
NCSL PRESCRIPTION DRUGS FEDERAL UPDATE

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PRESCRIPTION DRUG CONGRESSIONAL OVERVIEW:

- Over 70 bills and resolutions related to Rx introduced so far.
- Continues to largely be bi-partisan issue.
- Possible Senate package across committees.



PRESCRIPTION DRUG CONGRESSIONAL OVERVIEW:



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■ **Congressional Activity:**

- Transparency in pricing.
- Generic drugs and patents.
- Overprescribing and abuse.
- Role of prescription drug manufacturers.

PRESCRIPTION DRUG CONGRESSIONAL OVERVIEW:

■ **Congressional Activity:**

- Out-of-pocket costs under Medicare Part D.
- 340B Program.
- Pharmacy Benefit Managers (PBMs).
- Drug pricing and negotiations for Medicare and Medicaid.

PRESCRIPTION DRUG CONGRESSIONAL HEARINGS:

- **One of most active health related issues in both chambers.**
- **Focus on Pharmacy Benefit Managers (PBMs) and pharmaceutical company CEOs on: transparency, negotiation and significant price increases.**



PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:



PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- **“American Patients First.”**
- **Elimination of Pharmacy Benefit Managers (PBMs) rebates.**
- **Centers for Medicare & Medicaid Services (CMS) Drug Spending Dashboards.**

PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- Last year the Administration released “American Patients First.”
- **Report identified several challenges:**
 - High list prices.
 - Seniors and government programs overpaying for drugs.
 - High and rising out-of-pocket costs for consumers.
 - Foreign governments using American innovation requirements.

PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- Since report and proposed rule accompanying it, the administration has also looked at ways to enhance Medicaid and Medicare's drug bargaining power.
- Proposed shift of Medicare Part B drugs into Medicare Part D making it more like a private sector in model for pricing negotiations.

PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- Recent proposed rule to eliminate rebates Pharmacy Benefit Managers (PBMs) receive in Medicare and Medicaid.
- Cap removal could curb price hikes drug companies use to avoid losing money on drugs in Medicaid programs.
- Rebates used for lowering patient costs in pharmacies could raises costs for state Medicaid programs.

PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- Proposal to eliminate rebates is set to start in January 1, 2020.
- Recent support from Medicaid and CHIP Payment and Access Commission (MACPAC).
- Legislation also introduced in the house on repealing cap. Comments for proposed rule closed on April 8.

PRESCRIPTION DRUG POLICIES IN THE ADMINISTRATION:

- Centers for Medicare & Medicaid Services (CMS) released updated data for their Drug Spending Dashboards, used data from 2017.
- Administration released their version of drug dashboards in May, 2018.
- Data on dashboards include pricing and spending for Medicare Parts B and D and Medicaid.
- Tracks the change in average spending in prescription drug spending per dosage over time.

RESOURCES:

- [American Patients First Report](#)
- [NCSL Blog: “Prescription Drug Costs- Standing Front and Center](#)
- [HHS Factsheet on Proposal to Remove Medicaid Prescription Drug Rebates](#)
- [MACPAC Letter on Removal of Medicaid Prescription Rebates](#)
- [NCSL Pharmaceutical Resources Page](#)
- [CMS Drug Pricing Dashboard with 2017 Data](#)

THANK YOU!

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