

116TH CONGRESS  
1ST SESSION

# S. 1785

To amend title XIX of the Social Security Act to exclude authorized generic drugs from calculation of the average manufacturer price for purposes of the Medicaid drug rebate program, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JUNE 11, 2019

Ms. HASSAN (for herself, Mr. CASSIDY, Ms. STABENOW, Mr. CORNYN, Mr. CARDIN, and Mr. YOUNG) 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 exclude authorized generic drugs from calculation of the average manufacturer price for purposes of the Medicaid drug rebate program, and for other purposes.

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 “Fair and Accurate  
5 Medicaid Pricing Act of 2019” or the “Fair AMP Act”.

1 **SEC. 2. EXCLUDING AUTHORIZED GENERIC DRUGS FROM**  
 2 **CALCULATION OF AVERAGE MANUFACTURER**  
 3 **PRICE UNDER THE MEDICAID DRUG REBATE**  
 4 **PROGRAM; EXCLUDING MANUFACTURERS**  
 5 **FROM DEFINITION OF WHOLESALER.**

6 (a) IN GENERAL.—Subparagraph (C) of section  
 7 1927(k)(1) of the Social Security Act (42 U.S.C. 1396r–  
 8 8(k)(1)) is amended—

9 (1) in the subparagraph heading, by striking  
 10 “INCLUSION” and inserting “EXCLUSION”;

11 (2) by striking “a new drug application” and  
 12 inserting “the manufacturer’s new drug applica-  
 13 tion”; and

14 (3) by striking “inclusive” and inserting “exclu-  
 15 sive”.

16 (b) EXCLUDING MANUFACTURERS FROM DEFINI-  
 17 TION OF WHOLESALER.—Section 1927(k)(11) of the So-  
 18 cial Security Act (42 U.S.C. 1396r–8(k)(11)) is amend-  
 19 ed—

20 (1) by striking “manufacturers,”; and

21 (2) by striking “manufacturer’s and”.

22 (c) EFFECTIVE DATE.—The amendments made by  
 23 this section shall take effect on the first day of the first  
 24 fiscal quarter that begins after the date of enactment of  
 25 this Act.