

# Bernie Sanders introduces anti-pharma-patent bill, aims to replace drug monopolies with prizes

Cory Doctorow at 8:30 AM Fri via **SUBMITTERATOR**

Jamie Love sez, "Senator Bernie Sanders (I-VT) has introduced legislation in the US Senate that would use prizes to reward medical R&D, and eliminate all drug monopolies. It includes an open source dividend of \$4 billion per year."

Both bills would eliminate all legal barriers to the manufacture and sale of generic versions of drugs and vaccines. The more ambitious bill is the Medical Innovation Prize Fund Act, which would apply to all prescription drugs. The narrower proposal is the Prize Fund for HIV/AIDS Act, which would only apply to treatments for HIV/AIDS. The Medical Innovation Prize Fund would create a prize fund equal of .55 percent of US GDP, which is more than \$80 billion per year at current levels of U.S. GDP. The HIV/AIDS Prize Fund would be funded at .02 percent of U.S. GDP, which is equal to more than \$3 billion per year at current levels of U.S. GDP.

The federal government and private health insurance companies would co-fund the prizes, according to formulas set out in the bills. The cost of the prize funds would be more than offset by the savings from the introduction of generic competition for products.

Both bills have some similar features to Senator Sanders' earlier prize fund bills, but there are also a number of changes. Among those changes are the introduction of an open source dividend element to the bills, which would have at least 5 percent of the prize money going to persons or communities that put knowledge, data, materials or technology into the public domain, or provide royalty free and non-discriminatory access to patents and other intellectual property rights. Annually, this would be more than \$4 billion for S. 1137, and \$147 million for S. 1138, at 2010 levels of GDP, as an incentive to open source research.

**Senator Sanders introduces two medical innovation prize bills in U.S. Senate to de-link R&D costs from drug prices (Thanks, jamielove!)**