

Most Favored Nation Approach in Medicaid Will Not Favor U.S. Patients
Position Statement
May 6, 2025

The Neuropathy Action Foundation is dedicated to supporting and advocating for patients living with neuropathy and related neurological conditions. Because we think of patients first, we are deeply concerned about recent policy proposals to implement Most Favored Nation (MFN) drug pricing models within Medicaid. This type of proposal won't meaningfully reduce costs for patients, is unlikely to increase access to currently available medications, and will reduce the likelihood that new treatments are brought to the U.S. market. Patients in this country will not be favored with an MFN policy, instead they will be subject to foreign price controls and throttled treatment innovation.

MFN models tie U.S. drug prices to those paid in select foreign countries. Not only would such a policy be unlikely to reduce costs for patients or taxpayers because Medicaid already has access to discounted prices for medications, such a policy would risk significant disruptions in access to critical therapies for patients with neuropathy and other neurological conditions if drug manufacturers decided to stop offering their products in the U.S. market.

The MFN model relies on international reference pricing, often importing methodologies from countries that use cost-effectiveness measures like Quality Adjusted Life Years (QALYs). These approaches have been widely criticized for discriminating against people with chronic illnesses and disabilities, as they may undervalue treatments that improve quality of life for those with long-term conditions. Adopting such models in the U.S. does not mean patients will get lower drug prices. It means patients, such as the patients we represent who have some type of neuropathic disorder, will get face restrictive access policies imported from other countries. This is especially likely for patients with neuropathy as currently available treatments are limited and tend to be focused on relieving symptoms, not on halting the process of nerve degeneration.

New options for treatment, such as gene therapy products, would be one of the first innovations to be halted by an MFN policy in Medicaid as these treatments are often not covered in other countries. This type of policy imports a price, but it also imports a process where governments, not providers, decide what treatments patients can access. In the case of gene therapy products, this seems counter to the concept of America First, as more than 75% of gene therapy products approved by the FDA so far have been created by U.S.-based companies.

We urge policymakers to reject Most Favored Nation approaches in Medicaid drug pricing. Instead, we advocate for patient-centered, U.S.-based solutions that address drug affordability without compromising access, innovation, or quality of care. Protecting Medicaid and ensuring uninterrupted access to life-changing therapies must remain the top priority for all who serve patients with neuropathy and other chronic neurological conditions.

The MFN model poses unacceptable risks to patient access, provider sustainability, and the integrity of the American healthcare system. We stand ready to work with policymakers to develop fair, effective, and equitable strategies that truly serve the needs of those living with neuropathy.