

109TH CONGRESS
2^D SESSION

S. 4114

To amend title XVIII of the Social Security Act to require the use of generic drugs under the Medicare part D prescription drug program when available unless the brand name drug is determined to be medically necessary.

IN THE SENATE OF THE UNITED STATES

DECEMBER 8, 2006

Mr. KOHL introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title XVIII of the Social Security Act to require the use of generic drugs under the Medicare part D prescription drug program when available unless the brand name drug is determined to be medically necessary.

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 “Generics First Act of
5 2006”.

1 **SEC. 2. REQUIRED USE OF GENERIC DRUGS UNDER THE**
2 **MEDICARE PART D PRESCRIPTION DRUG**
3 **PROGRAM.**

4 (a) IN GENERAL.—Section 1860D–2(e)(2) of the So-
5 cial Security Act (42 U.S.C. 1395w–102(e)(2)) is amend-
6 ed by adding at the end the following new subparagraph:

7 “(C) NON-GENERIC DRUGS UNLESS CER-
8 TAIN REQUIREMENTS ARE MET.—

9 “(i) IN GENERAL.—Such term does
10 not include a drug that is a nongeneric
11 drug unless—

12 “(I) no generic drug has been ap-
13 proved under the Federal Food, Drug,
14 and Cosmetic Act with respect to the
15 drug; or

16 “(II) the nongeneric drug is de-
17 termined to be medically necessary by
18 the individual prescribing the drug
19 and prior authorization for the drug is
20 obtained from the Secretary.

21 “(ii) DEFINITIONS.—In this subpara-
22 graph:

23 “(I) GENERIC DRUG.—The term
24 ‘generic drug’ means a drug that is
25 the subject of an application approved
26 under subsection (b)(2) or (j) of sec-

1 tion 505 of the Federal Food, Drug,
2 and Cosmetic Act, for which the Sec-
3 retary has made a determination that
4 the drug is the therapeutic equivalent
5 of a listed drug under section
6 505(j)(7) of such Act.

7 “(II) NONGENERIC DRUG.—The
8 term ‘nongeneric drug’ means a drug
9 that is the subject of an application
10 approved under—

11 “(aa) section 505(b)(1) of
12 the Federal Food, Drug, and
13 Cosmetic Act; or

14 “(bb) section 505(b)(2) of
15 such Act and that has been de-
16 termined to be not therapeuti-
17 cally equivalent to any listed
18 drug.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 subsection (a) shall apply to drugs dispensed on or after
21 the date of enactment of this Act.

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