

108TH CONGRESS  
2D SESSION

# H. R. 4321

To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate and disclose lowest possible prices for prescription drug prices for Medicare beneficiaries.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2004

Mr. LYNCH 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

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## A BILL

To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate and disclose lowest possible prices for prescription drug prices for Medicare beneficiaries.

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. NEGOTIATION AND DISCLOSURE OF LOWEST**  
2 **POSSIBLE PRICES FOR PRESCRIPTION**  
3 **DRUGS UNDER MEDICARE.**

4 Section 1860D–11 of the Social Security Act, as  
5 added by section 101(a) of the Medicare Prescription  
6 Drug, Improvement, and Modernization Act of 2003 (Pub-  
7 lic Law 108–173), is amended by striking subsection (i)  
8 (relating to noninterference) and by inserting the fol-  
9 lowing:

10 “(i) NEGOTIATION AND DISCLOSURE OF BEST  
11 PRICES.—

12 “(1) NEGOTIATION.—In order to ensure that  
13 beneficiaries enrolled under prescription drug plans  
14 and MA–PD plans pay the lowest possible price, the  
15 Secretary shall have and exercise authority similar  
16 to that of the Secretary of Veterans Affairs, the Sec-  
17 retary of Defense, and the heads of other Federal  
18 agencies and departments that purchase prescription  
19 drugs in bulk to negotiate contracts with manufac-  
20 turers of covered part D drugs, consistent with the  
21 requirements and in furtherance of the goals of pro-  
22 viding quality care and containing costs under this  
23 part. In exercising such authority, the Secretary  
24 shall negotiate the best possible prices for such  
25 drugs.

1           “(2) DISCLOSURE.—The Secretary shall widely  
2       disseminate information on the prices for covered  
3       part D drugs negotiated under paragraph (1).”.

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