

Maryland Prescription Drug Affordability Board

PDAB Program Overview

Oregon Prescription Drug Price Transparency Program
Annual Hearing

Presentation by: Van Mitchell

December 16, 2020



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Prescription Drug Affordability Board

- The Maryland Prescription Drug Affordability Board (PDAB) was created to study the prescription drug market in Maryland, and protect the State and its residents from the high costs of prescription drug products
- Over the next year, the Board will analyze Maryland's pharmaceutical distribution and payment system, review possible policy options to lower the cost of prescription drugs, and report its findings to the General Assembly
- Possible options include, but are not limited to, setting upper payment limits, a reverse auction marketplace, and implementing a bulk purchasing process

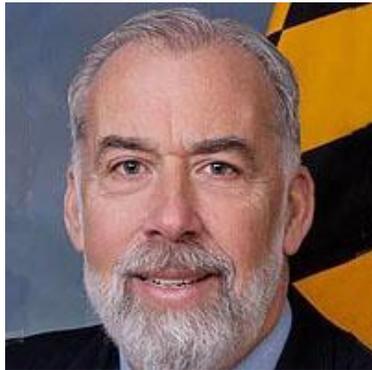


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Prescription Drug Affordability Board: Board Structure and Members

- The PDAB is comprised of five members, and supported by a Stakeholder Council
- Board members possess expertise in various fields, including public policy, pharmaceuticals, economics, finance, and health care



Van T. Mitchell (Chair)



Gerard Anderson, PhD



Ebere Onukwughu, MS, PhD



George Malouf, M.D.



Joseph Levy, PhD



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Prescription Drug Affordability Board: Budget and Staff

- The PDAB currently operates on a budget of approximately \$750,000, which is provided via a loan by the Maryland Health Care Commission (MHCC)
 - A bill providing a dedicated funding source for the Board via minimal fees on certain entities was vetoed in May 2020
- As a result of the statewide hiring freeze, the PDAB has had to wait to hire its full staff
 - The Board recently selected an Executive Director, and is working with various state agencies to obtain final approval to complete the hire
 - The Board's current staff is augmented by assistance through the MHCC



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Prescription Drug Affordability Board: Board Meetings

- The Board held in-person meetings in January and February 2020
- Following the outbreak of the COVID-19 pandemic, the Board transitioned to virtual meetings
 - The Board held its first virtual meeting in June, with subsequent meetings occurring in September, October, and November 2020
- The Board will continue to hold virtual meetings in 2021, with its first scheduled for January 25, 2021

Prescription Drug Affordability Board: Public Meetings – Key Takeaways

- Stakeholders are eager to help
 - CRISP (MD and DC HIE), carriers, and bipartisan support from local government leaders
 - Coordination across sister agencies to provide technical assistance and infrastructure support
- Carriers share experience with prescription drug costs and utilization
 - Three major areas of concern: expensive novel therapies, high utilization for chronic conditions, unchecked price inflation
- Increasing drug prices have caused serious affordability issues at the county and local level
 - Harford County Executive Glassman recently noted that drug costs for county employees and retirees experienced an average increase of 12% last year



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Committee on Data Collection

- One of the Board's first tasks is to access a variety of data sources related to prescription drug pricing and utilization
 - This includes MOUs with peer states, partnerships across sister agencies, submissions by insurers and health information exchanges, and purchasing commercial data sets
- The Board authorized the formation of a committee of Board members to focus on needed data, identify possible sources, and determine overall best practices in securing the data
- The Board and Executive Director will utilize the committee's findings to inform later decisions on additional data acquisition and analytic support

Obstacles & Limiting Factors

While the Board has made considerable progress, despite complications caused by the COVID-19 pandemic, it has had to overcome certain obstacles:

- Securing office space
- Fulfilling staffing needs
- Access to current, complete, and needed data
 - Confidentiality of certain data may frustrate Board's analysis
- Obtaining a dedicated funding source

Questions and Feedback

Please visit pdab.maryland.gov for updates on the PDAB and its progress on studying Maryland's pharmaceutical market.