
CBO Estimate of the Statutory Pay-As-You-Go Effects for an Amendment in the Nature of a Substitute to H.R. 5651, the Food and Drug Administration Reform Act of 2012, as posted on the Web site of the Committee on Energy and Commerce on May 25, 2012

	By Fiscal Year, in Millions of Dollars											2012 -	2012 -
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2017	2022
NET DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	-15	-12	-20	-28	-39	-39	0	-50	-83	-82	-114	-370

Source: Congressional Budget Office.

Notes: Components may not sum to totals because of rounding.

The bill would modify how the Food and Drug Administration regulates drugs and devices in a broad range of areas. Several provisions of the bill would affect when lower-priced drugs enter the market. Changing the timing of availability of lower-priced drugs affects spending in federal health programs that pay for prescription drugs and biological products. It would also affect the costs of health insurance plans and thus federal subsidies for health insurance purchased through an exchange. On net, the bill would result in a reduction in the deficit of \$114 million over the 2012-2017 period, which is the sum of a reduction in direct spending of \$113 million and an increase in revenues of \$1 million. Similarly, the 10-year net reduction in deficits of \$370 million is the sum of a reduction in direct spending of \$365 million and an increase in revenues of \$5 million.
