

Prescription Drug Affordability Board
January 2022 Budget Update

The following is an update on the Prescription Drug Affordability Board's projected budget expenditures for FY20, FY21, FY22 and FY23.

	FY20 Expend	FY21 Expend	FY22 Budget	FY23 Allowance
Salaries & Fringe Benefits	2,197	142,317	521,448	643,789
Contracts	9,750	17,051	175,088	274,861
Operating Expenses	271	47,935	67,103	73,888
Repayment to MHCC	0	0	0	400,000
Total	12,218	207,303	763,639	1,392,538

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 three years. The FY23 Budget Allowance includes the first installment of these repayments.

FY20 Expenditures	12,218
FY21 Expenditures	207,303
FY22 Budget (Projected Expenditures)	763,639
FY20-FY22 Total Projected Expenditure	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 September'21), the Admin Specialist (projected hire date of February'22), and a fifth position currently classified as a Health Policy Analyst Advanced (projected to be filled in FY23).

Contracts include the cost of a management consultant (started Feb'21), analytics assistance and assistance with production of mandated studies (from UMBC and UM School of Pharmacy, start date FY22), and various administrative support services.

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

Repayment to MHCC is shown as a line item in the Board's FY23 budget Allowance.