

## CROSS PRACTICE ISSUES

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### U.S. House of Representatives Passes *Build Back Better Act*

On Friday, November 19, the U.S. House of Representatives passed [H.R.5376](#), the *Build Back Better Act*. The bill includes a broad range of provisions relating to health care, paid leave, and climate change, among others. Among many things, the bill would impact the following areas of interest to actuaries:

- Allocates \$36.7 billion to establish hearing benefits under Medicare.
- Includes provisions intended to temporarily close the Medicaid coverage gap until 2025. Under the bill individuals at or below the federal poverty level would qualify for premium subsidies and maximum cost-sharing reductions. Additionally, the federal match rate for states that have already expanded Medicaid under the Affordable Care Act would increase from 90% to 93%.
- Would authorize the Secretary of the Health and Human Services Department to negotiate the price of prescription drugs directly with pharmaceutical manufacturers up to 10 single-source drugs per year starting in 2023, with that number eventually increasing up to 20. Drugs would be eligible for negotiation once they've been sold for either nine or twelve years.
- Would cap prices for certain insulin at \$35 per month and out-of-pocket costs for Medicare Part D prescription drugs at \$2,000 per year.
- Require drug manufacturers to pay a rebate to the federal government if their prices for single-source drugs and biologicals covered under Medicare Part B and nearly all covered drugs under Medicare Part D increase faster than the rate of inflation.
- Would extend [American Rescue Plan Act's \(ARPA\)](#) federal premium subsidies for health insurance plans sold on the Affordable Care Act exchanges through 2025.

The bill now moves to the Senate for further deliberation.

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