

Amendment to the Chairman's Mark

Offered by Representatives Schakowsky, Yarmuth, Lee, Lujan Grisham, Jeffries, Higgins, Wasserman Schultz, Khanna, Jayapal, and Jackson Lee

Reduce Prescription Drug Costs for All Americans

1. At the end of Title V, add the following:

“POLICY STATEMENT ON REDUCING PRESCRIPTION DRUG COSTS FOR AMERICANS.

(a) FINDINGS. — The House finds the following:

- (1) Around 20 million Americans gained health care coverage and access to a number of life-saving medications due to the Affordable Care Act, but many plans cover a smaller share of the costs of drugs than the costs of other health care services.
- (2) The Affordable Care Act provisions to close the Medicare prescription drug benefit coverage gap, or “doughnut hole,” will reduce annual average out-of-pocket costs for affected seniors by nearly \$2,000 by 2022.
- (3) A 2015 article in the Journal of Economic Perspectives found that the average launch price of anticancer drugs increased by 10 percent annually – an average increase of \$8,500 per year – from 1995 to 2013, after adjusting for inflation and expected health benefits of the drugs.
- (4) Companies like Turing Pharmaceuticals have driven up their revenues and profits by exploiting flaws in the generic drug market, such as using “reverse monopoly” strategies to purchase older drugs with few or no competitors and dramatically increase their prices, with recent examples including the price of an antiparasitic drug that first came on the market six decades ago suddenly increasing by 5,500 percent.

- (5) Prescription drug price increases impact access to and availability of potentially life-saving drugs and increase costs for patients, providers, hospitals, and taxpayers.
- (6) Americans spend more per capita on prescription drugs than people in other developed countries, and they pay more for brand-name prescription drugs than people in the rest of the world pay.
- (7) Seventy-seven percent of Americans identify the increasing price of prescription drugs as their number one health concern, according to a 2015 Kaiser Family Foundation poll, and 66 percent of Americans believe government action is needed to lower prescription drug prices.

(b) POLICY ON REDUCING PRESCRIPTION DRUG COSTS FOR AMERICANS. — It is the policy of this resolution that Congress should build on the Affordable Care Act to improve access to and affordability of prescription drugs for all Americans and to hold the health care industry accountable for the prices that consumers and federal programs pay for critical medications, while providing appropriate incentives to promote pharmaceutical innovation that can lead to new cures and more effective treatments.”

2. Amend the committee report to reflect the following policy assumptions:

The resolution supports measures to build on the Affordable Care Act to improve access to and affordability of prescription drugs for all Americans and to hold the health care industry accountable for the prices that consumers and federal programs pay for critical medications, while providing appropriate incentives to promote pharmaceutical innovation that can lead to new cures and more effective treatments.