



# Trump Rescinds Medicare Drug Executive Order

Possible impacts include increase in out-of-pocket expenses for Medicare, Medicaid beneficiaries.

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**By Mary Helen Gillespie**

President [Donald Trump](#) on Jan. 20, 2025, rescinded former President [Joe Biden's executive order 14087](#), which was put in place to lower the cost of prescription drugs for Americans, including those on [Medicare Part D](#). [Newsweek reports](#) the potential impact of rescinding executive order 14087 is as follows:

- **Halted development of cost-reduction models:** The directive for the Department of Health and Human Services to develop and test new models aimed at lowering drug costs through the Center for Medicare and Medicaid Innovation has been withdrawn. This move could slow or halt progress on initiatives that were designed to make prescription medications more affordable.
- **Potential increase in out-of-pocket expenses:** Without the implementation of new models focused on reducing costs, Medicare and Medicaid beneficiaries might continue to face high out-of-pocket expenses for prescription drugs, possibly affecting access to certain medications.
- **Uncertainty in future drug pricing policies:** The rescission creates uncertainty regarding the federal government's approach to addressing prescription drug costs, which could leave beneficiaries unsure about future measures to control or reduce expenses.