

# House Democrats Push Forward With Drug-Price Negotiation Bill

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- Proposal could be sent to Senate despite unclear prospects
  - Measure passes through key committee on a party-line vote
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The House is moving to send a bill that would direct the U.S. government to negotiate the prices of certain costly drugs to the Senate in coming weeks, though there are no indications it will be signed into law.

Democratic leaders called the measure “transformative” and a way to save lives. They’ve garnered no public support from conservatives, however, and with the White House largely staying silent, it’s unlikely to gain traction in the Republican-controlled Senate.

The bill was approved by the House Education and Labor Committee by a 27-21 vote along party lines, as the Energy and Commerce Committee was still discussing it. A final vote is expected later Thursday.

“I don’t believe I was elected to write bills that will never go anywhere,” said Rep. Michael Burgess, a Texas Republican. “That’s exactly where this bill is headed.”

But Democrats want to show they’ve got a plan to lower the cost of medicine.

“We’re proceeding with what we think is really good policy, and hope springs eternal that the president will support it and that may change some minds,” Vermont Democrat Peter Welch said.

Democrats are hoping to use the floor vote to lay down a marker for where the party stands on drug pricing, demanding that the government take a direct role in reducing the cost of medicine. That could be key if the Senate passes its own drug-pricing legislation and the two chambers seek a compromise.

“This is a big split between the two parties,” Rep. Anna Eshoo, a California Democrat, said. “We believe that direct negotiations is the best way to bring down significantly the cost of drugs.”

Republicans have largely dismissed the measure as damaging to new drug development and the pharmaceutical industry. They’ve pointed to a Congressional Budget Office estimate that as many as 15 new drugs won’t be created as a result of the legislation.

“We believe many more will never enter or leave a lab or a trial or find their way to a sick or dying patient,” Oregon Republican Greg Walden said.

### **Full Vote**

Another committee, the House Ways and Means Committee, is slated to advance the legislation next week and the full House is expected to vote on it the last week of October.

Democrats are looking to add a provision that adds to the list of new drugs that would face negotiation. Any medicines that launch with a wholesale acquisition cost equal to the median household income, now roughly \$62,000, could face negotiation similar to those flagged as the most expensive.

The bill largely targets medicines that cost the government the most. For 2017, the latest year for available Medicare data, that list of the costliest medicines was topped by Celgene Corp.’s blockbuster cancer drug Revlimid, Bristol-Myers Squibb Co.’s blood thinner Eliquis, Merck & Co.’s oral Januvia that helps control blood sugar in diabetics and Sanofi’s insulin medication Lantus Solostar.

Ten drugs accounted for almost 17% of the Medicare drug benefit’s \$151 billion in 2017 expenditures, according to agency data.

“This transformative legislation will level the playing field for American taxpayers,” said Rep. Frank Pallone, the New Jersey Democrat who is chairman of the House Energy and Commerce Committee.

Democrats are also looking to load up the Medicare negotiation bill with other measures to give Medicare beneficiaries vision, dental, and hearing coverage. The move would make it harder for Republicans to vote against it.

“We can be bold, we can lower drug prices and keep our promises or we can dither around today over process and vote no,” Florida Democrat Darren Soto said. “But, eventually you have to go home to your constituents and explain why you voted against lower drug prices, against allowing medicare to negotiate.”

### **Approved Amendments**

The House Education and Labor Committee approved four amendments to the bill, all introduced by Democrats.

The amendments would require that the copayment for a drug not exceed the negotiated price of it with a health plan, require the Government Accountability Office to study the negotiation program by the end of 2025, and ensure that any coordination of data collection required by the bill be coordinated with other data collection efforts.

The final amendment, introduced by Congressional Progressive Caucus Chair Pramila Jayapal of Washington, calls for a study and regulation to give group insurance plans rebates for any increase of drug prices above inflation.

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