

110TH CONGRESS  
1ST SESSION

# S. 976

To secure the promise of personalized medicine for all Americans by expanding and accelerating genomics research and initiatives to improve the accuracy of disease diagnosis, increase the safety of drugs, and identify novel treatments.

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## IN THE SENATE OF THE UNITED STATES

MARCH 23, 2007

Mr. OBAMA (for himself and Mr. BURR) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To secure the promise of personalized medicine for all Americans by expanding and accelerating genomics research and initiatives to improve the accuracy of disease diagnosis, increase the safety of drugs, and identify novel treatments.

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 “Genomics and Person-  
5 alized Medicine Act of 2007”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1           (1) The completion of the Human Genome  
2 Project in 2003 paved the way for a more sophisti-  
3 cated understanding of diseases and drug responses,  
4 which has contributed to the advent of “personalized  
5 medicine”.

6           (2) Personalized medicine is the application of  
7 genomic and molecular data to better target the de-  
8 livery of health care, facilitate the discovery and clin-  
9 ical testing of new products, and help determine a  
10 person’s predisposition to a particular disease or  
11 condition.

12           (3) Many commonly-used drugs are typically ef-  
13 fective in only 40 to 60 percent of the patient popu-  
14 lation.

15           (4) In the United States, up to 15 percent of  
16 hospitalized patients experience a serious adverse  
17 drug reaction, and more than 100,000 deaths are at-  
18 tributed annually to such reactions.

19           (5) Pharmacogenomics has the potential to dra-  
20 matically increase the efficacy and safety of drugs  
21 and reduce health care costs, and is fundamental to  
22 the practice of genome-based personalized medicine.

23           (6) Pharmacogenomics is the study of how ge-  
24 netic variation affects a person’s response to drugs.  
25 This relatively new field combines pharmacology (the

1 science of drugs) and genomics (the study of genes  
2 and their functions) to develop safer and more effective  
3 medications and dosing regimens that will be  
4 tailored to an individual's genetic makeup.

5 (7) The cancer drug Gleevec was developed  
6 based on knowledge of the chromosomal  
7 translocation that causes chronic myelogenous leukemia,  
8 which is characterized by an abnormal  
9 growth in the number of white blood cells. The mean  
10 5-year survival for affected patients who are treated  
11 with Gleevec is 95 percent, which contrasts to a 5-  
12 year survival of 50 percent for patients treated with  
13 older therapies.

14 (8) The ERBB2 gene helps cells grow, divide  
15 and repair themselves. One in 4 breast cancers are  
16 characterized by extra copies of this gene, which  
17 causes uncontrolled and rapid tumor growth.  
18 Pharmacogenomics research led to both the development  
19 of the test for this type of breast cancer as  
20 well as an effective biologic, Herceptin.

21 (9) Warfarin, a blood thinner used to prevent  
22 the formation of life-threatening clots, significantly  
23 elevates patient risk for bleeding in the head or gastrointestinal tract,  
24 both of which are associated with  
25 increased rates of hospitalization, disability and

1 death. Pharmacogenomic researchers have identified  
2 and developed tests for genetic variants in the  
3 cytochrome P450 metabolizing enzyme (CYP2C9)  
4 and vitamin K epoxide reductase complex that in-  
5 crease risk for these adverse events. By using a com-  
6 panion diagnostic test for these two genes, physi-  
7 cians can modify the dosing regimen and decrease  
8 the likelihood of adverse events.

9 (10) Although the cancer drug 6-  
10 mercaptopurine (6-MP) cures 85 percent of children  
11 with acute lymphoblastic leukemia, historically, a  
12 significant number of patients would die inexplicably  
13 from the drug. Researchers later discovered that 1  
14 in 300 individuals inherit an inactive version of the  
15 gene encoding the metabolizing enzyme thiopurine  
16 methyltransferase (TPMT) from both their mother  
17 and father and, as a result, should receive only a  
18 fraction of the standard dose of purine drugs. In ad-  
19 dition, 1 in 10 individuals have only 1 copy of the  
20 gene with variable function, and the dosage of 6-MP  
21 must be adjusted for a subset of these patients. Phy-  
22 sicians now are able to screen for TPMT gene  
23 variants before administering these drugs.

24 (11) Research into the genetics of breast cancer  
25 identified two pivotal genes, BRCA1 and BRCA2,

1 mutations in which correspond to a significantly in-  
2 creased lifetime risk of developing breast and ovar-  
3 ian cancer. Individuals in affected families or with  
4 specific risk factors may use genetic testing to iden-  
5 tify whether they carry mutations in these genes and  
6 to inform their decisions about treatment options,  
7 including prophylactic mastectomy and oophorectomy.

8 (12) Realizing the promise of personalized med-  
9 icine will require continued Federal leadership and  
10 agency collaboration, expansion and acceleration of  
11 genomics research, a capable genomics workforce, in-  
12 centives to encourage development and collection of  
13 data on the analytic and clinical validity and clinical  
14 utility of genomic tests and therapies, and improved  
15 regulation over the quality of genetic tests, direct-to-  
16 consumer advertising of genetic tests, and use of  
17 personal genomic information.

18 **SEC. 3. DEFINITIONS.**

19 In this Act:

20 (1) **BIOBANK.**—The term “biobank” means a  
21 shared repository of human biological specimens that  
22 may also include data associated with such speci-  
23 mens collected for medical or research purposes.  
24 Human biological specimens may include body  
25 fluids, tissues, blood, cells, or materials derived from

1 these sources, and data associated with such speci-  
2 mens may include health information or environ-  
3 mental data.

4 (2) BIOMARKER.—The term “biomarker”  
5 means an analyte found in or derived from a patient  
6 specimen that is objectively measured and evaluated  
7 as an indicator of normal biologic processes, patho-  
8 genic processes, or pharmacologic responses to a  
9 therapeutic intervention.

10 (3) CLIA.—The term “CLIA” means the Clin-  
11 ical Laboratory Improvement Amendments of 1988  
12 (42 U.S.C. 263a).

13 (4) ENVIRONMENT.—The term “environment”  
14 means conditions or circumstances that are non-  
15 genetic but may have a health impact.

16 (5) GENETIC TEST.—The term “genetic test”  
17 means an analysis of human DNA, RNA, chro-  
18 mosomes, proteins, or metabolites, that detects  
19 genotypes, mutations, or chromosomal and bio-  
20 chemical changes.

21 (6) LABORATORY-DEVELOPED GENETIC  
22 TEST.—The term “laboratory-developed genetic  
23 test” means a genetic test that is designed, vali-  
24 dated, conducted, and offered as a service by a clin-  
25 ical laboratory subject to CLIA using either com-

1       mercially available analyte specific reagents (FDA-  
2       regulated) or reagents prepared by the laboratory  
3       (not FDA-regulated), or some combination thereof.

4               (7) PHARMACOGENETIC TEST.—The term  
5       “pharmacogenetic test” means a genetic test in-  
6       tended to identify individual variations in DNA se-  
7       quence related to drug absorption and disposition  
8       (pharmacokinetics) or drug action  
9       (pharmacodynamics), including polymorphic vari-  
10      ation in the genes that encode the functions of  
11      transporters, receptors, metabolizing enzymes, and  
12      other proteins.

13              (8) PHARMACOGENOMIC TEST.—

14              (A) IN GENERAL.—The term  
15      “pharmacogenomic test” means a genetic test  
16      intended to identify individual variations in sin-  
17      gle-nucleotide polymorphisms, haplotype mark-  
18      ers, or alterations in gene expression or inac-  
19      tivation, that may be correlated with pharma-  
20      cological function and therapeutic response.

21              (B) VARIATIONS AND ALTERATIONS.—For  
22      purposes of this paragraph, the variations or al-  
23      terations referred to in subparagraph (A) may  
24      be a pattern or profile of change, rather than  
25      a change in an individual marker.

1           (9) SECRETARY.—The term “Secretary” means  
2           the Secretary of Health and Human Services.

3 **SEC. 4. GENOMICS AND PERSONALIZED MEDICINE INTER-**  
4 **AGENCY WORKING GROUP.**

5           (a) IN GENERAL.—Not later than 90 days after the  
6 date of enactment of this Act, the Secretary shall establish  
7 within the Department of Health and Human Services the  
8 Genomics and Personalized Medicine Interagency Working  
9 Group (referred to in this Act as the “IWG”).

10          (b) DUTIES.—The IWG shall facilitate collaboration,  
11 coordination, and integration of activities within the De-  
12 partment of Health and Human Services and other Fed-  
13 eral agencies, and among such agencies and relevant pub-  
14 lic and private entities, by—

15           (1) reviewing current and proposed genomic ini-  
16 tiatives, in order to identify shared interests and le-  
17 verage resources;

18           (2) prioritizing new genomic initiatives, based  
19 on areas of need as measured by public health im-  
20 pact;

21           (3) reaching consensus on standardized genomic  
22 terminology, definitions, and data code sets for  
23 adoption and use in Federally conducted or sup-  
24 ported programs;



1           (4) establishing and disseminating quality  
2 standards and guidelines for the collection, proc-  
3 essing, archiving, storage, and dissemination of  
4 genomic samples and data for research and clinical  
5 purposes;

6           (5) developing and promulgating guidelines re-  
7 garding procedures, protocols, and policies for the  
8 safeguarding of the privacy of biobank subjects, in  
9 accordance with the Office for Human Research  
10 Protection and Clinical Research Policy Analysis and  
11 Coordination Program at the National Institutes of  
12 Health, and other guidelines as appropriate;

13           (6) reviewing and making recommendations to  
14 address ownership and patient access issues with re-  
15 spect to genomic samples and analyses;

16           (7) developing and promulgating guidelines re-  
17 garding procedures, protocols, and policies for access  
18 to patient data, genomic samples, and associated  
19 health information by non-governmental entities for  
20 research purposes;

21           (8) developing and disseminating guidelines for  
22 constructing informed consent forms that ensure pa-  
23 tient privacy and confidentiality of associated clinical  
24 data and information, understanding of research

1 procedures, benefits, risks, rights, and responsibil-  
2 ities, and continuous voluntary participation; and

3 (9) providing recommendations for the estab-  
4 lishment of a distributed database, pursuant to sec-  
5 tion 5.

6 (c) IWG CHAIRPERSON.—The Secretary, or his or  
7 her designee, shall serve as chairperson of the IWG.

8 (d) MEMBERS.—In addition to the Secretary, the  
9 IWG shall include members from the—

10 (1) National Institutes of Health;

11 (2) Centers for Disease Control and Prevention;

12 (3) Food and Drug Administration;

13 (4) Health Resources and Services Administra-  
14 tion;

15 (5) Office of Minority Health;

16 (6) Agency for Healthcare Research and Qual-  
17 ity;

18 (7) Centers for Medicare & Medicaid Services;

19 (8) Veterans Health Administration;

20 (9) Office of the National Coordinator for  
21 Health Information Technology;

22 (10) Department of Energy;

23 (11) Armed Forces Institute of Pathology;

24 (12) Indian Health Service; and

1           (13) other Federal departments and agencies as  
2           determined appropriate by the Secretary.

3           (e) PUBLIC INPUT.—The IWG shall solicit input  
4           from relevant stakeholders with respect to meeting the du-  
5           ties described in subsection (b).

6           (f) REPORT.—Not later than 18 months after the  
7           date of enactment of this Act, the Secretary shall prepare  
8           and submit a report to the appropriate committees of Con-  
9           gress and to the public on IWG deliberations, activities,  
10          and recommendations with respect to meeting the duties  
11          described in subsection (b).

12          (g) TERMINATION.—The IWG shall terminate after  
13          submitting the report described in subsection (f), or later  
14          at the discretion of the Secretary.

15          (h) AUTHORIZATION OF APPROPRIATIONS.—There  
16          are authorized to be appropriated to carry out this section,  
17          \$1,000,000 for fiscal years 2008 and 2009.

18       **SEC. 5. NATIONAL BIOBANKING INITIATIVE.**

19          (a) IN GENERAL.—The Secretary shall advance the  
20          field of genomics and personalized medicine through estab-  
21          lishment of a national biobanking distributed database for  
22          the collection and integration of genomic data, and associ-  
23          ated environmental and clinical health information, which  
24          shall facilitate synthesis and pooled analysis of such data.

1 (b) DATABASE.—With respect to the national bio-  
2 banking distributed database, the Secretary shall—

3 (1) adhere to relevant guidelines, policies, and  
4 recommendations of the IWG, pursuant to section 4;

5 (2) establish, directly or by contract, a single  
6 point of authority to manage operations of the data-  
7 base;

8 (3) incorporate biobanking data from Federally  
9 conducted or supported genomics initiatives, as fea-  
10 sible;

11 (4) encourage voluntary submission of bio-  
12 banking data obtained or analyzed with private or  
13 non-Federal funds;

14 (5) facilitate submission of data, including se-  
15 cure and efficient electronic submission;

16 (6) allow public use of data only—

17 (A) with appropriate privacy safeguards in  
18 place; and

19 (B) for health research purposes;

20 (7) determine appropriate procedures for access  
21 by nongovernmental entities to biobank data for re-  
22 search and development of new or improved tests  
23 and treatments, and submission of data generated  
24 from such samples to the Food and Drug Adminis-

1       tration as part of the approval process for drugs and  
2       devices;

3           (8) conduct, directly or by contract, analytical  
4       research, including clinical, epidemiological, and so-  
5       cial research, using biobank data; and

6           (9) make analytic findings from biobanking ini-  
7       tiatives supported by Federal funding publicly avail-  
8       able within an appropriate timeframe to be deter-  
9       mined by the Secretary.

10       (c) RULE OF CONSTRUCTION.—Nothing in this sec-  
11      tion shall be construed to require the submission or ac-  
12      ceptance of biological specimens.

13       (d) BIOBANK INITIATIVES GRANTS.—

14           (1) IN GENERAL.—The Secretary shall establish  
15      a grant program for eligible entities to develop or ex-  
16      pand biobanking initiatives to increase under-  
17      standing of how genomics interacts with environ-  
18      mental factors to cause disease, and to accelerate  
19      the development of genomic-based tests and treat-  
20      ments.

21           (2) ELIGIBLE ENTITIES.—

22           (A) IN GENERAL.—For purposes of this  
23      subsection, eligible entities include academic  
24      medical centers and other entities determined  
25      appropriate by the Secretary. Eligible entities

1 desiring a grant under this subsection shall  
2 submit an application to the Secretary in ac-  
3 cordance with this subsection, at such time, in  
4 such manner, and containing such additional  
5 information as the Secretary may require.

6 (B) PRIORITY.—Academic medical centers  
7 that partner with health care professionals  
8 within their communities in order to obtain di-  
9 verse genomic samples shall be given priority  
10 for awards made under this subsection.

11 (3) REQUIREMENTS.—The Secretary shall en-  
12 sure that biobanks supported by grant awards under  
13 this section—

14 (A) adhere to guidelines and recommenda-  
15 tions developed pursuant to section 4;

16 (B) are established to complement activi-  
17 ties related to the implementation of current  
18 Federal biobanking research initiatives, as fea-  
19 sible;

20 (C) are based on well-defined populations,  
21 including population-based registries of disease  
22 and family-based registries;

23 (D) collect data from participants with di-  
24 verse genomic profiles, demographics, environ-

1           mental exposures, and presence or absence of  
2           health conditions and diseases, as appropriate;

3           (E) meet quality standards for the collec-  
4           tion, processing, archiving, storage, and dis-  
5           semination of data, which shall be developed by  
6           the IWG;

7           (F) have practical experience and dem-  
8           onstrated expertise in genomics and its clinical  
9           and public health applications;

10          (G) establish mechanisms to ensure patient  
11          privacy and protection of information from non-  
12          health applications and, as feasible, patient ac-  
13          cess to genomic samples for clinical testing pur-  
14          poses; and

15          (H) contribute genomic and associated  
16          clinical and environmental data and analyses to  
17          the national biobanking distributed database,  
18          pursuant to subsection (b).

19          (4) USE OF FUNDS.—An eligible entity that re-  
20          ceives a grant under this subsection shall use the  
21          grant funds to develop or expand a biobanking ini-  
22          tiative, which may include the following activities:

23                 (A) Support for scientific and community  
24                 advisory committees.

1 (B) Recruitment and education of partici-  
2 pants.

3 (C) Development of consent protocols.

4 (D) Obtaining genetic samples and associ-  
5 ated environmental and clinical information.

6 (E) Establishment and maintenance of se-  
7 cure storage for genetic samples and clinical in-  
8 formation.

9 (F) Conduct of data analyses and evidence-  
10 based systemic reviews that allow for the fol-  
11 lowing:

12 (i) Identification of biomarkers and  
13 other surrogate markers to improve pre-  
14 dictions of onset of disease, response to  
15 therapy, and clinical outcomes.

16 (ii) Increased understanding of gene-  
17 environment interactions.

18 (iii) Development of genetic screening,  
19 diagnostic, and therapeutic interventions.

20 (iv) Genotypic characterization of tis-  
21 sue samples.

22 (G) Other activities, as determined appro-  
23 priate by the Secretary.

24 (5) QUALITY ASSURANCE.—The Secretary may  
25 enter into a contract with an external entity to



1 evaluate grantees under this subsection to ensure  
2 that quality standards are met.

3 (e) APPLICATION OF PRIVACY RULES.—Nothing in  
4 this Act shall be construed to supercede the requirements  
5 for the protection of patient privacy under—

6 (1) the Federal regulations promulgated under  
7 section 264(c) of the Health Insurance Portability  
8 and Accountability Act of 1996 (42 U.S.C. 1320d–  
9 2 note); or

10 (2) sections 552 and 552a of title 5, United  
11 States Code (5 U.S.C. App.).

12 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
13 are authorized to be appropriated to carry out this section,  
14 \$75,000,000 for fiscal year 2009, and such sums as may  
15 be necessary for each of fiscal years 2010 through 2014.

16 **SEC. 6. GENOMICS WORKFORCE AND TRAINING.**

17 (a) GENETICS AND GENOMICS TRAINING.—The Sec-  
18 retary, directly or through contracts or grants to eligible  
19 entities, which shall include professional genetics and  
20 genomics societies, academic institutions, and other enti-  
21 ties as determined appropriate by the Secretary, shall im-  
22 prove the adequacy of genetics and genomics training for  
23 diagnosis, treatment, and counseling of adults and chil-  
24 dren for both rare and common disorders, through support  
25 of efforts to—

1           (1) develop and disseminate model training pro-  
2           gram and residency curricula and teaching materials  
3           that reflect the new knowledge and evolving practice  
4           of genetics and genomics;

5           (2) assist the review of board and other certi-  
6           fying examinations by professional societies and ac-  
7           creditation bodies to ensure adequate focus on the  
8           fundamental principles of genomics; and

9           (3) identify and evaluate options for distance or  
10          on-line learning for degree or continuing education  
11          programs.

12          (b) INTEGRATION.—The Secretary, in collaboration  
13          with medical professional societies and accreditation bod-  
14          ies and associations of health professional schools, shall  
15          support initiatives to increase the integration of genetics  
16          and genomics into all aspects of clinical and public health  
17          practice by promoting genetics and genomics competency  
18          across all clinical, public health, and laboratory disciplines  
19          through the development and dissemination of health pro-  
20          fessional guidelines which shall—

21                 (1) include focus on appropriate techniques for  
22                 collection and storage of genomics samples, adminis-  
23                 tration and interpretation of genetic and genomic  
24                 tests, and subsequent clinical and public health deci-  
25                 sionmaking; and

1 (2) specifically target health professionals with-  
2 out formal training or experience in the field of  
3 genomics.

4 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
5 are authorized to be appropriated to carry out this section  
6 \$5,000,000 for fiscal year 2008 and such sums as may  
7 be necessary for each of fiscal years 2009 through 2013.

8 **SEC. 7. REALIZING THE POTENTIAL OF PERSONALIZED**  
9 **MEDICINE.**

10 (a) NATIONAL ACADEMY OF SCIENCES STUDY.—Not  
11 later than 180 days after the date of enactment of this  
12 Act, the Secretary shall enter into a contract with the Na-  
13 tional Research Council of the National Academy of  
14 Sciences to study and recommend appropriate incentives  
15 to encourage—

16 (1) codevelopment of companion diagnostic test-  
17 ing by a drug sponsor;

18 (2) development of companion diagnostic test-  
19 ing for already-approved drugs by the drug sponsor;

20 (3) companion diagnostic test development by  
21 device companies that are not affiliated with the  
22 drug sponsor; and

23 (4) action on other issues determined appro-  
24 priate by the Secretary.

25 (b) GENETIC TEST QUALITY.—

1           (1) IN GENERAL.—The Secretary shall improve  
2 the availability of information on, and safety and ef-  
3 ficacy of, genetic tests, including pharmacogenetic  
4 and pharmacogenomic tests.

5           (2) INSTITUTE OF MEDICINE STUDY.—Not later  
6 than 30 days after the date of enactment of this  
7 Act, the Secretary shall enter into a contract with  
8 the Institute of Medicine to conduct a study and  
9 prepare a report that includes recommendations to  
10 improve Federal oversight and regulation of genetic  
11 tests, with specific recommendations on the imple-  
12 mentation of the decision matrix under paragraph  
13 (3). Such study shall take into consideration rel-  
14 evant reports by the Secretary’s Advisory Committee  
15 on Genetic Testing and other groups and shall be  
16 completed not later than 1 year after the date on  
17 which the Secretary entered into such contract.

18           (3) DECISION MATRIX.—

19           (A) IN GENERAL.—Not later than 18  
20 months after the date of enactment of this Act,  
21 the Secretary, taking into consideration the rec-  
22 ommendations of the Institute of Medicine re-  
23 port under paragraph (2), shall implement a de-  
24 cision matrix (referred to in this section as the  
25 “matrix”) to improve the oversight and regula-

1           tion       of       genetic       tests,       including  
2           pharmacogenomic and pharmacogenetic tests by  
3           determining—

4                   (i) the classification of all genetic  
5                   tests;

6                   (ii) which categories of tests, includ-  
7                   ing laboratory-developed tests, require re-  
8                   view and the level of review needed for  
9                   such categories of tests;

10                  (iii) which agency shall have oversight  
11                  over the review process of such categories  
12                  of tests that are determined to require re-  
13                  view; and

14                  (iv) to the extent practicable, which  
15                  requirements the agency shall apply to the  
16                  types of tests identified in clause (ii).

17           (B) LEVEL OF REVIEW.—In determining  
18           the level of review needed by a genetic test, the  
19           Secretary shall take into consideration—

20                   (i) performance characteristics of the  
21                   test and its target disease or condition;

22                   (ii) intended use of the test;

23                   (iii) potential for improved medical  
24                   conditions and patient harms; and

25                   (iv) social consequences of the test.

1           (C) COMPARATIVE ANALYSIS.—To inform  
2 implementation of the matrix, the Secretary  
3 shall undertake a comparative analysis of lab-  
4 oratory review requirements under CLIA and  
5 those of the Food and Drug Administration  
6 to—

7           (i) assess and reduce unnecessary dif-  
8 ferences in such requirements;

9           (ii) eliminate redundancies and de-  
10 crease burden of review, as practicable;  
11 and

12           (iii) specify which elements of the test  
13 constitute a device that may be regulated  
14 by the Food and Drug Administration and  
15 which elements comprise a service that  
16 may be regulated under CLIA.

17       (D) REGULATIONS.—The Secretary shall  
18 promulgate regulations to implement the matrix  
19 not later than the date specified under subpara-  
20 graph (A).

21       (E) TRANSITION PERIOD.—The Secretary  
22 may not require a laboratory to submit a report  
23 under section 510(k) or an application under  
24 section 515 of the Federal Food, Drug and  
25 Cosmetic Act (21 U.S.C. 301 et seq.) until 180

1           days after the regulations promulgated under  
2           subparagraph (D) take effect.

3           (4) ADVERSE EVENTS.—The Secretary, acting  
4           through the Commissioner of Food and Drugs and  
5           the Administrator of the Centers for Medicare &  
6           Medicaid Services, shall—

7                   (A) develop or expand adverse event re-  
8                   porting systems to encompass reports of ad-  
9                   verse events resulting from genetic testing;

10                   (B) respond appropriately to any adverse  
11                   events resulting from such testing; and

12                   (C) facilitate the use of genetic and  
13                   genomic approaches, as feasible, to assess risk  
14                   for, and reduce incidence of, adverse drug reac-  
15                   tions.

16           (5) AUTHORIZATION OF APPROPRIATIONS.—  
17           There are authorized to be appropriated to carry out  
18           this subsection, \$6,000,000 for fiscal year 2008, and  
19           such sums as may be necessary for each of fiscal  
20           years 2009 through 2013.

21           (c) FOOD AND DRUG ADMINISTRATION.—

22                   (1) IN GENERAL.—

23                           (A) SUMMARY INFORMATION.—If a genetic  
24                           test that is determined to be within the jurisdic-  
25                           tion of the Food and Drug Administration but

1 that does not require review as determined  
2 under the matrix, the sponsor of such test shall  
3 provide the Secretary with summary informa-  
4 tion on how such test was validated and its per-  
5 formance characteristics. Such information shall  
6 be in a standardized format and with standard-  
7 ized content as specified by the Food and Drug  
8 Administration, and shall be made easily acces-  
9 sible to the public.

10 (B) SOURCE OF INFORMATION.—The in-  
11 formation described under subparagraph (A)  
12 may be obtained from the labeling submitted  
13 for CLIA complexity categorization.

14 (2) ENCOURAGEMENT OF COMPANION DIAG-  
15 NOSTIC TESTING.—The Secretary may encourage  
16 the sponsor of a drug or biological product—

17 (A) to codevelop a companion diagnostic  
18 test, after filing an investigational new drug ap-  
19 plication or a new drug application to address  
20 significant safety concerns of the drug or bio-  
21 logical product;

22 (B) to develop a companion diagnostic test  
23 if phase IV data demonstrate significant safety  
24 or effectiveness concerns with use of the drug  
25 or biological product; and



1           (C) to relabel the drug or biological prod-  
2           uct to require validated companion diagnostic  
3           testing when evidence of improved outcomes has  
4           been established in practice or if data dem-  
5           onstrate significant safety concerns with use of  
6           such drug or biological product.

7           (3) PHARMACOGENOMIC DATA SUBMISSION.—  
8           The Secretary shall encourage and facilitate vol-  
9           untary pharmacogenomic data submission from drug  
10          sponsors, which may include—

11           (A) the development and dissemination of  
12           guidance on relevant policies, procedure and  
13           practice regarding such submission;

14           (B) the provision of technical assistance;

15           (C) the establishment of a mechanism to  
16           store, maintain and analyze such data, in col-  
17           laboration with the National Institutes of  
18           Health and the Centers for Disease Control and  
19           Prevention;

20           (D) determining when such data may be  
21           used to support an investigational new drug or  
22           a new drug application;

23           (E) the conduct of a study of the use of  
24           genomic approaches to understand and reduce  
25           adverse drug reactions; and

1 (F) other activities determined appropriate  
2 by the Commissioner.

3 (4) TERMINATION OF CERTAIN ADVERTISING  
4 CAMPAIGNS.—The Food and Drug Administration  
5 shall collaborate with the Federal Trade Commission  
6 to identify and terminate, pursuant to section 5 of  
7 the Federal Trade Commission Act (15 U.S.C. 45),  
8 advertising campaigns that make false, misleading,  
9 deceptive, or unfair claims about the benefits or  
10 risks of genetic tests.

11 (d) CENTERS FOR MEDICARE & MEDICAID SERV-  
12 ICES.—

13 (1) IN GENERAL.—If a genetic test that is de-  
14 termined to be within the jurisdiction of the Centers  
15 for Medicare & Medicaid Services but that does not  
16 require review as determined under the matrix, the  
17 sponsor of such test shall provide the Administrator  
18 of the Centers for Medicare & Medicaid Services  
19 with summary information on how the test was vali-  
20 dated and its performance characteristics. Such in-  
21 formation shall be in a standardized format and with  
22 standardized content as specified by the Centers for  
23 Medicare & Medicaid Services, and shall be made  
24 easily accessible to the public.

1           (2) SPECIALTY AREA.—To ensure the accuracy,  
2           validity, and reliability of clinical genetic tests that  
3           do not require premarket approval by or notification  
4           to the Food and Drug Administration, and to im-  
5           prove oversight of genetic test laboratories, the Di-  
6           rector of the Division of Laboratory Services of the  
7           Survey and Certification Group of the Center for  
8           Medicaid and State Operations of the Centers for  
9           Medicare & Medicaid Services, in collaboration with  
10          the Clinical Laboratory Improvement Advisory Com-  
11          mittee at the Centers for Disease Control and Pre-  
12          vention, shall establish a specialty area for molecular  
13          and biochemical genetic tests, in order to—

14                   (A) develop criteria for establishing ana-  
15                   lytic and clinical validity for genetic tests that  
16                   are determined to require review under the ma-  
17                   trix;

18                   (B) specify requirements for proficiency  
19                   testing for laboratories;

20                   (C) provide guidance regarding the scope  
21                   of duty for laboratory directors;

22                   (D) make information easily accessible to  
23                   the public about—

24                           (i) laboratory certification; and

1                   (ii) analytic and clinical validity for  
2                   genetic tests that are determined to require  
3                   high level review under the matrix; and

4                   (E) conduct other activities at the discre-  
5                   tion of the Administrator of the Centers for  
6                   Medicare & Medicaid Services.

7                   (3) REIMBURSEMENT.—

8                   (A) CODING.—To foster adoption of ge-  
9                   netic screening tools, the Administrator of the  
10                  Centers for Medicare & Medicaid Services  
11                  shall—

12                  (i) assess and update current proce-  
13                  dure terminology codes to encourage the  
14                  rapid review and coverage of novel tests  
15                  through the creation of new HCPCS codes  
16                  and adoption of new CPT codes and with-  
17                  out undue reliance on national coverage  
18                  determinations; and

19                  (ii) determine and implement fair and  
20                  reasonable coverage policies and reimburse-  
21                  ment rates for medically necessary genetic  
22                  and genomic treatments and services, in-  
23                  cluding laboratory testing.

24                  (B) BUDGET NEUTRALITY.—Before en-  
25                  hancing payment for a year pursuant to this

1 paragraph, the Secretary shall, if necessary,  
2 provide for an adjustment to payments made  
3 under part B of title XVIII of the Social Secu-  
4 rity Act (42 U.S.C. 1395j et seq.) in that year  
5 to ensure that such payments shall be equal to  
6 aggregate payments that would have been made  
7 under such part in that year if this paragraph  
8 had not been enacted.

9 (e) CENTERS FOR DISEASE CONTROL AND PREVEN-  
10 TION.—

11 (1) DIRECT-TO-CONSUMER MARKETING.—Not  
12 later than 2 years after the date of enactment of  
13 this Act, the Director of the Centers for Disease  
14 Control and Prevention, with respect to genetic tests  
15 for which consumers have direct access, shall—

16 (A) conduct an analysis of the public  
17 health impact of direct-to-consumer marketing  
18 to the extent possible from available data  
19 sources;

20 (B) analyze the validity of claims made in  
21 direct-to-consumer marketing to determine  
22 whether such claims are substantiated by com-  
23 petent and reliable scientific evidence; and

24 (C) make recommendations to the Sec-  
25 retary regarding necessary interventions to pro-

1           tect the public from potential harms of direct-  
2           to-consumer marketing and access to genetic  
3           tests.

4           (2) PUBLIC AWARENESS.—The Director shall  
5           expand efforts to educate and increase awareness of  
6           the general public about genomics and its applica-  
7           tions to improve health, prevent disease and elimi-  
8           nate health disparities. Such efforts shall include  
9           the—

10                   (A) ongoing collection of data on the  
11                   awareness, knowledge and use of genetic tests  
12                   through public health surveillance systems, and  
13                   analysis of the impact of such tests on popu-  
14                   lation health; and

15                   (B) integration of the use of validated ge-  
16                   netic and genomic tests in public health pro-  
17                   grams as appropriate.

18           (3) AUTHORIZATION OF APPROPRIATIONS.—  
19           There are authorized to be appropriated to carry out  
20           this subsection, \$10,000,000 for fiscal year 2008,  
21           and such sums as may be necessary for each of fis-  
22           cal years 2009 through 2013.

23           (f) AGENCY FOR HEALTHCARE RESEARCH AND  
24           QUALITY.—The Director of the Agency for Healthcare  
25           Research and Quality, after consultation with the IWG

1 and other public and private organizations based in the  
2 United States and abroad, as appropriate, shall support  
3 the assessment of the clinical utility and cost-effectiveness  
4 of companion diagnostic tests that guide prescribing deci-  
5 sions, through research that—

6 (1) develops standardized tools and methodolo-  
7 gies to assess the clinical utility and cost-effective-  
8 ness of such tests, as well as criteria for use;

9 (2) establishes and validates drug dosing algo-  
10 rithms for which such tests can improve outcomes,  
11 taking into consideration—

12 (A) a reduction in toxicity, adverse events,  
13 and mortality;

14 (B) improved clinical outcomes and quality  
15 of life, including decreased requirements for  
16 monitoring and laboratory testing; and

17 (C) the impact on the direct and indirect  
18 costs of health care, which may include costs  
19 due to length of hospital stay, length of time to  
20 identify safe and effective dosing for patients,  
21 toxicity and adverse events, and other measures  
22 of health care utilization and outcomes;

23 (3) supports and expedites the development of  
24 clinical decision tools for clinical use of genetic tests,  
25 as warranted; and

1           (4) prioritizes the development of such tests for  
2           diseases and health conditions that have a signifi-  
3           cant public health impact because of prevalence, risk  
4           of complications from treatment, and other factors  
5           determined appropriate by the Director.

6           (g) AUTHORIZATION OF APPROPRIATIONS.—There  
7           are authorized to be appropriated to carry out this section,  
8           \$10,000,000 for fiscal year 2008, and such sums as may  
9           be necessary for each of fiscal years 2009 through 2013.

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