

**S. 113, Prescription Pricing for the People Act of 2023**

As ordered reported by the Senate Committee on the Judiciary on February 9, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	3	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		<b>Mandate Effects</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 113 would require the Federal Trade Commission (FTC) to study whether anticompetitive practices exist within the pharmaceutical supply chain, especially as carried out by pharmacy benefit managers or intermediaries. Under the bill, the FTC would:

- Research potential legal or regulatory barriers that prevent the commission from effectively enforcing violations of the antitrust and consumer protection laws in the pharmaceutical supply chain,
- Study any legal or regulatory obstacles that contribute to the cost of prescription drugs,
- Identify methods that payers and companies use to assess the costs and benefits of contracting with intermediaries,
- Formulate policy or legislative recommendations to deter anticompetitive behavior in the pharmaceutical supply chain and report its findings to the Congress, and
- Report to the Congress on the number and nature of complaints about sole-source drug manufacturers, the commission’s ability to engage in enforcement against such manufacturers, and recommendations to strengthen its ability to prosecute anticompetitive behavior.

See also CBO’s *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);

*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



Using information from the FTC about similar activities, CBO estimates that the agency would need about 12 employees over two years, including attorneys, economists, research analysts, and paralegals, to complete the work. Although the cost would vary by position, CBO estimates that the average cost of an employee would be \$213,000. On that basis, CBO estimates that implementing the bill would cost \$3 million over the next two years; any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is David Hughes. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel  
Director, Congressional Budget Office