

House Passes the Elijah Cummings Lower Drug Costs Now Act (H.R. 3)

On Thursday, December 12, 2019, the House passed H.R. 3, the Elijah Cummings Lower Drug Costs Now Act, with unanimous support of House Democrats, but only 2 Republican votes. While the primary provisions of the bill and the conclusions drawn in our [original blog post](#) remain unchanged, we highlight two changes made to the bill as described in our post before it was passed.

First, the original bill required drug manufacturers that increase the price of a drug faster than the rate of inflation (benchmarked to prices in 2016) to either reduce the cost of the drug or pay rebates to the government for any revenues above the inflationary price. The passed version of the bill extends these required rebates to drugs covered by private payers.

Second, the original bill required the Department of Health and Human Services (HHS) to negotiate prices for 25 drugs, but the passed bill sets the minimum number of drugs for which HHS should negotiate to 50 and allows the agency to negotiate prices for up to 250 drugs.

The bill now goes to the Senate, where experts [doubt](#) the likelihood of passing. The Senate Finance Committee also introduced more moderate legislation. Stay tuned as The Source continues to follow both state and federal legislation to address rising drug costs.