

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 445

To amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide for negotiation of fair prices for Medicare prescription drugs.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 17, 2005

Ms. STABENOW (for herself, Mr. CARPER, Mr. KENNEDY, Mr. SCHUMER, Mr. BINGAMAN, and Mr. JOHNSON) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend part D of title XVIII of the Social Security Act, as added by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, to provide for negotiation of fair prices for Medicare prescription drugs.

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 “Medicare Prescription  
5       Drug Price Reduction Act of 2005”.

1 **SEC. 2. NEGOTIATING FAIR PRICES FOR MEDICARE PRE-**  
2 **SCRIPTION DRUGS.**

3 Section 1860D–11 of the Social Security Act (42  
4 U.S.C. 1395w–111) is amended by striking subsection (i)  
5 (relating to noninterference) and by inserting the fol-  
6 lowing:

7 “(i) **AUTHORITY TO NEGOTIATE PRICES WITH MAN-**  
8 **UFACTURERS.**—In order to ensure that each part D eligi-  
9 ble individual who is enrolled under a prescription drug  
10 plan or an MA–PD plan pays the lowest possible price  
11 for covered part D drugs, the Secretary shall have author-  
12 ity similar to that of other Federal entities that purchase  
13 prescription drugs in bulk to negotiate contracts with  
14 manufacturers of covered part D drugs, consistent with  
15 the requirements of this part and in furtherance of the  
16 goals of providing quality care and containing costs under  
17 this part.”.

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