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EXPERT INSIGHT | Healthy America

TRUMPRX SAVES AMERICAN PATIENTS MONEY ON PRESCRIPTION DRUGS

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TOPLINE POINTS

- ★ TrumpRx is the first-of-its-kind platform to introduce a no-middleman drug purchase, where patients and employers can buy directly from a manufacturer without the 40% markup.
- ★ Health Savings Accounts (HSAs) allow patients to save money by purchasing drugs through TrumpRx, using tax-free health dollars to buy discounted drugs directly from the manufacturer, rather than the middleman. Patients with an HSA are able to 'stack' discounts with TrumpRx.
- ★ President Trump can extend these savings by helping employers and unions purchase directly from TrumpRx for their employees.

Introduction

American patients are tired of both their high health costs and the middlemen preventing from getting what they need. They complain that their health benefits are not covering medicines and treatment when they need it, or having to pay extraordinary out-of-pocket costs before their health insurance benefits kick in. This includes medicine like prescription drugs, which are often prescribed by doctors but not covered by insurance or are priced too high despite being covered by a patient's insurance. Adding insult to injury, many patients notice that the drug they need (but are forced to pay extra out-of-pocket for) is less costly in other Western countries, posing the question: why can't American patients get the same drugs at the same lower costs?

To solve this problem, President Trump signed an Executive Order (EO) titled "[Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients](#)" on May 12, 2025. The EO included a bold new idea: direct-to-consumer (or "DTC") pricing, which would allow all Americans to receive relief on prescription drug pricing, not just those Americans covered by federal insurance programs. Because of previous Trump Administration reforms, Americans have learned that the cash price for their medication is often lower than the price their insurance will pay—the middleman price—and DTC pricing takes this one step further.



On September 30, 2025, the President [announced](#) TrumpRx, a website where all American patients will be able to purchase prescription drugs directly from manufacturers (with a prescription) rather than going through their insurance benefits. The proposed website will allow individuals to compare prescription drug prices and will direct them to the manufacturer's website, where medications can be purchased at a discounted price, thereby helping Americans pay less for their prescription drugs and increasing drug price transparency as a result. On February 5, 2026, the President launched [TrumpRx](#), delivering real savings and access for every American patient – the most meaningful change in drug pricing since the creation of Medicare Part D.

Why Prescription Drug Costs Can Be High for Privately Insured Patients

Roughly [190 million](#) Americans receive health benefits through a private health insurance plan, whether it is a plan they receive through their job (as is the case for 164 million Americans), they buy on the individual exchanges (23 million Americans), or they purchase privately (3 million Americans). All of these plans offer coverage of prescription drugs, which begs the question: why do [8 in 10](#) Americans still say that the cost of prescription drugs is unreasonable? It is unlikely that these Americans are suggesting that the cost of generic drugs—which, when surveyed, are [lower](#) in cost than in other Western countries—is the problem. Instead, it is more likely that new, innovative brand-name therapies with little to no competition are driving up their costs (such as the drugs advertised on television).

Patients often pay more for these therapies (often called “specialty” drugs), especially when disputes between a patient's health plan and the pharmaceutical company dictate a patient's access to a drug (even over their doctor's recommendation), or when middlemen make up [40%](#) of the list price. Additionally, insurance design, deductible amounts, and cost-sharing all vary by health plan and affect the cost of the drug. As this paper walks through several examples of how TrumpRx can benefit patients, we use three common examples of insurance design, using industry averages:

- **Preferred Provider Organization (PPO):** [75 million](#) Americans in employer-sponsored insurance coverage have a PPO. These Americans have an average deductible of \$1,337 and an average out-of-pocket maximum for covered services of \$4,423. When a certain specialty drug is covered (“the formulary”), most patients pay an average of 27% in coinsurance of the list price, rather than a copay. Employer-sponsored coverage is more likely than other health insurance plans to cover a wider range of specialty drugs, increasing the likelihood that a patient in a PPO will have some sort of coverage for a needed prescription drug.
- **High-Deductible Health Plan with a Savings Option (HDHP/SO):** [54 million](#) Americans in employer-sponsored coverage are enrolled in an HDHP/SO. These



plans are required to offer a “high” deductible in exchange for offering a savings option (like an HSA). These Americans have an effective average deductible of \$1,826, and an average out-of-pocket maximum for covered services of \$4,509.¹ When a certain specialty drug is covered, patients typically pay an average of 27% in coinsurance. Similar to PPOs, HDHPs are more likely than other health insurance plans to cover a wide range of specialty drugs. Many individuals with HDHPs also utilize a Health Savings Account (HSA), which is a special savings account that lets individuals use pre-tax money to go towards their medical costs. On average, employers that offer an HDHP with an HSA will deposit \$806/year into the HSA.

- **Individual Market Plans:** [15 million](#) Americans—or over half of all those enrolled in an individual market plan through the Patient Protection and Affordable Care Act (ACA)—need to meet deductibles of \$5,000 or more before they can get cost-sharing for a covered prescription drug. These Americans have an average deductible of \$5,000-\$9,000, and an average out-of-pocket maximum for covered services of \$9,200. When a certain specialty drug is covered, patients typically pay 33%-50% of the list price as coinsurance. Individual marketplace coverage is less likely than other health insurance plans to cover a variety of specialty drugs, increasing the likelihood that a patient bears the cost of the non-covered drug.

Ultimately, health coverage varies, and the exact savings from a health program such as TrumpRx can be difficult to ascertain. So, for the purposes of illustration, please see the tables below for the differences in drug price for a patient using a high-volume, highly rebated drug for a chronic condition, which has a negotiated price of \$2,100 (net of rebates, discounts) and a list price of \$7,000: one for a patient with covered drug costs, one for a patient with non-covered drug costs, and one for a patient using TrumpRx.

Patient #1: Out-of- Pocket (OOP) Covered Drug Costs, by Insurance Plan

Sarah is a patient with a long-term chronic disease and has found stability on a high-cost, branded drug. At work, she wants to understand the expected cost between the PPO plan offered and the high-deductible plan offered. She doesn't have any other major health costs besides the occasional prescription drug in a bad cold season, or the quarterly check-in with her endocrinologist. She isn't shopping for an ACA plan, but those costs are included for reference.

Table A

¹ The paper uses the average out of pocket max for HDHP with an HSA. For an HDHP with a Health Reimbursement Account (HRA), models could use the average out-of-pocket max of \$4,926



	Annual Premium	Pre-Deductible	Post-Deductible (Monthly)	HSA	Annual Cost with OOP Max	Annual Cost with OOP Max & HSA	Annual Cost with OOP Max, HSA, & Premium
PPO	\$1,514	\$1,337	\$1,960	N/A	\$4,423	\$4,423	\$5,937
HDHP	\$1,364	\$2,578 ¹	\$1,960	-30%	\$4,509	\$2,592	\$3,956
ACA	\$2,790 ²	\$5,000	\$2,310	N/A ³	\$9,200	\$9,200 ⁴	\$11,990

¹ The average effective deductible is \$1,915, which includes an employer contribution into the HSA. The average deductible for an HDHP with an HRA is \$1,167. The tables use \$806 as the average employer contribution into the HSA.

² This is the average premium of an individual at 308% FPL, receiving subsidies in a silver plan.

³ Under the Working Family Tax Cuts (WFTC), individuals enrolled in bronze or catastrophic plans, or ~7.5 million Americans, are newly eligible for HSAs.

⁴ For bronze or catastrophic plans, whose deductibles range from \$7,000-\$9,000. In this scenario, a silver enrollee would face an annual out-of-pocket max for a covered drug of \$9,200. A bronze or catastrophic enrollee would also face an annual out-of-pocket max for a covered drug of \$9,200, but with an HSA, only pay \$6,440 - \$7,910.

After shopping around, Sarah found that her annual health costs were cheapest using an HDHP with an HSA. She gets to use pre-tax dollars towards the cost of her drug until she hits her deductible, and her employer contributes to her HSA, thereby making her annual costs under \$4,000.

Patient #2: Out-of-Pocket Non-Covered Drug Costs, by Insurance Plan

Unfortunately, sometimes a patient needs to use a drug that is not covered by insurance, or the formulary requires a patient to go through extensive utilization management tools (e.g., step therapy, prior authorization) before getting access to a drug. Some patients can never get prompt access to the drug and instead pay out of pocket. Bryan, like Sarah, found stability on a high-cost, branded drug. As he shops around for coverage, he finds out his drug is not on the formulary. Bryan can choose to either argue with the insurance company for coverage or risk his health by switching to a different drug that is covered.

Table B



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	Annual Premium	Pre-Deductible	Post-Deductible (Monthly)	HSA	Annual Cost with OOP Max	Annual Cost with OOP Max & HSA	Annual Cost with OOP Max, HSA, & Premium
PPO	\$1,514	\$7,000	\$7,000	N/A	\$84,000	\$84,000	\$85,570
HDHP	\$1,364	\$7,000	\$7,000	-30%	\$84,000	\$82,710 ³	\$84,089
ACA	\$2,790 ¹	\$7,000	\$7,000	N/A ²	\$84,000	\$84,000	\$86,790

¹ This is the average premium of an individual at 308% FPL, receiving subsidies in a silver plan.

² Under the Working Family Tax Cuts (WFTC), individuals enrolled in bronze or catastrophic plans, or ~7.5 million Americans, are newly eligible for HSAs.

³ Since HSA amounts can roll over year-over-year, theoretically, the savings could reduce this to \$58,000. However, the estimates in the table assume the individual is spending the yearly contribution limits rather than saving money every year.

Like Sarah, Bryan found that the HDHP provides similar coverage to the PPO, but the inclusion of the HSA slightly reduces the overall annual cost. However, the costs of the drug are completely out of reach for Bryan, as his health plan doesn't have an out-of-pocket maximum for non-covered drugs, and he will likely need to access some sort of other financing for this drug.

Of course, these figures don't encompass all the variables—the tables present averages and exclude a variety of insurance designs that could affect drug costs. There are also several other tools that Americans can use to reduce drug costs, such as patient assistance programs, copay cards, and existing direct-to-consumer pricing programs.

How TrumpRx Lowers Drug Costs for Americans with Private Insurance

While fictional patients Sarah and Bryan both saw significant reductions in costs while using their HSAs, TrumpRx could help them see even greater savings on their prescription drugs. One element of TrumpRx is that prescription drugs will be offered to Americans at or near Most Favored Nation (MFN) pricing, provided they do not use their insurance to purchase the drug. Patients with an HSA, FSA, or HRA (all tax-preferred accounts) can use their health dollars towards TrumpRx drugs. Now, both Sarah and Bryan can get the same drug (at a list price of \$7,000) for a price as low as \$382 a month (the price in the UK) or \$1,160 a month (the price in Germany).

Out-of-Pocket Non-Covered Drug Costs, by Insurance Plan, with TrumpRx

Neither Sarah nor Bryan can use their insurance plan to purchase a drug on TrumpRx, but they can still see what they could pay out of pocket when using TrumpRx and see if it would be cheaper to bypass their insurance and buy direct.



Table C

	Annual Premium	TrumpRx Monthly Cost	HSA	Annual Cost with TrumpRx	Annual Cost with TrumpRx & HSA	Annual Cost with TrumpRx, HSA, & Premium
PPO	\$1,514	\$382- \$1,160	N/A	\$4,584 -\$13,920	\$4,584 -\$13,920	\$6,154 - \$15,490
HDHP	\$1,364	\$382- \$1,160	-30%	\$4,584 -\$13,920	\$2,645-\$9,744	\$4,008.60- \$11,123
ACA	\$2,790 ¹	\$382- \$1,160	N/A ²	\$4,584 -\$13,920	\$4,584 -\$13,920 ³	\$7,374 - \$16,710

¹ This is the average premium of an individual at 308% FPL, receiving subsidies in a silver plan.

² Under the Working Family Tax Cuts (WFTC), individuals enrolled in bronze or catastrophic plans, or ~7.5 million Americans, are newly eligible for HSAs.

³ An individual with a bronze or catastrophic plan, who is newly eligible for an HSA, could theoretically see similar annual out-of-pocket costs of \$3,209-\$9,744.

Both Sarah and Bryan save when using TrumpRx: Sarah saves because it was cheaper to use TrumpRx than to use her insurance benefit for her covered drug, and Bryan saves because he bought directly from TrumpRx instead of being subject to his health plan's formulary.

Comparison of Annual Costs between Plan Designs and TrumpRx

TrumpRx helps patients win when their drug is not covered, or if their insurance costs are too high. All patients using a non-covered drug would benefit from TrumpRx – like Bryan, who could see a **92.8% decrease** in annual health costs from a PPO, or a **95.2% decrease** in annual health costs from a HDHP. Roughly half of all patients in Obamacare could see a **38.5% decrease** in health costs even if their plan covers the drug, and a **91.5% decrease in costs** if the drug is not covered. Sarah, either on a PPO or HDHP, may not see considerable savings yet, but could if she changes plans or if her plan requires a lot of paperwork to get the drug covered.

Coverage of GLP-1s, by Insurance Plan, using TrumpRx

President Trump has announced that Americans looking to get coverage of GLP-1s will be able to see cost savings using TrumpRx. For instance, if a patient wants to get a GLP-1 injectable, they could see the following costs:



Table E

	Annual Premium	GLP-1 Average Monthly Cost	HSA	Annual Cost with TrumpRx	Annual Cost with TrumpRx & HSA	Annual Cost with TrumpRx, HSA, & Premium
PPO	\$1,570	\$324	N/A	\$3,888	\$3,888	\$5,458
HDHP	\$1,379	\$324	-30%	\$3,888	\$2,160	\$3,539
ACA	\$2,790 ¹	\$324	N/A ²	\$3,888	\$3,888	\$6,678

¹ This is the average premium of an individual at 308% FPL, receiving subsidies in a silver plan.

² Under the Working Family Tax Cuts (WFTC), individuals enrolled in bronze or catastrophic plans, or ~7.5 million Americans, are newly eligible for HSAs.

Prior to TrumpRx, patients were paying up to \$1,349.02 a month to cover their GLP-1. Many patients used existing discount cards and could discount this cost even further with their HSA. Now, with TrumpRx, combined with their HSA, the monthly cost is reduced even further to \$245. Since most employers contribute an average of \$800 per year to a tax-advantaged account, that cost can come down to \$179 per month when using TrumpRx with an HSA. For patients who didn't have their drug covered, or it was hard to get coverage, that's anywhere from a **76% to 86% decrease in costs**.

How TrumpRx Helps Employers Negotiate Lower Drug Costs

Another feature of TrumpRx is its ability to form a clearinghouse of drug prices for patients and employers alike. Out of the [166 million](#) Americans with employer-based insurance, 103-110 million Americans receive insurance through an employer that chooses to “self-fund.” This means that the employer chooses to offer a welfare benefit plan, such as a group health plan, by accepting the underlying financial risk and paying a third party (often called a “third party administrator of insurance,” or TPA) to administer the benefit to their employees. These plans are governed by the [Employee Retirement Income Security Act of 1974](#) (ERISA), and employers have significant latitude to design the plan as they deem appropriate for their employees. Essentially, employers can use all tools (including direct negotiation with pharmaceutical manufacturers) to fulfill their fiduciary duty to the employee as they manage their health benefits.

Most employers do not engage in direct negotiations with pharmaceutical manufacturers because traditional purchasing is structured through a Pharmacy Benefit Manager (PBM). These PBMs are paid to negotiate on the group health plan's behalf, aligning formularies and adjudicating claims at the pharmacy counter. However, there is nothing in ERISA that prevents employers from pursuing a “no-middleman” option. TrumpRx could serve as a pilot program for employers who want to negotiate directly with pharmaceutical manufacturers, or for



those who want to offer ICHRAs, thus allowing workers to use the funds to purchase drugs from DTC platforms and other healthcare services. In fact, as part of a recent [settlement](#), Express Scripts was ordered to allow employee access to DTC pricing via TrumpRx. For instance, an employer could offer employees a pre-loaded card for the cash prices of drugs offered on TrumpRx – bringing the employee responsibility from \$179 a month to \$179 a year.

President Trump could also leverage pricing information included in the [Consolidated Appropriations Act of 2021 \(CAA\)](#), known as “RxDC.”² This provision requires group health plans and insurers to aggregate drug cost and drug rebates of the top 50 prescription drugs to HHS. In turn, HHS could publish this drug-pricing information through RxDC, effectively allowing TrumpRx to publish established pricing information on the most-used drugs and compare the listed prices to the “no-middleman” costs that employers could otherwise receive through TrumpRx. This would not require employers to take on the entire drug distribution chain; in fact, this would allow them to simply take a contracted rate that is separate from the contracted rate that the PBM provides for them. If the TrumpRx price is lower than what the PBM can provide the employers (and their employees), then the employer can take the no-middleman contract. If the PBM can offer a more competitive rate, then the employer can contract with the PBM. Additionally, this platform – along with recently passed [PBM reforms](#) – provides necessary accountability for those who are trusted with purchasing health care for employees. Transparency in drug costs allows employees to hold their employers responsible for the “welfare benefit plan” they offer to their employees. Choice and competition between PBM and non-PBM negotiated rates, along with additional platforms for patients to use their health dollars, increases accountability for drug manufacturers and health plans, promoting transparency in how patient’s money is spent.

How the Federal Government Can Use TrumpRx to Lower Drug Costs for All American Patients

Federal government employees are eligible to purchase healthcare through the Federal Employees Health Benefit Plan (FEHBP). These plans are regulated through the Office of Personnel Management (OPM) and are largely exempt from private healthcare regulations. OPM designs a variety of health plans for its 8.2 million employees, family members, and retirees (also known as “covered lives,” or everyone who receives health benefits under a particular plan) by annual “call letters,” where OPM solicits bids from health insurance companies that want to offer health plans to federal employees. In the past, these call letters have dictated changes in contract terms, such as requiring health plans to disclose drug costs.

In the next wave of call letters, OPM could:

² Section 2799A-10 of the Public Health Service Act (PHSA)



1. Contemplate inserting non-retaliation language into its PBM contracts, thereby keeping PBMs from retaliating against drug manufacturers who participate in TrumpRx (i.e., a PBM that requires a higher rebate for formulary placement after participation in TrumpRx). This is consistent with the terms in the recent settlement with ESI
2. Allow federal employees with HDHPs to purchase from TrumpRx under a shared-savings model, where DTC purchases on TrumpRx with an HSA would count towards a patient's deductible if the DTC purchase were cheaper than the negotiated cost of the drug.
3. As part of compliance with the Transparency in Coverage regulations, be a leader in transparent information, thus allowing an unprecedented ease of access to drug costs prior to purchase. Patients could compare their health plan's negotiated cost for the drug with their TrumpRx cost.

Conclusion

TrumpRx puts American patients first by disrupting a system that has charged them more than they should ever pay. This new level of transparency allows Americans to compare prescription medication prices and avoid being restricted to what their health insurance covers. Now, patients can avoid surprising costs when picking up their prescription from the pharmacy and make smarter and more affordable choices. By giving Americans, the ability to see real, fair prices of their medications, bypassing the middleman, and offering employers the power to negotiate, TrumpRx finally puts Americans in control of their healthcare costs.

