

S 2053

Medicare Enhancements for Needed Drugs Act of 2004

Congress: 108 (2003–2005, Ended)

Chamber: Senate

Policy Area: Health

Introduced: Feb 6, 2004

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Feb 6, 2004)

Official Text: <https://www.congress.gov/bill/108th-congress/senate-bill/2053>

Sponsor

Name: Sen. Snowe, Olympia J. [R-ME]

Party: Republican • State: ME • Chamber: Senate

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Feinstein, Dianne [D-CA]	D · CA		Feb 6, 2004
Sen. Wyden, Ron [D-OR]	D · OR		Feb 6, 2004
Sen. Jeffords, James M. [I-VT]	I · VT		Feb 26, 2004

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Feb 6, 2004

Subjects & Policy Tags

Policy Area:

Health

Related Bills

No related bills are listed.

Medicare Enhancements for Needed Drugs Act of 2004 - Directs the Comptroller General to review and report to Congress on the retail cost of prescription drugs in the United States during 2000 and 2003 with an emphasis on the prescription drugs most utilized for individuals age 65 or older. Requires the Comptroller General, after conducting such review, to review continuously the retail cost of such drugs through April 1, 2006, to determine the changes in such costs.

Requires the Comptroller General to conduct an ongoing study, for annual reports to Congress, that compares the average retail cost in the United States for each of the 20 most utilized prescription drugs for individuals age 65 or older with: (1) the average price at which private health plans acquire each such drug; (2) the average price at which the Department of Defense under the Defense Health Program acquires each such drug; (3) the average price at which the Department of Veterans Affairs under the laws administered by the Secretary of Veterans Affairs acquires each such drug; and (4) the average negotiated price for each such drug that eligible beneficiaries have access to under a Medicare prescription drug plan that provides only basic prescription drug coverage.

Amends title XVIII (Medicare) of the Social Security Act (SSA) to include in the comparative plan information for beneficiaries under new Medicare part D (Voluntary Prescription Drug Benefit Program) a comparison of average aggregate prescription drug plan beneficiary costs and savings with respect to covered part D drugs with such costs for the same drugs for a beneficiary with no prescription drug plan.

Repeals the prohibition against interference by the Secretary with the negotiations between drug manufacturers and pharmacies and prescription drug plan sponsors and the requirement of a particular formulary to institute a price structure for the reimbursement of Medicare part D covered drugs. Authorizes the Secretary instead, like other Federal entities that purchase prescription drugs in bulk, to negotiate contracts with manufacturers of covered part D drugs.

Amends the Internal Revenue Code to disallow a tax deduction for advertising expenditures of taxpayers who discriminate against foreign sellers of prescription drugs to domestic consumers.

Amends SSA title XVIII to authorize the Secretary to provide incentive payments out of the Medicare Advantage Regional Plan Stabilization Fund to sponsors offering prescription drug plans that provide enrollees with access to negotiated prices for payment of covered Medicare part D drugs. Requires such prices to be on average not more than ten percent greater than the lesser of: (1) the average price at which the Department of Defense under the Defense Health Program acquires such drugs; or (2) the average price at which the Department of Veterans Affairs acquires such drugs.

Requires the Secretary to request the National Association of Insurance Commissioners to review and report to Congress on the changes to the rules relating to Medicare supplemental policies that provide prescription drug coverage under new Medicare part D.

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## **Actions Timeline**

- **Feb 6, 2004:** Introduced in Senate
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