118th CONGRESS 1st Session



To reduce the price of insulin and provide for patient protections with respect to the cost of insulin.

#### IN THE SENATE OF THE UNITED STATES

Mrs. SHAHEEN (for herself and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on

## A BILL

To reduce the price of insulin and provide for patient protections with respect to the cost of insulin.

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; TABLE OF CONTENTS.

4 (a) SHORT TITLE.—This Act may be cited as the
5 "Improving Needed Safeguards for Users of Lifesaving
6 Insulin Now Act of 2023" or the "INSULIN Act of
7 2023".

8 (b) TABLE OF CONTENTS.—The table of contents for

9 this Act is as follows:

Sec. 1. Short title; table of contents.

#### TITLE I—COMMERCIAL MARKET PATIENT PROTECTIONS

- Sec. 101. Requirements with respect to cost-sharing for certain insulin products.
- Sec. 102. Application to retiree and certain small group plans.
- Sec. 103. Administration.

### TITLE II—PHARMACY BENEFIT MANAGER TRANSPARENCY AND REBATE REFORM

#### Sec. 201. Full rebate on insulin pass-through to plan.

#### TITLE III—BIOSIMILAR BIOLOGICAL PRODUCT AND GENERIC DRUG COMPETITION AND AFFORDABILITY

- Sec. 301. Ensuring timely access to generics.
- Sec. 302. Permitted mid-year changes in Medicare part D plan formularies for certain biosimilar biological products and the reference product of such biosimilars.

Sec. 303. Expediting competitive biosimilar competition. Sec. 304. Insulin competition report.

# TITLE I—COMMERCIAL MARKET PATIENT PROTECTIONS

3 SEC. 101. REQUIREMENTS WITH RESPECT TO COST-SHAR-

4

#### ING FOR CERTAIN INSULIN PRODUCTS.

5 (a) IN GENERAL.—Part D of title XXVII of the Pub-

6 lic Health Service Act (42 U.S.C. 300gg-111 et seq.) is

7 amended by adding at the end the following:

#### 8 "SEC. 2799A-11. REQUIREMENTS WITH RESPECT TO COST-

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#### SHARING FOR CERTAIN INSULIN PRODUCTS.

"(a) IN GENERAL.—For plan years beginning on or
after January 1, 2024, a group health plan or health insurance issuer offering group or individual health insurance coverage shall provide coverage of selected insulin
products, and with respect to such products, shall not—
"(1) apply any deductible; or

1	"(2) impose any cost-sharing requirements in
2	excess of, per 30-day supply—
3	"(A) for any applicable plan year begin-
4	ning before January 1, 2025, \$35; or
5	"(B) for any plan year beginning on or
6	after January 1, 2025, the lesser of—
7	"(i) \$35; or
8	"(ii) the amount equal to 25 percent
9	of the negotiated price of the selected insu-
10	lin product net of all price concessions re-
11	ceived by or on behalf of the plan or issuer,
12	including price concessions received by or
13	on behalf of third-party entities providing
14	services to the plan or issuer, such as
15	pharmacy benefit management services or
16	third party administrators.
17	"(b) DEFINITIONS.—In this section:
18	"(1) Selected insulin products.—The term
19	'selected insulin products' means, for any plan year
20	beginning on or after January 1, 2024, at least one
21	of each dosage form (such as vial, pen, or inhaler
22	dosage forms) of each different type (such as rapid-
23	acting, short-acting, intermediate-acting, long-acting,
24	and pre-mixed) of insulin, when such form is li-

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censed and marketed, as selected by the group
 health plan or health insurance issuer.

3 "(2) INSULIN.—The term 'insulin' means insu4 lin that is licensed under subsection (a) or (k) of
5 section 351 and continues to be marketed pursuant
6 to such licensure.

7 "(c) OUT-OF-NETWORK PROVIDERS.—Nothing in 8 this section requires a plan or issuer that has a network 9 of providers to provide benefits for selected insulin prod-10 ucts described in this section that are delivered by an outof-network provider, or precludes a plan or issuer that has 11 12 a network of providers from imposing higher cost-sharing 13 than the levels specified in subsection (a) for selected insulin products described in this section that are delivered 14 15 by an out-of-network provider.

16 "(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group 17 health plan or health insurance coverage from imposing 18 cost-sharing other than the levels specified in subsection 19 20 (a) on, insulin products that are not selected insulin prod-21 ucts, to the extent that such coverage is not otherwise re-22 quired and such cost-sharing is otherwise permitted under 23 Federal and applicable State law.

24 "(e) APPLICATION OF COST-SHARING TOWARDS25 DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any

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cost-sharing payments made pursuant to subsection (a)(2)
 shall be counted toward any deductible or out-of-pocket
 maximum that applies under the plan or coverage.

4 "(f) OTHER REQUIREMENTS.—A group health plan 5 or health insurance issuer offering group or individual health insurance coverage shall not impose, directly or 6 7 through an entity providing pharmacy benefit manage-8 ment services, any prior authorization or other medical 9 management requirement, or other similar conditions, on 10 selected insulin products, except as clinically justified for 11 safety reasons, to ensure reasonable quantity limits and 12 as specified by the Secretary.".

(b) NO EFFECT ON OTHER COST-SHARING.—Section
14 1302(d)(2) of the Patient Protection and Affordable Care
15 Act (42 U.S.C. 18022(d)(2)) is amended by adding at the
16 end the following new subparagraph:

17 "(D) SPECIAL RULE RELATING TO INSU-18 LIN COVERAGE.—For plans years beginning on 19 or after January 1, 2025, the exemption of cov-20 erage of selected insulin products (as defined in 21 section 2799A–11(b) of the Public Health Serv-22 ice Act) from the application of any deductible 23 pursuant to section 2799A-11(a)(1) of such 24 Act, section 726(a)(1) of the Employee Retire-25 ment Income Security Act of 1974, or section

	0
1	9826(a)(1) of the Internal Revenue Code of
2	1986 shall not be considered when determining
3	the actuarial value of a qualified health plan
4	under this subsection.".
5	(c) Coverage of Certain Insulin Products
6	UNDER CATASTROPHIC PLANS.—Section 1302(e) of the
7	Patient Protection and Affordable Care Act (42 U.S.C.
8	18022(e)) is amended by adding at the end the following:
9	"(4) COVERAGE OF CERTAIN INSULIN PROD-
10	UCTS.—
11	"(A) IN GENERAL.—Notwithstanding para-
12	graph $(1)(B)(i)$ , a health plan described in
13	paragraph (1) shall provide coverage of selected
14	insulin products, in accordance with section
15	2799A–11 of the Public Health Service Act, be-
16	fore an enrolled individual has incurred, during
17	the plan year, cost-sharing expenses in an
18	amount equal to the annual limitation in effect
19	under subsection $(c)(1)$ for the plan year.
20	"(B) TERMINOLOGY.—For purposes of
21	subparagraph (A)—
22	"(i) the term 'selected insulin prod-
23	ucts' has the meaning given such term in
24	section 2799A–11(b) of the Public Health
25	Service Act; and

1	"(ii) the requirements of section
2	2799A–11 of such Act shall be applied by
3	deeming each reference in such section to
4	'individual health insurance coverage' to be
5	a reference to a plan described in para-
6	graph (1).".
7	(d) ERISA.—
8	(1) IN GENERAL.—Subpart B of part 7 of sub-
9	title B of title I of the Employee Retirement Income
10	Security Act of 1974 (29 U.S.C. 1185 et seq.) is
11	amended by adding at the end the following:
12	"SEC. 726. REQUIREMENTS WITH RESPECT TO COST-SHAR-
13	ING FOR CERTAIN INSULIN PRODUCTS.
14	"(a) IN GENERAL.—For plan years beginning on or
15	after January 1, 2024, a group health plan or health in-
15 16	after January 1, 2024, a group health plan or health in- surance issuer offering group health insurance coverage
16	surance issuer offering group health insurance coverage
16 17	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and
16 17 18	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not—
16 17 18 19	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not— "(1) apply any deductible; or
16 17 18 19 20	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not— "(1) apply any deductible; or "(2) impose any cost-sharing requirements in
<ol> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> </ol>	<pre>surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not—</pre>
<ol> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> </ol>	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not— "(1) apply any deductible; or "(2) impose any cost-sharing requirements in excess of, per 30-day supply— "(A) for any applicable plan year begin-
<ol> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> <li>22</li> <li>23</li> </ol>	surance issuer offering group health insurance coverage shall provide coverage of selected insulin products, and with respect to such products, shall not— "(1) apply any deductible; or "(2) impose any cost-sharing requirements in excess of, per 30-day supply— "(A) for any applicable plan year begin- ning before January 1, 2025, \$35; or

1	''(i) \$35; or
2	"(ii) the amount equal to 25 percent
3	of the negotiated price of the selected insu-
4	lin product net of all price concessions re-
5	ceived by or on behalf of the plan or issuer,
6	including price concessions received by or
7	on behalf of third-party entities providing
8	services to the plan or issuer, such as
9	pharmacy benefit management services or
10	third party administrators.
11	"(b) DEFINITIONS.—In this section:
12	"(1) Selected insulin products.—The term
13	'selected insulin products' means, for any plan year
14	beginning on or after January 1, 2024, at least one
15	of each dosage form (such as vial, pen, or inhaler
16	dosage forms) of each different type (such as rapid-
17	acting, short-acting, intermediate-acting, long-acting,
18	and pre-mixed) of insulin, when such form is li-
19	censed and marketed, as selected by the group
20	health plan or health insurance issuer.
21	"(2) INSULIN.—The term 'insulin' means insu-
22	lin that is licensed under subsection (a) or (k) of
23	section 351 of the Public Health Service Act $(42)$
24	U.S.C. 262) and continues to be marketed pursuant
25	to such licensure.

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"(c) OUT-OF-NETWORK PROVIDERS.—Nothing in 1 2 this section requires a plan or issuer that has a network 3 of providers to provide benefits for selected insulin prod-4 ucts described in this section that are delivered by an out-5 of-network provider, or precludes a plan or issuer that has a network of providers from imposing higher cost-sharing 6 than the levels specified in subsection (a) for selected insu-7 8 lin products described in this section that are delivered 9 by an out-of-network provider.

10 "(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group 11 12 health plan or health insurance coverage from imposing 13 cost-sharing other than the levels specified in subsection (a) on, insulin products that are not selected insulin prod-14 15 ucts, to the extent that such coverage is not otherwise required and such cost-sharing is otherwise permitted under 16 17 Federal and applicable State law.

18 "(e) APPLICATION OF COST-SHARING TOWARDS
19 DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any
20 cost-sharing payments made pursuant to subsection (a)(2)
21 shall be counted toward any deductible or out-of-pocket
22 maximum that applies under the plan or coverage.

23 "(f) OTHER REQUIREMENTS.—A group health plan
24 or health insurance issuer offering group health insurance
25 coverage shall not impose, directly or through an entity

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providing pharmacy benefit management services, any
 prior authorization or other medical management require ment, or other similar conditions, on selected insulin prod ucts, except as clinically justified for safety reasons, to en sure reasonable quantity limits and as specified by the
 Secretary.".

7	(2) CLERICAL AMENDMENT.—The table of con-
8	tents in section 1 of the Employee Retirement In-
9	come Security Act of 1974 (29 U.S.C. 1001 et seq.)
10	is amended by inserting after the item relating to
11	section 725 the following:

"Sec. 726. Requirements with respect to cost-sharing for certain insulin products.".

12 (e) INTERNAL REVENUE CODE.—

(1) IN GENERAL.—Subchapter B of chapter
14 100 of the Internal Revenue Code of 1986 is amend15 ed by adding at the end the following new section:
16 "SEC. 9826. REQUIREMENTS WITH RESPECT TO COST-SHAR-

17

#### ING FOR CERTAIN INSULIN PRODUCTS.

"(a) IN GENERAL.—For plan years beginning on or
after January 1, 2024, a group health plan shall provide
coverage of selected insulin products, and with respect to
such products, shall not—

22 "(1) apply any deductible; or

23 "(2) impose any cost-sharing requirements in
24 excess of, per 30-day supply—

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1	"(A) for any applicable plan year begin-
2	ning before January 1, 2025, \$35; or
3	"(B) for any plan year beginning on or
4	after January 1, 2025, the lesser of—
5	"(i) \$35; or
6	"(ii) the amount equal to 25 percent
7	of the negotiated price of the selected insu-
8	lin product net of all price concessions re-
9	ceived by or on behalf of the plan, includ-
10	ing price concessions received by or on be-
11	half of third-party entities providing serv-
12	ices to the plan, such as pharmacy benefit
13	management services or third party admin-
14	istrators.
15	"(b) DEFINITIONS.—In this section:
16	"(1) Selected insulin products.—The term
17	'selected insulin products' means, for any plan year
18	beginning on or after January 1, 2024, at least one
19	of each dosage form (such as vial, pen, or inhaler
20	dosage forms) of each different type (such as rapid-
21	acting, short-acting, intermediate-acting, long-acting,
22	and pre-mixed) of insulin, when such form is li-
23	censed and marketed, as selected by the group
24	health plan.

"(2) INSULIN.—The term 'insulin' means insu lin that is licensed under subsection (a) or (k) of
 section 351 of the Public Health Service Act (42
 U.S.C. 262) and continues to be marketed pursuant
 to such licensure.

6 "(c) OUT-OF-NETWORK PROVIDERS.—Nothing in 7 this section requires a plan that has a network of providers 8 to provide benefits for selected insulin products described 9 in this section that are delivered by an out-of-network pro-10 vider, or precludes a plan that has a network of providers from imposing higher cost-sharing than the levels specified 11 12 in subsection (a) for selected insulin products described 13 in this section that are delivered by an out-of-network provider. 14

15 "(d) RULE OF CONSTRUCTION.—Subsection (a) shall not be construed to require coverage of, or prevent a group 16 health plan from imposing cost-sharing other than the lev-17 18 els specified in subsection (a) on, insulin products that are 19 not selected insulin products, to the extent that such cov-20 erage is not otherwise required and such cost-sharing is 21 otherwise permitted under Federal and applicable State 22 law.

23 "(e) APPLICATION OF COST-SHARING TOWARDS
24 DEDUCTIBLES AND OUT-OF-POCKET MAXIMUMS.—Any
25 cost-sharing payments made pursuant to subsection (a)(2)

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shall be counted toward any deductible or out-of-pocket
 maximum that applies under the plan.

- 3 "(f) OTHER REQUIREMENTS.—A group health plan
  4 shall not impose, directly or through an entity providing
  5 pharmacy benefit management services, any prior author6 ization or other medical management requirement, or
  7 other similar conditions, on selected insulin products, ex8 cept as clinically justified for safety reasons, to ensure rea9 sonable quantity limits and as specified by the Secretary".
- 10 (2) CLERICAL AMENDMENT.—The table of sec11 tions for subchapter B of chapter 100 of such Code,
  12 as amended by section 102(c)(2), is further amended

13 by adding at the end the following new item:

"Sec. 9827. Requirements with respect to cost-sharing for certain insulin products.".

## 14SEC. 102. APPLICATION TO RETIREE AND CERTAIN SMALL15GROUP PLANS.

(a) ERISA.—Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a))
is amended by striking "section 711" and inserting "sections 711 and 726".

20 (b) IRC.—The Internal Revenue Code of 1986 is21 amended—

(1) in section 9831(a), by adding at the end thefollowing flush text:

"Paragraph (2) shall not apply to the requirements under
 sections 9811 and 9826."; and

3 (2) in section 4980D(d)(1), by striking "section
4 9811" and inserting "sections 9811and 9826".

#### 5 SEC. 103. ADMINISTRATION.

6 (a) IMPLEMENTATION.—Notwithstanding any other 7 provision of law, the Secretary of Health and Human 8 Services, the Secretary of Labor, and the Secretary of the 9 Treasury may implement the provisions of, including the 10 amendments made by, this title for plan years that begin 11 on or after January 1, 2024, and end not later than Janu-12 ary 1, 2027, by subregulatory guidance, program instruc-13 tion, or otherwise.

(b) NON-APPLICATION OF THE PAPERWORK REDUC15 TION ACT.—Chapter 35 of title 44, United States Code
16 (commonly referred to as the "Paperwork Reduction Act
17 of 1995"), shall not apply to the provisions of, including
18 the amendments made by, this title.

# 1 TITLE II—PHARMACY BENEFIT 2 MANAGER TRANSPARENCY 3 AND REBATE REFORM

4 SEC. 201. FULL REBATE ON INSULIN PASS-THROUGH TO 5 PLAN.

6 Part A of title XXVII of the Public Health Service
7 Act (42 U.S.C. 300gg et seq.), , is further amended by
8 adding at the end the following:

9 "SEC. 2729A. FULL REBATE ON INSULIN PASS-THROUGH TO 10 PLAN.

11 "(a) IN GENERAL.—A pharmacy benefits manager, 12 a third-party administrator of a group health plan, a 13 health insurance issuer offering group health insurance 14 coverage, or an entity providing pharmacy benefits man-15 agement services under such health plan or health insur-16 ance coverage shall remit 100 percent of rebates, fees, alternative discounts, and all other remuneration received 17 18 from a pharmaceutical manufacturer, distributor or any 19 other third party, that are related to utilization of insulin 20 under such health plan or health insurance coverage, to 21the group health plan.

"(b) FORM AND MANNER OF REMITTANCE.—Such
rebates, fees, alternative discounts, and other remuneration shall be—

1	((1)) remitted to the group health plan in a
2	timely fashion after the period for which such re-
3	bates, fees, or other remuneration is calculated, and
4	in no case later than 90 days after the end of such
5	period;
6	"(2) fully disclosed and enumerated to the
7	group health plan sponsor; and
8	"(3) available for audit by the plan sponsor, or
9	a third-party designated by a plan sponsor no less
10	than once per plan year.".
11	TITLE III—BIOSIMILAR BIOLOGI-
12	CAL PRODUCT AND GENERIC
13	DRUG COMPETITION AND AF-
14	FORDABILITY
15	SEC. 301. ENSURING TIMELY ACCESS TO GENERICS.
16	Section 505(q) of the Federal Food, Drug, and Cos-
17	metic Act (21 U.S.C. 355(q)) is amended—
18	(1) in paragraph $(1)$ —
19	(A) in subparagraph (A)(i), by inserting ",
20	10.31," after "10.30";
21	(B) in subparagraph (E)—
22	(i) by striking "application and" and
23	inserting "application or";
24	(ii) by striking "If the Secretary" and
25	inserting the following:

1	"(i) IN GENERAL.—If the Secretary";
2	and
3	(iii) by striking the second sentence
4	and inserting the following:
5	"(ii) PRIMARY PURPOSE OF DELAY-
6	ING.—
7	"(I) IN GENERAL.—In deter-
8	mining whether a petition was sub-
9	mitted with the primary purpose of
10	delaying an application, the Secretary
11	may consider the following factors:
12	"(aa) Whether the petition
13	was submitted in accordance with
14	paragraph $(2)(B)$ , based on when
15	the petitioner knew or reasonably
16	should have known the relevant
17	information relied upon to form
18	the basis of such petition.
19	"(bb) Whether the petitioner
20	has submitted multiple or serial
21	petitions or supplements to peti-
22	tions raising issues that reason-
23	ably could have been known to
24	the petitioner at the time of sub-

1mission of the earlier petition or2petitions.

3 "(cc) Whether the petition 4 was submitted close in time to a 5 known, first date upon which an 6 application under subsection 7 (b)(2) or (j) of this section or 8 section 351(k) of the Public 9 Health Service Act could be ap-10 proved.

11 "(dd) Whether the petition
12 was submitted without relevant
13 data or information in support of
14 the scientific positions forming
15 the basis of such petition.

"(ee) Whether the petition 16 17 raises the same or substantially 18 similar issues as a prior petition 19 to which the Secretary has re-20 sponded substantively already, in-21 cluding if the subsequent submis-22 sion follows such response from 23 the Secretary closely in time.

24 "(ff) Whether the petition25 requests changing the applicable

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1	standards that other applicants
2	are required to meet, including
3	requesting testing, data, or label-
4	ing standards that are more on-
5	erous or rigorous than the stand-
6	ards the Secretary has deter-
7	mined to be applicable to the list-
8	ed drug, reference product, or pe-
9	titioner's version of the same
10	drug.
11	"(gg) The petitioner's record
12	of submitting petitions to the
13	Food and Drug Administration
14	that have been determined by the
15	Secretary to have been submitted
16	with the primary purpose of
17	delay.
18	"(hh) Other relevant and
19	appropriate factors, which the
20	Secretary shall describe in guid-
21	ance.
22	"(II) GUIDANCE.—The Secretary
23	may issue or update guidance, as ap-
24	propriate, to describe factors the Sec-

1	retary considers in accordance with
2	subclause (I).";
3	(C) by adding at the end the following:
4	"(iii) Referral to the federal
5	TRADE COMMISSION.—The Secretary shall
6	establish procedures for referring to the
7	Federal Trade Commission any petition or
8	supplement to a petition that the Secretary
9	determines was submitted with the primary
10	purpose of delaying approval of an applica-
11	tion. Such procedures shall include notifi-
12	cation to the petitioner by the Secretary.";
13	(D) by striking subparagraph (F);
14	(E) by redesignating subparagraphs (G)
15	through (I) as subparagraphs (F) through (H),
16	respectively; and
17	(F) in subparagraph (H), as so redesig-
18	nated, by striking "submission of this petition"
19	and inserting "submission of this document";
20	(2) in paragraph (2)—
21	(A) by redesignating subparagraphs (A)
22	through (C) as subparagraphs (C) through (E),
23	respectively;
24	(B) by inserting before subparagraph (C),
25	as so redesignated, the following:

1 "(A) IN GENERAL.—A person shall submit 2 a petition to the Secretary under paragraph (1) 3 before filing a civil action in which the person 4 seeks to set aside, delay, rescind, withdraw, or 5 prevent submission, review, or approval of an 6 application submitted under subsection (b)(2)7 or (i) of this section or section 351(k) of the 8 Public Health Service Act. Such petition and 9 any supplement to such a petition shall describe 10 all information and arguments that form the 11 basis of the relief requested in any civil action 12 described in the previous sentence. 13 "(B) TIMELY SUBMISSION OF CITIZEN PE-14 TITION.—A petition and any supplement to a 15 petition shall be submitted within 60 days after 16 the person knew, or reasonably should have 17 known, the information that forms the basis of 18 the request made in the petition or supple-19 ment.";

20 (C) in subparagraph (C), as so redesig21 nated—

(i) in the heading, by striking "WITH-IN 150 DAYS";

1	(ii) in clause (i), by striking "during
2	the 150-day period referred to in para-
3	graph $(1)(F)$ ,"; and
4	(iii) by amending clause (ii) to read as
5	follows:
6	"(ii) on or after the date that is 151
7	days after the date of submission of the
8	petition, the Secretary approves or has ap-
9	proved the application that is the subject
10	of the petition without having made such a
11	final decision.";
12	(D) by amending subparagraph (D), as so
13	redesignated, to read as follows:
14	"(D) DISMISSAL OF CERTAIN CIVIL AC-
15	TIONS.—
16	"(i) Petition.—If a person files a
17	civil action against the Secretary in which
18	a person seeks to set aside, delay, rescind,
19	withdraw, or prevent submission, review, or
20	approval of an application submitted under
21	subsection (b)(2) or (j) of this section or
22	section 351(k) of the Public Health Service
23	Act without complying with the require-
24	ments of subparagraph (A), the court shall

dismiss without prejudice the action for failure to exhaust administrative remedies. "(ii) TIMELINESS.—If a person files a civil action against the Secretary in which
"(ii) TIMELINESS.—If a person files a civil action against the Secretary in which
civil action against the Secretary in which
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a person seeks to set aside, delay, rescind,
withdraw, or prevent submission, review, or
approval of an application submitted under
subsection (b)(2) or (j) of this section or
section 351(k) of the Public Health Service
Act without complying with the require-
ments of subparagraph (B), the court shall
dismiss with prejudice the action for fail-
ure to timely file a petition.
"(iii) FINAL RESPONSE.—If a civil ac-
tion is filed against the Secretary with re-
spect to any issue raised in a petition time-
ly filed under paragraph $(1)$ in which the
petitioner requests that the Secretary take
any form of action that could, if taken, set
aside, delay, rescind, withdraw, or prevent
submission, review, or approval of an appli-
cation submitted under subsection $(b)(2)$
or (j) of this section or section $351(k)$ of
or (j) of this section or section 351(k) of the Public Health Service Act before the

1	the petition within the meaning of sub-
2	paragraph (C), the court shall dismiss
3	without prejudice the action for failure to
4	exhaust administrative remedies."; and
5	(E) in clause (iii) of subparagraph (E), as
6	so redesignated, by striking "as defined under
7	subparagraph (2)(A)" and inserting "within the
8	meaning of subparagraph (C)"; and
9	(3) in paragraph (4)—
10	(A) by striking "EXCEPTIONS" and all that
11	follows through "This subsection does" and in-
12	serting "EXCEPTIONS.—This subsection does";
13	(B) by striking subparagraph (B); and
14	(C) by redesignating clauses (i) and (ii) as
15	subparagraphs (A) and (B), respectively, and
16	adjusting the margins accordingly.
17	SEC. 302. PERMITTED MID-YEAR CHANGES IN MEDICARE
18	PART D PLAN FORMULARIES FOR CERTAIN
19	BIOSIMILAR BIOLOGICAL PRODUCTS AND
20	THE REFERENCE PRODUCT OF SUCH
21	BIOSIMILARS.
22	(a) IN GENERAL.—Section 1860D–4(b) of the Social
23	Security Act (42 5 U.S.C. 1395w–104(b)) is amended by
24	adding at the end the following new paragraph:

1	"(5) Mid-year changes in formularies
2	PERMITTED FOR CERTAIN BIOSIMILAR BIOLOGICAL
3	PRODUCTS AND THE REFERENCE PRODUCT OF SUCH
4	BIOSIMILARS.—If a PDP sponsor of a prescription
5	drug plan uses a formulary (including the use of
6	tiered cost-sharing), the following shall apply:
7	"(A) IN GENERAL.—For plan year 2024,
8	and subsequent plan years, in the case of a cov-
9	ered part D drug that is the reference biological
10	product (as defined in section $1847A(c)(6)(I)$ )
11	with respect to a biosimilar biological product
12	(as defined in section $1847A(c)(6)(H)$ ), the
13	PDP sponsor may, with respect to a formulary,
14	at any time after the first 60 days of the plan
15	year, subject to paragraph $(3)(E)$ , change the
16	preferred or tiered cost-sharing status of such
17	reference biological product if such PDP spon-
18	sor adds, at the same time, to such formulary
19	such biosimilar biological product at the same
20	or a higher preferred status, or to the same or
21	lower cost-sharing tier, as that of such ref-
22	erence biological product immediately prior to
23	such change.
24	"(B) REQUEST FOR APPROVAL OF

25 CHANGE.—Prior to making a change described

1 in clause (i), the PDP sponsor shall submit to 2 the Secretary a request to make such change. 3 If the Secretary approves the request or has not 4 provided a decision to the PDP sponsor regard-5 ing such request within 30 days of receiving 6 such request, such PDP sponsor may make 7 such change.". 8 (b) Administration.—

9 (1) IMPLEMENTATION.—Notwithstanding any 10 other provision of law, the Secretary of Health and 11 Human Services may implement the amendment 12 made by subsection (a) by subregulatory guidance, 13 program instruction, or otherwise.

14 (2) NON-APPLICATION OF THE PAPERWORK RE15 DUCTION ACT.—Chapter 35 of title 44, United
16 States Code (commonly referred to as the "Paper17 work Reduction Act of 1995"), shall not apply to the
18 implementation of the amendment made by sub19 section (a).

20 SEC. 303. EXPEDITING COMPETITIVE BIOSIMILAR COM-21PETITION.

(a) IN GENERAL.—Section 351(k) of the Public
Health Service Act (42 U.S.C. 262(k)) is amended by adding at the end the following:

1	"(10) Expediting competitive biosimilar
2	COMPETITION.—
3	"(A) IN GENERAL.—The Secretary may, at
4	the request of the sponsor of an application
5	under this subsection for a biosimilar biological
6	product that is designated as a competitive bio-
7	similar therapy pursuant to subsection (b), ex-
8	pedite the development and review of such ap-
9	plication under this subsection.
10	"(B) DESIGNATION PROCESS.—
11	"(i) REQUEST.—The sponsor of an
12	application under this subsection may re-
13	quest the Secretary to designate the drug
14	as a competitive biosimilar therapy. A re-
15	quest for such designation may be made
16	concurrently with, or at any time prior to,
17	the submission of a biosimilar biological
18	product license application under this sub-
19	section.
20	"(ii) CRITERIA.—A biological product
21	is eligible for designation as a competitive
22	biosimilar therapy under this paragraph if
23	the Secretary determines that there is in-
24	adequate biosimilar competition.

	20
1	"(iii) DESIGNATION.—Not later than
2	60 calendar days after the receipt of a re-
3	quest under clause (i), the Secretary
4	may—
5	"(I) determine whether the bio-
6	similar biological product that is the
7	subject of the request meets the cri-
8	teria described in clause (ii); and
9	"(II) if the Secretary finds that
10	such product meets such criteria, des-
11	ignate the biosimilar biological prod-
12	uct as a competitive biosimilar ther-
13	apy.
14	"(C) ACTIONS.—In expediting the develop-
15	ment and review of an application under sub-
16	paragraph (A), the Secretary may, as requested
17	by the applicant, take actions including the fol-
18	lowing:
19	"(i) Hold meetings with the sponsor
20	and the review team throughout the devel-
21	opment of the biosimilar biological product
22	prior to submission of the application
23	under this subsection.
24	"(ii) Provide timely advice to, and
25	interactive communication with, the spon-

1	sor regarding the development of the drug
2	to ensure that the development program to
3	gather the data necessary for approval is
4	as efficient as practicable.
5	"(iii) Involve senior managers and ex-
6	perienced review staff, as appropriate, in a
7	collaborative, coordinated review of such
8	application, including with respect to bio-
9	logical product-device combination prod-
10	ucts and other complex products.
11	"(iv) Assign a cross-disciplinary
12	project lead—
13	"(I) to facilitate an efficient re-
14	view of the development program and
15	application, including manufacturing
16	inspections; and
17	"(II) to serve as a scientific liai-
18	son between the review team and the
19	applicant.
20	"(D) INSPECTIONS.—With respect to an
21	application described in subparagraph (A), in
22	the case of an inspection report that finds ap-
23	proval of such biological product is dependent
24	upon remediation of a facility, if the applicant
25	attests that necessary changes have been made

30

to the facility, the Secretary shall expedite rein-2 spection of such facility, including establishing 3 a set timeline to reinspect the facility or make 4 a determination about the response of the appli-5 cant and whether to approve the application.

6 "(E) REPORTING REQUIREMENT.—Not 7 later than 1 year after the date of licensure 8 under this subsection with respect to a bio-9 similar biological product for which the develop-10 ment and review is expedited under this para-11 graph, the holder of the license of such bio-12 similar biological product shall report to the 13 Secretary on whether the biosimilar biological 14 product has been marketed in interstate com-15 merce since the date of such licensure.

16 "(F) INADEQUATE BIOSIMILAR COMPETI-17 TION.—In this paragraph, the term 'inadequate 18 biosimilar competition' means, with respect to a 19 biological product, there are fewer than 3 li-20 censed biological products on the list published 21 under paragraph (9)(A) (not including biologi-22 cal products on the discontinued section of such 23 list) that are biosimilar biological products with 24 the same reference product.".

#### 1 SEC. 304. INSULIN COMPETITION REPORT.

Not later than 1 year after the date of the enactment
of this Act, the Secretary of Health and Human Services,
in collaboration with the Administrator for the Centers for
Medicare & Medicaid Services and the Commissioner of
Food and Drugs, shall—

7 (1) complete a study to determine the extent of, 8 and causes of, delays in getting insulin products to 9 market, and the market dynamics and extent bio-10 similar biological product development and competi-11 tion could increase, or is increasing, the number of 12 biological products approved and available to pa-13 tients, including by examining barriers to— 14 (A) placement of biosimilar biological prod-

15 ucts on health insurance formularies;

16 (B) market entry of insulin product in the
17 United States, as compared to other highly de18 veloped nations; and

19 (C) patient and provider education around20 biosimilar biological products; and

(2) submit a report to Congress that describes
the results of the study conducted pursuant to paragraph (1) and recommended policy solutions.