

118TH CONGRESS
1ST SESSION

S. 1450

To establish a cap on costs for covered prescription drugs under Medicare parts B and D.

IN THE SENATE OF THE UNITED STATES

MAY 4, 2023

Mr. SANDERS (for himself and Ms. KLOBUCHAR) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To establish a cap on costs for covered prescription drugs
under Medicare parts B and D.

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 “Cutting Medicare Pre-
5 scription Drug Prices in Half Act”.

6 **SEC. 2. CAP ON COSTS FOR COVERED PRESCRIPTION**
7 **DRUGS UNDER MEDICARE PARTS B AND D.**

8 (a) IN GENERAL.—Title XVIII of the Social Security
9 Act (42 U.S.C. 1395 et seq.) is amended by adding at
10 the end the following new section:

1 **“SEC. 1899C. CAP ON COSTS FOR COVERED PRESCRIPTION**
2 **DRUGS UNDER MEDICARE PARTS B AND D.**

3 “(a) IN GENERAL.—In no case may the amount of
4 payment for a drug or biological under part B or a covered
5 part D drug (as defined in section 1860D–2(e)) under a
6 prescription drug plan under part D exceed the lower of
7 the following:

8 “(1) The amount paid by the Secretary of Vet-
9 erans Affairs to procure the drug under the laws ad-
10 ministered by the Secretary.

11 “(2) The amount paid to procure the drug
12 through the Federal Supply Schedule of the General
13 Services Administration.

14 “(b) MANUFACTURER REQUIREMENT.—In order for
15 coverage to be available under part B for a drug or biologi-
16 cal of a manufacturer or under part D for a covered part
17 D drug of a manufacturer, the manufacturer must agree
18 to provide such drug or biological to providers of services
19 and suppliers under part B or such covered part D drug
20 to prescription drug plans under part D for an amount
21 that does not exceed the maximum payment amount appli-
22 cable under subsection (a).

23 “(c) ACCESS TO PRICING INFORMATION.—The Sec-
24 retary of Veterans Affairs and the Administrator of Gen-
25 eral Services shall provide to the Secretary of Health and
26 Human Services the information described in paragraphs

1 (1) and (2), respectively, of subsection (a) and such other
 2 information as the Secretary of Health and Human Serv-
 3 ices may request in order to carry out this section.

4 “(d) EFFECTIVE DATE.—This section shall apply
 5 with respect to drugs furnished or dispensed on or after
 6 January 1, 2024.”.

7 (b) CONFORMING AMENDMENTS.—

8 (1) APPLICATION UNDER PART B.—Section
 9 1847A of the Social Security Act (42 U.S.C.
 10 1395w–3a) is amended—

11 (A) in subsection (b)(1), by striking “and
 12 (e)” and inserting “(e), and (i)”;

13 (B) by redesignating subsection (i) as sub-
 14 section (j); and

15 (C) by inserting after subsection (h) the
 16 following subsection:

17 “(i) APPLICATION OF CAP ON COSTS FOR PART B
 18 DRUGS.—Notwithstanding the preceding provisions of this
 19 subsection, the amount of payment under this section for
 20 a drug or biological furnished on or after January 1, 2024,
 21 shall not exceed the maximum payment amount applicable
 22 to the drug or biological under section 1899C(a).”.

23 (2) APPLICATION AS NEGOTIATED PRICE
 24 UNDER PART D.—Section 1860D–2(d)(1)(B) of the
 25 Social Security Act (42 U.S.C. 1395w–

1 102(d)(1)(B)) is amended by adding at the end the
2 following new sentence: “Notwithstanding any other
3 provision of this part, the negotiated price used for
4 payment for a covered part D drug dispensed on or
5 after January 1, 2024, shall not exceed the max-
6 imum payment amount applicable to the covered
7 part D drug under section 1899C(a).”.

○