

 KENTUCKY YMCA YOUTH ASSOCIATION KENTUCKY YOUTH ASSEMBLY Commonwealth Bill	Blue CW 17							
	Referred to Committee: Senate 3							
Authors: Lauren Brown, Jordan Boling	Action on the Bill							
School: Hancock Co. HS		<table data-bbox="1104 430 1526 567" style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;">House</td> <td style="width: 50%; text-align: center;">Senate</td> </tr> <tr> <td style="text-align: center;">___ <input type="checkbox"/> Passed</td> <td style="text-align: center;">___ <input type="checkbox"/> Passed</td> </tr> <tr> <td style="text-align: center;">___ <input type="checkbox"/> Defeated</td> <td style="text-align: center;">___ <input type="checkbox"/> Defeated</td> </tr> </table>	House	Senate	___ <input type="checkbox"/> Passed	___ <input type="checkbox"/> Passed	___ <input type="checkbox"/> Defeated	___ <input type="checkbox"/> Defeated
House		Senate						
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City: Lewisport								

An act to Reform and Regulate Prescription Drug Pricing

Be it enacted by the Youth Assembly of the Commonwealth of Kentucky

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Section 1: We propose a law prohibiting pharmaceutical companies from charging American insurers from paying more than 10% above the average cost other countries pay for the same drug, effectively lowering prescription drug prices and ensuring that Americans no longer pay disproportionate amounts for the same drugs which members of other developed countries enjoy at increasingly lowered costs. Furthermore, we must allow Medicare to negotiate drug prices directly with drug manufacturer, allow individuals and pharmacists to import lower-cost drugs from qualified pharmacies in Canada, and prohibit anti-competitive "pay-for-delay" deals. This forces pharma to provide fair prices for sick Americans, who currently pay disproportionate amounts compared to average international drug prices.

Section 2: We must calculate the average price for a specific drug among other developed nations, and prohibit drug manufacturers from charging Americans more than 10% above the average international price for the same drug in question. Failing to comply with this requirement, as well as failing to enter into cost negotiations with Medicare, and entering "pay-for-delay" deals with generic pharmaceutical companies, will face the same consequences of violators of other anti-trust laws established for every other industry. Violators can be prosecuted by the Department of Justice and can face up to 10 years in prison and fines of up to \$100 million for corporations, as well as \$1 million for an individual.

Section 3: Other than the cost of research and development, the cost of manufacturing drugs is relatively insignificant. Currently, Americans are essentially paying the entirety of the cost of the research and development stage, leading to the outrageously high costs in question. By forcing pharmaceutical companies to lower prices, revenues will be reduced, but only to the levels typical of every other American industry currently under regulation. Pharmaceutical companies will easily remain able to pay for effective research and development while still enjoying substantial profits.

Section 4: We will give pharmaceutical companies 18 months to prepare for and comply with the regulations proposed before enforcing the penalties in question. Pharmaceutical companies will have time to lower prices, end "pay-for-delay" agreements, and to negotiate with Medicare on prices of existing drugs to reach a mutually beneficial outcome based on the projected break-even price and benefit of the drug based on costs.