

S. 1416, Affordable Prescriptions for Patients Act of 2019

As reported by the Senate Committee on the Judiciary on June 28, 2019

Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	-108	-441
Revenues	0	17	65
Deficit Effect	0	-124	-507
Spending Subject to Appropriation (Outlays)	n.a.	n.a.	n.a.
Pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, under threshold

n.a. = not available;

The bill would

- Define “product hopping” in the Federal Trade Commission Act and establish a statutory framework for the Federal Trade Commission’s (FTC’s) litigation authority against manufacturers that engage in such practices
- Allow FTC to impose civil penalties and seek other appropriate relief in district court from parties that violate antitrust law in this area
- Limit the number of patents that can be litigated under some provisions of the Biologics Price Competition and Innovation Act of 2009
- Impose a private sector mandate by limiting the number of patents that may be asserted in infringement claims for a small number of biological products

Estimated budgetary effects would stem from

- Generic or biosimilar drugs entering the market earlier, on average, than would be the case under current law, resulting in lower federal spending for prescription drugs and subsidies for health insurance

Detailed table begins on the next page.

**Table 1.
Estimated Budgetary Effects of S. 1416**

	By Fiscal Year, Millions of Dollars											2019- 2024	2019- 2029
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Decreases in Direct Spending													
Estimated Budget Authority	0	-2	-10	-17	-31	-47	-58	-62	-66	-76	-71	-108	-441
Estimated Outlays	0	-2	-10	-17	-31	-47	-58	-62	-66	-76	-71	-108	-441
Increases in Revenues													
Estimated Revenues	0	*	2	3	5	7	8	9	10	10	11	17	65
Net Decrease in the Deficit from Changes in Direct Spending and Revenues													
Effect on the Deficit	0	-3	-12	-20	-36	-54	-66	-71	-76	-86	-82	-124	-507
On-Budget	0	-2	-12	-19	-34	-52	-64	-69	-74	-83	-79	-119	-488
Off-Budget	0	*	-1	-1	-1	-2	-2	-3	-3	-3	-3	-5	-19

Components may not sum to totals because of rounding; * = between -\$500,000 and zero.