AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 3
OFFERED BY MS. JAYAPAL

Page 45, after line 25, insert the following new subsection:

"(g) Inflation Rebate for Group Health Plans.—

"(1) In general.—Not later than December 31, 2021, the Secretary of Labor shall, in consultation with the Secretary of Health and Human Services and the Secretary of the Treasury, submit to Congress a report on the feasibility of the Secretary of Labor—

"(A) establishing an agreement process with manufacturers of prescription drugs under which manufacturers provide for inflation rebates (in a manner similar to rebates under section 1834(x) and 1860D–14B with respect to part B and part D drugs, respectively) with respect to drugs that are furnished or dispensed to participants, enrollees, and beneficiaries of health insurance coverage in connection with a group health plan; and
“(B) establishing an enforcement mechanism with respect to such agreement process that ensures that such inflation rebates are, proportionally distributed, with respect to costs, to—

“(i) participants, enrollees, and beneficiaries of health insurance coverage offered in the group market; and

“(ii) a health insurance issuer offering health insurance coverage in the group market.

“(2) REGULATIONS.—Not later than December 31, 2022, the Secretary of Labor shall, in consultation with the Secretary of Health and Human Services and the Secretary of the Treasury, promulgate regulations consistent with the information contained in the report submitted pursuant to paragraph (1) if—

“(A) the Secretary of Labor determines the prices of a sufficient number (as determined by the Secretary of Labor) of drugs described in paragraph (1)(A) have increased at a percentage that exceeds the percentage by which the consumer price index for all urban consumers (United States city average) for a pe-
period of time (as determined by the Secretary of Labor); and

"(B) the Secretary of Labor finds that the agreement process identified pursuant to subparagraph (A) of paragraph (1) and the enforcement mechanism identified pursuant to subparagraph (B) of such paragraph are feasible."