[DISCUSSION DRAFT]

115TH CONGRESS 2D SESSION

H. R. ______

To amend title XXVII of the Public Health Service Act and title XVIII of the Social Security Act to prohibit group health plans, health insurance issuers, prescription drug plan sponsors, and Medicare Advantage organizations from limiting certain information on drug prices.

IN THE HOUSE OF REPRESENTATIVES

Mr. CARTER of Georgia introduced the following bill; which was referred to the Committee on ______

A BILL

To amend title XXVII of the Public Health Service Act and title XVIII of the Social Security Act to prohibit group health plans, health insurance issuers, prescription drug plan sponsors, and Medicare Advantage organizations from limiting certain information on drug prices.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “___________ Act of 2018”.

August 30, 2018
SEC. 2. PROHIBITION ON LIMITING CERTAIN INFORMATION ON DRUG PRICES.

(a) GROUP HEALTH PLANS AND HEALTH INSURANCE ISSUERS.—Subpart II of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–11 et seq.) is amended by adding at the end the following:

“SEC. 2729. INFORMATION ON PRESCRIPTION DRUGS.

“(a) IN GENERAL.—A group health plan or a health insurance issuer offering group or individual health insurance coverage shall—

“(1) not restrict, directly or indirectly, any pharmacy that dispenses a prescription drug to an enrollee in the plan or coverage from informing (or penalize such pharmacy for informing) an enrollee of any differential between the enrollee’s out-of-pocket cost under the plan or coverage with respect to acquisition of the drug and the amount an individual would pay for acquisition of the drug without using any health plan or health insurance coverage; and

“(2) ensure that any entity that provides pharmacy benefits management services under a contract with any such health plan or health insurance coverage does not, with respect to such plan or coverage, restrict, directly or indirectly, a pharmacy that dispenses a prescription drug from informing (or penalize such pharmacy for informing) an en-
rollee of any differential between the enrollee’s out-
of-pocket cost under the plan or coverage with re-
spect to acquisition of the drug and the amount an
individual would pay for acquisition of the drug
without using any health plan or health insurance
coverage.

“(b) DEFINITION.—For purposes of this section, the
term ‘out-of-pocket cost’, with respect to acquisition of a
drug, means the amount to be paid by the enrollee under
the plan or coverage, including any cost-sharing (including
any deductible, copayment, or coinsurance) and, as deter-
mimed by the Secretary, any other expenditure.”.

(b) PRESCRIPTION DRUG PLAN SPONSORS AND
MEDICARE ADVANTAGE ORGANIZATIONS.—Section
1860D–4 of the Social Security Act (42 U.S.C. 1395w–
104) is amended by adding at the end the following new
subsection:

“(m) PROHIBITION ON LIMITING CERTAIN INFORMA-
TION ON DRUG PRICES.—A PDP sponsor and a Medicare
Advantage organization shall ensure that each prescrip-
tion drug plan or MA–PD plan offered by the sponsor or
organization does not restrict a pharmacy that dispenses
a prescription drug or biological from informing, nor pe-
nalize such pharmacy for informing, an enrollee in such
plan of any differential between the negotiated price of,
or copayment or coinsurance for, the drug or biological
to the enrollee under the plan and a lower price the indi-
vidual would pay for the drug or biological if the enrollee
obtained the drug without using any health insurance cov-
erage.”. 

(c) **EFFECTIVE DATE.**—The amendments made by
this section shall apply to plan years beginning on or after