

Make Medications Affordable by Preventing Pandemic Pricegouging The MMAPPP Act

**Representatives Jan Schakowsky (D-IL), Francis Rooney (R-FL),
Lloyd Doggett (D-TX), Rosa DeLauro (D-CT), and Peter DeFazio (D-OR)**

Despite billions of dollars spent by the federal government on the research and development (R&D) of COVID-19 treatments and vaccines, there is still no guarantee that these taxpayer-funded drugs will be affordable, accessible, and available to all who need them. That's why we are introducing the ***Make Medications Affordable by Preventing Pandemic Pricegouging (MMAPPP) Act***, comprehensive and bipartisan legislation to establish critical protections against drug price gouging for COVID-19.

Specifically, the bill:

- **Prohibits exclusive licensing of new, taxpayer-funded drugs that are used to diagnose, mitigate, prevent, or treat COVID-19 in order to ensure universal access to these drugs;**
- **Requires the federal government to mandate reasonable, affordable pricing of any new, taxpayer-funded drug used to diagnose, mitigate, prevent, or treat COVID-19;**
- **Ensures transparency by requiring manufacturers to publicly report a specific breakdown of total expenditures on any drug used to diagnose, mitigate, prevent, or treat COVID-19, including what percentage of those expenditures were derived from federal funds; and**
- **Prevents excessive pricing of drugs used to treat any disease that causes a public health emergency by waiving exclusive licenses and compensating with a reasonable royalty.**

Year after year, pharmaceutical corporations raise their prices with no transparency to Older Americans and all patients who rely on them to survive.ⁱ Despite these profits, in 2018, drug companies dedicated only 1% of 2018 R&D projects to emerging infectious diseases like COVID-19 and used a \$50 billion windfall from the GOP tax bill for stock buybacks instead of lowering prices.ⁱⁱ

Meanwhile, Congress has appropriated approximately \$7.5 billion for “the development of necessary countermeasures and vaccines” across three COVID-19 relief packages passed in March and roughly \$23 billion for related uses, including drug manufacturing and purchasing.ⁱⁱⁱ From those funds, the Biomedical Advanced Research and Development Authority (BARDA) has already awarded over \$1.8 billion to pharmaceutical companies.^{iv} Today, one of the leading candidates for a coronavirus vaccine is a public-private partnership between the National Institutes of Health (NIH) and a major pharmaceutical company.^v

Without intervention to stop pandemic profiteering, the pharmaceutical industry will use every opportunity to rake in profits by setting sky-high prices on taxpayer-funded drugs. Already, we've seen Gilead use the “orphan drug” loophole to request and receive an additional seven years of exclusivity on a possible COVID-19 treatment. They only asked FDA to rescind their orphan drug designation after over 50 organizations denounced the agency's decision and put pressure on Gilead to stop gaming the system.^{vi} The toxic pattern of behavior by pharmaceutical corporations will not change unless lawmakers intervene—and finally prioritize the health of Americans over more profits for Big Pharma.

Lower drug prices should not be a partisan issue. Our proposed reforms are long overdue, and drug price gouging is certainly not exclusive to COVID-19. It will take all of us—Democrats and Republicans—to stop drug manufacturers' profiteering once and for all. The time for action is now.

To cosponsor, endorse, or learn more please contact [Osaremen Okolo](#) on Rep. Schakowsky's staff.

ⁱ The Journal of the American Medical Association, “Changes in List Prices, Net Prices, and Discounts for Branded Drugs in the US, 2007-2018,” March 3, 2020, <https://jamanetwork.com/journals/jama/article-abstract/2762310>; AARP, “Hundreds of Prescription Drugs Are Costlier in 2020,” January 6, 2020, <https://www.aarp.org/health/drugs-supplements/info-2020/prescription-drug-prices-increase-2020.html>.

ⁱⁱ Access to Medicine Foundation, “New products alone are not enough. Pharma can do more to halt COVID-19,” April 14, 2020, [https://accesstomedicinefoundation.org/media/uploads/downloads/5e95d85128fb9_ATMF_Viewpoint_Role_for_pharma_in_C-19_200414%20\(1\).pdf](https://accesstomedicinefoundation.org/media/uploads/downloads/5e95d85128fb9_ATMF_Viewpoint_Role_for_pharma_in_C-19_200414%20(1).pdf); Axios, “Pharma’s \$50 billion tax windfall for investors,” February 22, 2018, <https://www.axios.com/pharma-share-buyback-tax-reform-40a30b93-6149-4c67-bd65-cd05ee814215.html>.

ⁱⁱⁱ P.L. 116-123; P.L. 116-127; P.L. 116-136.

^{iv} U.S. Department of Health and Human Services, “BARDA’s Rapidly Expanding COVID-19 Medical Countermeasure Portfolio,” <https://medicalcountermeasures.gov/app/barda/coronavirus/COVID19.aspx>.

^v National Institutes of Health, “NIH clinical trial of investigational vaccine for COVID-19 begins,” March 16, 2020, <https://www.nih.gov/news-events/news-releases/nih-clinical-trial-investigational-vaccine-covid-19-begins>.

^{vi} Gilead, “Gilead Sciences Statement on Request to Rescind Remdesivir Orphan Drug Designation,” <https://www.gilead.com/news-and-press/company-statements/gilead-sciences-statement-on-request-to-rescind-remdesivir-orphan-drug-designation>; Public Citizen, “Gilead Must Relinquish Monopoly on Potential Coronavirus Treatment,” March 25, 2020, <https://www.citizen.org/news/gilead-must-relinquish-monopoly-on-potential-coronavirus-treatment/>.