Oregon Prescription Drug Affordability Board

350 Winter Street NE, Salem, OR 97309-0405 | 971-374-3724 | pdab@dcbs.oregon.gov | dfr.oregon.gov/pdab

Agenda

This is a regular meeting. *Date*: **Dec. 18, 2024** | *Time*: **9:30 a.m.**

This agenda is subject to change.

Meeting name	**Prescription Drug Affordability Board**
Meeting location	Virtual
Zoom link	Register for meeting

Board Members: Chair Shelley Bailey; Vice Chair Amy Burns; Daniel Hartung; Robert Judge; Christopher Laman; John Murray; Dan Kennedy; Lauri Hoagland.

Staff: Ralph Magrish, executive director; Cortnee Whitlock, senior policy analyst; Stephen Kooyman, project manager, Heather Doyle, data analyst; Pei-Chen Choo, research analyst; Melissa Stiles, administrative specialist; Jake Gill, counsel; Pramela Reddi, counsel

Purpose	Subject	Presenter	Estimated Time Allotted
Informational and vote	Call to order and roll call	Chair Shelley Bailey	2 minutes
Informational	Board declaration of conflict of interest	Chair Shelley Bailey	2 minutes
Discussion and vote	**Board approval of 11/20/2024 minutes**	Chair Shelley Bailey	2 minutes
Informational	Executive director's program update	Ralph Magrish	5 minutes
Informational	General public comment: *limited to 3 minutes. Written comments are reviewed by the board prior to meeting.*	Chair Shelley Bailey	10 minutes
Discussion and vote	**Board discussion and vote on policy recommendations for the Oregon Legislature**	Cortnee Whitlock	55 minutes
Discussion and vote	**Board discussion and vote on annual report to the Oregon Legislature**	Cortnee Whitlock	20 minutes
Discussion	**Board receives initial, preliminary list of prescription drugs, insulin for affordability review**	Cortnee Whitlock	55 minutes
Informational	Announcements	Chair Shelley Bailey	2 minutes
Vote	Adjournment	Chair Shelley Bailey	2 minutes

Next meeting

Jan. 15, 2025, at 9:00 a.m. **Please note new start time for board meetings in 2025.**

Accessibility

Anyone needing assistance due to a disability or language barrier can contact Melissa Stiles at least 48 hours ahead of the meeting at pdab@dcbs.oregon.gov or 971-374-3724.

How to provide testimony to the board

The Prescription Drug Affordability Board invites people to provide testimony. **Oral:** To speak to the board during the public comment portion of the agenda, please submit the PDAB public comment form no later than 24 hours before the PDAB meeting. **Written:** to provide written comments to the board, please submit the PDAB public comment form with attachments no later than 72 hours before the PDAB meeting. The board reviews all written comments. All written comments are posted on the website.

Open and closed sessions

All board meetings except executive sessions are open to the public. Pursuant to ORS 192.660, executive sessions are closed to everyone but news media and staff. No action will be taken in the executive session.

Oregon Prescription Drug Affordability Board

Oregon Prescription Drug Affordability Board (PDAB) Regular Meeting
Wednesday, November 20, 2024
Draft Minutes

Web link to the meeting video: https://youtu.be/F6oxpkN9frA
Web link to the meeting materials: https://dfr.oregon.gov/pdab/Documents/20241120-PDAB-document-package.pdf

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Call to order and roll call: Chair Shelley Bailey called the meeting to order at 9:32 am and roll was called.
Board members present: Chair Shelley Bailey, Vice Chair Amy Burns, Dan Hartung, Lauri Hoagland, Robert Judge, Dan Kennedy, Chris Laman, John Murray
Absent: None

Declaration of conflict of interest: John Murray, Dan Hartung, and Robert Judge disclosed potential conflicts of interest. View at video minute **00:00:51**.

Approval of board minutes: Chair Bailey asked for a motion and second to approve the board minutes as shown on **Pages 3-4** of the agenda materials, with any amendments. Dan Kennedy made a motion to approve the minutes and Lauri Hoagland provided a second. View at video minute **00:02:23**.

MOTION to approve the October 2, 2024, minutes
Board Vote:
Yes: Dan Hartung, Lauri Hoagland, Robert Judge, Dan Kennedy, Chris Laman, Vice Chair Amy Burns, Chair Shelley Bailey
No: None
Abstain: John Murray
Motion passed 7-0

Executive director's program update: Ralph Magrish provided a program update. View the video at minute **00:03:52**.

Public comment related to upper payment limit (UPL): Chair Bailey called on the people who signed up in advance to speak to the board: Dharia McGrew, PhRMA; Lorren Sandt, Caring Ambassadors Program; Ranier Simons, Community Access National Network; John Mullin, Oregon Coalition for Affordable Prescriptions; Brian Warren, Biotechnology Innovation Organization; Elana Lynn, Equity Action Partners; Lucy Laube, National Psoriasis Foundation; Harry L Gewanter, Let My Doctors Decide Action Network; Julie Black, Oregon Bioscience Association. Written public comments about UPLs are posted on the **UPL page of the PDAB website**. View the video at minute **00:08:29**.

SB 192 upper payment limit (UPL) draft report: Chair Shelley Bailey led board members in a discussion about the UPL draft report. Board members voted three times to include, move, or exclude portions of the report. The portions described in these motions include the paragraph beginning with **"consideration of complementary cost control strategies" on page 5** and the section beginning with **"additional cost-saving solutions and complementary approaches to UPL" on pages 23-26**. The document was shared on the screen during the board meeting. After two failed motions and one passed motion regarding report components, the board voted to approve the report and send to the Oregon Legislature. View the draft report on **Pages 5-98** of the agenda materials. View the discussion and votes at video minute **00:31:22**.

MOTION to affirm the addition of the text highlighted both in the executive summary and the body of the report
Motion made and restated by John Murray. Motion second by Dan Kennedy. View the motion, restated motion and discussion beginning at **01:18:32**.

Board vote:
Yes: Lauri Hoagland, Dan Kennedy, John Murray, Chair Shelley Bailey
No: Dan Hartung, Robert Judge, Chris Laman, Vice Chair Amy Burns
Motion failed 4-4

MOTION to move it from the body of the report and put it under the stakeholder involvement sections and modify the executive summary paragraph to say they exist and this is where you can find them in the report.
Motion made and restated by John Murray. Motion second by Dan Kennedy. View the motion, restated motion and discussion beginning at **01:49:54.**

Board vote:
Yes: Dan Kennedy, Chris Laman, John Murray, Chair Shelley Bailey
No: Dan Hartung, Lauri Hoagland, Robert Judge, Vice Chair Amy Burns
Motion failed 4-4

MOTION to remove it from the summary but leave it in the body of the document as it currently is.
Motion made by Lauri Hoagland. Motion second by John Murray. View the motion and discussion beginning at **01:55:26**.

Board vote:
Yes: Dan Hartung, Lauri Hoagland, Dan Kennedy, Chris Laman, John Murray, Vice Chair Amy Burns, Chair Shelley Bailey
No: Robert Judge
Motion passed 7-1

MOTION to adopt the upper payment limits final report with agreed upon edits from today's discussion and additional formatting by staff and deliver the report to the interim committees of the Legislative Assembly as required under Senate Bill 192 by Dec. 6, 2024.

Motion made by Robert Judge. Motion second by John Murray. View the motion and discussion beginning at **02:24:05**.

Board vote:
Yes: Dan Hartung, Lauri Hoagland, Robert Judge, Dan Kennedy, Chris Laman, John Murray, Chair Shelley Bailey
No: Vice Chair Amy Burns
Motion passed 7-1

Announcements: Chair Bailey announced the next meeting will be Dec. 18, 2024. View at video minute **02:26:48**.

Public comment: Chair Bailey said the board received **10 public comment letters**, which are posted to the PDAB website. The chair called on the two people who signed up in advance to speak to the board: Lorren Sandt, Caring Ambassadors, and Mark Sturbois, consumer. View at video minute **02:27:01**.

Adjournment: Chair Bailey adjourned the meeting at 12:15 pm with all board members in agreement. View at view minute **02:34:03**.

Oregon Prescription Drug Affordability Board

Proposed policy recommendations

Potential Senate Bill 844 clean-up

1. **Propose a language change from "nine drugs a year" for affordability reviews to "up to nine" drugs a year.**
    - The recommendation is to revise language in SB 844 to remove the requirement to review nine drugs and change the language to "review up to nine prescriptions drugs." This change will ensure that the board focuses on reviewing drugs that are known to cause affordability challenges, based solely on cost or criteria, rather than trying to identify drugs that may or may not cause challenges to the health system or out-of-pocket costs to meet legislative thresholds. The initial review process revealed challenges in identifying specific drugs, as some may not actually cause affordability issues.

2. **Remove requirement that Department of Consumer and Business Services (DCBS) provide Prescription Drug Affordability Board (PDAB) with a list of prescription drugs each calendar quarter.**
    - The information is provided to PDAB by DCBS under ORS 646A.689 (2) and (6) and ORS 743.025, including insulin products that are submitted annually by prescription drug manufacturers and health insurance carriers. Manufacturers are required to report 60 days prior to a price increase for brand-name and generic prescription drugs in accordance with ORS 646A.683 (2), but the information is based on the current year and may not apply to the reporting requirement in ORS 646A.694 to review drugs from the previous calendar year. Removing the quarterly reporting language will ensure a more accurate review of prescription drugs by the board.

3. **Removal of the generic drug report annual requirement, with a new provision that relevant content would be incorporated into the affordability review report. The information could include generics or biosimilar availability, pricing, and marketplace commentary when relevant to drugs under review**
    - The generic drug market does not have significant year-over-year changes, and the current report does not provide significant market identifiers that impact prescription medication prices and costs. Any significant impact of the market system will be captured in the annual report requirements under OAR 646A.696.

Additional recommendations

4. **Patient assistance program (PAP) reporting to the Drug Price Transparency (DPT) program**
    - Expand PAP requirements to include manufacturer coupons and any other payment that reduces a patient's out-of-pocket cost to fill a prescription. The board also recommends manufacturers be required to report on all patient assistant programs they maintain or fund.

5. **Pharmacy benefit managers (PBM) and insurer reporting on copay accumulators and maximizers**
    - Implement mandatory reporting on copay accumulator and maximizers programs to ensure equitable access to essential medications and prioritize transparency. With enhanced reporting, the board will aim to monitor the impact of copay accumulators on patient costs and access to medications.

6. **Uniform reimbursement rate for critical access pharmacies (CAPs). This applies to all PBMs CAPs contract with**
    - Uniform reimbursement rate: All claims for prescription drugs and services provided by critical access pharmacies (CAPs), whether under Fee-For-Service (FFS) Medicaid, coordinated care organizations (CCOs), commercial insurance, or any prescriptions adjudicated through exchange payors, shall be reimbursed at the exact same rate as the CAP FFS Medicaid rate. This ensures payment parity for all payors when reimbursing CAPs.

    - Non-discriminatory reimbursement: CCOs, commercial payors, and PBMs would be prohibited from reducing payments or imposing discriminatory terms on CAPs. All payors must adhere to the CAP FFS Medicaid rate when reimbursing CAPs for identical services or medications.

7. **Consolidated Appropriations Act (CAA) disclosures about reimbursements and fees to employer plans from brokers**
    - Any broker or entity facilitating the purchase of health insurance or prescription drug benefits for purchasing entities must provide an annual disclosure of all direct and indirect compensation received, as required by the CAA. This disclosure must include any commissions, fees, or other forms of compensation related to the transaction.

    - Brokers must proactively offer these CAA-compliant disclosure schedules in writing to the relevant purchasing entities (OEBB, PEBB, FFS, Medicaid, ArrayRx,

etc.) during contract negotiations or renewals and no later than 30 days prior to the renewal of any contract or service agreement.

8. **~~Minimum dispensing f~~Fees across all payers**
    - Minimum reimbursement for all prescriptions: All payors, including CCOs, commercial health plans, exchange-based health insurance plans, and PBMs operating within the state, shall reimburse pharmacies at a rate that is no less than the average actual acquisition cost (AAAC) of the drug plus the state-determined dispensing fee. This reimbursement structure shall apply to all prescriptions dispensed by pharmacies in Oregon.
        - The AAAC of a drug shall be determined based on the Oregon Medicaid AAAC pricing or the equivalent national pricing index adopted by the Oregon Health Authority (OHA).

    - The dispensing fee shall be equal to or greater than the dispensing fee used in Oregon's Fee-for-Service Medicaid program, which is currently $10.65. The dispensing fee may be updated periodically based on updated surveys or economic conditions.

    - Prohibition of below-cost reimbursement: PBM or payors shall not reimburse a pharmacy at or below the pharmacy's acquisition cost for any prescription drug.

9. **OHP FFS and CCOs purchasing through a statewide purchasing group**
    - Statewide purchase groups are programs that leverage the collective buying power of state agencies to secure better prices and terms for goods and services. These programs are designed to make procurement more efficient and cost-effective for state and local government entities.

10. **Statewide Preferred Drug List (PDL) for Oregon Health Plan (OHP) FFS**
    - OHP FFS has a uniform PDL for some classes. However, to use the most cost-effective medications and to reduce administrative burdens for providers, it is recommended to extend the current PDL for all classes of prescription drugs.

Definition of terms

Name	Abbreviation
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Consolidated Appropriations Act	CAA
Coordinated care organizations	CCOs
Critical access pharmacies	CAP
Department of Consumer and Business Services	DCBS
Drug Price Transparency	DPT
Fee-For-Service	FFS
Oregon Health Authority	OHA
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Patient assistance program	PAP
Pharmacy benefit managers	PBM
Preferred drug list	PDL
Prescription Drug Affordability Board	PDAB

Oregon Prescription Drug Affordability Board

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    - Expand PAP requirements to include manufacturer coupons and any other payment that reduces a patient's out-of-pocket cost to fill a prescription. The board also recommends manufacturers be required to report on all patient assistant programs they maintain or fund.

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    - Non-discriminatory reimbursement: CCOs, commercial payors, and PBMs would be prohibited from reducing payments or imposing discriminatory terms on CAPs. All payors must adhere to the CAP FFS Medicaid rate when reimbursing CAPs for identical services or medications.
    - All payors, including Coordinated Care Organizations (CCOs), commercial health plans, health insurance plans offered through state or federal exchanges, and Pharmacy Benefit Managers (PBMs), shall utilize a pass-through pricing model for all prescription drugs.

    - Under such model, the amount billed to the payor for each dispensed prescription shall be equal to the amount reimbursed to the pharmacy, consisting solely of the Average Actual Acquisition Cost (AAAC) plus the state-determined dispensing fee.

    - The pass-through pricing model shall not alter patient copayment amounts.

7. **Consolidated Appropriations Act (CAA) disclosures about reimbursements and fees to employer plans from brokers**
    - Any broker or entity facilitating the purchase of health insurance or prescription drug benefits for purchasing entities must provide an annual disclosure of all direct and indirect compensation received, as required by the CAA. This disclosure must include any commissions, fees, or other forms of compensation related to the transaction.

    - Brokers must proactively offer these CAA-compliant disclosure schedules in writing to the relevant purchasing entities (OEBB, PEBB, FFS, Medicaid, ArrayRx, etc.) during contract negotiations or renewals and no later than 30 days prior to the renewal of any contract or service agreement.

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    The pass-through pricing model shall not alter patient copayment amounts.

9. All payors, including CCOs, commercial health plans, and PBMs operating within the state shall reimburse dispensing fee equal to or greater than the dispensing fee used in Oregon's Medical Assistance Programs. The dispensing fee may be updated periodically based on updated surveys or economic conditions. The model shall not alter patient copayment amounts.

~~9.~~10. OHP FFS and CCOs purchasing through a statewide purchasing group

- Statewide purchase groups shall utilize ~~are~~ programs that leverage the collective buying power of state agencies to secure better prices and terms for goods and services. These programs are designed to make procurement more efficient and cost-effective for state and local government entities.

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- OHP FFS has a uniform PDL for some classes. However, to use the most cost-effective medications and to reduce administrative burdens for providers, it is recommended to extend the current PDL for all classes to CCOs for coverage of prescription drugs.

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Pharmacy benefit managers	PBM
Preferred drug list	PDL
Prescription Drug Affordability Board	PDAB

2024 Annual Report for the Oregon Legislature

December 2024

Oregon Prescription Drug
Affordability Board

Table of Contents

Background

The Prescription Drug Affordability Board (PDAB), was formally established within the Department of Consumer and Business Services (DCBS) by the Oregon Legislature in 2021, following the enactment of Senate Bill 844 (2021). This legislation was subsequently codified under Oregon Revised Statute (ORS) 646A.693 to 646A.697. The board's mission is to safeguard various stakeholders within the Oregon healthcare system from the high costs of prescription drugs. This includes Oregon residents, state and local governmental entities, commercial health insurance providers, health care professionals, and licensed pharmacies. The board aims to alleviate the financial burdens associated with the exorbitant costs of prescription medications.

To fulfill its mandate, the board undertakes comprehensive affordability reviews of insulin products and prescription drugs that are reported to the department under ORS 646A.689 (2) and (6), ORS 743.025. These reviews are designed to identify at least nine prescribed drugs and a minimum of one insulin product, which are believed to present significant affordability challenges. Challenges may be determined either from the impact the drug has on the health care systems or from the high out-of-pocket costs faced by Oregonians when accessing these medications. The top 25 drugs reported under ORS 743.025 to the Drug Price Transparency (DPT) program were reviewed in identifying a subset list of drugs for the affordability review process and cost trends.

In July 2023, the board approved the affordability review process administrative rules, OAR 925-200-0010 and OAR 925-200-0020. These rules outline specific criteria to guide the board in reviewing prescription drugs and insulin products, and selecting drugs that may create affordability concerns. Adopting these rules marked a significant step toward enhancing the transparency and effectiveness of the board's efforts in tackling the rising costs of prescription drugs within Oregon.

This annual report includes cost trends from the lists of prescription drugs provided by the DPT program, the list of drugs selected for the affordability review, and recommendations for potential legislative changes that may improve the affordability of prescription drug products in Oregon.

Cost trends

In 2022, the landscape of prescription drug pricing and costs presented a significant challenge for consumers, marked by striking increases that outpaced the overall rate of inflation. According to a comprehensive report from the U.S. Department of Health and Human Services (HHS), between January 2022 and January 2023, the average price of prescription drugs surged by 15.2 percent. This increment equals roughly $590 more per drug product, a substantial financial burden for many patients reliant on medications.[1]

[1] "Changes in the List Prices of Prescription Drugs, 2017-2023." Assistant Secretary for Planning and Evaluation, Office of Health Policy, Oct. 6, 2023. aspe-drug-price-tracking-brief.pdf.

A disconcerting statistic from the report revealed that 46 percent of the price increases for these drugs exceeded the inflation rate during this period, emphasizing a trend in pharmaceutical pricing practices.[2] The variation in price changes was significant: while some drugs experienced staggering price hikes of over 3,000 percent, others saw reductions as drastic as 99 percent.[3] This stark contrast highlights the unpredictable nature of drug pricing and costs to the system, which is influenced by various factors, including market dynamics, manufacturing costs, and regulatory changes.

Further analysis of trends in prior years illustrated the severity of the situation. From July 2021 to July 2022, 1,216 prescription drugs experienced price increases that exceeded the inflation rate of 8.5 percent.[4] The average price increase for these drugs was even more pronounced, measuring 31.6 percent. This means that a significant portion of patients faced rising costs at a time when many were already grappling with economic challenges exacerbated by broader financial pressures.

The implications of these price increases on patient behavior and health outcomes are profound. Polling data from 2019 indicated that nearly one in five older adults in the U.S. had not taken their prescribed medications at some point in the previous year due to cost concerns.[5] This statistic speaks volumes about the direct impact of rising drug costs on adherence to necessary treatments, potentially leading to worsened health outcomes and increased long-term healthcare costs.

Top 25

During the affordability review for the DPT submitted drug report under ORS 743.025, an analysis of prescription drugs for the year 2022 highlighted the ongoing dominance of Humira, produced by AbbVie, as the most costly medication for eight out of nine commercial health carriers. The top 25 most costly drugs are from both pharmacy and medical benefits, which contribute to the largest cost to total annual spending. The list is based on the net costs from any rebates or other price concessions that impacted the total annual spending. Appendix A shows that in 2022, Humira had a total annual spending from all reporting carriers of $75,241,110. The DPT's annual report for 2022 revealed that Humira also maintained its status as the most expensive drug in 2021, incurring total expenditures of $76,996,470.[6] Notably, this amount marks a decrease compared to the previous year's spending, which reached $93,544,597 in 2020.[7] Despite this notable decline in cost over the past two years, Humira

[2] Ibid.
[3] Ibid.
[4] Ibid
[5] Kirzinger, Ashley, et al. “Data Note: Prescription Drugs and Older Adults.” KFF Aug. 9, 2019. https://www.kff.org/affordable-care-act/issue-brief/data-note-prescription-drugs-and-older-adults/.
[6] “Prescription Drug Price Transparency Results and Recommendations – 2022.” Department of Consumer and Business Services, Nov. 30, 2022. https://dfr.oregon.gov/drugtransparency/Documents/Prescription-Drug-Price-Transparency-Annual-Report-2022.pdf.
[7] “Prescription Drug Price Transparency Results and Recommendations – 2021.” Department of Consumer and Business Services, Dec. 15, 2021. https://dfr.oregon.gov/drugtransparency/Documents/Prescription-Drug-Price-Transparency-Annual-Report-2021.pdf.

remains firmly established as the most costly drug for commercial health carriers in Oregon. Following Humira in the rankings of most costly medications, Stelara claimed second in both 2021 and 2022. The top five most costly drugs also included Keytruda, Biktarvy, and Enbrel, illustrating a competitive landscape among high-priced pharmaceuticals in the commercial market. This data underscores the ongoing challenges consumers and healthcare systems face regarding prescription drug affordability and the need for continued scrutiny of drug pricing policies and cost controls.

The top 25 drugs with the greatest increase in spending, as shown in Appendix B, are reported by carriers that account for total plan spending from one year to the next, including the net impact of any rebates or price concessions. The year-over-year increase is calculated by subtracting the total annual spending from the previous year (2021) from the total annual spending of the reporting year (2022). In 2022, Keytruda was reported by all nine commercial carriers as having the most significant increase from the previous year, with a total increase across all reporting carriers of $11,840,653. Skyrizi was noted as having the second-largest increase at $8,385,287, followed by Inflectra, Trikafta, and Gammagard in the top five.

Additionally, the PDAB reviewed the top 25 most expensive drugs based on the highest cost per prescription. Appendix C identified Ocrevus, produced by Genentech, as having the highest average cost per prescription among eight commercial health carriers, totaling $10,932,003 for 352 prescriptions. Keytruda had the second-highest average cost per prescription at $17,535, with Revlimid, Skyrizi, and Opdivo ranking in the top five.

The board also reviewed the 25 most prescribed medications included in Appendix D, but decided not to include them in the affordability review process, as most of these drugs are considered affordable. Among the top prescribed medications were vaccines, which had 221,220 prescriptions, followed by thyroid agents, with 169,336 prescriptions. Other drugs in the review included those in the therapy classes of antihyperlipidemic, antihypertensives, and medications for ADHD, anti-narcolepsy, antiobesity, and anorexia.

Cost trends summary

Trends show that prescription drug costs will continue to rise, with expected annual increases from 1 percent to 4.6 percent through 2031.[8] This indicates that consumers will likely encounter challenges in affording essential medications. As a result, there is an ongoing need for discussions surrounding healthcare policy, potential reforms, and strategies to improve medication access and affordability for patients in Oregon and across the United States.

In summary, the analysis of prescription drug pricing and trends from 2022 highlights a concern for consumers for substantial price increases that outstrip inflation and create financial barriers to necessary medications. The dominance of high-cost drugs like Humira and the alarming rate of cost hikes across the market underscores the pressing need for reform in pharmaceutical

[8] CMS Office of the Actuary Releases 2022-2031 National Health Expenditure Projections." Centers for Medicare & Medicaid Services, June 14, 2023. https://www.cms.gov/newsroom/press-releases/cms-office-actuary-releases-2022-2031-national-health-expenditure-projections.

pricing practices and cost throughout the healthcare system. With nearly one-third of adults reporting that costs prevent them from adhering to prescribed treatments, the ramifications on public health are significant and concerning. As the healthcare system grapples with these challenges, ongoing proactive procedures are needed to enhance drug affordability to ensure that patients can access the medications they need for optimal health outcomes. The commitment to addressing these critical issues is vital for fostering a more equitable and sustainable healthcare environment.

Drug selection for affordability reviews

Beginning in August 2023, the board commenced a thoughtful and comprehensive review of prescription medications, focusing on affordability. As discussions progressed in the following months, the board concentrated on identifying specific drugs and insulin products that indicated high costs. By November 2023, the board developed a refined shortlist of 10 insulin products, further narrowing it to three by December. During the December meeting, the board undertook an in-depth analysis of the prescription drug lists from commercial health plans, culminating in the selection of 12 medications for detailed affordability evaluations.

The January 2024 meeting was dedicated to discussing the three insulin products. During this meeting, a motion was presented to finalize the list of concerns, including Humulin R U-500 KwikPen, recognizing its potential to pose affordability challenges for healthcare systems and high out-of-pocket costs for patients in Oregon. Subsequently in February, the board added Ozempic and Trulicity to the list of prescription drugs identified as posing affordability challenges. Although Shingrix was reviewed, it was determined that it did not warrant a motion for inclusion in this context.

In response to feedback from the governor's office, the March board meeting was postponed to ensure board alignment with statutory requirements and consider stakeholder concerns about the affordability review process. The PDAB took proactive steps to redesign the affordability review template to clarify statutory and regulatory obligations while addressing identified data gaps.

The board enhanced stakeholder engagement by allocating equal time for presentations from manufacturers, patients/caregivers, and the public during drug reviews. Furthermore, to promote transparency, the board improved agenda clarity by providing comprehensive information on topics, speakers, and content up for discussion, establishing a practice of inviting comments before deliberations to support informed decision-making.

At the April meeting, the board considered a new timeline for reviewing two drugs at a time, allowing for more thorough discussions. This led to scheduling reviews for Ozempic and Trulicity in May, supplemented by updated informational packets.

In June, the board chair advocated temporarily pausing affordability reviews until 2025. In a unanimous decision, the board agreed to suspend current reviews for 2024 to allow for a

comprehensive evaluation of the criteria and methods employed in selecting drugs for potential affordability reviews in 2025, utilizing an updated data set for greater accuracy and reliability.

Challenges to the first affordability review process

The initial process for conducting affordability reviews encountered challenges that complicated its implementation. At the outset, the review framework was still in the early stages of establishment and the necessary data integration was ongoing. Concurrently, the board was learning how to effectively identify which drugs should be reviewed in accordance with the two guiding Oregon Administrative Rules that inform their evaluation. The first rule, OAR 925-200-0010, outlines specific criteria the board must utilize to select a subset of drugs for further examination. The second rule, OAR 925-200-0020, provides guidelines to identify prescription drugs that could lead to affordability issues for healthcare systems or result in high out-of-pocket costs for patients in Oregon.

The challenge of conducting an affordability review while the process was still being established significantly impacted the selection of drug subset lists. Many medications initially flagged for review did not satisfy the established criteria for inclusion. As a result, out of the original 12 drugs selected for evaluation, four were ultimately removed from the list. This reduction created a shortfall in meeting the statutory obligation to identify nine medicines that could pose affordability challenges for healthcare systems or impose high out-of-pocket expenses on patients. Consequently, the board faced difficulties fulfilling its mandated responsibilities amidst an evolving review process.

Improvement to the next affordability review

For the affordability reviews starting in 2025, PDAB has initiated a five-phase strategy to evaluate the cost of prescription medications in Oregon. This approach includes analyzing drug pricing and market dynamics and their impacts on the healthcare system. By collaborating with healthcare providers and community stakeholders, the PDAB aims to identify challenges regarding drug costs and their effects on the healthcare system and patient out-of-pocket expenses. The goal is to explore solutions and address high drug costs to improve patients' and the healthcare system's affordability and access.

The five phases of this strategy are as follows:

Phase 1: Identifying prescription drugs eligible for review. The PDAB will utilize prescription drug information from the DPT program, which collects data from insurance companies and manufacturers. Insulin data will be sourced from the Oregon Health Authority's All Payer All Claims (APAC) reporting program. These preliminary lists will be shared at an upcoming board meeting and published on the PDAB website for transparency.

Phase 2: The board will refine the preliminary lists using OAR 925-200-0010[9] to create a subset list of insulin products and prescription drugs for further examination.

[9] See criteria in OAR 925-200-0010, https://dfr.oregon.gov/pdab/Documents/OAR-925-200-0010.pdf.

Phase 3: The PDAB will request detailed information from insurance companies and manufacturers regarding the drugs on the subset lists in compliance with ORS 646A.689 and ORS 743.025. This information will be compiled into comprehensive drug review material packets.

Phase 4: Each selected drug will undergo an in-depth affordability review based on criteria outlined in ORS 646A.694 and OAR 925-200-0020.[10]

Phase 5: The board will identify nine prescription drugs, including at least one insulin product, that may pose affordability challenges for consumers and the healthcare system. This list will be presented in the annual report to the Oregon Legislature.

Recent enhancements to the affordability review process also included a comprehensive restructuring of the organizational headings and sections of the drug material packet, aligning closely with statutory and regulatory requirements. This alignment ensures compliance with relevant ORS and OAR sections, demonstrating how the board effectively meets its obligations under ORS 646A.964.

The updated material review material packet template will also include indicators about data sourcing, limitations in scope, and available resources. Documenting these aspects allows the board and staff to assess better which sections of the review may require additional time for information gathering. This is especially important given resource constraints, enabling a more focused and efficient review process.

The information provided by the DPT has been enhanced through improved data cleaning, verification, and source validation and will be utilized for the upcoming affordability review. Considering the insights gained from the initial review process, this refined information will be prepared for the board's review. The improved methodology ensures better alignment with OAR 925-200-0010, facilitating the identification of prescription drugs that will be reviewed under OAR 925-200-0020.

Access to reliable and accurate data sources greatly enhances the review process, allowing the board to make informed decisions regarding medications that may create affordability challenges within healthcare systems or result in high out-of-pocket patient expenses. The attention to detail reinforces the board's commitment to addressing the financial pressures individuals and healthcare providers face.

Affordability review summary

In conclusion, the board has made significant strides since its establishment in 2021, demonstrating a solid commitment to addressing the rising costs of prescription medications in

[10] See criteria in OAR 925-200-0020, https://dfr.oregon.gov/pdab/Documents/OAR-925-200-0020.pdf.

Oregon. Through its comprehensive affordability reviews and engagement with various stakeholders, the board aims to identify and analyze drugs and insulin products that present affordability challenges to patients and the healthcare system. The process has not been without its difficulties, particularly in establishing a robust review framework and ensuring data integration. However, the board's proactive measures to refine its review criteria, enhance stakeholder communication, and promote transparency, reflect a dedication to improving the affordability landscape. As the board prepares for its upcoming reviews in 2025, it remains focused on creating an effective and transparent process that can ultimately lead to solutions to alleviate the burden of prescription drug costs for Oregonians, ensuring that all stakeholders within the healthcare system benefit from its efforts.

Recommendations

Oregon Prescription Affordability Board

Appendix A

Top 25 most costly drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Total annual plan spending	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
1	ANALGESICS - ANTI-INFLAMMATORY	Humira / Humira Pediatric Crohns Start / Humira Pen / Humira Pen-CD/UC/HS Starter / Humira Pen-Pediatric UC Start / Humira Pen-Ps/UV/Adol HS Start / Humira Pen-Psor/Uveit Starter	Adalimumab	$75,241,110	6.95%	8	89%	Brand	Yes	12/31/2002	No
2	DERMATOLOGICALS	Stelara	Ustekinumab	$28,957,943	5.20%	8	89%	Brand	None listed	9/25/2009	Yes
3	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Keytruda	Pembrolizumab	$28,248,898	1.83%	9	100%	Brand	None listed	9/4/2014	No
4	ANTIVIRALS	Biktarvy	Bictegravir-Emtricitabine-Tenofovir Alafenamide Fumarate	$26,988,465	2.78%	9	100%	Brand	None listed	2/7/2018	No
5	ANALGESICS - ANTI-INFLAMMATORY	Enbrel / Enbrel SureClick	Etanercept	$22,017,823	6.14%	9	100%	Brand	Yes	11/2/1998	Yes
6	RESPIRATORY AGENTS - MISC.	Trikafta	Elexacaftor-Tezacaftor-Ivacaftor	$21,559,651	1.84%	7	78%	Brand	None listed	10/21/2019	No
7	DERMATOLOGICALS	Cosentyx / Cosentyx Sensoready Pen / Cosentyx Sensoready	Secukinumab	$18,723,855	6.81%	8	89%	Brand	None listed	1/21/2015	No
8	GASTROINTESTINAL AGENTS - MISC.	Entyvio	Vedolizumab	$17,655,131	4.60%	7	78%	Brand	None listed	5/20/2014	No
9	GASTROINTESTINAL AGENTS - MISC.	Inflectra	Infliximab-dyyb	$16,516,923	0.00%	8	89%	Brand	Yes	4/5/2016	No
10	DERMATOLOGICALS	Skyrizi / Skyrizi Pen	Risankizumab-rzaa	$15,517,811	7.65%	8	89%	Brand	None listed	4/23/2019	No
11	DERMATOLOGICALS	Dupixent	Dupilumab	$12,665,407	4.07%	9	100%	Brand	None listed	3/28/2017	No
12	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	Ocrevus	Ocrelizumab	$10,932,003	2.48%	8	89%	Brand	None listed	3/28/2017	No
13	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Opdivo	Nivolumab	$10,884,240	1.78%	8	89%	Brand	None listed	12/22/2014	No
14	PASSIVE IMMUNIZING AND TREATMENT AGENTS	Gammagard / Gammaked / Gamunex-C	Immune Globulin (Human) IV or Subcutaneous	$10,747,945	3.63%	7	78%	Brand	None listed	8/27/2003	No
15	ANTIDIABETICS	Rybelsus / Ozempic	Semaglutide	$10,581,528	4.55%	9	100%	Brand	None listed	12/5/2017	No

Oregon Prescription Affordability Board

Appendix A

Top 25 most costly drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Total annual plan spending	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
16	MISCELLANEOUS THERAPEUTIC CLASSES	Lenalidomide / Revlimid	Lenalidomide	$10,432,994	0.91%	9	100%	Both	Yes	12/27/2005	No
17	ANTIDIABETICS	Trulicity	Dulaglutide	$8,970,087	5.14%	8	89%	Brand	None listed	9/18/2014	No
18	ANTICOAGULANTS	Eliquis / Eliquis DVT/PE Starter Pack	Apixaban	$8,812,210	6.00%	9	100%	Brand	Yes	12/28/2012	Yes
19	HEMATOLOGICAL AGENTS - MISC.	Ultomiris	Ravulizumab-cwvz	$8,640,498	0.00%	6	67%	Brand	None listed	12/21/2018	No
20	OPHTHALMIC AGENTS	Eylea	Aflibercept	$8,222,980	0.00%	7	78%	Brand	None listed	11/18/2011	No
21	ADHD/ANTI-NARCOLEPSY/ANTI-OBESITY/ANOREXIANTS	Vyvanse	Lisdexamfetamine Dimesylate	$7,558,385	4.60%	9	100%	Brand	None listed	2/23/2007	No
22	ANTIDIABETICS	Jardiance	Empagliflozin	$7,262,309	5.00%	9	100%	Brand	None listed	8/1/2014	Yes
23	VACCINES	Shingrix	Zoster Vaccine Recombinant Adjuvanted	$6,822,359	5.56%	9	100%	Brand	None listed	10/20/2017	No
24	NEUROMUSCULAR AGENTS	Botox	OnabotulinumtoxinA	$6,673,692	1.08%	9	100%	Brand	None listed	12/9/1991	No
25	HEMATOLOGICAL AGENTS - MISC.	Hemlibra	Emicizumab-kxwh	$6,574,803	1.80%	5	56%	Brand	None listed	11/16/2017	No

Oregon Prescription Affordability Board

Appendix B

Top 25 greatest increase drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	YoY increase	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
1	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Keytruda	Pembrolizumab	$11,840,653	1.83%	9	100%	Brand	None listed	9/4/2014	No
2	DERMATOLOGICALS	Skyrizi / Skyrizi Pen	Risankizumab-rzaa	$8,385,287	7.65%	8	89%	Brand	None listed	4/23/2019	No
3	GASTROINTESTINAL AGENTS - MISC.	Inflectra	Infliximab-dyyb	$5,489,239	0.00%	8	89%	Brand	Yes	4/5/2016	No
4	RESPIRATORY AGENTS - MISC.	Trikafta	Elexacaftor-Tezacaftor-Ivacaftor	$4,417,699	1.84%	7	78%	Brand	None listed	10/21/2019	No
5	PASSIVE IMMUNIZING AND TREATMENT AGENTS	Gammagard / Gammaked / Gamunex-C	Immune Globulin (Human) IV or Subcutaneous	$4,312,556	3.63%	7	78%	Brand	None listed	8/27/2003	No
6	ANALGESICS - ANTI-INFLAMMATORY	Humira / Humira Pediatric Crohns Start / Humira Pen / Humira Pen-CD/UC/HS Starter / Humira Pen-Pediatric UC Start / Humira Pen-Ps/UV/Adol HS Start / Humira Pen-Psor/Uveit Starter	Adalimumab	$3,682,844	6.95%	8	89%	Brand	Yes	12/31/2002	No
7	DERMATOLOGICALS	Dupixent	Dupilumab	$3,333,668	4.07%	9	100%	Brand	None listed	3/28/2017	No
8	ANTIDIABETICS	Rybelsus / Ozempic	Semaglutide	$3,238,534	4.55%	9	100%	Brand	None listed	12/5/2017	No
9	DERMATOLOGICALS	Stelara	Ustekinumab	$3,077,394	5.20%	8	89%	Brand	None listed	9/25/2009	Yes
10	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Adcetris	Brentuximab Vedotin	$3,020,976	3.97%	5	56%	Brand	None listed	8/19/2011	No
11	GASTROINTESTINAL AGENTS - MISC.	Entyvio	Vedolizumab	$2,801,800	4.60%	7	78%	Brand	None listed	5/20/2014	No
12	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Darzalex Faspro	Daratumumab-Hyaluronidase-fihj	$2,735,655	4.72%	4	44%	Brand	None listed	5/1/2020	No
13	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Verzenio	Abemaciclib	$2,680,808	5.20%	6	67%	Brand	None listed	9/28/2017	No
14	HEMATOLOGICAL AGENTS - MISC.	Hemlibra	Emicizumab-kxwh	$2,584,640	1.80%	5	56%	Brand	None listed	11/16/2017	No
15	HEMATOLOGICAL AGENTS - MISC.	Ultomiris	Ravulizumab-cwvz	$2,566,297	0.00%	6	67%	Brand	None listed	12/21/2018	No
16	DERMATOLOGICALS	Cosentyx / Cosentyx Sensoready Pen / Cosentyx Sensoready	Secukinumab	$2,560,019	6.81%	8	89%	Brand	None listed	1/21/2015	No
17	MISCELLANEOUS THERAPEUTIC CLASSES	Lenalidomide / Revlimid	Lenalidomide	$2,350,557	0.91%	9	100%	Both	Yes	12/27/2005	No

Oregon Prescription Affordability Board

Appendix B

Top 25 greatest increase drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	YoY increase	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
18	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Opdivo	Nivolumab	$2,274,979	1.78%	8	89%	Brand	None listed	12/22/2014	No
19	ANTIVIRALS	Biktarvy	Bictegravir-Emtricitabine-Tenofovir Alafenamide Fumarate	$1,926,579	2.78%	9	100%	Brand	None listed	2/7/2018	No
20	VACCINES	Prevnar 20	Pneumococcal 20-Valent Conjugate Vaccine	$1,896,151	4.45%	5	56%	Brand	None listed	6/8/2021	No
21	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	Ocrevus	Ocrelizumab	$1,784,101	2.48%	8	89%	Brand	None listed	3/28/2017	No
22	HEMATOLOGICAL AGENTS - MISC.	Takhzyro	Lanadelumab-flyo	$1,742,373	2.70%	4	44%	Brand	None listed	8/23/2018	No
23	ANTIDIABETICS	Jardiance	Empagliflozin	$1,632,440	5.00%	9	100%	Brand	None listed	8/1/2014	Yes
24	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Tecentriq	Atezolizumab	$1,580,794	2.60%	4	44%	Brand	None listed	5/18/2016	No
25	DERMATOLOGICALS	Tremfya	Guselkumab	$1,575,599	5.21%	5	56%	Brand	None listed	7/13/2017	No

Oregon Prescription Affordability Board

Appendix C

Top 25 most expensive drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Total annual plan spending	Number of presciptions	Average cost per prescription	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
1	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	Ocrevus	Ocrelizumab	$10,932,003	352	$31,057	2.48%	8	89%	Brand	No	3/28/2017	No
2	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Keytruda	Pembrolizumab	$28,248,898	1,611	$17,535	1.83%	9	100%	Brand	No	9/4/2014	No
3	MISCELLANEOUS THERAPEUTIC CLASSES	Lenalidomide / Revlimid	Lenalidomide	$10,432,994	627	$16,640	0.91%	9	100%	Both	Yes	12/27/2005	No
4	DERMATOLOGICALS	Skyrizi / Skyrizi Pen	Risankizumab-rzaa	$15,517,811	1,199	$12,942	7.65%	8	89%	Brand	No	4/23/2019	No
5	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Opdivo	Nivolumab	$10,884,240	887	$12,271	1.78%	8	89%	Brand	No	12/22/2014	No
6	DERMATOLOGICALS	Stelara	Ustekinumab	$28,957,943	2,717	$10,658	5.20%	8	89%	Brand	No	9/25/2009	Yes
7	GASTROINTESTINAL AGENTS - MISC.	Entyvio	Vedolizumab	$17,655,131	2,038	$8,663	4.60%	7	78%	Brand	No	5/20/2014	No
8	DERMATOLOGICALS	Tremfya	Guselkumab	$4,336,168	708	$6,125	5.21%	5	56%	Brand	No	7/13/2017	No
9	ANTIVIRALS	Odefsey	Emtricitabine-Rilpivirine-Tenofovir Alafenamide Fumarate	$5,822,139	986	$5,905	5.20%	5	56%	Brand	No	3/1/2016	No
10	ANTIVIRALS	Biktarvy	Bictegravir-Emtricitabine-Tenofovir Alafenamide Fumarate	$26,988,465	5,108	$5,284	2.78%	9	100%	Brand	No	2/7/2018	No
11	ANALGESICS - ANTI-INFLAMMATORY	Humira / Humira Pediatric Crohns Start / Humira Pen / Humira Pen-CD/UC/HS Starter / Humira Pen-Pediatric UC Start / Humira Pen-Ps/UV/Adol HS Start / Humira Pen-Psor/Uveit Starter	Adalimumab	$75,241,110	14,283	$5,268	6.95%	8	89%	Brand	Yes	12/31/2002	No
12	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Truxima	Rituximab-abbs	$4,680,246	903	$5,183	0.00%	3	33%	Brand	Yes	11/28/2018	No
13	ANTIVIRALS	Genvoya	Elvitegravir-Cobicistat-Emtricitabine-Tenofovir Alafenamide	$3,400,080	727	$4,677	No data	5	56%	Brand	No	11/5/2015	No
14	PASSIVE IMMUNIZING AND TREATMENT AGENTS	Gammagard / Gammaked / Gamunex-C	Immune Globulin (Human) IV or Subcutaneous	$10,747,945	2,339	$4,595	3.63%	7	78%	Brand	No	8/27/2003	No
15	ANALGESICS - ANTI-INFLAMMATORY	Enbrel / Enbrel SureClick	Etanercept	$22,017,823	4,805	$4,582	6.14%	9	100%	Brand	Yes	11/2/1998	Yes
16	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	Riabni	Rituximab-arrx	$985,840	217	$4,543	No data	1	11%	Brand	Yes	12/17/2020	No
17	ANTIVIRALS	Triumeq / Triumeq PD	Abacavir-Dolutegravir-Lamivudine	$4,371,265	1,009	$4,332	5.90%	7	78%	Brand	No	3/30/2022	No
18	DERMATOLOGICALS	Cosentyx / Cosentyx Sensoready Pen / Cosentyx	Secukinumab	$18,723,855	4,401	$4,254	6.81%	8	89%	Brand	No	1/21/2015	No
19	HEMATOPOIETIC AGENTS	Ziextenzo	Pegfilgrastim-bmez	$1,704,074	454	$3,753	No data	4	44%	Brand	Yes	11/4/2019	No
20	OPHTHALMIC AGENTS	Eylea	Aflibercept	$8,222,980	2,626	$3,131	0.00%	7	78%	Brand	No	11/18/2011	No

Oregon Prescription Affordability Board

Appendix C

Top 25 most expensive drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Total annual plan spending	Number of presciptions	Average cost per prescription	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
21	ANALGESICS - ANTI-INFLAMMATORY	Otezla	Apremilast	$3,385,140	1,172	$2,888	No data	3	33%	Brand	Yes	3/21/2014	No
22	DERMATOLOGICALS	Dupixent	Dupilumab	$12,665,407	4,406	$2,875	4.07%	9	100%	Brand	No	3/28/2017	No
23	ANALGESICS - ANTI-INFLAMMATORY	Xeljanz / Xeljanz XR	Tofacitinib Citrate	$5,195,829	1,905	$2,727	No data	4	44%	Brand	Yes	11/6/2012	No
24	GASTROINTESTINAL AGENTS - MISC.	Inflectra	Infliximab-dyyb	$16,516,923	6,209	$2,660	0.00%	8	89%	Brand	Yes	4/5/2016	No
25	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	Xolair	Omalizumab	$5,645,533	2,148	$2,628	No data	6	67%	Brand	No	6/20/2003	No

Oregon Prescription Affordability Board

Appendix D

Top 25 most prescribed drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Number of presciptions	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
1	VACCINES	Afluria Quadrivalent / Fluarix Quadrivalent / Flulaval Quadrivalent / Fluzone Quadrivalent	Influenza Virus Vaccine Split Quadrivalent	221,220	0.00%	9	100%	Brand	None listed	12/9/1999	No
2	THYROID AGENTS	Euthyrox / Levothyroxine Sodium / Levoxyl / Synthroid / Tirosint / Tirosint-SOL	Levothyroxine Sodium	169,336	-4.29%	9	100%	Both	Yes	8/21/2000	No
3	ANTIHYPERLIPIDEMICS	Atorvaliq / Atorvastatin Calcium / Lipitor	Atorvastatin Calcium	166,505	-2.00%	9	100%	Both	Yes	12/17/1996	No
4	ANTIHYPERTENSIVES	Lisinopril / Prinivil / Qbrelis / Zestril	Lisinopril	161,174	2.67%	9	100%	Both	Yes	12/29/1987	No
5	ADHD/ ANTI-NARCOLEPSY/ ANTI-OBESITY/ANOREXIANTS	Adderall / Adderall XR / Amphetamine-Dextroamphet ER / Amphetamine-Dextroamphetamine / Mydayis	Amphetamine-Dextroamphetamine	156,001	-0.98%	9	100%	Both	Yes	10/11/2001	No
6	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	Albuterol Sulfate / Albuterol Sulfate ER / Albuterol Sulfate HFA / ProAir HFA / ProAir RespiClick / Proventil HFA / Ventolin HFA	Albuterol Sulfate	141,372	-1.30%	9	100%	Both	Yes	12/5/1989	No
7	ANTIDIABETICS	metFORMIN HCl / metFORMIN HCl ER	Metformin HCl	137,692	-1.00%	9	100%	Both	Yes	3/3/1995	No
8	ANTIDEPRESSANTS	buPROPion HCl / buPROPion HCl ER (SR) / buPROPion HCl ER (XL)	Bupropion HCl	126,612	-1.36%	9	100%	Both	Yes	10/4/1996	No
9	VACCINES	Comirnaty / Moderna COVID-19 Vaccine / Pfizer-BioNTech COVID-19 Vacc / Spikevax COVID-19 Vaccine / Pfizer COVID-19 Vac	COVID-19 (SARS-CoV-2) mRNA Virus Vaccine	124,948	No Data	9	100%	Brand	None listed	8/23/2021	No
10	ANTIDEPRESSANTS	Sertraline HCl / Zoloft	Sertraline HCl	119,432	0.03%	9	100%	Both	Yes	12/30/1991	No
11	ANTIHYPERTENSIVES	Cozaar / Losartan Potassium	Losartan Potassium	106,741	1.57%	9	100%	Both	Yes	4/14/1995	No
12	ANTIDEPRESSANTS	Escitalopram Oxalate / Lexapro	Escitalopram Oxalate	97,660	2.45%	9	100%	Both	Yes	8/14/2002	No
13	CALCIUM CHANNEL BLOCKERS	amLODIPine Bes+SyrSpend SF / amLODIPine Besylate / Norliqva / Norvasc	Amlodipine Besylate	97,624	0.60%	9	100%	Both	Yes	7/31/1992	No
14	ANALGESICS - OPIOID	HYDROcodone-Acetaminophen	Hydrocodone-Acetaminophen	95,307	-1.45%	9	100%	Both	Yes	2/14/1997	No
15	ANTICONVULSANTS	Fanatrex FusePaq / Gabapentin / Neurontin	Gabapentin	92,474	-0.63%	8	89%	Both	Yes	12/30/1993	No

Oregon Prescription Affordability Board

Appendix D

Top 25 most prescribed drugs in 2022

Rank	Therapy class	Proprietary name(s)	Non-proprietary name	Number of presciptions	Avg YoY price change (over past 5 years)	Number of carriers	Percent of carriers	Brand or generic	Drug has a therapeutic equivalent or biosimilar	First FDA approval date	Drug part of IRA CMS reduction list
16	ANTIDEPRESSANTS	FLUoxetine HCl / PROzac	Fluoxetine HCl	81,720	-1.24%	8	89%	Both	Yes	12/29/1987	No
17	ANTIDEPRESSANTS	traZODone HCl	Trazodone HCl	80,668	-0.41%	9	100%	Generic	Yes	3/25/1987	No
18	ANALGESICS - OPIOID	Oxaydo / oxyCODONE HCl / oxyCODONE HCl ER / OxyCONTIN	Oxycodone HCl	58,612	2.20%	7	78%	Both	Yes	8/31/2000	No
19	ULCER DRUGS/ ANTISPASMODICS/ ANTICHOLINERGICS	Omeprazole	Omeprazole	57,520	-2.16%	8	89%	Generic	Yes	11/1/2002	No
20	ESTROGENS	Alora / Climara / Divigel / Dotti / Elestrin / Estrace / Estradiol / Estrogel / Evamist / Lyllana / Menostar / Minivelle / Vivelle-Dot	Estradiol	56,181	-0.44%	9	100%	Both	Yes	12/22/1994	No
21	MUSCULOSKELETAL THERAPY AGENTS	Cyclobenzaprine HCl	Cyclobenzaprine HCl	47,774	-0.06%	5	56%	Both	Yes	5/3/1989	No
22	ADHD/ANTI-NARCOLEPSY/ ANTI-OBESITY/ANOREXIANTS	Adhansia XR / Aptensio XR / Concerta / Jornay PM / Methylin / Methylphenidate HCl / Methylphenidate HCl ER / Methylphenidate HCl ER (CD) / Methylphenidate HCl ER (LA) / Methylphenidate HCl ER (OSM) / Methylphenidate HCl ER (XR) / QuilliChew ER / Quillivant XR / Relexxii / Ritalin / Ritalin LA	Methylphenidate HCl	47,349	-2.68%	8	89%	Both	Yes	11/27/1998	No
23	CORTICOSTEROIDS	predniSONE / predniSONE Intensol / Rayos	Prednisone	45,529	-1.20%	6	67%	Both	Yes	4/22/1982	No
24	ANTIEMETICS	Ondansetron / Zuplenz	Ondansetron	43,530	-3.46%	5	56%	Both	Yes	12/26/2006	No
25	BETA BLOCKERS	Kapspargo Sprinkle / Metoprolol Succinate ER / Toprol XL	Metoprolol Succinate	42,765	-1.36%	8	89%	Both	Yes	1/10/1992	No

Oregon Prescription Drug
Affordability Board

Prescription Drug Affordability Board

Affordability review

Cortnee Whitlock, senior policy analyst
Dec. 18, 2024

Agenda


Review of past affordability review decisions
Updated affordability review process
Goals and purpose

Decisions from first affordability review

Decisions made:

- Focus on carrier data
- No review of the Mfr Rx lists due to challenges of the review
  - Price increase list would have had a lot of work to get through
  - New specialty Rx would be projected information based off assumptions of the impact the drug has on the system and out-of-pocket costs

Identified preliminary list in August:

- Reviewed list types (MC/GI/ME/MP)
- Most Costly identified as key data point
- Removed Most Prescribed Rx list type from review
- Focus on Top Drugs to Review list
- Look at Rx that are on more than one type lists

Identified subset list in September:

- Add all the DPT reported Most Costly drugs into the Top Drug list
- Compare CCO top reported Rx against Top Drug list
- Filter based on Total Costs, and
- Pick no more than 30 drugs, including insulin products, for the board to review

Affordability review process

Phase 1: Identify eligible prescription drugs for affordability review

- Carrier top 25 reported Rx provided under ORS 743.025
- Manufacturer reported information for annual increase and quarterly new specialty prescription drugs provided under ORS 646A.689 (2) & (6)
- Insulin (APAC)

Phase 2: Select prescription drugs for affordability review

- OAR 925-200-0010
- Select subset list of drugs to have health carriers provide additional information on

Phase 3: Data call and supplemental info

- Data call of subset lists (Rx and insulin)
- APAC - compare claims against subset list
- Compile data and prepare subset list information for affordability review

Phase 4: Conducting the affordability review

- ORS 925-200-0020
- Affordability review material packets

Phase 5: Select prescription drugs and insulin products that may create affordability challenges to healthcare system or out-of-pocket costs

- Senate Bill 844

Phase 1: Identify eligible prescription drugs for affordability review

- Insurer reported provided under ORS 743.025:
  - Top 25 most frequently prescribed drugs;
  - The 25 most costly drugs as a portion of total annual spending;
  - The 25 drugs that have caused the greatest increase in total plan spending from one year to the next
- Manufacturer reported drugs provided under ORS 646A.689 (2) & (6):
  - Annual increase report:
    - Rx with $100 or more for a one-month supply or for a course of treatment lasting less than one month and
    - A net increase of 10 percent or more in the price of the prescription drug from the previous calendar year
  - Monthly reporting for new specialty Rx
- Insulin products
  - APAC

5

OAR 925-200-0010

Phase 2: Select prescription drugs for affordability review

DPT carrier lists

- Drug Price Transparency (DPT) program collects health insurances carrier's top 25 greatest price increase, most costly, and most prescribed drugs (Rx) under ORS743.025.
- The DPT aggregates the information and provides it to PDAB's data analyst to setup for the board to review.

Any carrier Rx on mfr. new drug report or price increase report

- DPT collects information from manufacturers under ORS 646A.689. Data submitted under sections (6) is give to PDAB data analyst quarterly and provided to the board to review.
- Section (2) under ORS 646A.689 is provided annual from DPT and shown to the board for review.

Historical & current mfr. Rx price increases, based on wholesale acquisition cost (WAC)

- Rx on list for affordability review will be looked up in Medi-Span to determine the historical and current WAC price.
- For drugs with multiple national drug codes (NDC), a measure of central tendency will be used for a price comparison.

FDA

- PDAB staff will look up expedited approvals of fast track, priority review, accelerated approval, and breakthrough therapy designation.
- PDAB staff will use Medi-Span to look up brand-name drugs and biological products, and whether there are any approved and marketed generic drugs or biosimilar drugs.

Are therapeutic alternatives available?

- PDAB staff will review Rx under review and research if there are therapeutic alternatives and if cost and availability can be determined.

Does the Rx have a patent expiration or exclusivity expiration within 18 months

- PDAB staff will review Rx under review and research if there are patent or data exclusivity expirations within 18 months of affordability review.

6

Phase 2: Select prescription drugs for affordability review (continued)

OAR 925-200-0010

For insulin drugs marketed in the U.S. and available in Oregon, criteria for selection may include, but not limited to, those products with the highest insurer reported:

(a) Overall spend;
(b) Per-patient spend; and
(c) Patient out-of-pocket cost

Phase 3: Data call and supplemental information

- Data call of subset lists (Rx and insulin)
- APAC - compare claims against subset list
- Compile data and prepare subset list information for affordability review

Phase 4: Conducting the affordability review

- OAR 925-200-0020
- Affordability review material packet

Phase 5: Select 9 prescription drugs and at least one insulin product that may create affordability challenges to the healthcare system or out-of-pocket costs

- Senate Bill 844 reporting requirements
  - Section 2
  - Section 5

Goal of PDAB

To make prescription drugs affordable in Oregon for patients and the healthcare system

- How: apply criteria set up under Senate Bill 844, OAR 925-200-0010 and 0020.
- What determines if an Rx *may* create an affordability challenge or high out of pocket costs for patients?
  - Rx that led to health inequities
  - Number of residents prescribed Rx
  - Price of Rx
  - Price concessions, discount or rebates the manufacturer provides health plans and PBMs
  - Price of therapeutic alternative
  - Patient access considering benefit designs
  - Financial impacts to health, medical or social services costs compared to therapeutic alternative
  - Average patient copayment or other cost-sharing

9

Purpose of reviews

To improve the accessibility and affordability of prescription medications (Rx) to patients and the health system

How:

- **Cost analysis**: compare Rx to therapeutic benefits. Helps determine if the price of the Rx is justified based on clinical value and the outcome.
- **Identifying high-cost drugs:** Is the Rx disproportionately expensive compared to other treatments?
- **Informed decision making**: access to Rx pricing in the supply chain helps board members determine the cost and access to Rx.
- **Transparent pricing**: Can foster competition and incentivize manufacturers to have fair pricing strategies.
- **Value-based pricing**: aligns the cost of medications with the health outcomes they provide.
- Ensure access and affordability to patients.

What creates an affordability challenge to the health system?

- Cost of the drug
- Therapeutic alternative
- The number of patients requiring the Rx
- The frequency of the drug
- Insurance coverage
- Reimbursement of Rx

- Clinical value
- Health outcomes
- Market dynamics
- Regulatory factors
- Patient populations
- Health equities

Affordability

The ability to pay for medications without experiencing financial challenges

- Cost of medication
- Insurance coverage
- Level of financial stability or income
- Discounts or programs
- Market competition

Oregon Prescription Drug
Affordability Board

Agenda item: Board receives initial, preliminary list of prescription drugs, insulin for affordability review

Click on the Prescription Drug Affordability Board data web page to access the data in Excel format. Here are the file names:

- Carrier_2023_Preliminary_aggregated_information_v01
- Insulin_2023_Preliminary_aggregated_information_based_on_APAC_pharmacy_data_v01

Location on the PDAB website: https://dfr.oregon.gov/pdab/Pages/data.aspx