

## HR 2542

Old Drugs, New Cures Act

**Congress:** 119 (2025–2027, Current)

**Chamber:** House

**Policy Area:** Health

**Introduced:** Apr 1, 2025

**Current Status:** Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means

**Latest Action:** Referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Apr 1, 2025)

**Official Text:** <https://www.congress.gov/bill/119th-congress/house-bill/2542>

### Sponsor

**Name:** Rep. Davis, Donald G. [D-NC-1]

**Party:** Democratic • **State:** NC • **Chamber:** House

### Cosponsors (1 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Pfluger, August [R-TX-11]	R · TX		Apr 1, 2025

### Committee Activity

Committee	Chamber	Activity	Date
Energy and Commerce Committee	House	Referred To	Apr 1, 2025
Ways and Means Committee	House	Referred To	Apr 1, 2025

### Subjects & Policy Tags

**Policy Area:**

Health

### Related Bills

*No related bills are listed.*

## **Old Drugs, New Cures Act**

This bill exempts manufacturers of certain long-standing drugs from paying specialized rebates under the Medicaid Drug Rebate Program and the Medicare Prescription Drug Inflation Rebate Program. (Under these programs, drug manufacturers pay rebates to state Medicaid programs for certain drugs covered under Medicaid and to the Centers for Medicare & Medicaid Services for certain drugs covered under Medicare.)

Specifically, manufacturers may request that a drug that would otherwise be considered a line extension under the Medicaid and Medicare rebate programs to instead be designated as a priority research drug. (A *line extension* refers to an oral dose of a new formulation of an existing drug, such as an extended release formulation, that would subject the drug to specialized rebates under the Medicaid and Medicare drug rebate programs.)

Under the bill, a drug qualifies as a *priority research drug* if (1) at least 10 years have elapsed since the drug was first approved, (2) the manufacturer is investigating a new use of the drug that would address a significant unmet need, and (3) the new use addresses a disease or condition that has a high prevalence among beneficiaries of Medicaid, Medicare, or other federal health care programs.







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