

115TH CONGRESS  
1ST SESSION

# S. 1003

To amend title XIX of the Social Security Act to add standards for drug compendia for physician use for purposes of Medicaid payment for certain drugs, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 2, 2017

Mr. GRASSLEY (for himself and Mr. CASEY) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XIX of the Social Security Act to add standards for drug compendia for physician use for purposes of Medicaid payment for certain drugs, 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. ADDING STANDARDS FOR DRUG COMPENDIA**  
2 **FOR PHYSICIAN USE FOR PURPOSES OF PAY-**  
3 **MENT UNDER MEDICAID FOR CERTAIN**  
4 **DRUGS.**

5 (a) IN GENERAL.—Section 1927(g)(1)(B)(i) of the  
6 Social Security Act (42 U.S.C. 1396r–8(g)(1)(B)(i)) is  
7 amended—

8 (1) in subclause (I), by striking the semicolon  
9 at the end and inserting a period;

10 (2) in subclause (II), by striking “; and” at  
11 the end and inserting “).”;

12 (3) in subclause (III)—

13 (A) by striking “the DRUGDEX” and in-  
14 serting “The DRUGDEX”; and

15 (B) by striking “; and” at the end and in-  
16 serting a period; and

17 (4) by adding at the end the following:

18 “(IV) Other compendia, as deter-  
19 mined by the Secretary in a manner  
20 consistent with the revision process  
21 provided for in section 1861(t), that—

22 “(aa) are utilized nationwide  
23 by the private health insurance  
24 industry;

25 “(bb) are used by health  
26 care providers, such as long-term

1 care facilities or academic health  
2 centers;

3 “(cc) have a publicly avail-  
4 able policy on the disclosure of  
5 conflicts of interest that may  
6 exist between such a health care  
7 provider and drug manufactur-  
8 ers; and

9 “(dd) are accepted as pro-  
10 fessional drug compendia by at  
11 least one State board of phar-  
12 macy (or an equivalent State li-  
13 censing body).”.

14 (b) TECHNICAL AMENDMENTS.—Section  
15 1927(g)(1)(B) of the Social Security Act (42 U.S.C.  
16 1396r–8(g)(1)(B)) is amended—

17 (1) in clause (i), by striking “compendia” and  
18 inserting “Compendia”; and

19 (2) in clause (ii), by striking “the peer-re-  
20 viewed” and inserting “The peer-reviewed”.

21 **SEC. 2. REVISING DEFINITION OF MEDICALLY ACCEPTED**  
22 **INDICATION FOR MEDICARE PART D DRUGS.**

23 Section 1860D–2(e)(4) of the Social Security Act (42  
24 U.S.C. 1395w–102(e)(4)) is amended—

1           (1) in subparagraph (A)(i)(II), by striking “sec-  
2           tion 1927(g)(1)(B)(i)(III)” and inserting “sub-  
3           clauses (III) and (IV) of section 1927(g)(1)(B)(i)”;  
4           and  
5           (2) in subparagraph (B), by striking “subpara-  
6           graph (A)(i)(II)” and all that follows through  
7           “1927(g)(1)(B)(i)(III)” and inserting “a compen-  
8           dium described in subclause (III) or (IV) of section  
9           1927(g)(1)(B)(i) shall not be included in the list of  
10          compendia described in section 1861(t)(2)(B)(ii)(I)  
11          unless such compendium”.

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