### Division A - Prescription Drug Pricing Reduction Act of 2019

Posted December 6, 2019, with Modifications Discussed with Staff

#### TITLE I—MEDICARE

**Subtitle A—Part B**

10101. Improving manufacturers’ reporting of average sales prices to set accurate payment rates

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10102. Inclusion of value of coupons in determination of average sales price for drugs and biologicals under Medicare Part B

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10103. Payment for biosimilar biological products during initial period

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10104. Temporary increase in Medicare Part B payment for biosimilar biological products

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10105. Improvements to Medicare site-of-service transparency

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10106. Medicare Part B rebate by manufacturers for drugs or biologicals with prices increasing faster than inflation

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10107. Requiring manufacturers of certain single-dose container or single-use package drugs payable under Part B of the Medicare program to provide refunds with respect to discarded amounts of such drugs

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### Division A - Prescription Drug Pricing Reduction Act of 2019
**Posted December 6, 2019, with Modifications Discussed with Staff**

| 10108. | HHS Inspector General study and report on bona fide service fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10109. | Establishment of maximum add-on payment for drugs and biologicals | 0 | -30 | -60 | -60 | -70 | -70 | -80 | -80 | -80 | -90 | -220 | -620 | -620 |
| 10110. | Treatment of drug administration services furnished by certain excepted off-campus outpatient departments of a provider | 0 | -40 | -60 | -65 | -75 | -80 | -85 | -100 | -95 | -115 | -240 | -715 | -715 |
| 10111. | GAO study and report on average sales price | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10112. | Authority to use alternative payment for drugs and biologicals to prevent potential drug shortages | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Subtitle B—Part D**

| 10121. | Medicare Part D modernization redesign | 0 | 0 | 0 | 150 | -220 | -350 | -480 | -710 | -770 | -1,010 | -70 | -3,390 | -3,390 |
| 10121A. | Maximum monthly cap on cost-sharing payments under prescription drug plans and MA–PD plans | 0 | 0 | 0 | 20 | 20 | 30 | 30 | 30 | 30 | 30 | 40 | 190 | 190 |
| 10121B. | Requiring pharmacy-negotiated price concessions, payment, and fees to be included in negotiated prices at the point-of-sale under Part D of the Medicare program | 0 | 0 | 0 | 1,700 | 2,480 | 2,780 | 3,110 | 3,790 | 3,550 | 4,300 | 4,180 | 21,710 | 21,710 |
### Division A - Prescription Drug Pricing Reduction Act of 2019

**Posted December 6, 2019, with Modifications Discussed with Staff**

<table>
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<tr>
<th>10122. Providing the Medicare Payment Advisory Commission and Medicaid and CHIP Payment and Access Commission with access to certain drug payment information, including certain rebate information</th>
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<td>10124. Public disclosure of direct and indirect remuneration review and audit results</td>
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<td>10125. Increasing the use of real-time benefit tools to lower beneficiary costs</td>
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<td>10126. Improvements to provision of Parts A and B claims data to prescription drug plans</td>
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<td>10127. Permanently authorize a successful pilot on retroactive Medicare Part D coverage for low-income beneficiaries</td>
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<td>10128. Medicare Part D rebate by manufacturers for certain drugs with prices increasing faster than inflation</td>
<td>-750 -1,580 -2,190 -5,660 -7,510 -9,620 -10,110 -10,580 -10,210 -11,520 -17,690 -69,730</td>
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<td>10129. Prohibiting branding on Part D benefit cards</td>
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<td>10130. Requiring prescription drug plans and MA–PD plans to report potential fraud, waste, and abuse to the Secretary of HHS</td>
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### Division A - Prescription Drug Pricing Reduction Act of 2019

**Posted December 6, 2019, with Modifications Discussed with Staff**

#### By Fiscal Year, Millions of Dollars

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<td>10131. Establishment of pharmacy quality measures under Medicare Part D</td>
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<td>10132. Addition of new measures based on access to biosimilar biological products to the 5-star rating system under Medicare Advantage</td>
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<td>10133. HHS study and report on the influence of pharmaceutical manufacturer third-party reimbursement hubs on health care providers who prescribe their drugs and biologicals</td>
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#### Subtitle C—Miscellaneous

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<td>10145. Patient consultation in Medicare national and local coverage determinations in order to mitigate barriers to inclusion of such perspectives</td>
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### Division A - Prescription Drug Pricing Reduction Act of 2019

**Posted December 6, 2019, with Modifications Discussed with Staff**

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<th>2021-2030</th>
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<td>GAO study on increases to Medicare and Medicaid spending due to copayment coupons and other patient assistance programs</td>
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<td>Taking steps to fulfill treaty obligations to tribal communities</td>
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### TITLE II—MEDICAID

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<td>Medicaid pharmacy and therapeutics committee improvements</td>
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<td>Improving reporting requirements and developing standards for the use of drug use review boards in State Medicaid programs</td>
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<td>GAO report on conflicts of interest in State Medicaid program drug use review boards and pharmacy and therapeutics (P&amp;T) committees</td>
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<td>Ensuring the accuracy of manufacturer price and drug product information under the Medicaid drug rebate program</td>
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### Division A - Prescription Drug Pricing Reduction Act of 2019

**Posted December 6, 2019, with Modifications Discussed with Staff**

<table>
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<th>10206. Improving transparency and preventing the use of abusive spread pricing and related practices in Medicaid</th>
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<td>10208. Risk-sharing value-based payment agreements for covered outpatient drugs under Medicaid</td>
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<td>1,320</td>
</tr>
<tr>
<td><strong>Estimated Unified-Budget Revenues</strong></td>
<td>35</td>
<td>70</td>
<td>115</td>
<td>140</td>
<td>190</td>
<td>225</td>
<td>240</td>
<td>250</td>
<td>255</td>
<td>290</td>
<td>550</td>
<td>1,810</td>
</tr>
</tbody>
</table>
### Division A - Prescription Drug Pricing Reduction Act of 2019

**Posted December 6, 2019, with Modifications Discussed with Staff**

By Fiscal Year, Millions of Dollars

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
<th>2021-2025</th>
<th>2021-2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Decrease in the Deficit from Direct Spending and Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

- CBO estimates that the legislation would reduce spending on cost-sharing by about $72 billion over the 2020 - 2030 period among Part D enrollees who are not covered by the Low-Income Subsidy program.
- CBO estimates that the legislation would reduce spending on premiums by about $1 billion over the 2020 - 2030 period among Part D enrollees who are not covered by the Low-Income Subsidy program.
- Modifications to the legislation include changing the beneficiary share of the Part D premium from 25.5 percent to 24.5 percent, changing implementation dates, and removing section 10205 which was enacted under P.L. 116-59 on September 27, 2019.

(a) Medicare provisions include interactions with MA payments, the effect on Medicare Part A and B premiums, and TRICARE.

(b) Proposal would affect both direct spending and revenues, which are shown separately.

CHIP = Children's Health Insurance Program; GAO = Government Accountability Office; MA = Medicare Advantage; MA-PD = Medicare Advantage prescription drug plan; MedPAC = Medicare Payment Advisory Commission; T-MSIS = Transformed Medicaid Statistical Information System; TRICARE = the health care program operated by the Department of Defense.