

INFLATION REDUCTION ACT ALREADY IMPACTING R&D

Even before the Inflation Reduction Act passed and was signed into law, many predicted it would have an impact on medical innovation. A recent survey of PhRMA member companies found many are already taking the law into account when making R&D decisions. Here are some of the key findings from survey respondents:

3/4

of companies surveyed said the law creates significant uncertainty for R&D planning



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and that they are already reconsidering their R&D investment strategy

For those companies that answered the following questions:



78% said early-stage pipeline projects are likely to be canceled



2/3 said pipeline projects for new medicines that are planned but not yet in clinical development will likely no longer be pursued



63% said they expect to shift R&D investment focus away from small molecule medicines



57% said they expect to reduce spending on new scientific platforms that may take many years to develop



82% or more of companies with pipeline projects in cardiovascular, mental health, neurology, infectious disease, cancer or rare diseases expect "substantial impacts" on R&D decisions in these areas.

Learn more at PhRMA.org/Inflation-Reduction-Act

Source: Survey commissioned by PhRMA and conducted in November-December 2022 with 25 of 33 PhRMA member company responses.