

Cost Review: Process for Selecting Drugs to Undergo Cost Review

September 26, 2022

PDAB Staff



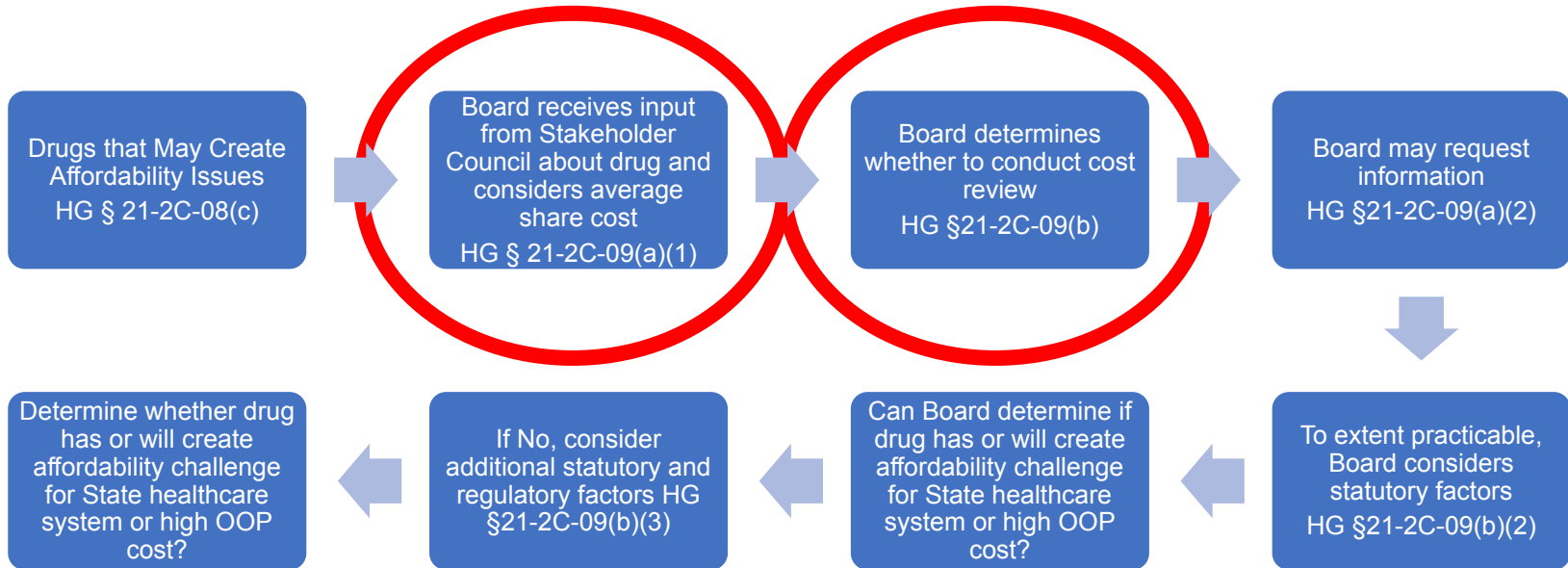
MARYLAND
Prescription Drug Affordability Board

Agenda

- Introduce Possible Ways to Select Drugs to Undergo Cost Review
- Next Steps



Overview of Statutory Cost Review Process Under HG § 21-2C-09



Identifying Drugs Eligible for Cost Review

- Identify the universe of drugs eligible for selection for cost review
- 2 Sources:
 - Legislative metrics defined in HG § 21-2C-08
 - Additional metrics selected by the Board HG § 21-2C-08(c)(4)
 - “Other prescription drug products that may create affordability challenges for the State health care system and patients, in consultation with the Stakeholder Council”



Eligible Drugs Identified by Metrics

- Applying each metric to the data set generates a list of drugs meeting that metric
- Each metric/metric-generated list identifies potentially hundreds of drugs eligible for cost review
- Next issue: How to select drugs for cost review from the hundreds or thousands identified?



Framework for Selecting Drugs to Undergo Cost Review

Working from the universe of drugs identified by the metrics, the Board, with input from the Stakeholder Council and considering the average share cost, selects drugs for Cost Review process



Possible Options for Selecting Drugs for Cost Review

- Develop a screen that identifies drugs meeting multiple metrics and consider enhancing factors/metrics
- Develop a screen that identifies drugs based on weighted factors/metrics and consider enhancing factors/metrics
- Board considers specific factors set forth in regulation and selects drugs for review
- Combination



Screen Identifying Drugs Satisfying Multiple Metrics

- Cross-reference metrics-generated lists to identify drugs appearing on multiple lists
 - Some metrics can be used to make drugs eligible for Cost Review, while others can be used to provide additional information for the selection of drugs (enhancement)
 - Able to prioritize certain metrics



Screen Identifying Drugs Based on Weighted Metrics

- Cross-reference metrics-generated lists
 - Able to prioritize and/or weight certain metrics
 - Other metrics can be used to provide additional information for the selection of drugs (enhancement)



Board Considers Enumerated Regulatory Factors

For example,

- Class of Prescription Drug and Therapeutic Equivalents
- Aggregated Data
- Health Equity Impact



And Board Considers Statutory Factor and Obtains Stakeholder Council Input (for all options)

- Average Cost Share of the prescription drug (statutory)
- Input from Stakeholder Council



Next Steps

- Present to PDASC on October 24, 2022
- Present to PDAB on November 28, 2022





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