

HEALTH ISSUES

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President Biden Signs Sweeping Executive Order on Competition: Health Sector Implications

On Friday, President Biden signed an [*Executive Order on Promoting Competition in the American Economy*](#) aimed at promoting competition in the American economy, “which will lower prices for families, increase wages for workers, and promote innovation and even faster economic growth.” The sweeping executive order affects a variety of business and financial sectors, including directives to control and reduce the price of prescription drugs. The order directs the Food and Drug Administration (FDA) to work with state governments to import prescription drugs from Canada, where they are sold at lower prices. The order requires the Department of Health and Human Services (HHS) to increase support for generic and biosimilar drugs and issue a comprehensive plan within 45 days to combat high prescription drug prices and potential price gouging. The executive order encourages the Federal Trade Commission (FTC) to ban “pay for delay” practices, in which brand-name drug manufacturers pay generic manufacturers to stay out of the market.

The executive order includes a directive to HHS to implement standardized health plan options in the National Health Insurance Marketplace which is intended to make it easier for consumers to select their insurers. The executive order also includes provisions affecting certain medical devices like hearing aids, directing HHS to consider issuing proposed rules for allowing hearing aids to be sold over the counter rather than exclusively from a doctor or a specialist. The order also directs HHS to support existing hospital price transparency rules and finish implementing the federal surprise hospital billing legislation. And finally, the order would include hospital mergers in its request to the Justice Department and FTC to review and revise their merger guidelines citing patient harm as a concern. For a full rundown on the provisions of this executive order please refer to the White House [fact sheet](#).

If you have any questions regarding this *Academy Alert*, please contact Matthew Williams, senior health policy analyst (williams@actuary.org; 202-868-7001).

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