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(Original Signature of Member)

116TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To amend title XVIII of the Social Security Act to provide for adjustments to the Medicare part D cost-sharing reductions for low-income individuals.

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IN THE HOUSE OF REPRESENTATIVES

Mr. CUNNINGHAM introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend title XVIII of the Social Security Act to provide for adjustments to the Medicare part D cost-sharing reductions for low-income individuals.

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 “Creating Lower cost  
5 Alternative for Your prescription drugs Act” or the  
6 “CLAY Act”.

1 **SEC. 2. ADJUSTMENTS TO MEDICARE PART D COST-SHAR-**  
2 **ING REDUCTIONS FOR LOW-INCOME INDIVID-**  
3 **UALS.**

4 Section 1860D–14(a) of the Social Security Act (42  
5 U.S.C. 1395w–114(a)) is amended—

6 (1) in paragraph (1)—

7 (A) in subparagraph (D)—

8 (i) in clause (ii)—

9 (I) by striking “that does not ex-  
10 ceed \$1 for” and all that follows  
11 through the period at the end and in-  
12 serting “that does not exceed—

13 “(I) for plan years before plan  
14 year 2021—

15 “(aa) for a generic drug or a  
16 preferred drug that is a multiple  
17 source drug (as defined in section  
18 1927(k)(7)(A)(i)), \$1 or, if less,  
19 the copayment amount applicable  
20 to an individual under clause  
21 (iii); and

22 “(bb) for any other drug, \$3  
23 or, if less, the copayment amount  
24 applicable to an individual under  
25 clause (iii); and”;

1 (II) by adding at the end the fol-  
2 lowing new subclauses:

3 “(II) for plan year 2021—

4 “(aa) for a generic drug, \$0;

5 and

6 “(bb) for any other drug,

7 the dollar amount applied under

8 this clause (after application of

9 paragraph (4)(A)) for plan year

10 2020 for a drug described in sub-

11 clause (I)(bb); and

12 “(III) for a subsequent year, the

13 dollar amount applied under this

14 clause for the previous year for the

15 drug, increased by the annual percent-

16 age increase in the consumer price

17 index (all items; U.S. city average) as

18 of September of such previous year.”;

19 and

20 (ii) in clause (iii)—

21 (I) by striking “does not exceed

22 the copayment amount specified

23 under” and inserting “does not ex-

24 ceed—

1                   “(I) for plan years beginning be-  
2                   fore plan year 2021, the copayment  
3                   amount specified under”;

4                   (II) by striking the period at the  
5                   end and inserting “; and”; and

6                   (III) by adding at the end the  
7                   following new subclause:

8                   “(II) for plan year 2021 and  
9                   each subsequent plan year the copay-  
10                  ment amount applied under clause (ii)  
11                  for the drug and year involved.”; and

12                  (B) by adding at the end the following new  
13                  subparagraph:

14                  “(F) ROUNDING.—Any amount established  
15                  under clause (ii) of subparagraph (D), including  
16                  as applied under clause (iii) of such subpara-  
17                  graph or paragraph (2)(E), that is based on an  
18                  increase of \$3, that is not a multiple of 5 cents  
19                  or 10 cents, respectively, shall be rounded to  
20                  the nearest multiple of 5 cents or 10 cents, re-  
21                  spectively.”; and

22                  (2) in paragraph (2)—

23                  (A) in subparagraph (C), by inserting “and  
24                  subparagraph (E)” before the period;

25                  (B) in subparagraph (D)—

1 (i) by striking “of coinsurance of” and  
2 inserting “of—

3 “(I) for plan years before plan  
4 year 2021, coinsurance of”;

5 (ii) by striking the period at the end  
6 and inserting “; and”; and

7 (iii) by adding at the end the fol-  
8 lowing new subclause:

9 “(II) for plan year 2021 and  
10 each subsequent plan year, a copay-  
11 ment amount that does not exceed the  
12 copayment amount applied under  
13 paragraph (1)(D)(ii) for the drug and  
14 year involved.”; and

15 (C) in subparagraph (E)—

16 (i) by striking “subsection (c), the  
17 substitution for” and inserting “subsection  
18 (c)—

19 “(i) for plan years before plan year  
20 2021, the substitution for”;

21 (ii) by striking the period at the end  
22 and inserting “; and”; and

23 (iii) by adding at the end the fol-  
24 lowing new clause:

1                   “(ii) for plan year 2021 and each sub-  
2                   sequent plan year, the elimination of any  
3                   cost-sharing imposed under section  
4                   1860D–2(b)(4)(A).”; and  
5                   (3) in paragraph (4)(A)(ii), by inserting “(be-  
6                   fore 2021)” after “subsequent year”.