

115TH CONGRESS  
1ST SESSION

# H. R. 1920

To amend part B of title XVIII of the Social Security Act to exclude customary prompt pay discounts from manufacturers to wholesalers from the average sales price for drugs and biologicals under Medicare, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 5, 2017

Mr. UPTON (for himself, Mr. GENE GREEN of Texas, Mr. SHIMKUS, Ms. DEGETTE, and Mr. TIBERI) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To amend part B of title XVIII of the Social Security Act to exclude customary prompt pay discounts from manufacturers to wholesalers from the average sales price for drugs and biologicals under Medicare, and for other purposes.

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

1 **SECTION 1. EXCLUDING CUSTOMARY PROMPT PAY DIS-**  
2 **COUNTS FROM MANUFACTURERS TO WHOLE-**  
3 **SALERS FROM THE AVERAGE SALES PRICE**  
4 **FOR MEDICARE PAYMENTS FOR DRUGS AND**  
5 **BIOLOGICALS.**

6 (a) **IN GENERAL.**—Section 1847A(c)(3) of the Social  
7 Security Act (42 U.S.C. 1395w–3a(c)(3)) is amended—

8 (1) in the first sentence, by inserting “(other  
9 than customary prompt pay discounts extended to  
10 wholesalers)” after “prompt pay discounts”; and

11 (2) in the second sentence, by inserting “(other  
12 than customary prompt pay discounts extended to  
13 wholesalers)” after “other price concessions”.

14 (b) **EFFECTIVE DATE.**—The amendments made by  
15 this section shall apply to the calculation of the average  
16 sales price for calendar quarters beginning more than 90  
17 days after the date of the enactment of this Act.

○