

Recent Federal and State Efforts to Lower Drug Prices

Health Equity

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On November 6, 2025, the Trump administration announced [agreements with Eli Lilly and Co. and Novo Nordisk](#) to reduce prices for certain medications used treat obesity, diabetes, and heart disease, including Ozempic and Wegovy, among others. Under these agreements, monthly costs for these drugs will decrease through a new federal purchasing platform, TrumpRx, with further reductions planned for Medicare and Medicaid programs. The agreements also require Eli Lilly and Novo Nordisk to honor most favored nation (MFN) pricing on all new medications that they bring to market and provide every Medicaid program in the country access to MFN drug pricing on their products. The Trump administration's actions come on the heels of last month's announcement by California's Governor Newsom that it reached an agreement with Civica Rx and Biocon Biologics to make [CalRx® Insulin Glargine](#) (a medication essential to managing diabetes) available to consumers at an average cost of \$11 per pen beginning Jan. 1, 2026. Insulin affordability has been a persistent health care challenge in the U.S.