Amendment to the Amendment in the Nature of a Substitute to Committee Print for Subtitle E Relating to Drug Pricing

Offered by M .

Add at the end of part 3 the following new section:

1 SEC. 30523. NEGOTIATED PRICE CONCESSIONS FOR INSU-2 LIN AT POINT-OF-SALE UNDER PART D OF 3 **MEDICARE PROGRAM.** 4 (a) IN GENERAL.—Section 1860D–2(d)(1) of the Social Security Act (42 U.S.C. 1395w–102(d)(1)) is amend-5 6 ed— (1) in subparagraph (A), by striking "Under" 7 8 and inserting "Subject to subparagraph (D), 9 under"; and 10 (2) by adding at the end the following new sub-11 paragraph: 12 "(D) NEGOTIATED PRICE CONCESSIONS 13 FOR INSULIN AT POINT-OF-SALE.— "(i) IN GENERAL.—For drugs dis-14 15 pensed in plan year 2022 or a subsequent 16 plan year, the minimum percentage de-

scribed in clause (ii) for such plan year of

17

 $\mathbf{2}$

1	price concessions negotiated between man-
2	ufacturers and a prescription drug plan or
3	MA–PD plan (or any entity that provides
4	pharmacy benefits management services
5	under a contract with any such prescrip-
6	tion drug plan or MA–PD plan) and taken
7	into account under subparagraph (B) in
8	determining negotiated prices for the plan
9	year for covered part D drugs that are in-
10	sulin provided under such a plan shall be
11	provided to enrollees of such a plan at
12	pharmacies or by mail order service at the
13	point-of-sale of such drugs.
14	"(ii) Amount of price conces-
15	SION.—For purposes of clause (i), and
16	subject to clause (iii), the minimum per-
17	centage described in this clause is—
18	"(I) for drugs dispensed in plan
19	year 2022, 50 percent;
20	"(II) for drugs dispensed in plan
21	year 2023, 75 percent; and
22	"(III) for drugs dispensed in
23	plan year 2024 or a subsequent plan
24	year, 100 percent.

3

"(iii) 1 MODIFICATION OF MINIMUM 2 PERCENTAGE.—For plan years beginning on or after January 1, 2024, the Secretary 3 4 may, through notice and comment rulemaking, specify a percentage other than 5 6 the percentage described in clause (ii) for 7 a plan year, except that in specifying such 8 percentage the Secretary shall not specify 9 a percentage that is less than 50 percent 10 of the negotiated price concession for such 11 plan year. Any percentage specified pursu-12 ant to the authority of the previous sen-13 tence for a plan year that would be less 14 than the percentage otherwise described in 15 clause (ii) for the plan year may only be 16 applied if such reduction in percentage is 17 justified as a benefit to individuals enrolled 18 under this title.". 19 (b) INCLUSION OF INFORMATION IN BID SUBMIS-20 SION.—Section 1860D–11(b)(2) of the Social Security Act 21 (42 U.S.C. 1395w–11(b)(2)) is amended— 22 (1) by redesignating subparagraph (F) as sub-23 paragraph (G); and 24 (2) by inserting after subparagraph (E) the fol-25 lowing new subparagraph:

4

	I.
1	"(F) Point-of-sale price concessions
2	FOR INSULIN.—For plan years beginning on or
3	after January 1, 2022, an estimate of the ag-
4	gregate price concessions for all insulin nego-
5	tiated by the plan for such plan year.".
6	(c) GAO STUDY AND REPORT ON INSULIN PRIC-
7	ING.—Not later than 2 years after the date of the enact-
8	ment of this Act, and annually thereafter, the Comptroller
9	General of the United States shall—
10	(1) conduct a study on the effects of the imple-
11	mentation of the requirement described in subpara-
12	graph (D) of section $1860D-2(d)(1)$ of the Social
13	Security Act (42 U.S.C. 1395w-102(d)(1)), as
14	added by subsection (a), including an analysis of—
15	(A) trends in the list and net prices of in-
16	sulin for qualified prescription drug coverage
17	offered by a prescription drug plan under part
18	D of the Social Security Act or an MA–PD
19	plan under part C of such title;
20	(B) savings on insulin for individuals en-
21	rolled in a prescription drug plan under part D
22	of the Social Security Act or an MA–PD plan
23	under part C of such title;
24	(C) trends in out-of-pocket costs for indi-

viduals enrolled in such plans, as compared to

25

5

1	individuals enrolled in a group health plan (as
2	defined in section 2791(a) of the Public Health
3	Service Act (42 U.S.C. 300gg-91(a)), a State
4	plan under title XIX of the Social Security Act,
5	or a qualified health plan offered through an
6	Exchange established under title I of the Pa-
7	tient Protection and Affordable Care Act (42
8	U.S.C. 18001 et seq.); and
9	(D) approval and market entry of bio-
10	similar insulin under section 351(k) of the Pub-
11	lic Health Service Act (42 U.S.C. 262); and
12	(2) submit to the Committee on Energy and
13	Commerce and the Committee on Ways and Means
14	in the House of Representatives, and the Committee
15	on Finance in the Senate, a report on the study con-
16	ducted under paragraph (1) , with recommendations
17	on how to enhance the access of individuals enrolled
18	in a prescription drug plan under part D of the So-
19	cial Security Act or an MA–PD plan under part C
20	of such title to lower out-of-pocket costs for insulin.
21	(d) TRANSPARENCY.—Section $1860D-1(c)(3)$ of the
22	Social Security Act (42 U.S.C. $1395w-101(c)(3)$) is
23	amended by adding at the end the following new subpara-
24	graph:

"(C) Additional 1 INFORMATION.—For 2 plan year 2022 and each subsequent plan year, 3 such information referred to in paragraph 4 (2)(A) shall also include, for a plan year, information regarding the requirement described in 5 subparagraph (D) of section 1860D-2(d)(1)6 with respect to insulin negotiated by the plan 7 for such plan year.". 8

\times