

**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 sub-  
section:

1       “(g) INFLATION REBATE FOR GROUP HEALTH  
2 PLANS.—

3               “(1) IN GENERAL.—Not later than December  
4       31, 2021, the Secretary of Labor shall, in consulta-  
5       tion with the Secretary of Health and Human Serv-  
6       ices and the Secretary of the Treasury, submit to  
7       Congress a report on the feasibility of the Secretary  
8       of Labor—

9               “(A) establishing an agreement process  
10       with manufacturers of prescription drugs under  
11       which manufacturers provide for inflation re-  
12       bates (in a manner similar to rebates under sec-  
13       tion 1834(x) and 1860D–14B with respect to  
14       part B and part D drugs, respectively) with re-  
15       spect to drugs that are furnished or dispensed  
16       to participants, enrollees, and beneficiaries of  
17       health insurance coverage in connection with a  
18       group health plan; and

1           “(B) establishing an enforcement mecha-  
2           nism with respect to such agreement process  
3           that ensures that such inflation rebates are,  
4           proportionally distributed, with respect to costs,  
5           to—

6                   “(i) participants, enrollees, and bene-  
7                   ficiaries of health insurance coverage of-  
8                   fered in the group market; and

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

12               “(2) REGULATIONS.—Not later than December  
13               31, 2022, the Secretary of Labor shall, in consulta-  
14               tion with the Secretary of Health and Human Serv-  
15               ices and the Secretary of the Treasury, promulgate  
16               regulations consistent with the information con-  
17               tained in the report submitted pursuant to para-  
18               graph (1) if—

19                   “(A) the Secretary of Labor determines  
20                   the prices of a sufficient number (as determined  
21                   by the Secretary of Labor) of drugs described  
22                   in paragraph (1)(A) have increased at a per-  
23                   centage that exceeds the percentage by which  
24                   the consumer price index for all urban con-  
25                   sumers (United States city average) for a pe-

1           riod of time (as determined by the Secretary of  
2           Labor); and

3                   “(B) the Secretary of Labor finds that the  
4           agreement process identified pursuant to sub-  
5           paragraph (A) of paragraph (1) and the en-  
6           forcement mechanism identified pursuant to  
7           subparagraph (B) of such paragraph are fea-  
8           sible.”.



