

119TH CONGRESS
1ST SESSION

H. R. 1244

To amend title XVIII of the Social Security Act to require that coinsurance for drugs under Medicare part D be based on the drug’s actual acquisition cost and not the drug’s wholesale acquisition cost.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2025

Mr. DAVIS of North Carolina (for himself and Mr. PFLUGER) 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 require that coinsurance for drugs under Medicare part D be based on the drug’s actual acquisition cost and not the drug’s wholesale acquisition cost.

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 “Reducing Drug Prices
5 for Seniors Act”.

1 **SEC. 2. REQUIRING THAT COINSURANCE FOR DRUGS**
2 **UNDER MEDICARE PART D BE BASED ON THE**
3 **DRUG’S ACTUAL ACQUISITION COST AND NOT**
4 **THE DRUG’S WHOLESALE ACQUISITION COST.**

5 Section 1860D–2 of the Social Security Act (42
6 U.S.C. 1395w–102) is amended—

7 (1) in subsection (b)—

8 (A) in paragraph (2)(A), in the matter
9 preceding clause (i), by striking “and (9)” and
10 inserting “, (9), and (10)”; and

11 (B) by adding at the end the following new
12 paragraph:

13 “(10) REQUIREMENT THAT COINSURANCE FOR
14 COVERED PART D DRUGS BE BASED ON THE ACTUAL
15 ACQUISITION COST OF THE DRUG.—

16 “(A) IN GENERAL.—For plan years begin-
17 ning on or after January 1, 2026, for costs
18 above the annual deductible specified in para-
19 graph (1) and below the annual out-of-pocket
20 threshold specified in paragraph (4), any coin-
21 surance amount for a covered part D drug (in-
22 sofar as such covered part D drug is included
23 on the formulary and subject to coinsurance
24 rather than a copayment) shall be calculated
25 based on the actual acquisition cost (and not
26 the wholesale acquisition cost) of such covered

1 part D drug if such actual acquisition cost is
2 lower than the wholesale acquisition cost of
3 such covered part D drug. The preceding sen-
4 tence shall not apply to a covered part D drug
5 described in paragraph (8) or (9).

6 “(B) ACTUAL ACQUISITION COST DE-
7 FINED.—In this paragraph, the term ‘actual ac-
8 quisition cost’ means, with respect to a covered
9 part D drug, the negotiated price of the covered
10 part D drug under the prescription drug plan
11 or MA–PD plan, net of any manufacturer-pro-
12 vided price concessions (as defined under sec-
13 tion 423.100 of title 42, Code of Federal Regu-
14 lations (or any successor regulation)), as re-
15 ported for such drug in the Detailed DIR Re-
16 port (or any successor report) submitted by the
17 sponsor or organization offering the plan for
18 the previous plan year.”; and

19 (2) in subsection (c), by adding at the end the
20 following new paragraph:

21 “(7) REQUIREMENT THAT COINSURANCE FOR
22 COVERED PART D DRUGS BE BASED ON THE NET
23 PRICE OF THE DRUG.—The coverage is provided in
24 accordance with subsection (b)(10).”.

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