

Friday, January 12, 2007

House Meets At...	Last Vote Predicted At...
9:00 a.m. for Legislative Business	Approximately 2:00 p.m.
Fifteen "One-Minutes" per side	

Floor Schedule and Procedure:

- **The Bipartisan Medicare Prescription Drug Price Negotiation Act of 2007 (H.R. 4):** The bill will be managed by Energy and Commerce Chair John Dingell or his designee. Under the rule (H. Res. 6) passed last week, consideration of H.R. 4 will proceed in the following order:
 - 3 hours of debate.
 - 10 minutes of debate on the Republican motion to recommit.
 - Vote on Republican motion to recommit. **Democrats are urged to vote NO.**
 - Vote on final passage of H.R. 4. **Democrats are urged to vote YES.**

Bill Summary and Key Issues:

The Bipartisan Medicare Prescription Drug Price Negotiation Act of 2007 (H.R. 4):

This is a bipartisan bill aimed at cutting prescription drug prices for millions of seniors and individuals with disabilities by enabling the Secretary of Health and Human Services to negotiate for lower-cost drugs. Specifically, the bill:

- Repeals the provision in current law that prohibits the Secretary of Health and Human Services (HHS) from negotiating with drug companies for lower prices for Medicare beneficiaries. Instead, the bill would require the HHS Secretary to conduct such negotiations with drug companies on behalf of Medicare beneficiaries.
- Provides the HHS Secretary broad discretion on how to best implement the negotiating authority and achieve the greatest price discounts for Medicare beneficiaries.
- Continues to prohibit the HHS Secretary from requiring a particular formulary (i.e., a list of covered drugs) to be used by Medicare prescription drug plans or limiting access to any prescription medication.
- Clarifies that Medicare Part D drug plans are permitted to obtain discounts or lower prices for covered prescription drugs below the price negotiated by the HHS Secretary.

- Provides that negotiated prices are for plan years starting January 2008.
- Requires HHS to Report to Congress Every 6 Months on Drug Price Negotiation. To ensure that Congress is able to closely monitor the Administration's progress in this effort, the bill requires timely updates from the Administration on its progress. Specifically, not later than June 1, 2007, and every six months thereafter, the bill requires the HHS Secretary to submit to the Committees on Ways and Means, Energy and Commerce, and Oversight and Government Reform in the House and the Committee on Finance in the Senate a report on the negotiations conducted by the Secretary and on the prices and any price discounts achieved by the Secretary as a result of such negotiations.

NOTE: According to the Statement of Administration Policy (SAP) issued on January 11, 2007, if H.R. 4 were presented to the President, he would veto the bill aimed at cutting prescription drug prices for millions of seniors and individuals with disabilities.

Quote of the Day

"For big drug companies, the new Medicare prescription drug benefit is proving to be a financial windfall larger than even the most optimistic Wall Street analysts had predicted...Wall Street analysts say they have little doubt that the benefit program...has helped several big drug makers report record profits." (*New York Times*, 11/6/06)