

119TH CONGRESS  
1ST SESSION

# H. R. 6166

To expand the drug price negotiation program under title XI of the Social Security Act and repeal certain changes to the program made by Public Law 119–21, to apply prescription drug inflation rebates under the Medicare program to drugs furnished in the commercial market, and to establish out-of-pocket limits on expenditures for prescription drugs under private health insurance.

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## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 20, 2025

Mr. PALLONE (for himself, Mr. NEAL, and Mr. SCOTT of Virginia) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and Workforce, 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

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## A BILL

To expand the drug price negotiation program under title XI of the Social Security Act and repeal certain changes to the program made by Public Law 119–21, to apply prescription drug inflation rebates under the Medicare program to drugs furnished in the commercial market, and to establish out-of-pocket limits on expenditures for prescription drugs under private health insurance.

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. SHORT TITLE.**

2 This Act may be cited as the “Lowering Drug Costs  
3 for American Families Act”.

4 **TITLE I—DRUG PRICE**  
5 **NEGOTIATION PROGRAM**

6 **SEC. 101. EXPANDING THE DRUG PRICE NEGOTIATION PRO-**  
7 **GRAM.**

8 (a) INCREASING THE NUMBER OF DRUGS SUBJECT  
9 TO NEGOTIATION.—Section 1192(a)(4) of the Social Se-  
10 curity Act (42 U.S.C. 1320f–1(a)(4)) is amended by strik-  
11 ing “20” each place it appears and inserting “50” in each  
12 such place.

13 (b) EXPANSION OF DEFINITION OF MAXIMUM FAIR  
14 PRICE ELIGIBLE INDIVIDUAL.—Section 1191(c)(2) of the  
15 Social Security Act (42 U.S.C. 1320f(c)(2)) is amended—

16 (1) in subparagraph (A), by inserting “, or a  
17 participant, beneficiary, or enrollee who is enrolled  
18 under a group health plan or health insurance cov-  
19 erage offered in the group or individual market (as  
20 such terms are defined in section 2791 of the Public  
21 Health Service Act) with respect to which there is in  
22 effect an agreement with the Secretary under section  
23 1197 with respect to such selected drug as so fur-  
24 nished or dispensed” after “such selected drug”; and

25 (2) in subparagraph (B), by inserting “, or a  
26 participant, beneficiary, or enrollee who is enrolled

1 under a group health plan or health insurance cov-  
 2 erage offered in the group or individual market (as  
 3 such terms are defined in section 2791 of the Public  
 4 Health Service Act) with respect to which there is in  
 5 effect an agreement with the Secretary under section  
 6 1197 with respect to such selected drug as so fur-  
 7 nished or administered” after “such selected drug”.

8 (c) APPLICATION OF ADMINISTRATIVE PROCEDURES  
 9 TO NEW MAXIMUM FAIR PRICE ELIGIBLE INDIVID-  
 10 UALS.—Section 1196(a)(3) of the Social Security Act (42  
 11 U.S.C. 1320f–5(a)(3)) is amended—

12 (1) in subparagraph (A), by striking “and” at  
 13 the end;

14 (2) in subparagraph (B), by striking the period  
 15 and inserting “; and”; and

16 (3) by adding at the end the following new sub-  
 17 paragraph:

18 “(C) maximum fair price eligible individ-  
 19 uals not described in subparagraph (A) or  
 20 (B).”.

21 (d) HEALTH INSURER AGREEMENTS.—Part E of  
 22 title XI of the Social Security Act (42 U.S.C. 1320f et  
 23 seq.) is amended—

24 (1) by redesignating sections 1197 and 1198 as  
 25 sections 1198 and 1199, respectively; and

1           (2) by inserting after section 1196 the following  
2       new section:

3   **“SEC. 1197. VOLUNTARY PARTICIPATION BY OTHER**  
4                   **HEALTH PLANS.**

5       “(a) AGREEMENT TO PARTICIPATE UNDER PRO-  
6   GRAM.—

7           “(1) IN GENERAL.—Subject to paragraph (2),  
8       under the program under this part the Secretary  
9       shall be treated as having in effect an agreement  
10      with a group health plan or health insurance issuer  
11      offering group or individual health insurance cov-  
12      erage (as such terms are defined in section 2791 of  
13      the Public Health Service Act), with respect to a  
14      price applicability period and a selected drug with  
15      respect to such period—

16           “(A) in the case such selected drug fur-  
17           nished or dispensed at a pharmacy or by mail  
18           order service if coverage is provided under such  
19           plan or coverage during such period for such se-  
20           lected drug as so furnished or dispensed; and

21           “(B) in the case such selected drug fur-  
22           nished or administered by a hospital, physician,  
23           or other provider of services or supplier if cov-  
24           erage is provided under such plan or coverage

1           during such period for such selected drug as so  
2           furnished or administered.

3           “(2) OPTING OUT OF AGREEMENT.—The Sec-  
4       retary shall not be treated as having in effect an  
5       agreement under the program under this part with  
6       a group health plan or health insurance issuer offer-  
7       ing group or individual health insurance coverage  
8       with respect to a price applicability period and a se-  
9       lected drug with respect to such period if such a  
10      plan or issuer affirmatively elects, through a process  
11      specified by the Secretary, not to participate under  
12      the program with respect to such period and drug.

13      “(b) PUBLICATION OF ELECTION.—With respect to  
14   each price applicability period and each selected drug with  
15   respect to such period, the Secretary and the Secretary  
16   of Labor and the Secretary of the Treasury, as applicable,  
17   shall make public a list of each group health plan and each  
18   health insurance issuer offering group or individual health  
19   insurance coverage, with respect to which coverage is pro-  
20   vided under such plan or coverage for such drug, that has  
21   elected under subsection (a) not to participate under the  
22   program with respect to such period and drug.”.

23      (e) APPLICATION TO GROUP HEALTH PLANS AND  
24   HEALTH INSURANCE COVERAGE.—

1           (1) PHSA.—Part D of title XXVII of the Pub-  
2       lic Health Service Act (42 U.S.C. 300gg–111 et  
3       seq.) is amended by adding at the end the following  
4       new section:

5       **“SEC. 2799A–11. DRUG PRICE NEGOTIATION PROGRAM AND**  
6                       **APPLICATION OF MAXIMUM FAIR PRICES.**

7       “(a) IN GENERAL.—In the case of a group health  
8       plan or health insurance issuer offering group or indi-  
9       vidual health insurance coverage that is treated under sec-  
10      tion 1197 of the Social Security Act as having in effect  
11      an agreement with the Secretary under the Drug Price  
12      Negotiation Program under part E of title XI of such Act,  
13      with respect to a price applicability period (as defined in  
14      section 1191(b) of such Act) and a selected drug (as de-  
15      fined in section 1192(c) of such Act) with respect to such  
16      period for which coverage is provided under such plan or  
17      coverage—

18               “(1) the provisions of such part shall apply—

19                       “(A) in the case the drug is furnished or  
20                      dispensed at a pharmacy or by a mail order  
21                      service, to such plan or coverage, and to the  
22                      participants, beneficiaries, and enrollees en-  
23                      rolled under such plan or coverage, during such  
24                      period, with respect to such selected drug, in  
25                      the same manner as such provisions apply to

1 prescription drug plans and MA–PD plans, and  
2 to participants, beneficiaries, and enrollees en-  
3 rolled under such prescription drug plans and  
4 MA–PD plans during such period; and

5 “(B) in the case the drug is furnished or  
6 administered by a hospital, physician, or other  
7 provider of services or supplier, to such plan or  
8 coverage, and to the participants, beneficiaries,  
9 and enrollees enrolled under such plan or cov-  
10 erage, and to hospitals, physicians, and other  
11 providers of services and suppliers during such  
12 period, with respect to such drug in the same  
13 manner as such provisions apply to the Sec-  
14 retary, to participants, beneficiaries, and enroll-  
15 ees entitled to benefits under part A of title  
16 XVIII or enrolled under part B of such title,  
17 and to hospitals, physicians, and other pro-  
18 viders and suppliers participating under title  
19 XVIII during such period;

20 “(2) the plan or issuer shall apply any cost-  
21 sharing responsibilities under such plan or coverage,  
22 with respect to such selected drug, by substituting  
23 an amount not more than the maximum fair price  
24 negotiated under such part E of title XI for such  
25 drug in lieu of the drug price upon which the cost-

1 sharing would have otherwise applied, and such cost-  
 2 sharing responsibilities with respect to such selected  
 3 drug may not exceed such maximum fair price; and

4 “(3) the Secretary shall apply the provisions of  
 5 such part E to such plan, issuer, and coverage, such  
 6 participants, beneficiaries, and enrollees so enrolled  
 7 in such plans and coverage, and such hospitals, phy-  
 8 sicians, and other providers and suppliers partici-  
 9 pating in such plans and coverage.

10 “(b) NOTIFICATION REGARDING NONPARTICIPATION  
 11 IN DRUG PRICE NEGOTIATION PROGRAM.—A group  
 12 health plan or a health insurance issuer offering group or  
 13 individual health insurance coverage shall publicly dis-  
 14 close, in a manner and in accordance with a process speci-  
 15 fied by the Secretary, any election made under section  
 16 1197 of the Social Security Act by such plan or issuer  
 17 to not participate in the Drug Price Negotiation Program  
 18 under part E of title XI of such Act with respect to a  
 19 selected drug (as defined in section 1192(c) of such Act)  
 20 for which coverage is provided under such plan or coverage  
 21 before the beginning of the plan year for which such elec-  
 22 tion was made.”.

23 (2) ERISA.—

24 (A) IN GENERAL.—Subpart B of part 7 of  
 25 subtitle B of title I of the Employee Retirement



1           Income Security Act of 1974 (29 U.S.C. 1185  
2           et seq.) is amended by adding at the end the  
3           following new section:

4   **“SEC. 726. DRUG PRICE NEGOTIATION PROGRAM AND AP-**  
5           **PLICATION OF MAXIMUM FAIR PRICES.**

6           “(a) IN GENERAL.—In the case of a group health  
7   plan or health insurance issuer offering group health in-  
8   surance coverage that is treated under section 1197 of the  
9   Social Security Act as having in effect an agreement with  
10   the Secretary of Health and Human Services under the  
11   Drug Price Negotiation Program under part E of title XI  
12   of such Act, with respect to a price applicability period  
13   (as defined in section 1191(b) of such Act) and a selected  
14   drug (as defined in section 1192(c) of such Act) with re-  
15   spect to such period for which coverage is provided under  
16   such plan or coverage—

17           “(1) the provisions of such part shall apply, as  
18           applicable—

19           “(A) in the case the drug is furnished or  
20           dispensed at a pharmacy or by a mail order  
21           service, to such plan or coverage, and to the  
22           participants and beneficiaries enrolled under  
23           such plan or coverage, during such period, with  
24           respect to such selected drug, in the same man-  
25           ner as such provisions apply to prescription

1 drug plans and MA–PD plans, and to partici-  
2 pants and beneficiaries enrolled under such pre-  
3 scription drug plans and MA–PD plans during  
4 such period; and

5 “(B) in the case the drug is furnished or  
6 administered by a hospital, physician, or other  
7 provider of services or supplier, to the group  
8 health plan or coverage offered by an issuer, to  
9 the participants and beneficiaries enrolled  
10 under such plans or coverage, and to hospitals,  
11 physicians, and other providers of services and  
12 suppliers during such period, with respect to  
13 such drug in the same manner as such provi-  
14 sions apply to the Secretary of Health and  
15 Human Services, to participants and bene-  
16 ficiaries entitled to benefits under part A of  
17 title XVIII or enrolled under part B of such  
18 title, and to hospitals, physicians, and other  
19 providers and suppliers participating under title  
20 XVIII during such period;

21 “(2) the plan or issuer shall apply any cost-  
22 sharing responsibilities under such plan or coverage,  
23 with respect to such selected drug, by substituting  
24 an amount not more than the maximum fair price  
25 negotiated under such part E of title XI for such

1 drug in lieu of the drug price upon which the cost-  
2 sharing would have otherwise applied, and such cost-  
3 sharing responsibilities with respect to such selected  
4 drug may not exceed such maximum fair price; and

5 “(3) the Secretary shall apply the provisions of  
6 such part E to such plan, issuer, and coverage, and  
7 such participants and beneficiaries so enrolled in  
8 such plans.

9 “(b) NOTIFICATION REGARDING NONPARTICIPATION  
10 IN DRUG PRICE NEGOTIATION PROGRAM.—A group  
11 health plan or a health insurance issuer offering group  
12 health insurance coverage shall publicly disclose in a man-  
13 ner and in accordance with a process specified by the Sec-  
14 retary any election made under section 1197 of the Social  
15 Security Act by the plan or issuer to not participate in  
16 the Drug Price Negotiation Program under part E of title  
17 XI of such Act with respect to a selected drug (as defined  
18 in section 1192(c) of such Act) for which coverage is pro-  
19 vided under such plan or coverage before the beginning  
20 of the plan year for which such election was made.”.

21 (B) APPLICATION TO RETIREE AND CER-  
22 TAIN SMALL GROUP HEALTH PLANS.—Section  
23 732(a) of the Employee Retirement Income Se-  
24 curity Act of 1974 (29 U.S.C. 1191a(a)) is

1 amended by striking “section 711” and insert-  
 2 ing “sections 711 and 726”.

3 (C) CLERICAL AMENDMENT.—The table of  
 4 contents in section 1 of such Act is amended by  
 5 inserting after the item relating to section 725  
 6 the following new item:

“Sec. 726. Drug Price Negotiation Program and application of maximum fair  
 prices.”.

7 (3) IRC.—

8 (A) IN GENERAL.—Subchapter B of chap-  
 9 ter 100 of the Internal Revenue Code of 1986  
 10 is amended by adding at the end the following  
 11 new section:

12 **“SEC. 9826. DRUG PRICE NEGOTIATION PROGRAM AND AP-**  
 13 **PLICATION OF MAXIMUM FAIR PRICES.**

14 “(a) IN GENERAL.—In the case of a group health  
 15 plan that is treated under section 1197 of the Social Secu-  
 16 rity Act as having in effect an agreement with the Sec-  
 17 retary of Health and Human Services under the Drug  
 18 Price Negotiation Program under part E of title XI of  
 19 such Act, with respect to a price applicability period (as  
 20 defined in section 1191(b) of such Act) and a selected  
 21 drug (as defined in section 1192(c) of such Act) with re-  
 22 spect to such period for which coverage is provided under  
 23 such plan—

1           “(1) the provisions of such part shall apply, as  
2       applicable—

3           “(A) if coverage of such selected drug is  
4       provided under such plan if the drug is fur-  
5       nished or dispensed at a pharmacy or by a mail  
6       order service, to the plan, and to the partici-  
7       pants and beneficiaries enrolled under such  
8       plan during such period, with respect to such  
9       selected drug, in the same manner as such pro-  
10      visions apply to prescription drug plans and  
11      MA–PD plans, and to participants and bene-  
12      ficiaries enrolled under such prescription drug  
13      plans and MA–PD plans during such period;  
14      and

15          “(B) if coverage of such selected drug is  
16      provided under such plan if the drug is fur-  
17      nished or administered by a hospital, physician,  
18      or other provider of services or supplier, to the  
19      plan, to the participants and beneficiaries en-  
20      rolled under such plan, and to hospitals, physi-  
21      cians, and other providers of services and sup-  
22      pliers during such period, with respect to such  
23      drug in the same manner as such provisions  
24      apply to the Secretary of Health and Human  
25      Services, to participants and beneficiaries enti-

1           tled to benefits under part A of title XVIII or  
2           enrolled under part B of such title, and to hos-  
3           pitals, physicians, and other providers and sup-  
4           pliers participating under title XVIII during  
5           such period;

6           “(2) the plan shall apply any cost-sharing re-  
7           sponsibilities under such plan, with respect to such  
8           selected drug, by substituting an amount not more  
9           than the maximum fair price negotiated under such  
10          part E of title XI for such drug in lieu of the drug  
11          price upon which the cost-sharing would have other-  
12          wise applied, and such cost-sharing responsibilities  
13          with respect to such selected drug may not exceed  
14          such maximum fair price; and

15          “(3) the Secretary shall apply the provisions of  
16          such part E to such plan and such participants and  
17          beneficiaries so enrolled in such plan.

18          “(b) NOTIFICATION REGARDING NONPARTICIPATION  
19          IN DRUG PRICE NEGOTIATION PROGRAM.—A group  
20          health plan shall publicly disclose in a manner and in ac-  
21          cordance with a process specified by the Secretary any  
22          election made under section 1197 of the Social Security  
23          Act by the plan to not participate in the Drug Price Nego-  
24          tiation Program under part E of title XI of such Act with  
25          respect to a selected drug (as defined in section 1192(c))

1 of such Act) for which coverage is provided under such  
 2 plan before the beginning of the plan year for which such  
 3 election was made.”.

4 (B) APPLICATION TO RETIREE AND CER-  
 5 TAIN SMALL GROUP HEALTH PLANS.—Section  
 6 9831(a)(2) of the Internal Revenue Code of  
 7 1986 is amended by inserting “other than with  
 8 respect to section 9826,” before “any group  
 9 health plan”.

10 (C) CLERICAL AMENDMENT.—The table of  
 11 sections for subchapter B of chapter 100 of the  
 12 Internal Revenue Code of 1986 is amended by  
 13 adding at the end the following new item:

“Sec. 9826. Drug Price Negotiation Program and application of maximum fair  
 prices.”.

14 **SEC. 102. REQUIRING CONSIDERATION OF AVERAGE INTER-**  
 15 **NATIONAL MARKET PRICE UNDER DRUG**  
 16 **PRICE NEGOTIATION PROGRAM.**

17 (a) IN GENERAL.—Section 1194(e) of the Social Se-  
 18 curity Act (42 U.S.C. 1320f–3(e)) is amended by adding  
 19 at the end the following new paragraph:

20 “(3) AVERAGE INTERNATIONAL MARKET  
 21 PRICE.—

22 “(A) IN GENERAL.—The average price  
 23 (which shall be the net average price, if prac-  
 24 ticable, and volume-weighted, if practicable) for

1 a unit (as defined in subparagraph (C)) of such  
 2 drug for sales of such drug (calculated across  
 3 different dosage forms and strengths of the  
 4 drug and not based on the specific formulation  
 5 or package size or package type), as computed  
 6 (as of the date of publication of such drug as  
 7 a selected drug under section 1192(a)) in all  
 8 countries described in clause (ii) of subpara-  
 9 graph (B) that are applicable countries (as de-  
 10 scribed in clause (i) of such subparagraph) with  
 11 respect to such drug.

12 “(B) APPLICABLE COUNTRIES.—

13 “(i) IN GENERAL.—For purposes of  
 14 subparagraph (A), a country described in  
 15 clause (ii) is an applicable country de-  
 16 scribed in this clause with respect to a  
 17 drug if there is available an average price  
 18 for any unit for the drug for sales of such  
 19 drug in such country.

20 “(ii) COUNTRIES DESCRIBED.—For  
 21 purposes of this paragraph, the following  
 22 are countries described in this clause:

23 “(I) Australia.

24 “(II) Canada.

25 “(III) France.



1 “(IV) Germany.

2 “(V) Japan.

3 “(VI) The United Kingdom.

4 “(C) UNIT DEFINED.—For purposes of  
5 this paragraph, term ‘unit’ means, with respect  
6 to a drug, the lowest identifiable quantity (such  
7 as a capsule or tablet, milligram of molecules,  
8 or grams) of the drug that is dispensed.”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 subsection (a) shall apply with respect to negotiations  
11 under the Drug Price Negotiation Program under part E  
12 of title XI of the Social Security Act (42 U.S.C. 1320f  
13 et seq.) for initial price applicability years beginning on  
14 or after January 1, 2028, and renegotiations under such  
15 program for years beginning on or after such date.

16 **SEC. 103. REPEALING CERTAIN CHANGES TO THE DRUG**  
17 **PRICE NEGOTIATION PROGRAM MADE BY**  
18 **PUBLIC LAW 119–21.**

19 Section 71203 of the Act titled “An Act to provide  
20 for reconciliation pursuant to title II of H. Con. Res. 14”  
21 (Public Law 119–21) is repealed, and the provisions of  
22 law amended by such section are hereby restored as if such  
23 section had not been enacted into law.

1 **TITLE II—PRESCRIPTION DRUG**  
 2 **INFLATION REBATES**

3 **SEC. 201. APPLICATION OF PRESCRIPTION DRUG INFLA-**  
 4 **TION REBATES TO DRUGS FURNISHED IN**  
 5 **THE COMMERCIAL MARKET.**

6 (a) PART B DRUGS.—

7 (1) APPLICATION OF PRESCRIPTION DRUG IN-  
 8 FLATION REBATES TO DRUGS FURNISHED IN THE  
 9 COMMERCIAL MARKET.—Section 1847A(i) of the So-  
 10 cial Security Act (42 U.S.C. 1395w–3a(i)) is amend-  
 11 ed—

12 (A) in paragraph (1)(A)(i), by striking  
 13 “units” and inserting “billing units”;

14 (B) in paragraph (2)(A), by striking “for  
 15 which payment is made under this part” and  
 16 inserting “that would be payable under this  
 17 part if such drug were furnished to an indi-  
 18 vidual enrolled under this part”; and

19 (C) in paragraph (3)—

20 (i) in subparagraph (A)(i), by striking  
 21 “units” and inserting “billing units”; and

22 (ii) by striking subparagraph (B) and  
 23 inserting the following:

24 “(B) TOTAL NUMBER OF BILLING  
 25 UNITS.—For purposes of subparagraph (A)(i),

1 the total number of billing units with respect to  
2 a part B rebatable drug is determined as fol-  
3 lows:

4 “(i) Determine the total number of  
5 units equal to—

6 “(I) the total number of units, as  
7 reported under subsection (c)(1)(B)  
8 for each National Drug Code of such  
9 drug during the calendar quarter that  
10 is two calendar quarters prior to the  
11 calendar quarter as described in sub-  
12 paragraph (A), minus

13 “(II) the total number of units  
14 with respect to each National Drug  
15 Code of such drug for which payment  
16 was made under a State plan under  
17 title XIX (or waiver of such plan), as  
18 reported by States under section  
19 1927(b)(2)(A) for the rebate period  
20 that is the same calendar quarter as  
21 described in subclause (I).

22 “(ii) Convert the units determined  
23 under clause (i) to billing units for the bill-  
24 ing and payment code of such drug, using  
25 a methodology similar to the methodology

used under this section, by dividing the units determined under clause (i) for each National Drug Code of such drug by the billing unit for the billing and payment code of such drug.

“(iii) Compute the sum of the billing units for each National Drug Code of such drug in clause (ii).”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to calendar quarters beginning after the date of the enactment of this Act.

(b) COVERED PART D DRUGS.—

(1) APPLICATION OF PRESCRIPTION DRUG INFLATION REBATES TO DRUGS FURNISHED IN THE COMMERCIAL MARKET.—Section 1860D–14B of the Social Security Act (42 U.S.C. 1395w–114b) is amended—

(A) in subsection (b)—

(i) in paragraph (1)—

(I) in subparagraph (A)(i), by striking “the total number of units” and all that follows through the semicolon and inserting the following: “the total number of units that are used to

1 calculate the average manufacturer  
2 price of such dosage form and  
3 strength with respect to such part D  
4 rebatable drug, as reported by the  
5 manufacturer of such drug under sec-  
6 tion 1927 for each month, with re-  
7 spect to such period;” and

8 (II) by striking subparagraph (B)  
9 and inserting the following:

10 “(B) EXCLUDED UNITS.—For purposes of  
11 subparagraph (A)(i), the Secretary shall exclude  
12 from the total number of units for a dosage  
13 form and strength with respect to a part D  
14 rebatable drug, with respect to an applicable pe-  
15 riod, the following:

16 “(i) Units of each dosage form and  
17 strength of such part D rebatable drug for  
18 which payment was made under a State  
19 plan under title XIX (or waiver of such  
20 plan), as reported by States under section  
21 1927(b)(2)(A).

22 “(ii) Units of each dosage form and  
23 strength of such part D rebatable drug for  
24 which a rebate is paid under section  
25 1847A(i).

1 “(iii) Beginning with plan year 2026,  
2 units of each dosage form and strength of  
3 such part D rebatable drug for which the  
4 manufacturer provides a discount under  
5 the program under section 340B of the  
6 Public Health Service Act.”; and

7 (ii) in paragraph (6), by striking “IN-  
8 FORMATION” and all that follows through  
9 “rebatable covered part D drug dispensed”  
10 and inserting the following: “AMP RE-  
11 PORTS.—The Secretary shall provide for a  
12 method and process under which, in the  
13 case of a manufacturer of a part D  
14 rebatable drug that submits revisions to in-  
15 formation submitted under section 1927 by  
16 the manufacturer with respect to such  
17 drug”; and

18 (B) by striking subsection (d) and insert-  
19 ing the following:

20 “(d) INFORMATION.—For purposes of carrying out  
21 this section, the Secretary shall use information submitted  
22 by manufacturers under section 1927(b)(3) and informa-  
23 tion submitted by States under section 1927(b)(2)(A).”.

24 (2) EFFECTIVE DATE.—The amendments made  
25 by this subsection shall apply with respect to appli-

1 cable periods (as defined in section 1860D–  
 2 14B(g)(7) of the Social Security Act (42 U.S.C.  
 3 1395w–114b(g)(7))) beginning after the date of the  
 4 enactment of this Act.

5 **TITLE III—OUT-OF-POCKET LIM-**  
 6 **ITS FOR PRESCRIPTION**  
 7 **DRUGS**

8 **SEC. 301. ESTABLISHING AN OUT-OF-POCKET LIMIT ON EX-**  
 9 **PENDITURES FOR PRESCRIPTION DRUGS**  
 10 **UNDER GROUP HEALTH PLANS AND GROUP**  
 11 **AND INDIVIDUAL HEALTH INSURANCE COV-**  
 12 **ERAGE.**

13 (a) PHSA.—Title XXVII of the Public Health Serv-  
 14 ice Act (42 U.S.C. 300gg et seq.), as amended by section  
 15 101, is further amended—

16 (1) in section 2707, by adding at the end the  
 17 following new subsection:

18 “(e) SUNSET.—The preceding provisions of this sec-  
 19 tion shall not apply with respect to plan years beginning  
 20 on or after January 1, 2027.”; and

21 (2) in part D, by adding at the end the fol-  
 22 lowing new section:

23 **“SEC. 2799A–12. COMPREHENSIVE COVERAGE.**

24 “(a) COVERAGE FOR ESSENTIAL HEALTH BENEFITS  
 25 PACKAGE.—A health insurance issuer that offers health

1 insurance coverage in the individual or small group market  
2 shall ensure that such coverage includes the essential  
3 health benefits package required under section 1302(a) of  
4 the Patient Protection and Affordable Care Act.

5 “(b) COST-SHARING LIMITATION.—

6 “(1) IN GENERAL.—A group health plan and a  
7 health insurance issuer offering group or individual  
8 health insurance coverage shall ensure that—

9 “(A) any annual cost-sharing imposed  
10 under the plan or coverage (including any such  
11 cost-sharing so imposed with respect to pre-  
12 scription drugs) does not exceed the dollar  
13 amounts specified in paragraph (2); and

14 “(B) any annual cost-sharing imposed  
15 under the plan or coverage with respect to pre-  
16 scription drugs does not exceed the dollar  
17 amounts specified in paragraph (3).

18 “(2) LIMITATION ON OVERALL OUT-OF-POCKET  
19 COST-SHARING.—For purposes of paragraph (1)(A),  
20 the dollar amounts specified in this paragraph are  
21 the following:

22 “(A) With respect to self-only coverage—

23 “(i) for plan years beginning in 2027,  
24 the dollar amount in effect under section  
25 1302(c)(1) of the Patient Protection and



1 Affordable Care Act for such coverage for  
2 plan years beginning in 2014, increased by  
3 an amount equal to the product of that  
4 amount and the premium adjustment per-  
5 centage specified in paragraph (4) of such  
6 section for the calendar year; and

7 “(ii) for plan years beginning in 2028  
8 or a subsequent year, the dollar amount in  
9 effect under this subparagraph for plan  
10 years beginning in 2027, increased by an  
11 amount equal to the product of that  
12 amount the premium adjustment percent-  
13 age specified in paragraph (4) for the cal-  
14 endar year.

15 “(B) With respect to coverage other than  
16 self-only coverage, for plan years beginning in  
17 2027 or a subsequent year, twice the amount in  
18 effect under subparagraph (A) for such plan  
19 year.

20 If the amount of any increase under subparagraph  
21 (A) is not a multiple of \$50, such increase shall be  
22 rounded to the next lowest multiple of \$50.

23 “(3) LIMITATION ON PRESCRIPTION DRUG OUT-  
24 OF-POCKET COST-SHARING.—For purposes of para-

graph (1)(B), the dollar amounts specified in this paragraph are the following:

“(A) With respect to self-only coverage—

“(i) for plan years beginning in 2027, \$2,000; and

“(ii) for plan years beginning in 2028 or a subsequent year, the dollar amount in effect under this subparagraph for plan years beginning in 2027, increased by an amount equal to the product of that amount and the premium adjustment percentage under paragraph (4) for the calendar year.

“(B) With respect to coverage other than self-only coverage, for plan years beginning in 2027 or a subsequent year, twice the amount in effect under subparagraph (A) for such plan year.

If the amount of any increase under subparagraph (A) is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.

“(4) PREMIUM ADJUSTMENT PERCENTAGE.—

For purposes of paragraphs (2)(A)(ii) and (3)(A)(ii), the premium adjustment percentage for any calendar year is the percentage (if any) by which the

1 average per capita premium for health insurance  
2 coverage in the United States for the preceding cal-  
3 endar year (as estimated by the Secretary no later  
4 than October 1 of such preceding calendar year) ex-  
5 ceeds such average per capita premium for 2026 (as  
6 determined by the Secretary).

7 “(5) COST-SHARING.—In this section:

8 “(A) IN GENERAL.—The term ‘cost-shar-  
9 ing’ includes—

10 “(i) deductibles, coinsurance, copay-  
11 ments, or similar charges; and

12 “(ii) any other expenditure required of  
13 an insured individual which is a qualified  
14 medical expense (within the meaning of  
15 section 223(d)(2) of the Internal Revenue  
16 Code of 1986) with respect to essential  
17 health benefits covered under the plan or  
18 coverage.

19 “(B) EXCEPTIONS.—Such term does not  
20 include premiums, balance billing amounts for  
21 non-network providers, or spending for non-cov-  
22 ered services.

23 “(6) IMPLEMENTATION.—The Secretary may  
24 implement the provisions of this subsection by sub-  
25 regulatory guidance, interim final rule, or otherwise.

1       “(c) CHILD-ONLY PLANS.—If a health insurance  
 2 issuer offers health insurance coverage in any level of cov-  
 3 erage specified under section 1302(d) of the Patient Pro-  
 4 tection and Affordable Care Act, the issuer shall also offer  
 5 such coverage in that level as a plan in which the only  
 6 enrollees are individuals who, as of the beginning of a plan  
 7 year, have not attained the age of 21.

8       “(d) DENTAL ONLY.—This section shall not apply to  
 9 a plan described in section 1311(d)(2)(B)(ii) of the Pa-  
 10 tient Protection and Affordable Care Act.”.

11       (b) ERISA.—

12               (1) IN GENERAL.—Subpart B of part 7 of sub-  
 13 title B of title I of the Employee Retirement Income  
 14 Security Act of 1974 (29 U.S.C. 1185 et seq.), as  
 15 amended by section 101, is further amended by add-  
 16 ing at the end the following new section:

17       **“SEC. 727. COMPREHENSIVE COVERAGE.**

18       “(a) COVERAGE FOR ESSENTIAL HEALTH BENEFITS  
 19 PACKAGE.—A health insurance issuer that offers health  
 20 insurance coverage in the small group market shall ensure  
 21 that such coverage includes the essential health benefits  
 22 package required under section 1302(a) of the Patient  
 23 Protection and Affordable Care Act.

24       “(b) COST-SHARING LIMITATION.—

1           “(1) IN GENERAL.—A group health plan and a  
2           health insurance issuer offering group health insur-  
3           ance coverage shall ensure that—

4                   “(A) any annual cost-sharing imposed  
5                   under the plan or coverage (including any such  
6                   cost-sharing so imposed with respect to pre-  
7                   scription drugs) does not exceed the dollar  
8                   amounts specified in paragraph (2); and

9                   “(B) any annual cost-sharing imposed  
10                  under the plan or coverage with respect to pre-  
11                  scription drugs does not exceed the dollar  
12                  amounts specified in paragraph (3).

13           “(2) LIMITATION ON OVERALL OUT-OF-POCKET  
14           COST-SHARING.—For purposes of paragraph (1)(A),  
15           the dollar amounts specified in this paragraph are  
16           the following:

17                   “(A) With respect to self-only coverage—

18                           “(i) for plan years beginning in 2027,  
19                           the dollar amount in effect under section  
20                           1302(c)(1) of the Patient Protection and  
21                           Affordable Care Act for such coverage for  
22                           plan years beginning in 2014, increased by  
23                           an amount equal to the product of that  
24                           amount and the premium adjustment per-

centage specified in paragraph (4) of such section for the calendar year; and

“(ii) for plan years beginning in 2028 or a subsequent year, the dollar amount in effect under this subparagraph for plan years beginning in 2027, increased by an amount equal to the product of that amount the premium adjustment percentage specified in paragraph (4) for the calendar year.

“(B) With respect to coverage other than self-only coverage, for plan years beginning in 2027 or a subsequent year, twice the amount in effect under subparagraph (A) for such plan year.

If the amount of any increase under subparagraph (A) is not a multiple of \$50, such increase shall be rounded to the next lowest multiple of \$50.

“(3) LIMITATION ON PRESCRIPTION DRUG OUT-OF-POCKET COST-SHARING.—For purposes of paragraph (1)(B), the dollar amounts specified in this paragraph are the following:

“(A) With respect to self-only coverage—

“(i) for plan years beginning in 2027, \$2,000; and

1 “(ii) for plan years beginning in 2028  
2 or a subsequent year, the dollar amount in  
3 effect under this subparagraph for plan  
4 years beginning in 2027, increased by an  
5 amount equal to the product of that  
6 amount and the premium adjustment per-  
7 centage under paragraph (4) for the cal-  
8 endar year.

9 “(B) With respect to coverage other than  
10 self-only coverage, for plan years beginning in  
11 2027 or a subsequent year, twice the amount in  
12 effect under subparagraph (A) for such plan  
13 year.

14 If the amount of any increase under subparagraph  
15 (A) is not a multiple of \$50, such increase shall be  
16 rounded to the next lowest multiple of \$50.

17 “(4) PREMIUM ADJUSTMENT PERCENTAGE.—  
18 For purposes of paragraphs (2)(A)(ii) and (3)(A)(ii),  
19 the premium adjustment percentage for any cal-  
20 endar year is the percentage (if any) by which the  
21 average per capita premium for health insurance  
22 coverage in the United States for the preceding cal-  
23 endar year (as estimated by the Secretary no later  
24 than October 1 of such preceding calendar year) ex-

1       ceeds such average per capita premium for 2026 (as  
2       determined by the Secretary).

3               “(5) COST-SHARING.—In this section:

4                       “(A) IN GENERAL.—The term ‘cost-shar-  
5       ing’ includes—

6                               “(i) deductibles, coinsurance, copay-  
7       ments, or similar charges; and

8                               “(ii) any other expenditure required of  
9       an insured individual which is a qualified  
10      medical expense (within the meaning of  
11      section 223(d)(2) of the Internal Revenue  
12      Code of 1986) with respect to essential  
13      health benefits covered under the plan or  
14      coverage.

15                      “(B) EXCEPTIONS.—Such term does not  
16      include premiums, balance billing amounts for  
17      non-network providers, or spending for non-cov-  
18      ered services.

19               “(6) IMPLEMENTATION.—The Secretary may  
20      implement the provisions of this subsection by sub-  
21      regulatory guidance, interim final rule, or otherwise.

22               “(c) CHILD-ONLY PLANS.—If a health insurance  
23      issuer offers health insurance coverage in any level of cov-  
24      erage specified under section 1302(d) of the Patient Pro-  
25      tection and Affordable Care Act, the issuer shall also offer



1 such coverage in that level as a plan in which the only  
 2 enrollees are individuals who, as of the beginning of a plan  
 3 year, have not attained the age of 21.

4 “(d) DENTAL ONLY.—This section shall not apply to  
 5 a plan described in section 1311(d)(2)(B)(ii) of the Pa-  
 6 tient Protection and Affordable Care Act.”.

7 (2) CLERICAL AMENDMENT.—The table of con-  
 8 tents in section 1 of such Act is amended by insert-  
 9 ing after the item relating to section 726 (as in-  
 10 serted by section 101) the following new item:

“Sec. 727. Comprehensive coverage.”.

11 (c) IRC.—

12 (1) IN GENERAL.—Subchapter B of chapter  
 13 100 of the Internal Revenue Code of 1986, as  
 14 amended by section 101, is further amended by add-  
 15 ing at the end the following new section:

16 **“SEC. 9827. COMPREHENSIVE COVERAGE.**

17 “(a) COST-SHARING LIMITATION.—

18 “(1) IN GENERAL.—A group health plan shall  
 19 ensure that—

20 “(A) any annual cost-sharing imposed  
 21 under the plan (including any such cost-sharing  
 22 so imposed with respect to prescription drugs)  
 23 does not exceed the dollar amounts specified in  
 24 paragraph (2); and

1           “(B) any annual cost-sharing imposed  
2           under the plan with respect to prescription  
3           drugs does not exceed the dollar amounts speci-  
4           fied in paragraph (3).

5           “(2) LIMITATION ON OVERALL OUT-OF-POCKET  
6           COST-SHARING.—For purposes of paragraph (1)(A),  
7           the dollar amounts specified in this paragraph are  
8           the following:

9           “(A) With respect to self-only coverage—

10                   “(i) for plan years beginning in 2027,  
11                   the dollar amount in effect under section  
12                   1302(c)(1) of the Patient Protection and  
13                   Affordable Care Act for such coverage for  
14                   plan years beginning in 2014, increased by  
15                   an amount equal to the product of that  
16                   amount and the premium adjustment per-  
17                   centage specified in paragraph (4) of such  
18                   section for the calendar year; and

19                   “(ii) for plan years beginning in 2028  
20                   or a subsequent year, the dollar amount in  
21                   effect under this subparagraph for plan  
22                   years beginning in 2027, increased by an  
23                   amount equal to the product of that  
24                   amount the premium adjustment percent-

1                   age specified in paragraph (4) for the cal-  
2                   endar year.

3                   “(B) With respect to coverage other than  
4                   self-only coverage, for plan years beginning in  
5                   2027 or a subsequent year, twice the amount in  
6                   effect under subparagraph (A) for such plan  
7                   year.

8                   If the amount of any increase under subparagraph  
9                   (A) is not a multiple of \$50, such increase shall be  
10                  rounded to the next lowest multiple of \$50.

11                  “(3) LIMITATION ON PRESCRIPTION DRUG OUT-  
12                  OF-POCKET COST-SHARING.—For purposes of para-  
13                  graph (1)(B), the dollar amounts specified in this  
14                  paragraph are the following:

15                  “(A) With respect to self-only coverage—

16                          “(i) for plan years beginning in 2027,  
17                          \$2,000; and

18                          “(ii) for plan years beginning in 2028  
19                          or a subsequent year, the dollar amount in  
20                          effect under this subparagraph for plan  
21                          years beginning in 2027, increased by an  
22                          amount equal to the product of that  
23                          amount and the premium adjustment per-  
24                          centage under paragraph (4) for the cal-  
25                          endar year.

1           “(B) With respect to coverage other than  
 2           self-only coverage, for plan years beginning in  
 3           2027 or a subsequent year, twice the amount in  
 4           effect under subparagraph (A) for such plan  
 5           year.

6           If the amount of any increase under subparagraph  
 7           (A) is not a multiple of \$50, such increase shall be  
 8           rounded to the next lowest multiple of \$50.

9           “(4) PREMIUM ADJUSTMENT PERCENTAGE.—  
 10          For purposes of paragraphs (2)(A)(ii) and (3)(A)(ii),  
 11          the premium adjustment percentage for any cal-  
 12          endar year is the percentage (if any) by which the  
 13          average per capita premium for health insurance  
 14          coverage in the United States for the preceding cal-  
 15          endar year (as estimated by the Secretary no later  
 16          than October 1 of such preceding calendar year) ex-  
 17          ceeds such average per capita premium for 2026 (as  
 18          determined by the Secretary).

19          “(5) COST-SHARING.—In this section:

20                 “(A) IN GENERAL.—The term ‘cost-shar-  
 21                 ing’ includes—

22                         “(i) deductibles, coinsurance, copay-  
 23                         ments, or similar charges; and

24                         “(ii) any other expenditure required of  
 25                         an insured individual which is a qualified

1 medical expense (within the meaning of  
2 section 223(d)(2) of the Internal Revenue  
3 Code of 1986) with respect to essential  
4 health benefits covered under the plan.

5 “(B) EXCEPTIONS.—Such term does not  
6 include premiums, balance billing amounts for  
7 non-network providers, or spending for non-cov-  
8 ered services.

9 “(6) IMPLEMENTATION.—The Secretary may  
10 implement the provisions of this subsection by sub-  
11 regulatory guidance, interim final rule, or otherwise.

12 “(b) DENTAL ONLY.—This section shall not apply to  
13 a plan described in section 1311(d)(2)(B)(ii) of the Pa-  
14 tient Protection and Affordable Care Act.”.

15 (2) CLERICAL AMENDMENT.—The table of sec-  
16 tions for subchapter B of chapter 100 of the Inter-  
17 nal Revenue Code of 1986, as amended by section  
18 101, is further amended by adding at the end the  
19 following new item:

“Sec. 9827. Comprehensive coverage.”.

20 (d) CONFORMING AMENDMENTS.—The Patient Pro-  
21 tection and Affordable Care Act (Public Law 111–148)  
22 is amended—

23 (1) in section 1302—

1 (A) in subsection (a)(2), by inserting “with  
2 respect to plan years beginning before January  
3 1, 2027,” before “limits cost-sharing”; and

4 (B) in subsection (e)(1)(B)(i)—

5 (i) by inserting “(or, with respect to  
6 plan years beginning on or after January  
7 1, 2027, in effect under section 2799A–  
8 12(b)(1)(A)) of the Public Health Service  
9 Act)” after “subsection (c)(1)”; and

10 (ii) by inserting “and except, with re-  
11 spect to plan years beginning on or after  
12 January 1, 2027, in the case of an indi-  
13 vidual who has incurred cost-sharing ex-  
14 penses with respect to prescription drugs  
15 in an amount equal to the annual limita-  
16 tion in effect under section 2799A–  
17 12(b)(1)(B) of such Act, for benefits con-  
18 sisting of prescription drugs” after “sec-  
19 tion 2713”; and

20 (2) in section 1402(c)(1)(A), by inserting “(or,  
21 with respect to plan years beginning on or after Jan-  
22 uary 1, 2027, the applicable out-of-pocket limit  
23 under section 2799A–12(b)(1)(A) of the Public  
24 Health Service Act)” after “section 1302(c)(1)”.

1 (e) EFFECTIVE DATE.—The amendments made by  
 2 this section shall apply with respect to plan years begin-  
 3 ning on or after January 1, 2027.

4 **SEC. 302. REQUIREMENTS WITH RESPECT TO COST-SHAR-**  
 5 **ING FOR INSULIN PRODUCTS.**

6 (a) PHSA.—Part D of title XXVII of the Public  
 7 Health Service Act (42 U.S.C. 300gg–111 et seq.), as  
 8 amended by sections 101 and 301, is further amended by  
 9 adding at the end the following new section:

10 **“SEC. 2799A–13. REQUIREMENTS WITH RESPECT TO COST-**  
 11 **SHARING FOR CERTAIN INSULIN PRODUCTS.**

12 “(a) IN GENERAL.—For plan years beginning on or  
 13 after January 1, 2027, a group health plan or health in-  
 14 surance issuer offering group or individual health insur-  
 15 ance coverage shall provide coverage of selected insulin  
 16 products, and with respect to such products, shall not—

17 “(1) apply any deductible; or

18 “(2) impose any cost-sharing in excess of the  
 19 lesser of, per 30-day supply—

20 “(A) \$35; or

21 “(B) the amount equal to 25 percent of  
 22 the negotiated price of the selected insulin prod-  
 23 uct net of all price concessions received by or on  
 24 behalf of the plan or coverage, including price  
 25 concessions received by or on behalf of third-

1 party entities providing services to the plan or  
2 coverage, such as pharmacy benefit manage-  
3 ment services.

4 “(b) DEFINITIONS.—In this section:

5 “(1) SELECTED INSULIN PRODUCTS.—The term  
6 ‘selected insulin products’ means at least one of each  
7 dosage form (such as vial, pump, or inhaler dosage  
8 forms) of each different type (such as rapid-acting,  
9 short-acting, intermediate-acting, long-acting, ultra  
10 long-acting, and premixed) of insulin (as defined  
11 below), when available, as selected by the group  
12 health plan or health insurance issuer.

13 “(2) INSULIN DEFINED.—The term ‘insulin’  
14 means insulin that is licensed under subsection (a)  
15 or (k) of section 351 and continues to be marketed  
16 under such section, including any insulin product  
17 that has been deemed to be licensed under section  
18 351(a) pursuant to section 7002(e)(4) of the Bio-  
19 logics Price Competition and Innovation Act of 2009  
20 (Public Law 111–148) and continues to be marketed  
21 pursuant to such licensure.

22 “(c) OUT-OF-NETWORK PROVIDERS.—Nothing in  
23 this section requires a plan or issuer that has a network  
24 of providers to provide benefits for selected insulin prod-  
25 ucts described in this section that are delivered by an out-



1 of-network provider, or precludes a plan or issuer that has  
2 a network of providers from imposing higher cost-sharing  
3 than the levels specified in subsection (a) for selected insu-  
4 lin products described in this section that are delivered  
5 by an out-of-network provider.

6 “(d) RULE OF CONSTRUCTION.—Subsection (a) shall  
7 not be construed to require coverage of, or prevent a group  
8 health plan or health insurance coverage from imposing  
9 cost-sharing other than the levels specified in subsection  
10 (a) on, insulin products that are not selected insulin prod-  
11 ucts, to the extent that such coverage is not otherwise re-  
12 quired and such cost-sharing is otherwise permitted under  
13 Federal and applicable State law.

14 “(e) APPLICATION OF COST-SHARING TOWARDS  
15 DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any  
16 cost-sharing payments made pursuant to subsection (a)(2)  
17 shall be counted toward any deductible or out-of-pocket  
18 maximum that applies under the plan or coverage.”.

19 (b) ERISA.—

20 (1) IN GENERAL.—Subpart B of part 7 of sub-  
21 title B of title I of the Employee Retirement Income  
22 Security Act of 1974 (29 U.S.C. 1185 et seq.), as  
23 amended by sections 101 and 301, is further amend-  
24 ed by adding at the end the following new section:

1   **“SEC. 728. REQUIREMENTS WITH RESPECT TO COST-SHAR-**  
2                   **ING FOR CERTAIN INSULIN PRODUCTS.**

3           “(a) IN GENERAL.—For plan years beginning on or  
4 after January 1, 2027, a group health plan or health in-  
5 surance issuer offering group health insurance coverage  
6 shall provide coverage of selected insulin products, and  
7 with respect to such products, shall not—

8                   “(1) apply any deductible; or

9                   “(2) impose any cost-sharing in excess of the  
10 lesser of, per 30-day supply—

11                           “(A) \$35; or

12                           “(B) the amount equal to 25 percent of  
13 the negotiated price of the selected insulin prod-  
14 uct net of all price concessions received by or on  
15 behalf of the plan or coverage, including price  
16 concessions received by or on behalf of third-  
17 party entities providing services to the plan or  
18 coverage, such as pharmacy benefit manage-  
19 ment services.

20           “(b) DEFINITIONS.—In this section:

21                   “(1) SELECTED INSULIN PRODUCTS.—The term  
22 ‘selected insulin products’ means at least one of each  
23 dosage form (such as vial, pump, or inhaler dosage  
24 forms) of each different type (such as rapid-acting,  
25 short-acting, intermediate-acting, long-acting, ultra  
26 long-acting, and premixed) of insulin (as defined

1 below), when available, as selected by the group  
2 health plan or health insurance issuer.

3 “(2) INSULIN DEFINED.—The term ‘insulin’  
4 means insulin that is licensed under subsection (a)  
5 or (k) of section 351 of the Public Health Service  
6 Act (42 U.S.C. 262) and continues to be marketed  
7 under such section, including any insulin product  
8 that has been deemed to be licensed under section  
9 351(a) of such Act pursuant to section 7002(e)(4)  
10 of the Biologics Price Competition and Innovation  
11 Act of 2009 (Public Law 111–148) and continues to  
12 be marketed pursuant to such licensure.

13 “(c) OUT-OF-NETWORK PROVIDERS.—Nothing in  
14 this section requires a plan or issuer that has a network  
15 of providers to provide benefits for selected insulin prod-  
16 ucts described in this section that are delivered by an out-  
17 of-network provider, or precludes a plan or issuer that has  
18 a network of providers from imposing higher cost-sharing  
19 than the levels specified in subsection (a) for selected insu-  
20 lin products described in this section that are delivered  
21 by an out-of-network provider.

22 “(d) RULE OF CONSTRUCTION.—Subsection (a) shall  
23 not be construed to require coverage of, or prevent a group  
24 health plan or health insurance coverage from imposing  
25 cost-sharing other than the levels specified in subsection

1 (a) on, insulin products that are not selected insulin prod-  
 2 ucts, to the extent that such coverage is not otherwise re-  
 3 quired and such cost-sharing is otherwise permitted under  
 4 Federal and applicable State law.

5 “(e) APPLICATION OF COST-SHARING TOWARDS  
 6 DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any  
 7 cost-sharing payments made pursuant to subsection (a)(2)  
 8 shall be counted toward any deductible or out-of-pocket  
 9 maximum that applies under the plan or coverage.”.

10 (2) CLERICAL AMENDMENT.—The table of con-  
 11 tents in section 1 of such Act is amended by insert-  
 12 ing after the item relating to section 727 (as in-  
 13 serted by section 301) the following new item:

“Sec. 728. Requirements with respect to cost-sharing for certain insulin prod-  
 ucts.”.

14 (c) IRC.—

15 (1) IN GENERAL.—Subchapter B of chapter  
 16 100 of the Internal Revenue Code of 1986, as  
 17 amended by sections 101 and 301, is further amend-  
 18 ed by adding at the end the following new section:

19 **“SEC. 9828. REQUIREMENTS WITH RESPECT TO COST-SHAR-**  
 20 **ING FOR CERTAIN INSULIN PRODUCTS.**

21 “(a) IN GENERAL.—For plan years beginning on or  
 22 after January 1, 2027, a group health plan shall provide  
 23 coverage of selected insulin products, and with respect to  
 24 such products, shall not—

1 “(1) apply any deductible; or

2 “(2) impose any cost-sharing in excess of the  
3 lesser of, per 30-day supply—

4 “(A) \$35; or

5 “(B) the amount equal to 25 percent of  
6 the negotiated price of the selected insulin prod-  
7 uct net of all price concessions received by or on  
8 behalf of the plan, including price concessions  
9 received by or on behalf of third-party entities  
10 providing services to the plan, such as phar-  
11 macy benefit management services.

12 “(b) DEFINITIONS.—In this section:

13 “(1) SELECTED INSULIN PRODUCTS.—The term  
14 ‘selected insulin products’ means at least one of each  
15 dosage form (such as vial, pump, or inhaler dosage  
16 forms) of each different type (such as rapid-acting,  
17 short-acting, intermediate-acting, long-acting, ultra  
18 long-acting, and premixed) of insulin (as defined  
19 below), when available, as selected by the group  
20 health plan.

21 “(2) INSULIN DEFINED.—The term ‘insulin’  
22 means insulin that is licensed under subsection (a)  
23 or (k) of section 351 of the Public Health Service  
24 Act (42 U.S.C. 262) and continues to be marketed  
25 under such section, including any insulin product

1       that has been deemed to be licensed under section  
2       351(a) of such Act pursuant to section 7002(e)(4)  
3       of the Biologics Price Competition and Innovation  
4       Act of 2009 (Public Law 111–148) and continues to  
5       be marketed pursuant to such licensure.

6       “(c) OUT-OF-NETWORK PROVIDERS.—Nothing in  
7       this section requires a plan that has a network of providers  
8       to provide benefits for selected insulin products described  
9       in this section that are delivered by an out-of-network pro-  
10      vider, or precludes a plan that has a network of providers  
11      from imposing higher cost-sharing than the levels specified  
12      in subsection (a) for selected insulin products described  
13      in this section that are delivered by an out-of-network pro-  
14      vider.

15      “(d) RULE OF CONSTRUCTION.—Subsection (a) shall  
16      not be construed to require coverage of, or prevent a group  
17      health plan from imposing cost-sharing other than the lev-  
18      els specified in subsection (a) on, insulin products that are  
19      not selected insulin products, to the extent that such cov-  
20      erage is not otherwise required and such cost-sharing is  
21      otherwise permitted under Federal and applicable State  
22      law.

23      “(e) APPLICATION OF COST-SHARING TOWARDS  
24      DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any  
25      cost-sharing payments made pursuant to subsection (a)(2)

1 shall be counted toward any deductible or out-of-pocket  
 2 maximum that applies under the plan.”.

3 (2) CLERICAL AMENDMENT.—The table of sec-  
 4 tions for subchapter B of chapter 100 of the Inter-  
 5 nal Revenue Code of 1986, as amended by sections  
 6 101 and 301, is further amended by adding at the  
 7 end the following new item:

“Sec. 9828. Requirements with respect to cost-sharing for certain insulin prod-  
 ucts.”.

8 (d) NO EFFECT ON OTHER COST-SHARING.—Section  
 9 1302(d)(2) of the Patient Protection and Affordable Care  
 10 Act (42 U.S.C. 18022(d)(2)) is amended by adding at the  
 11 end the following new subparagraph:

12 “(D) SPECIAL RULE RELATING TO INSU-  
 13 LIN COVERAGE.—The exemption of coverage of  
 14 selected insulin products (as defined in section  
 15 2799A–13(b) of the Public Health Service Act)  
 16 from the application of any deductible pursuant  
 17 to section 2799A–13(a)(1) of such Act, section  
 18 728(a)(1) of the Employee Retirement Income  
 19 Security Act of 1974, or section 9828(a)(1) of  
 20 the Internal Revenue Code of 1986 shall not be  
 21 considered when determining the actuarial value  
 22 of a qualified health plan under this sub-  
 23 section.”.

1       (e) COVERAGE OF CERTAIN INSULIN PRODUCTS  
2 UNDER CATASTROPHIC PLANS.—Section 1302(e) of the  
3 Patient Protection and Affordable Care Act (42 U.S.C.  
4 18022(e)) is amended by adding at the end the following  
5 new paragraph:

6               “(4) COVERAGE OF CERTAIN INSULIN PROD-  
7 UCTS.—

8               “(A) IN GENERAL.—Notwithstanding para-  
9 graph (1)(B)(i), a health plan described in  
10 paragraph (1) shall provide coverage of selected  
11 insulin products, in accordance with section  
12 2799A–13 of the Public Health Service Act, for  
13 a plan year before an enrolled individual has in-  
14 curred cost-sharing expenses in an amount  
15 equal to the annual limitation in effect under  
16 subsection (c)(1) for the plan year.

17               “(B) TERMINOLOGY.—For purposes of  
18 subparagraph (A)—

19               “(i) the term ‘selected insulin prod-  
20 ucts’ has the meaning given such term in  
21 section 2799A–13(b) of the Public Health  
22 Service Act; and

23               “(ii) the requirements of section  
24 2799A–13 of such Act shall be applied by  
25 deeming each reference in such section to



1                   ‘individual health insurance coverage’ to be  
2                   a reference to a plan described in para-  
3                   graph (1).’.

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