

Supreme Court Declines to Review Medicare Drug Price Negotiation Program Challenges

Healthcare Law Update

Supreme Court Declines to Review Medicare Drug Price Negotiation Program Challenges

Keith J. Roberts
Member & Chair, Healthcare

Shannon Carroll
Member, Healthcare

Paul J. DeMartino, Jr.
Counsel, Litigation

BRACH | EICHLER^{LLC}
Counsellors at Law

7/1/2026

On May 18, 2026, the U.S. Supreme Court declined to hear appeals from several pharmaceutical manufacturers challenging the Medicare Drug Price Negotiation Program established under the Inflation Reduction Act. The program, which authorizes the Centers for Medicare & Medicaid Services (CMS) to negotiate maximum “fair” prices for certain high-cost drugs covered under Medicare Part D, had been the subject of multiple constitutional challenges. Pharmaceutical companies argued that the program compels speech in violation of the First Amendment and effectively forces participation in government programs in violation of the Fifth Amendment. Lower courts rejected these arguments, concluding that participation in Medicare is voluntary and that manufacturers may opt out of federal programs. By declining review, the Supreme Court leaves those decisions in place.

The Medicare Drug Price Negotiation Program is already underway. The first round of negotiations, covering 10 widely used drugs, resulted in price reductions ranging from approximately 38% to 79% off list prices, with negotiated rates taking effect January 1, 2026. CMS has since expanded the program to additional drugs, including certain GLP-1 therapies, with further selections expected in future years. While the Medicare Drug Price Negotiation Program is projected to generate significant federal savings and reduce beneficiary costs, the extent of out-of-pocket savings will vary depending on individual plan design and cost-sharing structures.

[Click Here to read the entire July 2026 Healthcare Law Update now!](#)

For more information, contact:

Keith J. Roberts | 973.364.5201 | kroberts@bracheichler.com
Shannon Carroll | 973.403.3126 | scarroll@bracheichler.com
Paul J. DeMartino, Jr. | 973.364.5228 | pdemartino@bracheichler.com

Authors

The following attorneys contributed to this insight.



Keith J. Roberts

Member

Litigation, Healthcare Law

973.364.5201 · 973.618.5585 Fax

kroberts@bracheichler.com



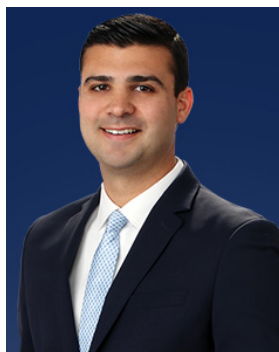
Shannon Carroll

Member

Healthcare Law, Litigation

973.403.3126 · 973.618.5988 Fax

scarroll@bracheichler.com



Paul J. DeMartino, Jr.

Counsel

Healthcare Law, Litigation

973.364.5228 · 973.860.4221 Fax

pdemartino@bracheichler.com