



Conservatives  
for  
Property Rights

February 20, 2026

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: Docket No. CMS-2025-1889-0001 & Docket No. CMS-2025-1888-0001  
7500 Security Boulevard  
Baltimore, MD 21244-1850

To whom it may concern:

Conservatives for Property Rights (CPR), a coalition of policy organizations representing hundreds of thousands of Americans on private property rights issues, herein comments on the proposed rules, Global Benchmark for Efficient Drug Pricing Model (GLOBE, Docket No. CMS-2025-1889-0001) and Guarding U.S. Medicare Against Rising Drug Costs Model (GUARD, Docket No. CMS-2025-1888-0001) for importing foreign price controls for certain pharmaceuticals into Medicare Parts B, D, and C (Medicare Advantage). We strongly urge that CMS withdraw both of these proposals.

The MFN model CMS proposes raises very serious concerns from a property rights perspective. The chief concern is that the “most favored nation” (MFN) model employed in both GLOBE and GUARD imposes foreign governments’ price controls. The lowest prices foreign freeloaders get away with paying result in great harm and adverse consequences for their own citizens. Importation of foreign government-run health programs’ artificially low payments will cause the same adverse consequences for millions of private U.S. citizens and leading American entities in medical innovation — both startups and established manufacturers. It is not an overstatement to say the MFN models of GLOBE and GUARD will ultimately cost many Americans their lives, their health, and their livelihoods.

While CPR’s grave concerns over — and reasons for strongly opposing — the MFN models are many, we focus our comments on the deleterious effects on Medicare patients, the unacceptable process that deprives procedural property rights, and the damage it inflicts on innovation and U.S. biopharma competitiveness. We connect these specific comments to property rights at issue therein.

**1) These MFN models expose Medicare beneficiaries, who have equities from duly qualifying for this health care program over their working years, to reduced access to and affordability of needed medication, risking worse clinical outcomes.**

GLOBE would do little to affect prescription affordability for seniors. Most Part B beneficiaries have supplemental insurance that covers out-of-pocket drug costs. GUARD rebates are not projected to “directly impact” Part D patients’ cost sharing. In fact, CMS estimates higher beneficiary premiums and cost sharing amounting to \$3.6 billion. Nor does GUARD make changes to coverage or formulary tiers for Part D medicines.

GLOBE and GUARD MFN models import not only foreign prices but foreign rationing of medical care, which the below-market drug prices drive. Disrupting seniors' access to the most appropriate drugs reeks of the worst aspects of government-controlled health systems.

The government-controlled health systems of these MFN models' 19 reference countries deny patients access to new, better medicines. IQVIA finds an increasing "gap where medicines launched in the U.S. are not widely available in other countries" and "a year or more [following U.S. drug launch and] other country launches." In the United States, 110 new drugs (40 percent) of new medicines launched 2020-2024, in contrast with 14 new drugs (7 percent) in Europe.

Single-payer health bureaucracies employ callous tools for rationing care, such as waiting lists and quality-adjusted life years (QALYs) — about 90 percent of OECD nations. The proposed price controls would infuse such cruel, inhumane decision drivers here. The Institute for Clinical and Economic Review (ICER) and QALYs undervalue human life. One expert points out that "[t]he greatest flaw by far in the QALY methodology is the subjective threshold value attached to a year of perfect health." CPR strongly opposes use of QALYs and the other means of restricting and delaying access to crucial treatment, with government bureaucrats' penny-pinching patient care in real people's lives in the real world. These result from price controls.

Beneficiaries for whom medication is administered in a doctor's office or outpatient facility tend to have more serious, complex medical cases, which in seniors may be accompanied by comorbidities. Illnesses include cancers and rheumatoid arthritis. The mode of drug delivery in Part B is infusion, injection, or another means requiring expertise. MFN costs patients, our health system, and the welfare of the American people more over the long-term.

The growing number of older patients as Baby Boomers enter Medicare, coupled with the medical expertise required to administer Part B medications and GUARD-caused restricted access to needed medicines, translates into rationed care and potentially worse health outcomes — hallmarks of socialized medical systems.

From a property rights perspective, the Medicare program represents a part of seniors' deferred enjoyment of a portion of the fruits of their labor. Unlike Medicaid, Medicare is not welfare. Rather, Medicare is a social contract with those who worked the requisite number of years to qualify for the program's benefits upon reaching age 65. Had they not been required to pay taxes toward Medicare, beneficiaries would have received their full earnings at the time they were in the workforce. At this stage in seniors' lives, they do not have many options or out-years to make up for the income and earnings lost to Medicare taxes throughout those years. They are forced to rely on the government to keep its pledge for their health care at this time. The MFN models renege on that contract. MFN is tantamount to the taking of property (denying a deferred benefit) without just compensation.

To CMS, this may merely be budgetary slicing and dicing — trimming how much Medicare spends on a group of medical commodities. The medications administered through Medicare are hardly commodities, but an important component of the provision of a course of medical care for a specific medical condition. Their actual value must be afforded to all medical products and services, including biopharma products. Regrettably, the MFN model radically changes the rules of the game for beneficiaries stuck with the government health program. Medicare's importation of foreign price controls renders new and improved medicines

unavailable or nonexistent. This risks the earliest availability of new medicines much earlier in America than in countries with government-run health systems and price controls. The proposed MFN models threaten beneficiaries' property rights. By denying the unalienable right to life, price controls and associated rationing tactics are an affront to humanity and civilization. Therefore, GLOBE and GUARD must be withdrawn.

**2) The process to achieve this policy change abuses CMS's power.**

These rulemakings lack sufficient fairness, scope, and due process, exceed CMS's authority for model testing, and totally disregard the easily foreseeable harms these policies will bring. GLOBE and GUARD display government overreach; these proposed "pilots" are not CMMI model tests, but policymaking by illegitimate means.

The Center for Medicare & Medicaid Innovation (CMMI), created in the Affordable Care Act (Obamacare), has designed price-control models that import the worst artificially submarket prices foreign government-controlled health systems have dictated to biopharmaceutical innovators on a take-it-or-leave-it basis. Applying those foreign prices to Medicare for certain medicines purchased and administered under certain programs not only harms patients, it imports the underlying socialist policies that directly harm the patients, providers, and health systems from which the price control rates come.

CMMI denies due process and fairness by pushing forward sweeping, mandatory models. GLOBE and GUARD's unreasonable, coercive nature smacks of unfairness. This rulemaking lacks good faith, ignoring the spirit of the Administrative Procedure Act, the Regulatory Bill of Rights, and the parameters the ACA set for CMMI model design and testing.

Moreover, drug companies are treated unfairly, if not punitively, for being innovative and commercially successful. CMS acknowledges the potential for interactions with other models (i.e., multiple price controls applied to the same drug product), but provides no exclusions from GLOBE and GUARD in such circumstances. Due process is a property right, making these proposed rules abrogations of property rights.

CMMI exceeds its authority by requiring any and all biopharmaceutical manufacturers of eligible drug products to participate in the applicable MFN model test. The scope of the model is excessively large for a model pilot: one quarter of certain Medicare beneficiaries drawn from one quarter of U.S. ZIP code areas. Participation is mandatory. The "model" runs for five years.

This rulemaking amounts to legislating by other means. It shoehorns large-scale policy changes while circumventing Congress. It abrogates the constructive demonstrations that honest model pilots might achieve. Further, the model violates the consensus principles of the Healthcare Leaders for Accountable Innovation in Medicare coalition. The MFN models stifle access for patients and research and development funds for the biopharmaceutical innovators responsible for discovering and developing new treatments, diagnostics, vaccines, and cures.

From its early days, CMMI has all too frequently exceeded the limitations of real pilot programs. Mandatory participation, wide application, and broad geographic reach that constitute effecting policy change has caused significant concern. Moreover, MFN backtracks on a short-lived change of direction indicated in CMMI's "New Direction" RFI. There, CMMI admitted that

mandatory CMMI models cause disruption. It pledged that CMMI would “focus on voluntary models . . . and reduce burdensome requirements and unnecessary regulations . . . .” It didn’t last; GLOBE and GUARD move farther away from its previous commitment.

CMMI had already prompted a bipartisan bill in Congress: the Strengthening Innovation in Medicare and Medicaid Act. CMMI’s abuses have generated sufficient concern that more than 300 organizations from around the nation signed a letter voicing support for this bill. With its present backsliding on the MFN models’ overreach, CMMI rekindles concerns about its unbridled inclinations and the need for legislation to rein it in.

Therefore, CPR considers the process used on these MFN models to lack legitimacy and an affront to critically important property rights. The MFN model rules should be withdrawn.

### **3) GLOBE and GUARD MFN models would reduce U.S. pharmaceutical innovation while harming patients, prosperity, and competitiveness.**

The adverse effects of government price controls are clear and easily predictable. Repeating the same socialist-statist policies others have adopted and expecting a different result is — as the old saying goes — the definition of insanity. GUARD and GLOBE drug price controls propose the same policies that have dramatically diminished patient access to newer, better treatments and biopharmaceutical innovation in Europe and other OECD nations.

The Center for Strategic and International Studies reports a tale of two policies, how European price controls have stifled patient access to newer, better medicines and contribute to drug shortages. Since the 1980s, European Union and OECD countries have “adopted cost-containment policies designed to manage pharmaceutical spending. These included product-by-product price controls, caps on manufacturer profits, increased patient cost-sharing, restrictions on access to certain medicines and across-the-board cuts in payments to manufacturers.”

Meanwhile, the United States instituted proinnovation policies, such as the Bayh-Dole and the Hatch-Waxman Acts, that have respected intellectual property rights and incentivized private sector research and development investment. These opposite policy directions have enabled U.S. biopharma to leapfrog global R&D leadership and costed Europe’s losing the lead.

GUARD and GLOBE price controls — building on the Inflation Reduction Act’s damaging price-control regime — risk ceding U.S. biopharmaceutical leadership to China, putting the West in a vastly weakened position in a critical industrial sector. Homegrown discovery and development of new and improved medicines and the innovation, domestic manufacturing, good-paying jobs, and U.S. global leadership in this industrial sector are certain to be hobbled. These MFN proposals foolishly risk U.S. domestic economic benefits of 5 million jobs and \$1.65 trillion in economic output.

The U.S. Chamber of Commerce Global Innovation Policy Center’s study of drug price controls, *The True Costs of Price Controls*, concludes:

*The record shows unequivocally how the imposition of price controls and reimbursement policies has historically had a direct impact on how, when, and what type of medicines and medical products patients can access in a given health system. Fewer innovative*

*medicines and longer wait times are the direct consequences of price controls and life sciences cost containment policies.*

Thus, GUARD and GLOBE price controls will shrink R&D funds and reduce the discovery and commercialization of many new medicines in the United States.

Meanwhile, rationed access to care and therapies in single-payer health systems impose avoidable pain and suffering on their citizens. Care rationing is almost guaranteed to follow the proposed price controls, unless the proposed MFN models are withdrawn. The American Institute for Economic Research cites the harm of price controls in Canada. “Canadian health care is not free and it has two prices: the taxes Canadians pay for it and the wait times that make Canadians pay in the form of service rationing.” AIER reports that Canadian wait times from general practitioner visit to treatment have risen to 30 weeks from 12 weeks in 1993. Canadian wait times for many procedures exceed 46 weeks. An international study published in the journal the *Medical Science Monitor*, “The Impact of Rationing Nursing Care on Patient Safety,” found “a negative impact on patient safety outcomes.” Rationed nursing is closely associated with “higher incidence of falls, medication errors, pressure ulcers, infections, and readmissions.” The Canadian Health Alliance exposes the damage price controls inflict. Prolonged suffering, worsened health condition, shortened life, and lost productivity are just a few of the costs the rationing of health care imposes on patients and their families. That is to say that government price controls commonly produce worse patient outcomes.

Therefore, CPR considers the proposed price controls highly dangerous to American patients, innovation, and economic and societal benefits, while advantaging Communist China at our own and the West’s expense. The MFN model rules should be withdrawn.

\* \* \* \* \*

MFN generally and as proposed in GUARD and GLOBE necessarily lead to bureaucratic overregulation and arbitrary bean counting. Therefore, the MFN models must be withdrawn.

Government-run and price-controlled health systems may “spend less” than the United States on health costs. However, they do so by depriving the sacred rights of private property and free enterprise. They deny their citizens, patients, medical providers, and innovators the many benefits derived from property rights and free enterprise, as they apply in the U.S. health care and biopharmaceutical arenas and are discussed above.

Importing socialized health systems’ drug price controls for Medicare, as these MFN models do, is foolhardy. MFN sets a terrible, horrific precedent of importing foreign price controls. It surely will harm Medicare beneficiaries, medical providers, pharmaceutical innovators, and the U.S. innovation ecosystem. The U.S. economy will suffer, as will our health care system. Notably, the MFN model does nothing to curb foreign freeloading and to force those countries to start paying their fair share for the medical innovation in which America’s private sector invests — to all of our benefit.

Therefore, Conservatives for Property Rights strongly urges CMS to withdraw GUARD and GLOBE.

Respectfully,

James Edwards, Ph.D.  
Founder and Executive Director  
Conservatives for Property Rights

C. Preston Noell III  
President  
Tradition, Family, Property, Inc.

Anthony J. Zagotta  
President  
Center for American Principles

Jeffrey Mazzella  
President  
Center for Individual Freedom

James L. Martin  
Founder/Chairman  
60 Plus Association

Dick Patten  
President  
American Business Defense Council

George Landrith  
President  
Frontiers of Freedom

Charles Sauer  
President  
Market Institute

Kevin L. Kearns  
President  
U.S. Business & Industry Council

Saulius "Saul" Anuzis  
President  
American Association of Senior Citizens