

118TH CONGRESS
2D SESSION

S. 4229

To amend title XVIII of the Social Security Act to require that coinsurance for drugs under Medicare part D be based on the drug's net price and not the drug's list price.

IN THE SENATE OF THE UNITED STATES

MAY 1, 2024

Ms. ROSEN (for herself and Mr. CORNYN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to require that coinsurance for drugs under Medicare part D be based on the drug's net price and not the drug's list price.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Reducing Drug Prices
5 for Seniors Act.”.

1 **SEC. 2. REQUIRING THAT COINSURANCE FOR DRUGS**
2 **UNDER MEDICARE PART D BE BASED ON THE**
3 **DRUG'S NET PRICE AND NOT THE DRUG'S**
4 **LIST PRICE.**

5 Section 1860D-2 of the Social Security Act (42
6 U.S.C. 1395w-102) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (2)(A), in the matter
9 preceding clause (i), by striking “and (9)” and
10 inserting “, (9), and (10)”; and

11 (B) by adding at the end the following new
12 paragraph:

13 “(10) REQUIREMENT THAT COINSURANCE FOR
14 COVERED PART D DRUGS BE BASED ON THE NET
15 PRICE OF THE DRUG.—

16 “(A) IN GENERAL.—For plan years begin-
17 ning on or after January 1, 2025, for costs
18 above the annual deductible specified in para-
19 graph (1) and below the annual out-of-pocket
20 threshold specified in paragraph (4), any coin-
21 surance amount for a covered part D drug (in-
22 sofar as such covered part D drug is included
23 on the formulary and subject to coinsurance
24 rather than a copayment) shall be calculated
25 based on the net price (and not the list price)
26 of such covered part D drug if such net price

1 is lower than the list price of such covered part
2 D drug. The preceding sentence shall not apply
3 to a covered part D drug described in para-
4 graph (8) or (9).

5 “(B) NET PRICE DEFINED.—In this para-
6 graph, the term ‘net price’ means, with respect
7 to a covered part D drug, the negotiated price
8 of the covered part D drug under the prescrip-
9 tion drug plan or MA–PD plan, net of any
10 manufacturer-provided price concessions (as de-
11 fined under section 423.100 of title 42, Code of
12 Federal Regulations (or any successor regula-
13 tion)), as reported for such drug in the Detailed
14 DIR Report (or any successor report) sub-
15 mitted by the sponsor or organization offering
16 the plan for the previous plan year.”.

17 (2) in subsection (c), by adding at the end the
18 following new paragraph:

19 “(7) REQUIREMENT THAT COINSURANCE FOR
20 COVERED PART D DRUGS BE BASED ON THE NET
21 PRICE OF THE DRUG.—The coverage is provided in
22 accordance with subsection (b)(10).”.

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