

111TH CONGRESS
2D SESSION

H. R. 4752

To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate covered part D drug prices on behalf of Medicare beneficiaries.

IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2010

Mr. WELCH (for himself, Mrs. EMERSON, Ms. SCHAKOWSKY, Mr. SALAZAR, Mr. GRIJALVA, Mr. HINCHEY, Mr. CONYERS, Mr. WILSON of Ohio, Ms. BALDWIN, Mr. HODES, Ms. TITUS, Mr. TAYLOR, Mr. ELLISON, Mr. MOORE of Kansas, Ms. SCHWARTZ, Mr. LIPINSKI, Mr. JOHNSON of Georgia, Mr. MCGOVERN, Mr. OLVER, Mr. LANGEVIN, Mr. WU, Mr. KLEIN of Florida, Ms. PINGREE of Maine, Ms. KAPTUR, Ms. HARMAN, Mr. LOEBSACK, Ms. WASSERMAN SCHULTZ, Mr. NADLER of New York, Mr. HALL of New York, Mr. OBERSTAR, Mr. BRALEY of Iowa, Mr. HARE, Mr. HEINRICH, Mrs. CAPPS, Ms. SUTTON, Mr. STUPAK, Mr. ARCURI, Ms. SHEA-PORTER, Mr. CARDOZA, Mr. DEFazio, Mr. RYAN of Ohio, Mr. CARNEY, Mr. VAN HOLLEN, Mr. KAGEN, Mr. BOSWELL, Mr. DOYLE, Mr. ISRAEL, Mr. DELAHUNT, Mr. BISHOP of New York, Ms. DELAURO, Mr. MICHAUD, Mr. BERRY, Mr. CAPUANO, Mr. CHANDLER, Mr. MARKEY of Massachusetts, Mr. KILDEE, Mr. FILNER, Mr. CARNAHAN, Mr. WEINER, Mr. MCDERMOTT, Mr. YARMUTH, Ms. WOOLSEY, Mr. FARR, Mr. LARSEN of Washington, Mr. KENNEDY, Mr. COURTNEY, Mr. SCOTT of Virginia, and Ms. KILROY) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Serv-

ices to negotiate covered part D drug prices on behalf of Medicare beneficiaries.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medicare Prescription
 5 Drug Price Negotiation Act of 2010”.

6 **SEC. 2. NEGOTIATION OF LOWER COVERED PART D DRUG**
 7 **PRICES ON BEHALF OF MEDICARE BENE-**
 8 **FICIARIES.**

9 (a) NEGOTIATION BY SECRETARY.—Section 1860D–
 10 11 of the Social Security Act (42 U.S.C. 1395w–111) is
 11 amended by striking subsection (i) (relating to noninter-
 12 ference) and inserting the following:

13 “(i) NEGOTIATION OF LOWER DRUG PRICES.—

14 “(1) IN GENERAL.—Notwithstanding any other
 15 provision of law, the Secretary shall negotiate with
 16 pharmaceutical manufacturers the prices (including
 17 discounts, rebates, and other price concessions) that
 18 may be charged to PDP sponsors and MA organiza-
 19 tions for covered part D drugs for part D eligible in-
 20 dividuals who are enrolled under a prescription drug
 21 plan or under an MA–PD plan.

22 “(2) NO CHANGE IN RULES FOR
 23 FORMULARIES.—

1 “(A) IN GENERAL.—Nothing in paragraph
2 (1) shall be construed to authorize the Sec-
3 retary to establish or require a particular for-
4 mulary.

5 “(B) CONSTRUCTION.—Subparagraph (A)
6 shall not be construed as affecting the Sec-
7 retary’s authority to ensure appropriate and
8 adequate access to covered part D drugs under
9 prescription drug plans and under MA–PD
10 plans, including compliance of such plans with
11 formulary requirements under section 1860D–
12 4(b)(3).

13 “(3) CONSTRUCTION.—Nothing in this sub-
14 section shall be construed as preventing the sponsor
15 of a prescription drug plan, or an organization offer-
16 ing an MA–PD plan, from obtaining a discount or
17 reduction of the price for a covered part D drug
18 below the price negotiated under paragraph (1).

19 “(4) SEMI-ANNUAL REPORTS TO CONGRESS.—
20 Not later than June 1, 2011, and every 6 months
21 thereafter, the Secretary shall submit to the Com-
22 mittees on Ways and Means, Energy and Commerce,
23 and Oversight and Government Reform of the House
24 of Representatives and the Committee on Finance of
25 the Senate a report on negotiations conducted by the

1 Secretary to achieve lower prices for Medicare bene-
2 ficiaries, and the prices and price discounts achieved
3 by the Secretary as a result of such negotiations.”.

4 (b) EFFECTIVE DATE.—The amendment made by
5 subsection (a) shall take effect on the date of the enact-
6 ment of this Act and shall first apply to negotiations and
7 prices for plan years beginning on January 1, 2011.

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