

109TH CONGRESS  
1ST SESSION

# S. 1585

To amend title XIX of the Social Security Act to reduce the costs of prescription drugs for enrollees of medicaid managed care organizations by extending the discounts offered under fee-for-service medicaid to such organizations.

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IN THE SENATE OF THE UNITED STATES

JULY 29, 2005

Mr. BINGAMAN (for himself and Mr. INOUE) 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 reduce the costs of prescription drugs for enrollees of medicaid managed care organizations by extending the discounts offered under fee-for-service medicaid to such organizations.

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 “Medicaid Health Plan  
5 Rebate Act of 2005”.

1 **SEC. 2. EXTENSION OF PRESCRIPTION DRUG DISCOUNTS**  
2 **TO ENROLLEES OF MEDICAID MANAGED**  
3 **CARE ORGANIZATIONS.**

4 (a) **IN GENERAL.**—Section 1927(j) of the Social Se-  
5 curity Act (42 U.S.C. 1396r–8(j)) is amended—

6 (1) by striking paragraph (1);

7 (2) by redesignating paragraphs (2) and (3) as  
8 paragraphs (1) and (2), respectively, and realigning  
9 the left margins of such paragraphs accordingly;

10 (3) in paragraph (1) (as redesignated by para-  
11 graph (2) of this section), by striking “The State”  
12 and inserting “**IN GENERAL.**—The State”; and

13 (4) in paragraph (2) (as so redesignated), by  
14 striking “Nothing” and inserting “**RULE OF CON-**  
15 **STRUCTION.**—Nothing”.

16 (b) **EFFECTIVE DATE.**—The amendments made by  
17 this section take effect on the date of enactment of this  
18 Act and apply to rebate agreements entered into or re-  
19 newed under section 1927 of the Social Security Act (42  
20 U.S.C. 1396r–8) on or after such date.

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