

THE QUARTERLY

PDAB 2024 year in review

Working to make Rx affordable

The Prescription Drug Affordability Board (PDAB) had another full year of growth and accomplishments. Created by the Oregon Legislature in 2021, the board has met 31 times so far as it works to accomplish its mission of making prescription drugs more affordable for Oregonians. Here are some highlights of the board's work in 2024:

- ✓ Upper payment limit (UPL) report: The board completed and approved the UPL report, a plan required by Oregon Revised Statute (ORS) 646A.685 after the Legislature passed Senate Bill (SB) 192 in 2023. The board worked with consultant Myers and Stauffer LC on constituent outreach and hosted forums around the state. In August and October, the board heard presentations about the report. At the Nov. 20 meeting, the board deliberated and voted to approve the UPL report, sending it to the Legislature on Dec. 6. Find the UPL report and more information on the UPL page of the PDAB website.
- ✓ **Annual report**: The board approved its 2024 annual report with policy recommendations for submitting to the Legislature. Find the draft report and recommendations in the <u>Dec. 18 meeting materials</u>. The final report will be posted in December to the <u>PDAB website</u>.
- ✓ **Generic drug report**: In June, the board approved the 2024 generic drug report for sending to the Legislature as required by ORS 646A.697. The report is posted to the PDAB website.
- ✓ Affordability reviews: In January, the board began affordability reviews and considered several insulin products and prescription drugs based on criteria in Oregon Administrative Rule (OAR) 925-200-0010 and OAR 925-200-0020. In June, the board voted to pause the reviews so it could evaluate the process. The board received the preliminary drug lists at the Dec. 18 meeting and will begin affordability reviews again in 2025.
- New members: Three new members joined the board, Dr. Chris Laman in February, Dan Kennedy in June, and Lauri Hoagland in October. In February, after the resignation of the initial board chairperson, the board elected Shelley Bailey as the new chairperson and Dr. Amy Burns as the vice chairperson. The board also includes Dr. Dan Hartung, Robert Judge, and John Murray. The eight-member board is now fully seated. Read board member bios on the PDAB website.
- ✓ **Lower insulin copays**: In 2023, the board recommended that the Legislature lower the insulin copay limit to \$35 and/or decouple from the inflation index. In 2024, the Legislature passed <u>SB 1508</u>, which caps the cost of insulin at \$35 a month and limits the cost to \$105 for a 90-day supply.
- ✓ UPL study, pharmacy benefit manager (PBM) transparency: The board recommended to the Legislature in 2023 a study of UPLs and more transparency of PBMs. The 2023 Legislature passed <u>SB 192</u> to create an implementation plan for UPLs and increase reporting requirements for PBMs to improve transparency.

PDAB executive director talks to Legislators about UPL report

Ralph Magrish, executive director of the Oregon PDAB, spoke to the Oregon Senate Interim Committee on Health Care on Dec. 11 about the upper payment limit (UPL) report. The board approved the UPL report Nov. 18 and delivered it to the Legislature Dec. 6. The UPL report:

- Outlines structured methodologies to consider UPLs subject to affordability review under ORS 646A.694.
- Recognizes complexities of the supply chain and that different approaches may be necessary for different drugs and distribution channels.



PDAB Executive Director Ralph Magrish and Chairperson Shelley Bailey speak to the Senate Committee on Health Care, chaired by Sen. Deb Patterson, on Dec. 11, 2024.

- Brings to light perspectives on UPLs from a broad spectrum of stakeholders and examines models used by PDABs in other states.
- Offers a toolkit for the Legislature to consider both the potential and complexities of UPLs.; and it
 acknowledges that fine operational details would need to be developed in Oregon Administrative Rules.

"This toolbox approach provides the flexibility necessary to identify what methodology is most appropriate based on the drug, its cost, and how and where it is administered," Magrish said. "Should the Legislature direct the PDAB to move forward with setting up a UPL, it would be done through a transparent and comprehensive rulemaking process."

Magrish also summarized the board's consumer outreach for the UPL report. PDAB hosted seven in-person and online community forums across Oregon with 156 people attending and 28 people testifying about skipping prescriptions because they can't afford them, battling insurance companies over coverage, and struggling to find medications in short supply. The board contracted with Myers and Stauffer LC to do constituent engagement, identifying concerns, soliciting input about the UPL process, and asking for alternative approaches. They hosted 18 focus groups and conducted an online survey, with results published in the UPL report. Committee members called on board Chairperson Shelley Bailey, who was in the audience, to join Magrish at the table to talk about consumer feedback at the community forums she attended.

Learn more about the PDAB UPL report

- Watch a recording of the presentation beginning at 01:25:00 in the video.
- Find the presentation slides on the committee web page.
- The meeting agenda is also on the committee web page.
- Read the PDAB UPL report.



PDAB member profile: Lauri Hoagland

What or who inspired you to pursue a career as a nurse practitioner?

I became a nurse practitioner for three reasons. I live with a chronic skin condition, so health care has been important to me since childhood. I was a Swedish exchange student and lived with a medical family, so I witnessed Sweden's amazing publicly-funded health care system, and have wanted to improve our health care system since the start of my career. I read a lot of biographies as a child and was impressed with Clara Barton and her important work in public health.



PDAB member Lauri Hoagland with her two vizslas on a hike in Southern Oregon.

Where did you go to college and graduate school?

I got my RN degree at Humboldt State College in California and my master's and FNP certificate from the University of California San Francisco.

You worked with Kaiser Permanente in Northern California before moving to Oregon and working for La Clinica. What drew you to Oregon?

I moved to Oregon for personal and professional reasons. I met my husband, who lived in Oregon, and I quickly fell in love with Ashland, both its Shakespeare Festival and outdoor opportunities. I wanted to work in a state with independent practice for nurse practitioners and was always impressed with the robust health coverage in this state. I wanted to work in an FQHC (federally qualified health center) with underserved patients.

What changes have you seen in health care during your career, and how have the changes affected patients and their prescriptions?

I started my nurse practitioner career in the 1980s before electronic medical records at Kaiser Permanente. Everyone had the same coverage and it was under one roof. Over time insurance products became the norm. With complexity,

costs became higher and care became more fragmented. These changes also drove more people to emergency rooms for acute care rather than preventative care, and it became difficult for patients to pick up their medications and take as prescribed due to cost. I was troubled by the number of folks who got an expensive diagnosis after labs, imaging, and specialists but couldn't complete their care because prescriptions were too expensive.

You are fluent in Spanish. How did you learn the language?

I learned Spanish in college and through immersion programs in Mexico. I have worked with Spanish-speaking patients for years in the Napa Valley and Southern Oregon. I especially enjoy working on the La Clinica mobile at migrant camps.

Lauri Hoagland profile: Continued on Page 4

Lauri Hoagland profile: Continued from Page 3

Why is your work on the Prescription Drug Affordability Board important to you?

I believe health care is a human right and all residents of Oregon are entitled to quality care regardless of their ability to pay. I also personally depend on a very expensive medication for my skin condition, so I am aware of the difficulties of navigating step therapy and always needing to have good health coverage. I want to understand the pharmacy world better and hopefully help make progress in medication cost containment. My father worked as a pharmacist for 50 years!

What do you enjoy doing in your free time?

My husband and I have two vizslas (hunting dogs of Hungarian origin) who need daily exercise on our local trails. I have lots of fun with my four grandchildren!

DPT annual hearing on drug prices held Dec. 4



PDAB staff members who participated in the annual drug price hearing, from left: Stephen Kooyman, PDAB project manager; Ralph Magrish, executive director; Sophia Parra, DPT program coordinator; Taran Heins, DPT research analyst; and Lily Sobolik, DFR senior policy advisor.

The Drug Price Transparency Program (DPT) hosted its annual hearing on drug prices on Dec. 4 at the Labor and Industries Building in downtown Salem and also online. Andrew Stolfi, insurance commissioner and director of the Department of Consumer and Business Services, and Ralph Magrish, PDAB executive director, provided program updates. Sen. Deb Patterson, Rep. Emerson Levy, and Rep. Rob Nosse helped moderate the panel discussions about drug advertising and drug rebates.

DPT staff members also provided a summary and overview of the 2024 Drug Price Transparency Program report to the Oregon Legislature.

The presenters about drug advertising included Michael DiStefano, University of Colorado; Sneha Dave, Generation Patient; Dharia McGrew, PhRMA; and Gray Brokaw, OSPIRG. Presenters about drug rebates included Mihir Patel, Regence; McGrew; Tony Grillo, Express Scripts; and Benjamin Rome, Harvard Medical School.

Find more resources on the DPT web page

- Watch the video of the 2024 annual public hearing on prescription drug prices
- View the hearing presentation slides
- Read the 2024 DPT annual report

PDAB policy analyst presents to CareAssist advisory group



Cortnee Whitlock

PDAB senior policy analyst
Cortnee Whitlock gave a
presentation about PDAB to the
Oregon Health Authority
CareAssist advisory group on Dec.
11. CareAssist administrates
Oregon's AIDS Drug Assistance
Program (ADAP), providing access
to life-saving medications used to
treat Human Immunodeficiency

Virus (HIV) for people who have limited resources or no health insurance coverage. Whitlock gave an overview of PDAB's work, including the upper payment limit report, affordability reviews, and the annual report with the board's policy recommendations to the Oregon Legislature.

The CareAssist group asked many questions and concluded that PDAB's work is challenging but appreciated. The Oregon ADAP advisory group includes clinicians, pharmacists, service providers, people with HIV, health department staff members, contractors, and other state program staff members.

Whitlock has been PDAB's policy analyst since the board's inception in June 2022. She holds a master's degree in patient safety and health care quality from John Hopkins University and has 16 years of experience in health care.

Board reviews data from new PBM reporting

At the Oct. 16 meeting, PDAB heard a presentation about the Drug Price Transparency (DPT) Program's new data collection of rebate information from pharmacy benefit managers (PBMs). DPT received

Learn more PBM reporting

- See the presentation slides from the Oct.
 16 board meeting.
- Watch the presentation during the Oct. 16 board meeting.
- Read the findings in the DPT annual report.

its first batch of information in June from the 59 companies operating in Oregon. The information included total rebates, fees, price protection payments, and other payments from manufacturers related to managing benefits for insurance companies in Oregon. The information also included rebate amounts passed on to insurers, patients, and the amount retained by PBMs.

DPT began collecting data from PBMs as a result of the Oregon Legislature passing Senate Bill 192 in 2023. In its 2023 policy recommendations, PDAB recommended the expansion of PBM reporting requirements to improve transparency and information that would help determine prescription drug affordability. Oregon Revised Statute (ORS) 646A.694 added the new requirements for PBMs to report information to the DPT Program starting in 2024.

Board meetings will start earlier

PDAB meetings will start at 9 a.m. beginning with the first meeting of the new year on Jan. 15, 2025. The earlier start will provide more time for board members to get through agenda items. To register for the meetings in 2025, click on the calendar dates on Page 7 of this newsletter.

Happy holidays from the PDAB and DPT staffs



Here are the staff members who serve the Prescription Drug Affordability Board (PDAB) and Drug Price Transparency (DPT) Program, from left: Melissa Stiles, board administrative assistant; Sally Sylvester, DPT compliance specialist; Pei Choo, board research analyst; Taran Heins, DPT research analyst; Heather Doyle, board data analyst; Ralph Magrish, executive director; Sofie Parra, DPT program coordinator; Stephen Kooyman, board project manager; and Cortnee Whitlock, board senior policy analyst.

Photo by Chad Reder, Division of Financial Regulation



2025 calendar: click on dates to register

New 9 a.m. start time for board meetings

Wednesday, Jan. 15	9 a.m.
Wednesday, Feb. 19	9 a.m.
Wednesday, March 19	9 a.m.
Wednesday, April 16	9 a.m.
Wednesday, May 21	9 a.m.
Wednesday, June 18	9 a.m.
Wednesday, July 16	9 a.m.
Wednesday, Aug. 20	9 a.m.
Wednesday, Sept. 17	9 a.m.
Wednesday, Oct. 15	9 a.m.
Wednesday, Nov. 19	9 a.m.
Wednesday, Dec. 17	9 a.m.