

ROMNEY #1

Mitt Romney

AMENDMENT NO. _____ Calendar No. _____

Purpose: To reform prescription drug pricing and reduce out-of-pocket costs by ensuring consumers benefit from negotiated rebates.

IN THE SENATE OF THE UNITED STATES—116th Cong., 1st Sess.

S. 1895

To lower health care costs.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. ROMNEY (for
himself and Mr. BRAUN)

Viz:

1 At the end of title III, insert the following:

2 **SEC. 3 ____ . PRESCRIPTION DRUG REBATE REFORM.**

3 (a) IN GENERAL.—Subpart II of part A of title
4 XXVII of the Public Health Service Act (42 U.S.C.
5 300gg–11 et seq.), as amended by section 309, is further
6 amended by adding at the end the following:

7 **“SEC. 2729G. COST-SHARING WITH RESPECT TO PRESCRIP-**
8 **TION DRUGS.**

9 “(a) IN GENERAL.—A group health plan or health
10 insurance issuer offering group or individual health insur-
11 ance coverage shall set any coinsurance obligation an en-

1 rollee has with respect to a prescription drug covered by
2 the plan or coverage based on the net price of the drug,
3 such that no payment by the enrollee with respect to the
4 drug is based on a percentage of the list price of a drug.

5 “(b) APPLICABILITY.—Subsection (a)—

6 “(1) shall apply with respect to a prescription
7 drug benefit when the enrollee is required to pay a
8 deductible with respect to such benefits and—

9 “(A) has not yet satisfied the deductible
10 under the plan or coverage; or

11 “(B) has another coinsurance obligation
12 with respect to such benefits under the plan or
13 coverage; and

14 “(2) shall not apply if, with respect to the dis-
15 pensed quantity of a prescription drug, the net price
16 and list price are the same, or are different by not
17 more than 1 cent.

18 “(c) COPAYMENTS.—Nothing in this section prevents
19 a group health plan or health insurance issuer from re-
20 quiring a copayment for any prescription drug if such co-
21 payment is not tied to a percent of the specified cost of
22 the drug.

23 “(d) DEFINITIONS.—In this section—

24 “(1) the term ‘coinsurance’ means, with respect
25 to prescription drug coverage under a group health

1 plan or group or individual health insurance cov-
2 erage, a payment obligation of an enrollee in such
3 health plan or health insurance coverage that is
4 based on a portion or percentage of the specified
5 cost of a prescription drug, which may be up to 100
6 percent of that cost;

7 “(2) the term ‘deductible’ means the payment
8 obligation of an enrollee in a group health plan or
9 group or individual health insurance coverage before
10 the group health plan or group or individual health
11 insurance coverage will pay any portion of the cost
12 of prescription drug coverage;

13 “(3) the term ‘list price’ has the meaning given
14 the term ‘wholesale acquisition cost’ in section
15 1847A(c)(6)(B) of the Social Security Act;

16 “(4) the term ‘net price’ means, with respect to
17 prescription drug coverage under a group health
18 plan or group or individual health insurance cov-
19 erage, the list price of the drug net all rebates, dis-
20 counts, concessions, and other adjustments applied
21 to the cost paid by the group health plan or health
22 insurance issuer, or by any other entity that pro-
23 vides pharmacy benefit management services under
24 a contract with any such group health plan or health

1 insurance issuer, regardless of whether such adjust-
2 ments are prospective or retrospective; and

3 “(5) the term ‘prescription drug’ mean a drug,
4 as defined in section 201(g) of the Federal Food,
5 Drug, and Cosmetic Act, that is subject to section
6 503(b)(1) of such Act.”.

7 (b) EFFECTIVE DATE.—Section 2729G of the Public
8 Health Service Act, as added by subsection (a), shall apply
9 with respect to plan years beginning on or after January
10 1, 2021.