

PRESCRIPTION DRUG AFFORDABILITY BOARD

November 2021 Budget Update

The following is an update on the Prescription Drug Affordability Board's actual budget expenditures for FY20 and FY21, and budgeted and projected expenditures for FY22.

	FY20 Expenditures	FY21 Expenditures	FY22 Budget
Salaries & Fringe Benefits	2,197	142,317	521,448
Contracts	9,750	17,051	175,088
Operating Expenses	271	47,935	67,103
Total	12,218	207,303	763,639

FY20 Expenditures	12,218
FY21 Expenditures	207,303
FY22 Budget Appropriation	763,639
FY20-FY22 Total Projected Expenditures	983,160

Salaries and fringe benefits include the costs for the Executive Director (hired Jan'21), the Health Policy Analyst Advanced (hired May'20), the Assistant Attorney General (hired Sept'21), and the Admin Specialist (projected hire date of Dec'21). The fifth position is projected to be filled as an Economist in Oct'22.

Contracts include the cost of a management consultant (started Feb'21), analytics assistance and assistance with production of mandated studies (started July'22), and various administrative support services.

Operating expenses include office space lease, purchases of supplies and equipment, telephones, internet connections, postage, and other incidental costs.

The expenditures for FY20, FY21 and FY22 will be incurred in the Maryland Health Care Commission budget, with initial funding support provided from the MHCC special fund. The Board must reimburse MHCC for these costs from the PDAB special fund within 3 years.

The Board has submitted a FY23 budget as an independent agency (D77A01) to DBM. Expenditures in FY23 are expected to closely align with the projected expenditures in FY22, albeit for a full fiscal year. The FY23 budget will be entirely supported by the Prescription Drug Affordability Board's Special Fund. The Board is in the process of collecting fees in FY22; the fees will be deposited into the PDAB special fund account to 1) begin reimbursing MHCC and 2) establishing funding to support the Board in FY23.