

Federal Update: CMS Releases Negotiated Prices for 15 Drugs Under Medicare Drug Price Negotiation Program

On Tuesday, November 25, the Centers for Medicare and Medicaid Services (CMS) [released](#) the Maximum Fair Prices (MFPs) for 15 products selected for negotiation under the Medicare Drug Price Negotiation Program (MDPNP). The MFPs for these products will take effect in Medicare Part D starting in 2027, bringing the total number of products with negotiated prices to 25. Some key takeaways from the announced prices:

Larger expected savings than last year: The Trump administration announced that the negotiated prices represent a 44% net reduction from what Medicare spent on these products in 2024, which would have saved the government \$12 billion. This compares to an estimated \$6 billion in savings, or 22% net reduction in spending, attributed to the first round of negotiations for products in the Initial Price Applicability Year (IPAY) 2026 cohort. One critique of the announcement (which was also levied for IPAY 2026) is that CMS reports the savings compared to 2024 prices. The announced savings do not account for changes in net prices between 2024 and 2027, which may influence how much money the MDPNP saves the government. Another metric to evaluate the negotiation is comparing the announced MFPs to the statutory ceiling price methodology established under the Inflation Reduction Act (IRA). The negotiated prices represent an approximately 36% reduction compared to the discounts required by the IRA. Several factors may have contributed to the greater net savings in IPAY 2027, including the selection of products that tend to have lower rebates or the use of a more aggressive strategy by CMS.

Interaction between MDPNP and Most-Favored-Nation (MFN) Pricing: The Trump administration has announced MFN deals with manufacturers who also had products selected for negotiation, including Pfizer and Novo Nordisk. CMS officials stated that the MDPNP and MFN negotiations were working on separate tracks, and it appears that there is a delta between the MFP and MFN prices announced this month for at least one product. CMS announced a negotiated price for semaglutide, a popular Glucagon-like peptide-1 agonist (GLP-1) used to treat type 2 diabetes, reduce the risk of major cardiovascular events, and improve chronic weight management. While the MFP was reported as \$274, the price varies depending on the dosage form and strength. For instance, a 4mg/3mL pen of Ozempic or 30 7mg tablets of Rybelsus each have an MFP of \$276.78, while 4 2.4mg/0.75mL pens of Wegovy have a maximum price of \$385.63. Earlier this month, the White House announced MFN deals with Novo Nordisk and Eli Lilly that established voluntary ceiling prices for popular GLP-1s, including semaglutide. Novo Nordisk committed to offering Medicare an MFN price of \$245 for all forms of semaglutide starting

in 2026, one year earlier than the MFP price comes online. AMCP will monitor for additional information on GLP-1 pricing and coverage under Medicare Part D.

Below is a table reporting the negotiated prices and discounts for IPAY 2027 selected drugs, as well as a timeline for the MDPNP:

Drug Name	Negotiated Price (2027)	List Price (2024)	Discount from 2024 List Price	Total Part D Gross Covered Prescription Drug Costs (2024)	Number of Medicare Part D Enrollees (2024)
Ozempic; Rybelsus; Wegovy	\$274	\$959	71%	\$15,161,908,000	2,282,000
Trelegy Ellipta	\$175	\$654	73%	\$5,296,660,000	1,269,000
Xtandi	\$7,004	\$13,480	48%	\$3,401,099,000	35,000
Pomalyst	\$8,650	\$21,744	60%	\$2,150,644,000	14,000
Ofev	\$6,350	\$12,622	50%	\$2,087,330,000	24,000
Ibrance	\$7,871	\$15,741	50%	\$2,036,178,000	16,000
Linzess	\$136	\$539	75%	\$1,982,587,000	632,000
Calquence	\$8,600	\$14,228	40%	\$1,703,116,000	15,000
Austedo; Austedo XR	\$4,093	\$6,623	38%	\$1,675,176,000	27,000
Breo Ellipta	\$67	\$397	83%	\$1,428,106,000	626,000
Xifaxan	\$1,000	\$2,696	63%	\$1,158,988,000	105,000
Vraylar	\$770	\$1,376	44%	\$1,136,814,000	118,000
Tradjenta	\$78	\$488	84%	\$1,128,335,000	274,000
Janumet; Janumet XR	\$80	\$526	85%	\$1,067,594,000	239,000

Otezla; Otezla XR	\$1,650	\$4,722	65%	\$1,045,443,000	31,000
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Source: <https://www.cms.gov/newsroom/press-releases/cms-delivers-savings-seniors-15-major-drugs-cancer-chronic-disease>.

Upcoming Negotiation Timeline:

- Nov. 26, 2025
 - CMS publishes MFPs for the **15** additional Part D drugs selected for **IPAY 2027**.
- Jan. 1, 2026
 - Negotiated prices for the first **10** Part D drugs (**IPAY 2026**) goes into effect.
- By Feb. 1, 2026
 - CMS announces **15** more Part B or Part D drugs for negotiated prices effective 2028 (**IPAY 2028**).
- By Nov. 30, 2026
 - CMS published MFPs for **15** additional Part B or Part D drugs selected for **IPAY 2028**.
- Jan. 1, 2027
 - Negotiated prices for the next **15** Part D drugs (**IPAY 2027**) goes into effect.
 - This is in addition to the **10** Part D drugs with MFPs effective for **IPAY 2026**.
- By Feb. 1, 2027
 - CMS announces **20** more Part B or Part D drugs for negotiated prices effective 2029 (**IPAY 2029**).
- By Nov. 30, 2027
 - CMS published MFPs for **20** additional Part B or Part D drugs selected for **IPAY 2029**.
- 2028 – Future Years
 - CMS will continue its negotiation cadence on an annual basis, selecting **20** additional Part B or Part D drugs for negotiation, with MFPs effective in addition to previously selected drugs.
 - Molecules will be removed from the negotiation list if the generic or biosimilar is approved and “bona fide marketed.”