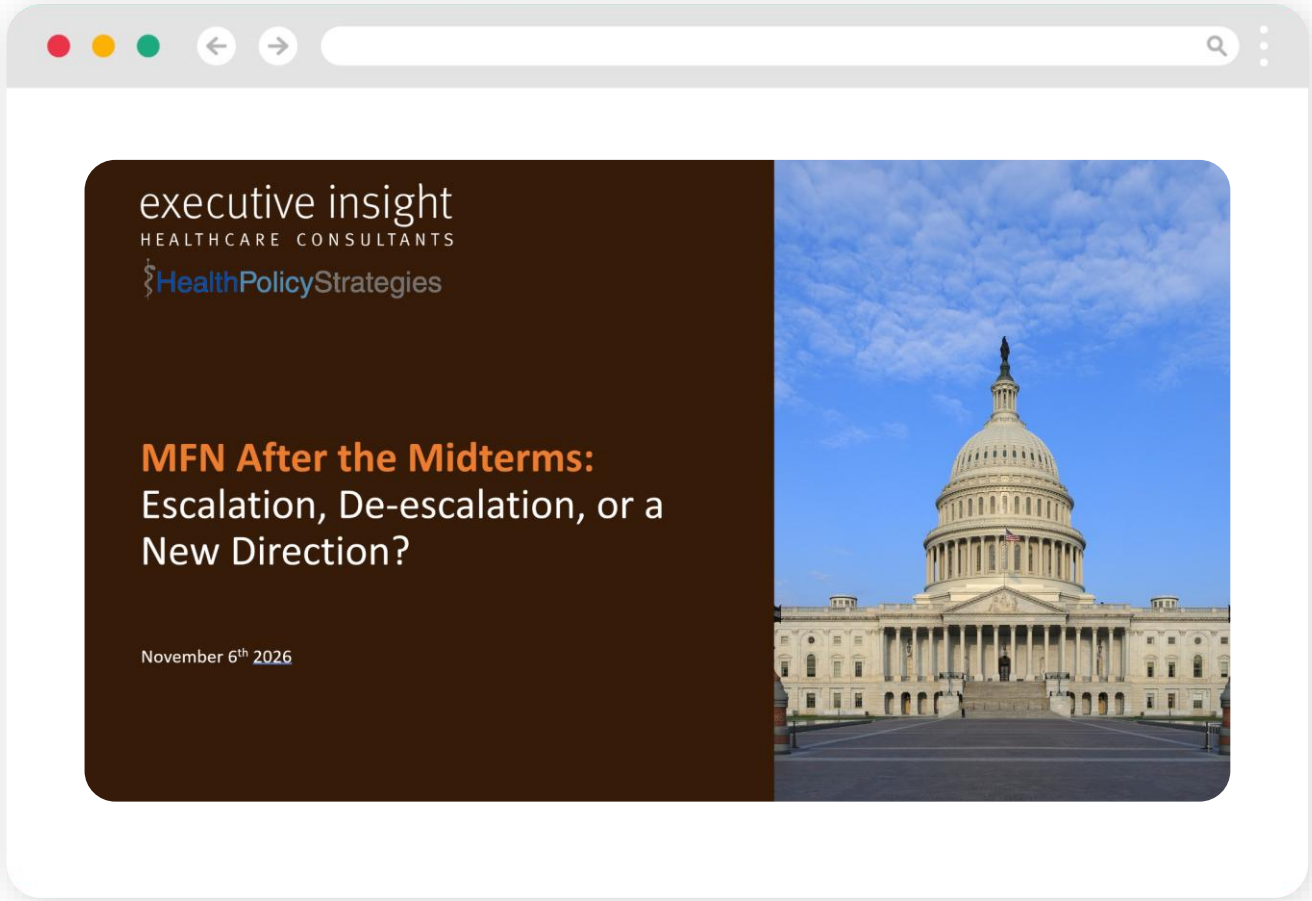


4. We will publish selected questions during the Q&A session



© Executive Insight AG HealthPolicyStrategies

After the webinar, you will receive an email link giving you access to the slide deck and the webinar recording



Today's agenda

WELCOME & INTRODUCTIONS

1 **MFN CURRENT STATUS**
Pre-midterms recap

2 MIDTERM RESULTS: HEADWINDS AND TAILWINDS FOR MFN IN THE US
Key takeaways from Nov 3

3 HOW ARE EX-US MARKETS GOING TO RESPOND?
Likely shifts and indicators to watch

4 IMPLICATIONS FOR PHARMA
Actions now and planning going forward

PARTICIPANT Q&A

© Executive Insight AG HealthPolicyStrategies

Since May 2025, the US administration has pulled four MFN-related levers to lower US drug prices and push up prices in other developed markets

Individual "deals" with leading pharma companies



KEY LEVER · 26 COMPANIES

- MFN prices in Medicaid (GENEROUS) and via TrumpRx
- New launches at MFN price
- In return: tariff exemption and GLOBE/GUARD waiver

Most favored nation (MFN) pricing frameworks



NARROWED & LITIGATED

- GLOBE (Part B) final Sept. 2026, scope much reduced
- PhRMA sued Oct. 2026
- GUARD (Part D) still pending

MFN legislation



STALLED

- White House wanted deals codified (Great Healthcare Plan)
- No bill advanced

Tariffs and trade deals



IN FORCE · COULD EXPAND

- Section 232: up to 100% unless MFN deal + onshoring
- Trade deals cap rates (EU, JP, KR, CH 15%; UK 0%)
- Section 301 probe into Germany

Abbreviations: GENEROUS: GENErating cost Reductions fOr U.S. Medicaid; GLOBE: Global Benchmark for Efficient Drug Pricing; GUARD: Guarding U.S. Medicare Against Rising Drug Costs; MFN: Most Favored Nation; PhRMA: Pharmaceutical Research and Manufacturers of America

© Executive Insight AG HealthPolicyStrategies

To date, MFN has primarily driven Medicaid discounts and delayed international launches, with limited impact elsewhere

In the US

GENEROUS discounts now available

26 companies (~89% of branded market) make MFN prices available to all 50 state programs

Commercial: little change so far

List prices still rising; TrumpRx cash discounts the only visible channel

New launches: anchored to MFN

Deal companies commit to launch at MFN price

Outside the US

Launches: paused in reference markets

EU launches down about a third in the 10 months after the EO

UK: yielded to pressure

+25% net prices for new medicines and higher NICE threshold, for 0% tariffs

Others: mixed responses

Germany: rebate to 15.5% from Jan 2027, waivers for local investment proposed; France: limited launch-price flexibility

So far: MFN discounts are available to the States but have not impacted commercial prices, and cost Europe access without raising prices broadly

Abbreviations: GENEROUS: GENErating cost Reductions fOr U.S. Medicaid; EO: Executive Order; MFN: Most Favored Nation; NICE: National Institute for Health and Care Excellence

© Executive Insight AG HealthPolicyStrategies

Today’s agenda

WELCOME & INTRODUCTIONS

1 **MFN CURRENT STATUS**
Pre-midterms recap

2 **MIDTERM RESULTS: HEADWINDS AND TAILWINDS FOR MFN IN THE US**
Key takeaways from Nov 3

3 **HOW ARE EX-US MARKETS GOING TO RESPOND?**
Likely shifts and indicators to watch

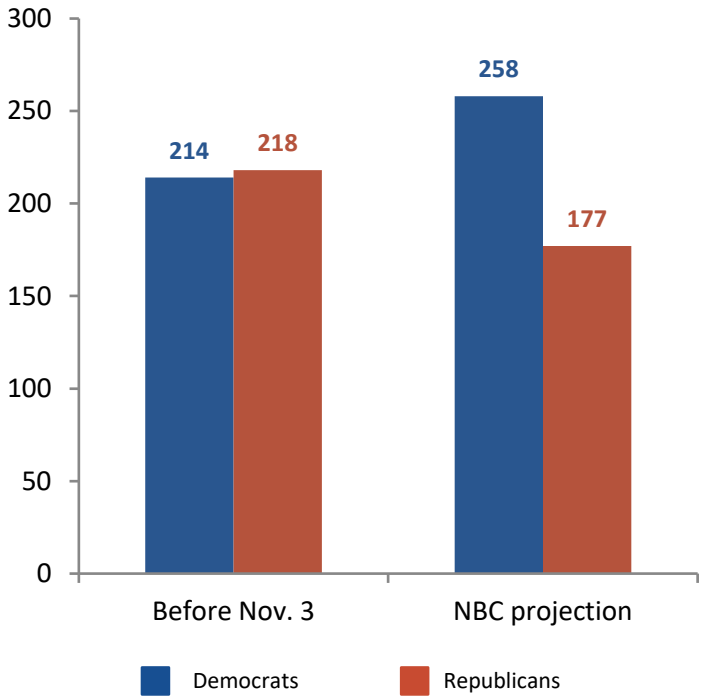
4 **IMPLICATIONS FOR PHARMA**
Actions now and planning going forward

PARTICIPANT Q&A

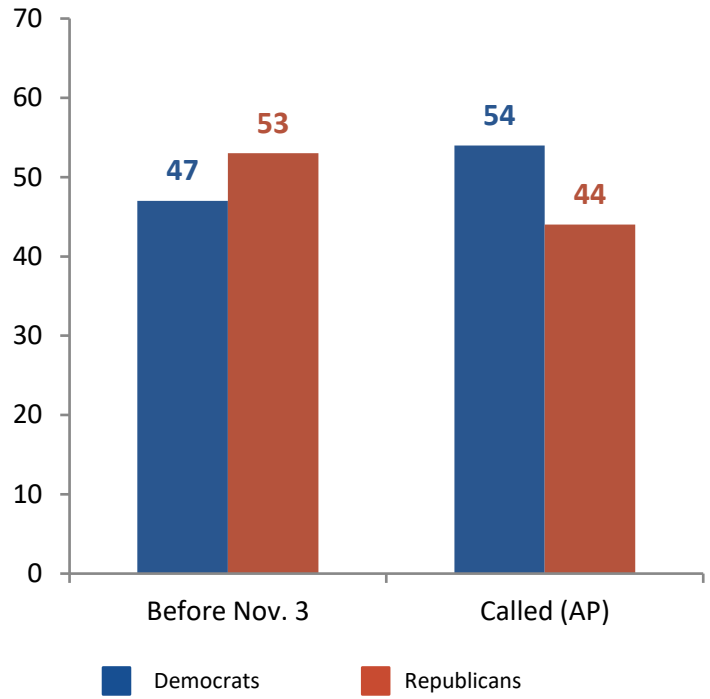
© Executive Insight AG HealthPolicyStrategies

Democrats won both chambers with a comfortable margin

House seats
(218 for majority)



Senate seats
(51 for majority)



CURRENT STATUS

237+
House seats called for Democrats as of Nov. 4
(AP count reported by Slate, Edelman)

2
Senate races uncalled: Mississippi and Alaska

+7
Senate net gain so far: IA, KS, ME, NC, OH, SC, TX

NBC's House figure is a projection, not a count of called races. Senate Democratic total includes independents who caucus with Democrats

Sources: AP via CNBC, Time, Forbes, Slate (Nov. 4 to 5); NBC News projection via NBC Chicago (Nov. 4); AP results via TBS News (Nov. 5); Edelman (Nov. 4). Pre-election House baseline 218-214.

© Executive Insight AG HealthPolicyStrategies

In short, we expect the Administration to continue to drive MFN, but Congress now has leverage over it

HIGH-LEVEL TAKEAWAYS

1

CODIFICATION WON'T HAPPEN IN THE LAME DUCK CONGRESS

Government funding lapses Dec. 11; a short-term continuous resolution for funding is the most likely outcome
MFN codification is not expected before January

2

THE ADMINISTRATION KEEPS MOVING

GLOBE (Part B MFN model) starts Jan. 1, 2027
GUARD (Part D) remains at OMB
Section 232 tariff rates are tied to MFN deals

3

MFN DEALS AND TRUMPRX BECOME OVERSIGHT TARGETS

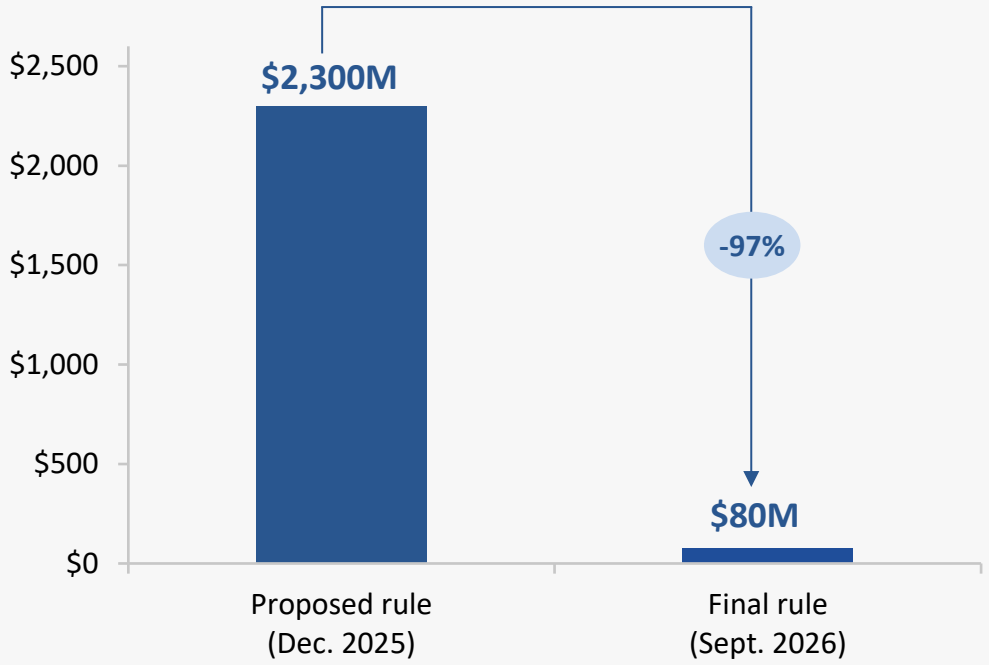
Democrats gain subpoena power; Pallone, Neal and Wyden have sought the agreements since March
Pallone asked GAO to audit TrumpRx on Oct. 28

Abbreviations: GAO: Government Accountability Office; GLOBE: Global Benchmark for Efficient Drug Pricing; GUARD: Guarding U.S. Medicare Against Rising Drug Costs; MFN: Most Favored Nation; OMB: Office of Management and Budget

© Executive Insight AG HealthPolicyStrategies

The Administration does not need Congress to continue to drive MFN

GLOBE: Projected annual savings decline by ~97%



Scope narrowed to single-source drugs with more than $100M in annual Part B spend in specified classes

GLOBE (Part B)

Finalized Sept. 30, effective Nov. 30 and begins Jan. 1, 2027

Exempts companies with MFN agreements

PhRMA v. Kennedy challenge pending in D.D.C.

GUARD (Part D)

Companion MFN rebate model, still under OMB review

Proposed to capture areas covering ~25% of Part D enrollees

Section 232 tariffs

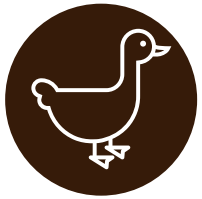
0% rate for companies with MFN plus onshoring agreements through Jan. 20, 2029

Dept of Commerce may raise rates for companies that fail to fulfill MFN commitments

Abbreviations: D.D.C: U.S. District Court for the District of Columbia; GAO: Government Accountability Office; GLOBE: Global Benchmark for Efficient Drug Pricing; GUARD: Guarding U.S. Medicare Against Rising Drug Costs; MFN: Most Favored Nation; OMB: Office of Management and Budget
Sources: CMS GLOBE final rule via Sidley, Covington, Gibson Dunn, Applied Policy (Oct. 2026); Goodwin (Dec. 2025); Proclamation 11020 via Baker McKenzie, Brownstein (Apr. 2026); D.D.C. docket, PhRMA v. Kennedy.

© Executive Insight AG HealthPolicyStrategies

The post-midterm political landscape will unfold in two distinct phases





Lame Duck

Nov. 9 to Jan. 3
Republican Congress
December 11 funding deadline
Administration working the executive levers

120th Congress

Convenes Jan 3
Democrats gain gavels and subpoena power
President keeps the veto and the executive levers

© Executive Insight AG HealthPolicyStrategies

The post-midterm political landscape will unfold in two distinct phases





Lame Duck

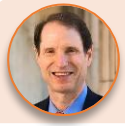
Nov. 9 to Jan. 3
Republican Congress
December 11 funding deadline
Administration working the executive levers

120th Congress

Convenes Jan 3
Democrats gain gavels and subpoena power
President keeps the veto and the executive levers

© Executive Insight AG HealthPolicyStrategies

Key congressional leaders will shape US drug pricing and healthcare policy in the new Congress from January 2027 onwards



Senate Finance: Ron Wyden (D-OR)

Projected chair
IRA negotiation architect
Proposed bill with 18 Democrats to force release of MFN agreements
Holdout on Klomp nomination



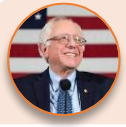
House Ways and Means: Richard Neal (D-MA)

Projected chair
Co-signed March demand that the administration disclose the MFN agreements



House Energy and Commerce: Frank Pallone (D-NJ)

Seeking chair; chaired 2019 to 2022
Requested GAO audit of TrumpRx
Architect of 2022 PDUFA riders



Senate HELP: Bernie Sanders (I-VT)

Presumptive chair
PDUFA gatekeeper
Stated priorities: drug prices, primary care, health workforce, private equity



W&M Health Subcommittee: Mike Thompson (D-CA)

Intends to seek the gavel as Lloyd Doggett is retiring



E&C Health Subcommittee: Kathy Castor (D-FL)

In line if reelected (won FL-14)
Raul Ruiz (D-CA) also interested

Other stakeholders to watch out for:

- **Democratic/Bipartisan:** Speaker-in-waiting Hakeem Jeffries; Budget chair-in-line Brendan Boyle (D-PA); MFN codification sponsors Josh Hawley (R-MO) and Peter Welch (D-VT)
- **Republican:** Morgan Griffith (R-VA) expected to be top Republican on E&C Health; HELP gets a new top Republican due to Bill Cassidy (R-LA) primary loss

© Executive Insight AG HealthPolicyStrategies

Senate House

MFN agreements are likely to be a top priority for congressional oversight and investigations

- **Feb. 2026** — Pallone reports on TrumpRx discounts
- **Mar. 2026** — Neal, Scott and Wyden demand the agreements with no response
- **Mar. 2026** — Wyden and Senate Democrats press manufacturers for evidence of savings
- **Sept. 2026** — Wyden pledges to oppose Klomp until agreements are disclosed
- **Oct. 2026** — Pallone asks GAO to audit TrumpRx
- **Nov. 2026** — Wyden on election night: *"Subpoenas"*

What manufacturers should expect



- **Investigations:** Document requests, subpoenas and executive testimony on what companies agreed to and what they received in return
- **Core questions:** Covered products, whether MFN prices beat existing Medicaid net prices, and how tariff relief was traded
- **Scope:** 26 to 27 agreements reported to date, but only two released though FOIA, and heavily redacted
- **Spillover:** Scrutiny of companies seen as closely aligned with the administration, with reputational impact

Abbreviations: GAO: Government Accountability Office; FOIA: Freedom of Information Act; MFN: Most Favored Nation

Sources: Inside Health Policy (Oct. 30); Pharmaceutical Executive (Mar. 10); STAT (Nov. 4); Edelman (Nov. 4); Capitol Street (Oct. 16); pharmaphorum (Nov. 4); BGOV Health (Oct. 29).

© Executive Insight AG HealthPolicyStrategies

TrumpRx will face growing congressional scrutiny over its claimed $700M in savings

$700M — Savings claimed by the White House since the Feb. 2026 launch

~Half — of brand drugs analyzed by KFF priced higher on TrumpRx than the OECD average list price (Sept. 2026)

2 — Agreements produced from FOIA litigation, both heavily redacted

Five questions Pallone put to GAO (Oct. 28 letter)

1. Number of consumers purchasing through TrumpRx
2. Methodology used to align platform prices with the lowest prices paid by other nations
3. Drugs most frequently purchased
4. Adverse events tied to gaps in care, such as product discontinuation
5. Agreements governing TrumpRx participation and *"companies discretion to unilaterally raise prices on the platform"*

Pallone's February Report — Some TrumpRx discounts already existed, cheaper generics were not disclosed, and some patients paid more than with manufacturer discounts

Abbreviations: GAO: Government Accountability Office; FOIA: Freedom of Information Act; KFF: Kaiser Family Foundation; OECD: Organisation for Economic Co-operation and Development
Sources: Inside Health Policy (Oct. 30), quoting Pallone's Oct. 28 letter and release; STAT via BGOV Health (Oct. 29); KFF analysis as reported by IHP.

© Executive Insight AG HealthPolicyStrategies

Trump may push to codify MFN into law, while Democrats will prioritizing disclosure and scrutiny of existing agreements

Codify



- Trump asked **Congress to codify MFN** in January through the Great Healthcare Plan and the State of the Union
- Hawley-Welch Fair Prescription Drug Prices for Americans Act **proposed U.S. prices should not be greater than the international average**
- A legal MFN requirement is among areas ripe for compromise, possibly in a budget deal

Scrutinize first



- A **Democratic Congress is unlikely to codify** the deals and will use committee power to **pry open their terms**
- The Senate Finance Democrats' June 2026 blueprint **pairs international reference pricing with greater and earlier negotiation**

Status quo



- Pfizer CEO Albert Bourla: "**I don't expect any changes"** to the MFN deals if Democrats take Congress
- Atlantic Council's Dan Mullaney: Trump **unlikely to act as a lame duck on trade policy**

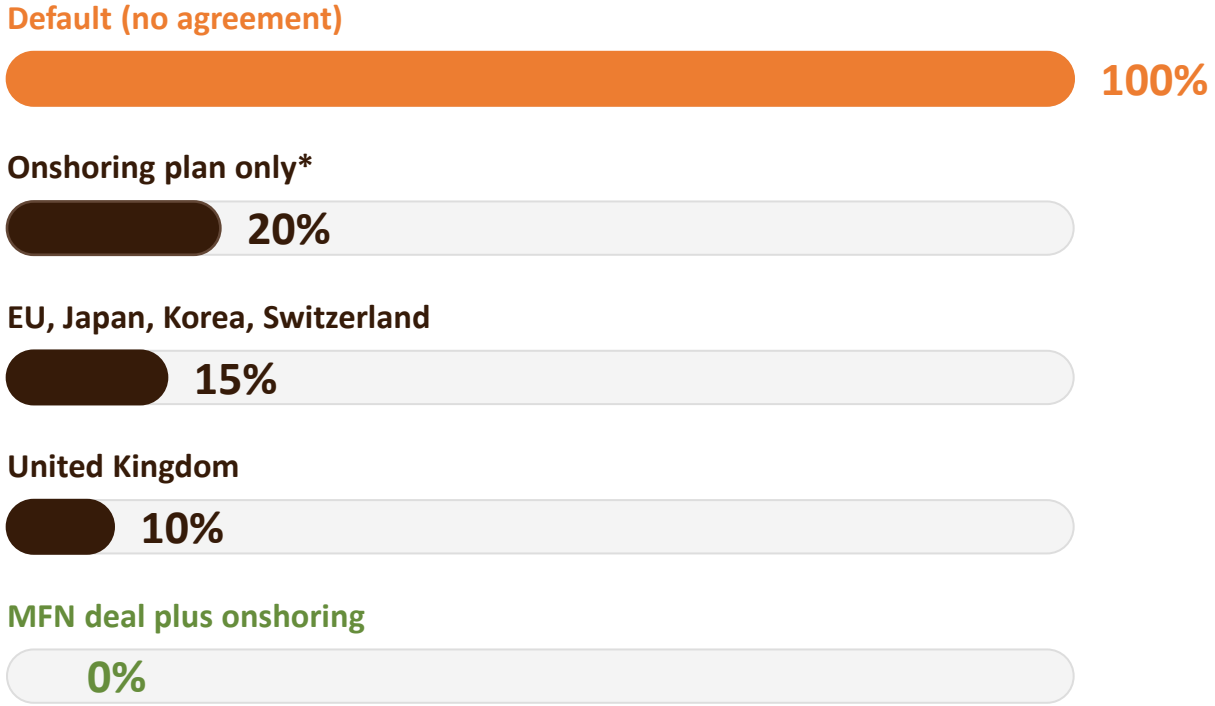
Abbreviations: MFN: Most Favored Nation

Sources: KFF (Jan. 15); pharmaphorum (SOTU); Sen. Welch press release (May 5, 2025); Bloomberg Government (Nov. 4); Politico Prescription Pulse (Nov. 3); BioCentury; Endpoints (Nov. 4).

© Executive Insight AG HealthPolicyStrategies

Congress can challenge pharmaceutical tariffs through oversight and legislative action, but its ability to reverse them remains limited

Proclamation 11020 tariff rate by tier, patented drugs and APIs



**Onshoring-only rate rises to 100% four years after the proclamation. MFN plus onshoring rate runs through Jan. 20, 2029. Generics and biosimilars exempt. Effective July 31 (Annex III companies) and Sept. 29, 2026 (all others).*

What Congress can do

- Force floor votes to roll back tariffs *(Democrats' stated plan)*
- Press for trade deals that lower rates, starting with the USMCA review
- Use MFN deal oversight to examine tariff relief granted

What limits it

- Section 232 is delegated authority; repeal or limits need the President's signature or a two-thirds override
- Trump expected to continue tariffs by executive order and veto
- Onshoring commitments in return for exemptions are unlikely to be rolled back

Abbreviations: MFN: Most Favored Nation; USMCA: United States-Mexico-Canada Agreement

Sources: Proclamation 11020 via Baker McKenzie, EY, Crowell, Brownstein (Apr. 2026); BRG (Sept. 29); Bloomberg Government (Nov. 4); pharmaphorum citing Reuters (Nov. 4); Politico Prescription Pulse (Nov. 3).

© Executive Insight AG HealthPolicyStrategies

What to watch for over the next 12 months



November 18
Alaska ranked-choice tabulation; Mississippi vote count and certification challenges

December 11
Continuing resolution extension; a short CR sets up a spring fight over Medicaid and ACA subsidies

Ongoing
GUARD final rule publication and the PhRMA v. Kennedy ruling on GLOBE

January
Committee ratios, subcommittee gavels and the first MFN document requests

Spring
Funding deadline as the vehicle for Medicaid, ACA, and possible drug pricing deals

Abbreviations: ACA: Affordable Care Act; CR: Continuing Resolution; GLOBE: Global Benchmark for Efficient Drug Pricing; GUARD: Guarding U.S. Medicare Against Rising Drug Costs; MFN: Most Favored Nation; PhRMA: Pharmaceutical Research and Manufacturers of America
Sources: AP via TBS News (Nov. 5); STAT (Nov. 4); Gibson Dunn (Oct. 14); Edelman (Nov. 4); Akin Gump (Aug. 26); Bloomberg Government (Nov. 4).

© Executive Insight AG HealthPolicyStrategies

Today’s agenda

WELCOME & INTRODUCTIONS

1 **MFN CURRENT STATUS**
Pre-midterms recap

2 **MIDTERM RESULTS: HEADWINDS AND TAILWINDS FOR MFN IN THE US**
Key takeaways from Nov 3

3 **HOW ARE EX-US MARKETS GOING TO RESPOND?**
Likely shifts and indicators to watch

4 **IMPLICATIONS FOR PHARMA**
Actions now and planning going forward

PARTICIPANT Q&A

© Executive Insight AG HealthPolicyStrategies

From Concession to Coordination: How OUS Markets Are Responding to MFN

Accommodators

Concede to US pressure through a formal bilateral pricing arrangement, trading higher domestic prices for tariff relief

UK: UK-US pricing deal raises NICE thresholds, caps VPAG rebates, lifting new-medicine prices ~25%, in exchange for 0% tariffs through 2029.

Defenders

Reformers

Renegotiate domestic pricing frameworks to balance competitiveness incentives against MFN exposure

France: Revised the CEPS framework agreement to trade greater launch-price flexibility for tighter lifecycle controls, while its Senate also stripped a transparency amendment to protect the confidential pricing system that shields it from MFN benchmarking.

Italy: Proposed an "anti-MFN" budget package with payback caps and new funds to pre-empt a Section 301 probe, but the final 2027 budget delivered far less than requested - prompting industry to call it insufficient

Shielders

Defend against MFN benchmarking by making net prices confidential by statute, without changing the prices themselves

Spain: Enacted Law 3/2026 with cross-party support, amending the Medicines Law to make net purchasing prices confidential by statute; explicitly justified by lawmakers as a defence against MFN risk

Resisters

Reject the MFN ask outright, deepening domestic cost-containment measures instead of raising prices

Germany: Nearly doubled the mandatory pharma rebate (7% to 15.5%, Jan 2027) and added a confidentiality-for-discount scheme (MFG) — deepening cost containment, triggering a US Section 301 probe

Australia: PM declared the PBS "not for sale," with the Health Minister confirming no changes, publicly rejecting US pressure despite MFN-linked tariff threats

Monitors

Track and assess MFN's implications through task forces or reviews, without enacting any policy change to date

Denmark, Sweden: Running task forces and reviews rather than enacting reform, with Denmark's cross-ministry group and Sweden's TLV review

Japan: Proceeded with routine FY2026 cost-containment reforms with no MFN-specific carve-out, despite pharma associations flagging contagion risk to the Chuikyo pricing committee

Switzerland: Manufacturers have quietly withheld ~1 in 3 new drugs from reimbursement filing to protect US MFN pricing, prompting both parliamentary health committees (Aug/Sep 2026) to recommend suspending a legislated volume-rebate scheme

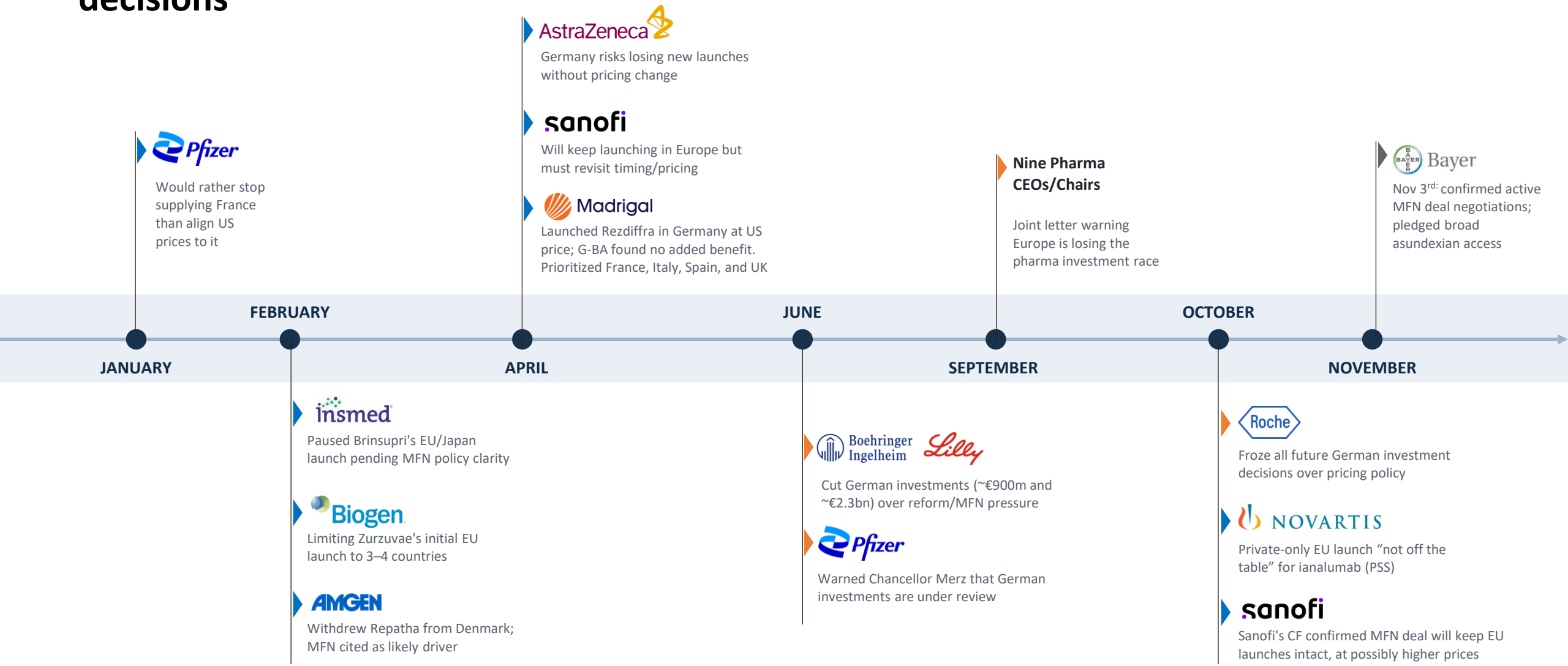
EU confrontational coordination — pushing collective retaliation rather than national concessions

- June EPSCO meeting: EU health ministers formally tasked the Commission with assessing MFN's effects – still pending
- Belgium's Deputy PM position paper, October 29th 2026 : urge the European Commission to consider activating the EU's Anti-Coercion Instrument

Abbreviations: CEPS: Economic Committee for Health Products; EPSCO: Employment, Social Policy, Health and Consumer Affairs Council; MFG: Medical Research Act; MFN: Most Favored Nation; NICE: National Institute for Health and Care Excellence; PBS: Pharmaceutical Benefits Scheme; TLV: Dental and Pharmaceutical Benefits Agency; VPAG: Voluntary Scheme for Branded Medicines Pricing, Access and Growth

© Executive Insight AG HealthPolicyStrategies

Pharma is taking an active stand: MFN is reshaping European launch and investment decisions



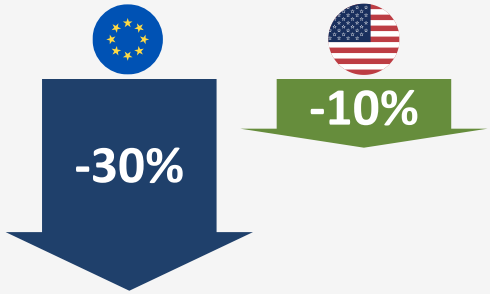
Abbreviations: GBA: Gemeinsamer Bundesausschus; MFN: Most Favored Nation

© Executive Insight AG HealthPolicyStrategies

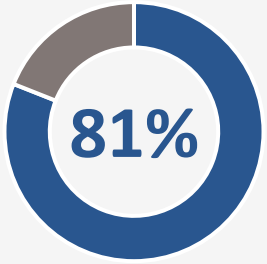
Investment considerations *Launch implications* *Deal negotiations*

Withdrawing from Europe's public payers is now a rational strategy, and pharma is acting accordingly

THE DATA



Change in new-product launches, pre- vs. post-MFN executive order[1]



of manufacturers see EU5 as a non-launch risk for at least one pipeline asset[2]



3 in 4 medicines where US price cuts would exceed total sales in reference markets[3]

THE ACTIONS

Examples only

DELAY & RESEQUENCE LAUNCHES

"You can take a very conservative approach and remove the eight reference markets."

— Pascal Soriot, CEO, AstraZeneca

AstraZeneca's Q1 2026 earnings call, 29 April 2026

PRIVATE-MARKET / SELF-PAY LAUNCHES

"Launching new drugs in the private market or in a self-pay market in Europe is not off the table."

— Vas Narasimhan, CEO, Novartis

Novartis's Q3 2026 earnings call, held Tuesday, 27 October 2026

INVESTMENT PULL-BACK

"We have put all future investment decisions in Germany on hold for the time being."

— Daniel Steiners, Head of Roche Germany

Die Welt (via Reuters) 19 October 2026

Abbreviations: MFN: Most Favored Nation

© Executive Insight AG HealthPolicyStrategies

1. *Ramagopalan & Ryan, J Comp Eff Res, June 2026 ;* ***2.*** *World ACCESS Consortium (WAC) white paper,"The MFN Ripple Effect", published 9 October 2026;* ***3.*** *Hwang et al., "Most-favoured-nation pricing for prescription drugs in US Medicare: a cohort study," The Lancet, published online 13 September 2026;*

We need to monitor upcoming milestones in Ex-US markets over the next few months to understand how they react to MFN pressures and the change of US majority

- **Dec 1st 2026: Sweden's** TLV final report due
- **End of 2026: Denmark's** taskforce mandate expires; continuation to be decided

→ Outcomes will signal if Nordics see MFN as structural or temporary: pricing framework adjustments?

Sweden, Denmark, and Norway's MFN Policy Responses

- **Dec '26 – Q1 '27:** delayed adoption of LFSS / state budget → confirmation of drug spending cuts
- **May:** Presidential election → EU coordination vs. US deal

PLFSS 2027 Adoption & the 2027 Presidential Election

- **Jan 1st:** Implementation of GKV-BStabG incl. doubled mandatory manufacturer rebate
- **Before June 18th:** conclusion of section 301 probe → sets precedent of coercive trade deal for other MFN basket countries

GKV-BStabG Reform & the US Section 301 Investigation



Pharma Legislation Vote & December 2026 Summits

- **Week of Nov 23rd**: Pharma package plenary vote
- **Dec 1st :** Belgium's deputy PM Vandenbroucke at Politico Health Care Summit, Brussels
- **Dec 8th :** EPSCO Health Ministers meeting

→ Will show if EU turns intentions into action or if Dems victory decreased urgency

VPAG '27 rate

- **Dec:** VPAG 2027 rate set → test of whether 'pay more' survives a tight NHS budget

2027 budget

- **By Dec 31st :** confirmation of payback relief vs. investment in Italy

Routine P&R Cycles and MFN Exposure

- **Dec '26**: Japan FY2027 price-revision cycle → decision on scope of 1 April price cuts
- **Jun 30th '27:** Australia – industry PBS agreement expires → will be renegotiated under US pressure; government said PBS 'not negotiable'"
- **2026–2027**: South Korea rolls out reform package, incl. confidential dual-pricing system

Abbreviations: EPSCO: Employment, Social Policy, Health and Consumer Affairs Council; GKV-BStabG: Statutory Health Insurance Financial Stabilization Act; LFSS: Social Security Financing Act; MFN: Most Favored Nation; PLFSS: Social Security Financing Bill; PBS: Pharmaceutical Benefits Scheme; P&R: Pricing and Reimbursement; VPAG: Voluntary Scheme for Branded Medicines Pricing, Access and Growth

© Executive Insight AG HealthPolicyStrategies

Today's agenda

WELCOME & INTRODUCTIONS

1 **MFN CURRENT STATUS**
Pre-midterms recap

2 **MIDTERM RESULTS: HEADWINDS AND TAILWINDS FOR MFN IN THE US**
Key takeaways from Nov 3

3 **HOW ARE EX-US MARKETS GOING TO RESPOND?**
Likely shifts and indicators to watch

4 **IMPLICATIONS FOR PHARMA**
Actions now and planning going forward

PARTICIPANT Q&A

To summarize the post-midterm situation, pressure on US drug prices is set to persist, while ex-US markets show few signs of being willing or able to raise prices

In the US

Pressure on prices is set to persist

- **Democrats will put domestic healthcare first**, e.g. Medicaid and ACA subsidies
- **The MFN deals will be scrutinized in hearings**
- **Affordability was a major issue in the election**, and the gap between US and ex-US prices is now more visible to voters
- **Some Democrats are leaning towards a form of international reference pricing** (e.g. through IRA?)
- **CMS has built the infrastructure to compare US and ex-US prices**, and it will outlast this administration.

Outside the US

Few signs that markets will pay more

- **Time will tell, but there are few signs that governments will or can raise prices in the short term**
- **MFN signatories are likely to keep delaying launches** in reference markets
- **Most markets are defending rather than paying**, through confidential net prices (ES, FR, DE), higher rebates (DE) or outright refusal (AU)
- **Tariffs have been effective in pulling investment to the US**, and job losses are focusing the debate on the life sciences sector and pricing of innovation
- **Europe may shift to a collective response** in the face of a weakened administration

Abbreviations: ACA: Affordable Care Act; IRA: Inflation Reduction Act; MFN: Most Favored Nation

© Executive Insight AG HealthPolicyStrategies

MFN deal signatories must prepare for scrutiny and plan beyond 2029, while non-signatories should continue to assess their exposure and preserve flexibility

MFN Deal signatories

26 companies · ~89% of US branded market

PREPARE FOR SCRUTINY

Lawyer up / get audit-ready now
Congress will test deal terms, savings and whether you delivered

Stress-test staying in the MFN deal
Weigh oversight risk vs GLOBE and GUARD exposure and tariffs

Explore alternative routes to patient access ex-US
Private / DTC, compassionate use, supranational funding/procurement, risk-sharing, non-basket markets

Plan for January 2029
Deals and tariff relief end: prepare for renewal or a new law, revisit launch plans for '28-'29 assets

Non-signatories

Few large hold-outs, mid-size pharma and biotech

KEEP OPTIONS OPEN

Map your US benchmark exposure
Model GLOBE/GUARD exposure by asset across the 19-country basket, incl. net-price method

Assess ex-US launch sequence asset-by-asset
Signed or not: launch where ex-US value outweighs the US price impact

Decide on MFN deal: engage, wait or stay out
Codification unlikely: weigh tariffs and GLOBE/GUARD vs MFN pricing

Factor MFN into partnering and exit
A signatory buyer must launch your asset at MFN price

All companies

US IRP is likely to stay: shape it
Weigh in on its design, have a view on alternatives and plan to mitigate it

Organize globally for MFN
Integrate access capabilities globally to coordinate US and ex-US pricing and reimbursement strategies

Expand evidence to raise ex-US WTP
Broaden the registrational package and strengthen non-registrational evidence for HTA

Abbreviations: DTC: Direct to Consumer; GLOBE: Global Benchmark for Efficient Drug Pricing; GUARD: Guarding U.S. Medicare Against Rising Drug Costs; HTA: Health Technology Assessment; IRP: International Reference Pricing; MFN: Most Favored Nation; WTP: Willingness to Pay

© Executive Insight AG HealthPolicyStrategies

Today's agenda

WELCOME & INTRODUCTIONS

1 **MFN CURRENT STATUS**
Pre-midterms recap

2 **MIDTERM RESULTS: HEADWINDS AND TAILWINDS FOR MFN IN THE US**
Key takeaways from Nov 3

3 **HOW ARE EX-US MARKETS GOING TO RESPOND?**
Likely shifts and indicators to watch

4 **IMPLICATIONS FOR PHARMA**
Actions now and planning going forward

PARTICIPANT Q&A

© Executive Insight AG HealthPolicyStrategies

Thank you and let’s stay in touch!

Thank you for joining us! If you have any further questions about MFN, its implications, or broader market access and policy challenges in the US and globally, please do not hesitate to reach out. We would be delighted to continue the conversation.



Jayson Slotnik
Partner

HealthPolicyStrategies, Inc.

jayson@healthpolicystrategiesllc.com



Marc Pesse
Partner

executive insight
HEALTHCARE CONSULTANTS

m.pesse@executiveinsight.ch



Philippe Coune
Partner

executive insight
HEALTHCARE CONSULTANTS

p.coune@executiveinsight.ch

© Executive Insight AG HealthPolicyStrategies