

[DISCUSSION DRAFT]

116TH CONGRESS
1ST SESSION

H. R. _____

To amend title XVIII of the Social Security Act to reduce the Medicare part D reinsurance subsidies, eliminate beneficiary out-of-pocket costs above the Medicare part D catastrophic threshold, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend title XVIII of the Social Security Act to reduce the Medicare part D reinsurance subsidies, eliminate beneficiary out-of-pocket costs above the Medicare part D catastrophic threshold, and for other purposes.

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 “[_____] Act of 2019”.

1 **SEC. 2. REDUCING MEDICARE PART D REINSURANCE SUB-**
2 **SIDIES AND ELIMINATING BENEFICIARY OUT-**
3 **OF-POCKET COSTS ABOVE MEDICARE PART D**
4 **CATASTROPHIC THRESHOLD.**

5 (a) REDUCING REINSURANCE PAYMENT AMOUNT.—

6 Section 1860D–15(b) of the Social Security Act (42
7 U.S.C. 1395w–115(b)) is amended—

8 (1) in paragraph (1), by inserting “(or, for a
9 coverage year beginning after 2019, the percent
10 specified under paragraph (5) for such coverage
11 year)” after “80 percent”; and

12 (2) by adding at the end the following new
13 paragraph:

14 “(5) SPECIFIED PERCENT.—For purposes of
15 paragraph (1), the percent specified under this para-
16 graph is—

17 “(A) for coverage year 2020, 70 percent;

18 “(B) for coverage year 2021, 60 percent;

19 “(C) for coverage year 2022, 40 percent;

20 and

21 “(D) for coverage year 2023 and each sub-
22 sequent coverage year, 20 percent.”.

23 (b) ELIMINATING MEDICARE PART D COST-SHARING
24 ABOVE ANNUAL OUT-OF-POCKET THRESHOLD.—

1 (1) IN GENERAL.—Section 1860D–2(b)(4)(A)
2 of the Social Security Act (42 U.S.C. 1395w–
3 102(b)(4)(A)) is amended—

4 (A) in clause (i)—

5 (i) by redesignating subclauses (I) and
6 (II) as items (aa) and (bb), respectively,
7 and by moving such items, as so redesign-
8 ated, two ems to the right;

9 (ii) in item (bb), as so redesignated,
10 by striking the period at the end and in-
11 serting “; and”;

12 (iii) by striking “with cost-sharing
13 that is equal to the greater of—” and in-
14 serting “with cost-sharing that is equal
15 to—

16 “(I) for 2006 and each subse-
17 quent year (before **【____】**), the
18 greater of—”; and

19 (iv) by adding at the end the following
20 new subclause:

21 “(II) for **【____】** and each subse-
22 quent year, \$0.”; and

23 (B) in clause (ii), by striking “clause
24 (i)(I)” and inserting “clause (i)(I)(aa)”.

1 (2) CONFORMING AMENDMENTS TO COST-SHAR-
2 ING SUBSIDIES FOR LOW-INCOME INDIVIDUALS.—
3 Section 1860D–14(a) of the Social Security Act (42
4 U.S.C. 1395w–114(a)) is amended—

5 (A) in paragraph (1)(D)(iii)—

6 (i) by striking “section 1860D–
7 2(b)(4)(A)(i)(I)” and inserting “section
8 1860D–2(b)(4)(A)(i)(I)(aa)”; and

9 (ii) by inserting before the period the
10 following: “(or, for a year after **【____】**,
11 the copayment amount that would be spec-
12 ified under section 1860D–
13 2(b)(4)(A)(i)(I)(aa) for the drug and year
14 involved if such section applied for such
15 year)”; and

16 (B) in paragraph (2)(E)—

17 (i) by inserting “for a year before
18 **【____】**,” after “Subject to subsection
19 (c),”; and

20 (ii) by striking “section 1860D–
21 2(b)(4)(A)(i)(I)” and inserting “section
22 1860D–2(b)(4)(A)(i)(I)(aa)”.