

Overview of the Maryland Prescription Drug Affordability Board

Oregon Senate Committee on Health Care

December 11, 2024

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PDAB Overview

- **During the 2019 Session, the General Assembly enacted HB768/SB759 creating the Maryland Prescription Drug Affordability Board as an independent agency**
- **Structure:**
 - **5 Member Board**
 - **26 Member Stakeholder Council**
- **Purpose:**
 - **“...protect State residents, State and local governments, commercial health plans, health care providers, pharmacies licensed in the State, and other stakeholders within the health care system from the high costs of prescription drug products.”**



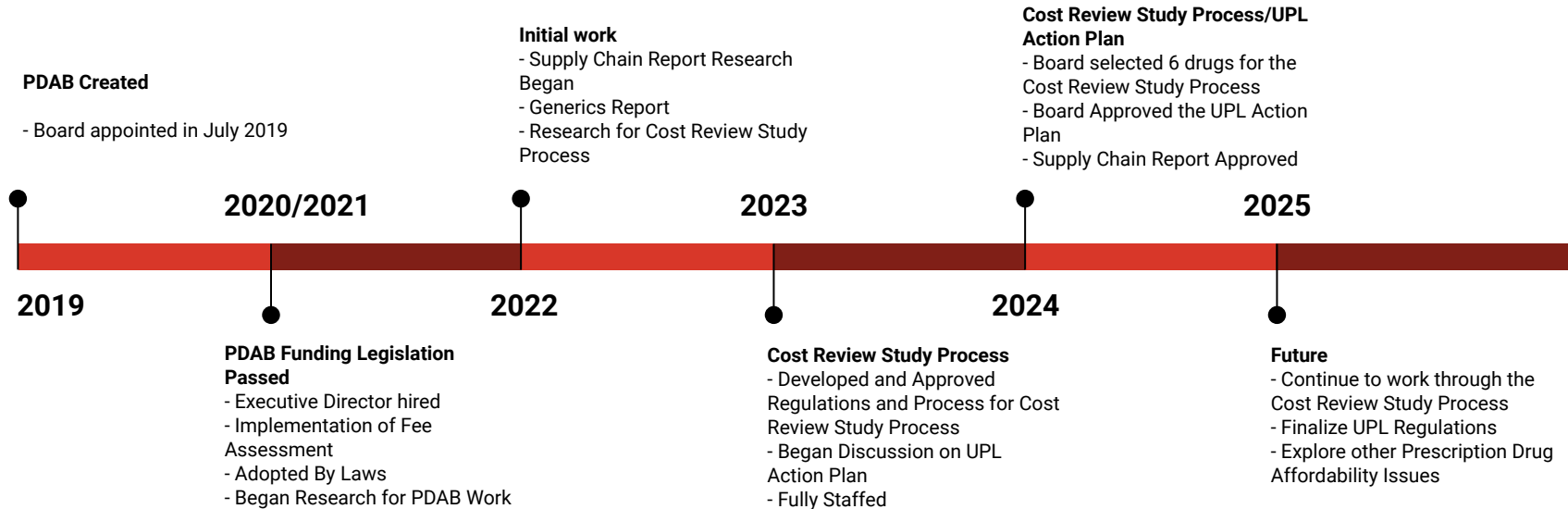
PDAB Overview

Priority Projects:

- **Cost Reviews**
 - In-depth review of select drugs to determine if they cause affordability challenges
- **Upper Payment Limits**
 - Policy tool to address drugs that cause affordability challenges implemented through Upper Payment Limit Action Plan
- **Recommend Additional Policies**
 - Annual report that summarizes price trends and recommends policies



Timeline of Board Work



Cost Review Study Process

COMAR 14.01.04

Identify

Select

Collect

Analyze

Results

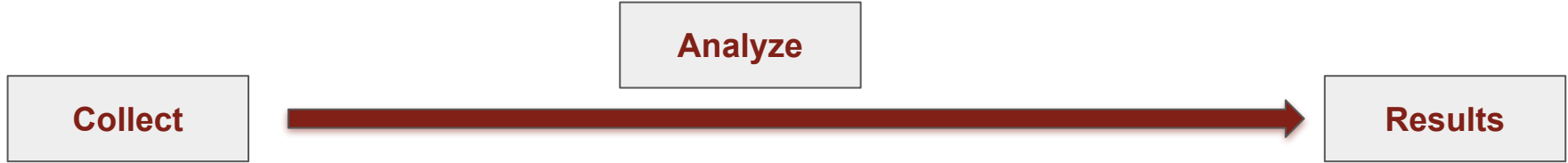


Cost Review Study Process Timeline



PDAB Meeting	PDAB Meeting	Stakeholder Council Meeting	Interim	PDAB Meeting
<p>Public Reporting of Drug Affordability Issues</p> <p>Board has opportunity to add prescription drug products for inclusion on the list of eligible drugs for cost review</p>	<p>Identifying prescription drug products to consider for cost review- this is a subset from eligibility list</p> <p>Refer prescription drug products to the Stakeholder Council for input</p>	<p>PDASC will review and discuss the referred prescription drug products at an open meeting</p>	<p>Public comment</p> <p>Listening sessions</p>	<p>Board selects prescription drug product(s) for cost review</p> <p>Next Steps:</p> <ul style="list-style-type: none"> → Collect → Analyze → Results

Cost Review Study Process Timeline



Drug(s) in Cost Review	Data Collection	Analyze	PDAB Preliminary Determination of Affordability	Cost Review Study Report
<p>Drug(s) selected for Cost Review Study will be posted on the Board's Website.</p> <ul style="list-style-type: none"> - 60 day written comment period begins with posting 	<p>PDAB may request information from, and post request:</p> <ol style="list-style-type: none"> 1. Manufacturers 2. Carrier, HMO and MCO 3. Pharmacy Benefits Managers 4. Wholesale Distributor 	<p>Board Staff may assemble a dossier of data and analyses for consideration in cost review study as outlined in COMAR 14.01.04.05.</p>	<p>Board may determine whether the prescription drug has led or will lead to:</p> <ul style="list-style-type: none"> - Affordability challenges to the State health care system or - High out of pocket costs for patients 	<p>Board creates and adopts a report of the cost review study that summarizes the information considered by the Board in conducting the cost review study, and the Board's determination.</p>

Drugs Selected for Cost Review Study Process

- **Farxiga (dapagliflozin)**
- **Jardiance (empagliflozin)**
- **Ozempic (semaglutide)**
- **Trulicity (dulaglutide)**
- **Dupixent (dupilumab)**
- **Skyrizi (risankizumab)**



Overview- Upper Payment Limits

- **Upper Payment Limit Action Plan must be approved by the Maryland General Assembly Legislative Policy Committee**
- **The Board may set upper payment limits for prescription drug products that are:**
 - **Purchased or paid for by a unit of State or local government or an organization on behalf of a unit of State or local government, including:**
 - **State or county correctional facilities;**
 - **State hospitals; and,**
 - **Health clinics at State institutions of higher education;**
 - **Paid for through a health benefit plan on behalf of a unit of State or local government, including a county, bicounty, or municipal employee health benefit plan;**
 - **Purchased for or paid for by the Maryland State Medical Assistance Program.**



Policy Review and UPL Development

1. Optional Information Gathering

2. Staff Recommends Policy Options

- Drivers of Affordability Challenges
- Policy Options to Address Identified Drivers
 - Non-UPL Policy
 - UPL Policy

3. Final Actions

Adopt Final Determination Concerning Affordability Challenge

Adopt (a) other (non-UPL) policy recommendations; (b) proposed regulations setting the UPL at the specified amount; or (c) both.

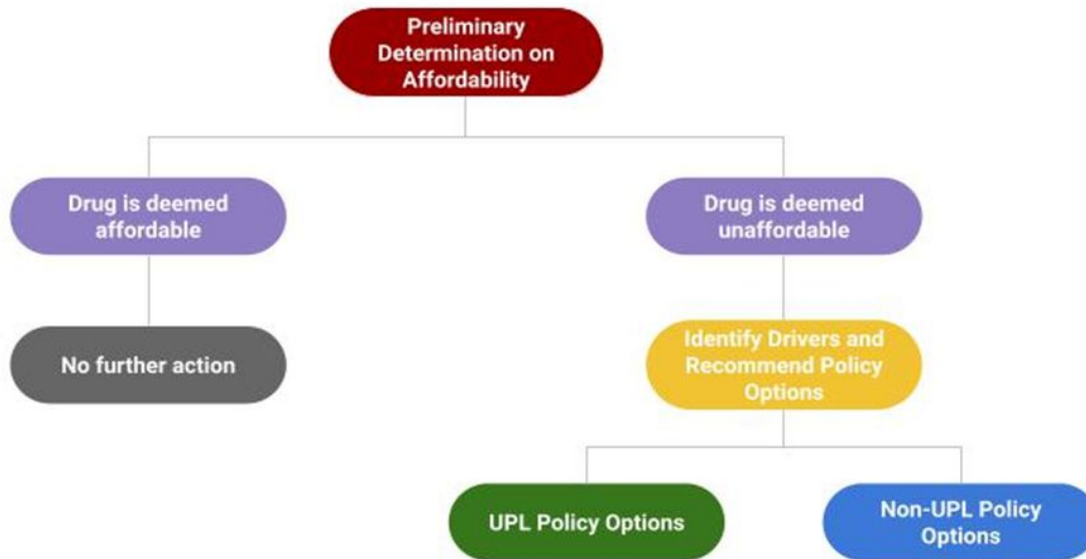


Cost Review Study and Policy Review Process

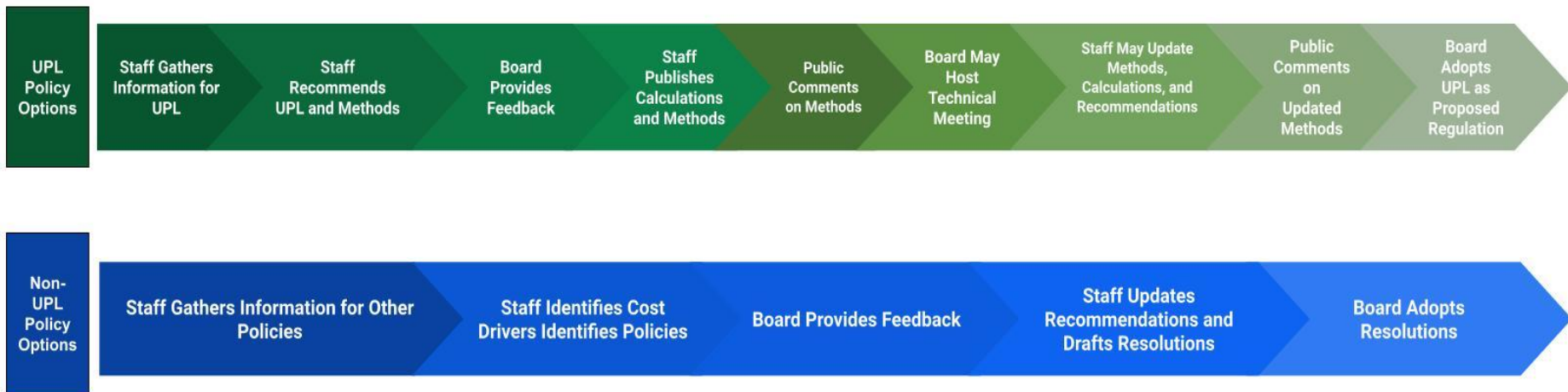


Drug(s) in Cost Review	Data Collection	Analyze	Preliminary Determination	Policy Review Process	Final Results
<p>Drug(s) selected for Cost Review Study will be posted on the Board's Website.</p> <ul style="list-style-type: none"> - 60 day written comment period begins with posting 	<p>PDAB may request information from, and post request:</p> <ul style="list-style-type: none"> - Manufacturers - Carrier, HMO and MCO - Pharmacy Benefits Managers - Wholesale Distributor 	<p>Board Staff may assemble a dossier of data and analyses for consideration in cost review study as outlined in COMAR 14.01.04.05.</p>	<p>Board may preliminarily determine whether the prescription drug has led or will lead to:</p> <ul style="list-style-type: none"> - Affordability challenges to the State health care system or - High out of pocket costs for patients 	<p>Board may perform the policy review process to identify and recommend policies to address affordability challenges:</p> <ul style="list-style-type: none"> - Process for setting upper payment limits - Process for all other policies that are not upper payment limits 	<p>Board takes final action:</p> <ul style="list-style-type: none"> - Board Finalizes Determination and Adopts Final Cost Review Study Report - Board Adopts Policy Recommendations - Board Adopts Proposed UPL Regulation

Process after Board Makes Preliminary Determination on Affordability Challenge



Policy Review Process





MARYLAND

Prescription Drug Affordability Board

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