Press Release

Understanding the Senate Finance Committee's Drug Pricing Reform Proposals

ANDREW EVANS | AUGUST 6, 2019

The Senate Finance Committee recently passed a wide-ranging bill seeking to overhaul federal drug-pricing policy. AAF's Deputy Director of Health Care Policy Tara O'Neill Hayes has analyzed the bill, section by section, noting the potential impact of each proposed reform. This bill's provisions include encouraging the use of biosimilars, penalizing drug manufacturers for price growth faster than inflation, and capping out-of-pocket expenses for Medicare Part D beneficiaries.

While the ultimate impact of these changes is impossible to know, Hayes writes, it is likely that some provisions would encourage higher launch prices for new drugs, while others could encourage greater use of less expensive medicines and eliminate the incentive for hospitals to take over independent doctors' offices.

The bill could come before the full Senate this fall for a vote.

Read the analysis.