To amend title XVIII of the Social Security Act to provide for adjustments to the Medicare part D cost-sharing reductions for low-income individuals.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2019

Mr. CUNNINGHAM (for himself, Mr. BILIRAKIS, and Mr. EVANS) 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

A BILL

To amend title XVIII of the Social Security Act to provide for adjustments to the Medicare part D cost-sharing reductions for low-income individuals.

1  Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

3  SECTION 1. SHORT TITLE.

This Act may be cited as the “Creating Lower cost Alternative for Your prescription drugs Act” or the “CLAY Act”.
SEC. 2. ADJUSTMENTS TO MEDICARE PART D COST-SHARING REDUCTIONS FOR LOW-INCOME INDIVIDUALS.

Section 1860D–14(a) of the Social Security Act (42 U.S.C. 1395w–114(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D)—

(i) in clause (ii)—

(I) by striking “that does not exceed $1 for” and all that follows through the period at the end and inserting “that does not exceed—

“(I) for plan years before plan year 2021—

“(aa) for a generic drug or a preferred drug that is a multiple source drug (as defined in section 1927(k)(7)(A)(i)), $1 or, if less, the copayment amount applicable to an individual under clause (iii); and

“(bb) for any other drug, $3 or, if less, the copayment amount applicable to an individual under clause (iii); and”;

and
(II) by adding at the end the following new subclauses:

“(II) for plan year 2021—

“(aa) for a generic drug, $0;

and

“(bb) for any other drug,

the dollar amount applied under this clause (after application of paragraph (4)(A)) for plan year 2020 for a drug described in subclause (I)(bb); and

“(III) for a subsequent year, the dollar amount applied under this clause for the previous year for the drug, increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year.”;

and

(ii) in clause (iii)—

(I) by striking “does not exceed the copayment amount specified under” and inserting “does not exceed—
“(I) for plan years beginning before plan year 2021, the copayment amount specified under”;

(II) by striking the period at the end and inserting “; and”; and

(III) by adding at the end the following new subclause:

“(II) for plan year 2021 and each subsequent plan year the copayment amount applied under clause (ii) for the drug and year involved.”; and

(B) by adding at the end the following new subparagraph:

“(F) ROUNDING.—Any amount established under clause (ii) of subparagraph (D), including as applied under clause (iii) of such subparagraph or paragraph (2)(E), that is based on an increase of $3, that is not a multiple of 5 cents or 10 cents, respectively, shall be rounded to the nearest multiple of 5 cents or 10 cents, respectively.”;

(2) in paragraph (2)—

(A) in subparagraph (C), by inserting “and subparagraph (E)” before the period;

(B) in subparagraph (D)—
(i) by striking “of coinsurance of” and inserting “of—

“(I) for plan years before plan year 2021, coinsurance of”;

(ii) by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new subclause:

“(II) for plan year 2021 and each subsequent plan year, a copayment amount that does not exceed the copayment amount applied under paragraph (1)(D)(ii) for the drug and year involved.”; and

(C) in subparagraph (E)—

(i) by striking “subsection (c), the substitution for” and inserting “subsection (c)—

“(i) for plan years before plan year 2021, the substitution for”; 

(ii) by striking the period at the end and inserting “; and”; and

(iii) by adding at the end the following new clause:
“(ii) for plan year 2021 and each subsequent plan year, the elimination of any cost-sharing imposed under section 1860D–2(b)(4)(A).”; and

(3) in paragraph (4)(A)(ii), by inserting “(before 2021)” after “subsequent year”.

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