

# CMS Announces Manufacturer Participation in Third Cycle of Medicare Drug Price Negotiation



Under the Medicare Drug Price Negotiation Program (“Negotiation Program”), the Centers for Medicare & Medicaid Services (CMS) directly negotiates the prices of certain high expenditure, single source drugs without generic or biosimilar competition. Today, the Centers for Medicare & Medicaid Services (CMS) announced that the drug companies that manufacture the **15 drugs** payable under Medicare Part B and/or covered under Medicare Part D selected for the third cycle of negotiations in the Negotiation Program have chosen to participate in the Negotiation Program.

The below list indicates the drug companies that manufacture all 15 drugs selected for the third cycle of the Negotiation Program that have chosen to participate in the Negotiation Program. Also, in the below list is the drug company that manufactures the one drug selected for renegotiation that is participating in the Negotiation Program.

Drug Name	Participating Manufacturer
Anoro Ellipta	GlaxoSmithKline Intellectual Property Development Ltd. England
Biktarvy	Gilead Sciences Inc
Botox; Botox Cosmetic	AbbVie Inc.
Cimzia	UCB, Inc.
Cosentyx	Novartis Pharmaceuticals Corporation
Entyvio	Takeda Pharmaceuticals U.S.A., Inc.
Erleada	Janssen Biotech, Inc.
Kisqali	Novartis Pharmaceuticals Corporation
Lenvima	Eisai Inc
Orencia	Bristol-Myers Squibb Company
Rexulti	Otsuka Pharmaceutical Company, Ltd.
Tradjenta <sup>1</sup>	Boehringer Ingelheim Pharmaceuticals, Inc.
Trulicity	Eli Lilly and Company
Verzenio	Eli Lilly and Company
Xeljanz; Xeljanz XR	PF PRISM CV
Xolair	Genentech, Inc.

<sup>1</sup>This drug was selected for renegotiation for the third cycle of negotiations in the Negotiation Program.

## Key Milestones to Date

- On May 12, 2025**, CMS issued draft guidance for the third cycle of negotiations, including requests for public comment.
- On September 30, 2025**, CMS issued **final guidance** detailing the requirements and parameters of the Negotiation Program for the third cycle of negotiations, which will occur during 2026. Any negotiated prices will be effective beginning in 2028.
- On January 27, 2026**, CMS announced the 15 drugs payable under Medicare Part B and/or covered under Medicare Part D selected for the third cycle of negotiations. Also, on January 27, 2026, CMS announced the one drug selected for renegotiation. For a list of these drugs, please click [here](#). For a list of the top 50 negotiation-eligible drugs for initial price applicability year 2028, please click [here](#).
- On February 28, 2026**, drug companies that manufacture the drugs selected for the third cycle of the Negotiation Program had a statutory deadline to choose to sign agreements to participate in the Negotiation Program.

 Participating drug companies with a selected drug for the Negotiation Program and the public had an opportunity to submit data and information on the selected drugs and their therapeutic alternative(s) to CMS no later than March 1, 2026.

 **On March 13, 2026**, CMS announced the drug companies that manufacture the 15 drugs selected for the Negotiation Program that have chosen to participate in the third cycle of the Negotiation program, along with the drug company that manufactures the one drug selected for renegotiation.

CMS' process for the third round of negotiations engages drug companies and the public throughout. Some of the next steps in the process include the following:

- Invite each participating drug company with a selected drug to engage in a meeting on its data submission.
- Host 16 patient-focused roundtable events (one dedicated to each selected drug) that will be open to patients, patient advocacy organizations, and caregivers. These events are intended to collect patient-focused input on topics such as patient experience, therapeutic alternative(s) to the selected drugs, the extent to which the selected drugs address unmet medical needs, and the impact of selected drugs on specific populations. For additional information, please click [here](#).
- Host town hall meetings for all selected drugs, focused on the clinical considerations related to the selected drugs. CMS encourages practicing clinicians and researchers, as well as other interested parties, to participate. For additional information, please click [here](#).
- Send an initial offer for each selected drug for which the drug company is participating in the Negotiation Program with CMS' proposal for the maximum fair price and concise justification no later than June 1, 2026. The drug company will have 30 days to respond to the initial offer by accepting the offer or providing a counteroffer, if desired. In developing an initial offer, CMS will consider evidence related to the selected drugs and their therapeutic alternatives as well as other factors, such as research and development costs and unit costs of production and distribution of the selected drug. CMS will invite the drug company to a negotiation meeting to take place during the 30-day period after CMS sends the initial offer and before the response from the drug company is due to begin negotiation discussions.
- If agreement on a maximum fair price is not reached through the initial offer or counteroffer, CMS will invite each participating drug company for up to two additional negotiation meetings during Summer and Fall 2026 before the negotiation period ends on November 1, 2026.

For more information on the Medicare Drug Price Negotiation Program, including the final guidance and the negotiation process, please click [here](#).