

International Reference Pricing (IRP) Caps Are Highly Design-Sensitive: Cap-Setting Countries and Access Signals for Incretin Therapies

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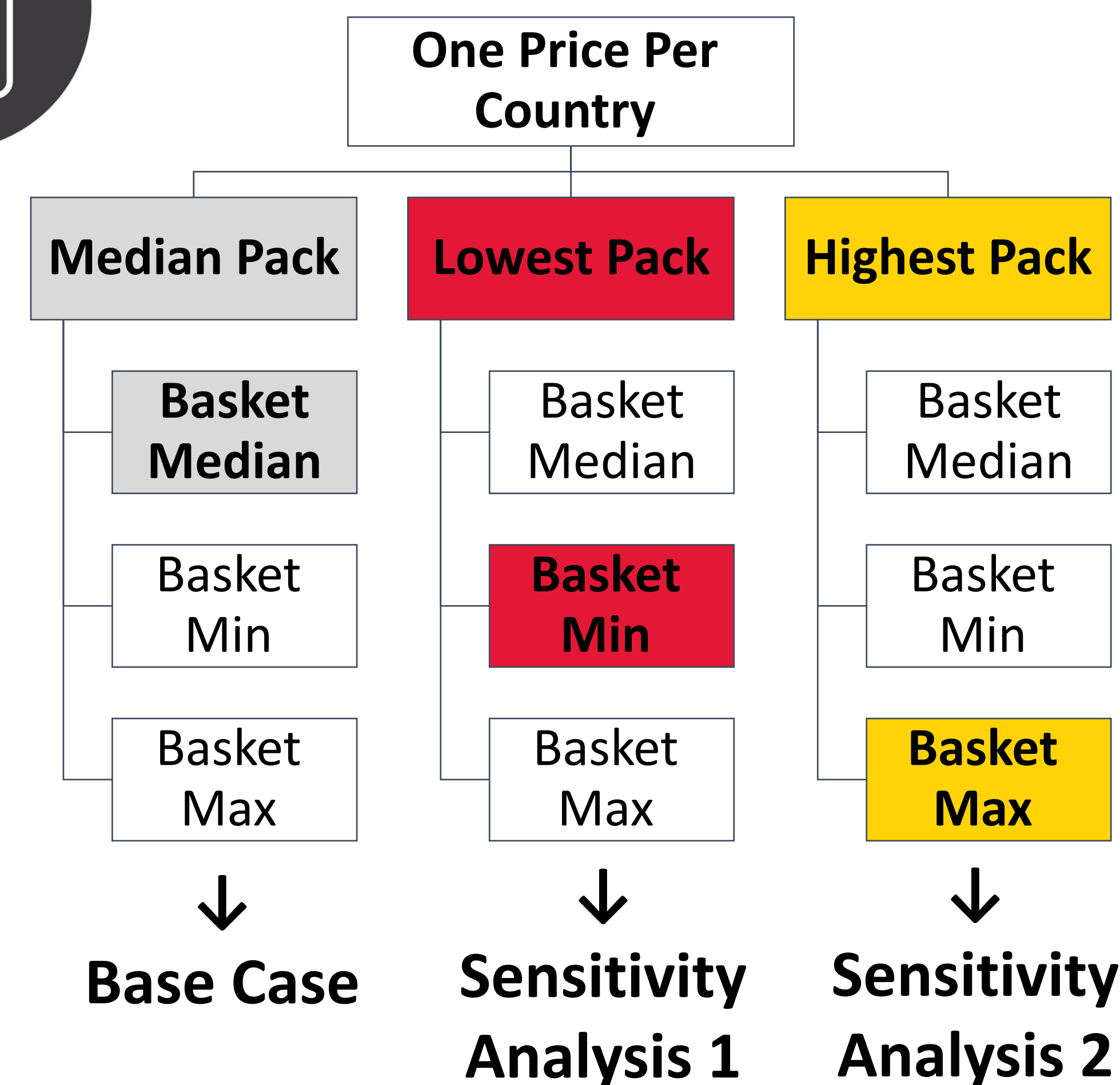
If the United States adopted IRP for injectable incretin therapies, how would simulated U.S. price ceilings change across country baskets and benchmark calculation methods, and which countries would most influence the ceiling?

Methods

1. Country Basket, Medications, Indications
Ex-U.S. G7 countries + Switzerland
Injectable brand-name drugs
Type 2 diabetes mellitus and chronic weight management

2. Standardization
Adjust list prices based on pack sizes, strengths, and maintenance dose

3. Benchmark Calculation



Transparent IRP Design Is Essential.

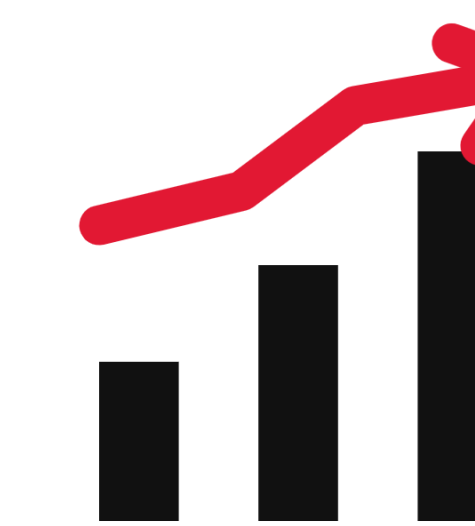
A Credible IRP Framework Should:

- Disclose the country basket
- Justify the benchmark rule
- Prespecify product availability
- Contextualize foreign prices within country-specific value and access systems.

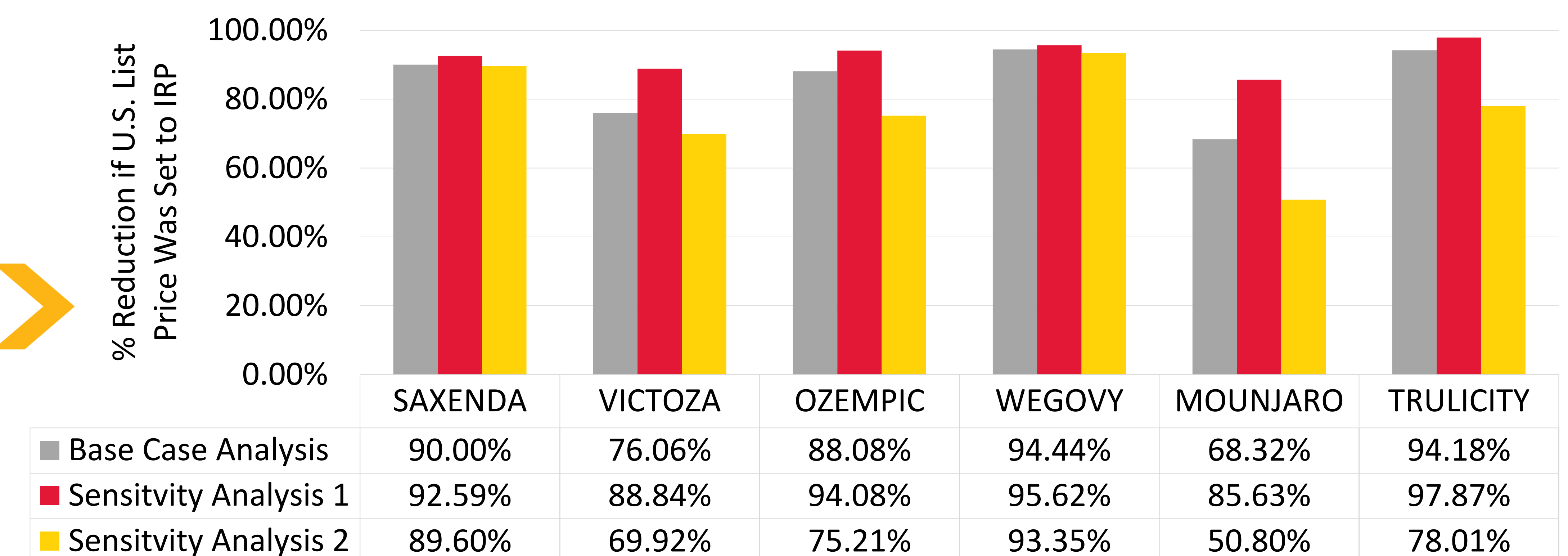
Why This Matters?

Without transparent and prespecified IRP design, foreign price benchmarks may create uncertainty for market access planning, launch decisions, and long-term innovation incentives—ultimately affecting patient access.

Results



IRP is not one-size-fits-all policy.
Its impact varies across policy designs and medications.



Japan, Germany, and Switzerland had the greatest influence, indicating that their inclusion tended to lower the simulated IRP ceiling and increase the implied U.S. price reduction.

Change In Simulated U.S. Price Ceiling (% Points) When One Country Is Excluded
Influence of country j = IRP cap without country j – full basket IRP cap

Brand	Canada	Germany	Switzerland	UK	France	Japan	Italy
SAXENDA	-0.74	0.74	0.74	-0.74	n/a	n/a	n/a
VICTOZA	n/a	-10.21	-10.21	n/a	0.59	0.59	-9.62
OZEMPIC	-3.49	-3.49	3.54	7.02	7.02	7.02	-3.49
WEGOVY	-4.25	-4.25	1.88	-2.37	n/a	1.88	n/a
MOUNJARO	n/a	1.85	n/a	-1.85	n/a	1.85	0.99
TRULICITY	-3.74	16.03	-3.74	12.29	16.03	-3.74	16.03