

111TH CONGRESS
1ST SESSION

S. 1221

To amend title XVIII of the Social Security Act to ensure more appropriate payment amounts for drugs and biologicals under part B of the Medicare Program by excluding customary prompt pay discounts extended to wholesalers from the manufacturer's average sales price.

IN THE SENATE OF THE UNITED STATES

JUNE 9, 2009

Mr. SPECTER (for himself and Mr. ROBERTS) 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 ensure more appropriate payment amounts for drugs and biologicals under part B of the Medicare Program by excluding customary prompt pay discounts extended to wholesalers from the manufacturer's average sales price.

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. EXCLUSION OF CUSTOMARY PROMPT PAY DIS-**
2 **COUNTS EXTENDED TO WHOLESALERS FROM**
3 **MANUFACTURER'S AVERAGE SALES PRICE**
4 **FOR PAYMENTS FOR DRUGS AND BIOLOGI-**
5 **CALS UNDER MEDICARE PART B.**

6 (a) **IN GENERAL.**—Section 1847A(c)(3) of the Social
7 Security Act (42 U.S.C. 1395w-3a(c)(3)) is amended—

8 (1) in the first sentence, by inserting “(other
9 than customary prompt pay discounts extended to
10 wholesalers)” after “prompt pay discounts”; and

11 (2) in the second sentence, by inserting “(other
12 than customary prompt pay discounts extended to
13 wholesalers)” after “other price concessions”.

14 (b) **EFFECTIVE DATE.**—The amendments made by
15 this section shall apply to drugs and biologicals that are
16 furnished on or after January 1, 2010.

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