

H.R. 2884 would limit the number of patents that could be included in infringement claims for biological products.

Estimated Budgetary Effects of H.R. 2884, the Affordable Prescriptions for Patients Through Improvements to Patent Litigation Act
 As ordered reported by the House Committee on the Judiciary on September 30, 2021

	By Fiscal Year, Millions of Dollars											2022-2027	2022-2032
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		
Decreases in Direct Spending													
Estimated Budget Authority	0	-9	-21	-40	-51	-46	-42	-40	-45	-45	-42	-167	-381
Estimated Outlays	0	-9	-21	-40	-51	-46	-42	-40	-45	-45	-42	-167	-381
Increases in Revenues													
Estimated Revenues	0	0	7	14	19	16	15	15	15	15	14	56	130
On-Budget Revenues	0	0	5	10	14	12	11	11	11	11	10	41	95
Off-Budget Revenues	0	0	2	4	5	4	4	4	4	4	4	15	35
Net Decrease in the Deficit From Changes in Direct Spending and Revenues													
Effect on the Deficit	0	-9	-28	-54	-70	-62	-57	-55	-60	-60	-56	-223	-511
On-Budget Deficit	0	-9	-26	-50	-65	-58	-53	-51	-56	-56	-52	-208	-476
Off-Budget Deficit	0	0	-2	-4	-5	-4	-4	-4	-4	-4	-4	-15	-35

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H.R. 2884 would limit to 20 the number of patents that could be included in infringement claims under the Biologics Price Competition and Innovation Act of 2009.

On the basis of discussions with stakeholders, CBO anticipates that more biosimilar drugs would enter the market earlier, on average, under H.R. 2884 than would be the case under current law. The estimated budgetary effects would stem from lower average prices for federal health programs that purchase prescription drugs and lower costs of health insurance subsidies.

The areas of significant uncertainty for this estimate include CBO's estimates of sales, market effects, and timing of introductions of new pharmaceutical products.

CBO has not completed an estimate of the effects of H.R. 2884 on spending subject to appropriation.

H.R. 2884 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by limiting the number of patents that may be asserted in infringement claims for biological products. CBO estimates the cost of the mandate would not exceed the threshold for private-sector mandates established in UMRA (\$184 million in 2022, adjusted annually for inflation).

H.R. 2884 contains no intergovernmental mandates.

On June 6, 2022, CBO transmitted a [cost estimate for S. 1435](#), the Affordable Prescriptions for Patients Act of 2021, as ordered reported by the Senate Committee on the Judiciary on July 29, 2021. Section 3 of S. 1435 is similar to H.R. 2884, and the estimated costs are the same for those portions.