



MINUTES
Tuesday, May 23, 2022

Prescription Drug Affordability Board In-Person Meeting
Maryland House Appropriations Hearing Room
Casper R. Taylor Jr. House Office Building, Room 121
6 Bladen St., Annapolis, MD 21401

The Chair, Van Mitchell, called the meeting to order at 2:01 p.m.

Board Members Present: Van Mitchell, Joseph Levy, Gerard Anderson

Board Members Observing Virtually (Non-Voting): Eberechukwu Onukwugha

Board Members Absent: Renee Bovelle

Agenda Item 1

Approval of minutes

Dr. Anderson moved that the April 19, 2022 minutes be approved as submitted. Dr. Levy seconded the motion.

Action: Minutes APPROVED.

Agenda Item 2

Opportunity for Public Comment

No individuals registered to provide public comment.

Agenda Item 3

Fee Assessment Regulations Update

Assistant Attorney General Michele McDonald provided an update regarding the amendments to COMAR 14.01.02 and .03.

The proposed amendments were submitted to the AELR Committee (“Administrative Executive and Legislative Review”) on April 29, 2022 and to the Division of State Documents (“DSD”) on May 16, 2022, to be published in the June 3, 2022 edition of the Maryland Register. No hearing will be held and comments will be accepted through July 5, 2022. The Board can adopt the regulations as final 46 days after publication. The next scheduled Board meeting after the 46-day period is July 25, 2022. If finally adopted, the regulations would again be submitted to the Maryland Register for publication and would become effective 10 days after publication. To

cover the time period until the amendments are adopted and effective, AAG McDonald recommended that the proposed amendments to COMAR 14.01.02 and .03 also be submitted as emergency regulations.

Motion to Submit the Amendments to COMAR 14.01.02 and .03 as Emergency Regulations

Dr. Levy moved that the proposed amendments to COMAR 14.01.02 and .03 be approved and submitted as emergency regulations. Dr. Anderson seconded the motion.

Action: The Proposed Amendments to COMAR 14.01.02 and .03 are APPROVED for submission as Emergency Regulations.

Agenda Item 4

Generics Report (Ch. 425 of the Acts of 2020, sec. 5)

Executive Director Andrew York presented the Board's findings concerning its study of the generic drug market. A report of these findings will be submitted to the General Assembly by June 1, 2022.

The generics market is an important source of affordable and high quality prescription drugs, making up close to 90% of the prescriptions dispensed, while accounting for less than 20% of the total prescription drug spending. However, specific issues that affect limited segments of the market should be addressed.

The presentation is available on the Board's website.

The draft Generics Report will be recirculated to the Board members.

Motion to Approve the Generics Report

Dr. Levy moved to approve the Generics Report, which Dr. Anderson seconded.

Action: The Generics Report ADOPTED and APPROVED

Agenda Item 5

Pharmaceutical Distribution and Payment Study (Health General Article § 21-2C-07)

Mr. York presented the initial results of the Pharmaceutical Distribution and Payment Study. Health-General Article § 21-2C-07 directs the Board to study: (1) the pharmaceutical distribution and payment system in the State; and (2) the policy options used in other places to lower the list price of pharmaceuticals, including upper payment limits, reverse auction marketplace, and bulk purchasing processes.

Certain characteristics of the prescription drug supply chain and market make the prescription drug market difficult to quantify and assess. These characteristics also limit the ability of

ordinary market forces to drive down costs and make prescription drugs more affordable. In assessing policies to make prescription drugs more affordable the study evaluated upper payment limits, reverse auctions, bulk purchasing, transparency program, and an insulin affordability program.

The preliminary recommendations are: (1) determine whether it is in the best interest of the State to establish a process for setting upper payment limits for prescription drug products that have led or will lead to an affordability challenge; (2) explore implementing a transparency program to capture the data necessary to understand drug affordability in Maryland; and (3) explore implementing an insulin affordability program for uninsured and underinsured Marylanders. The Board will consider these recommendations at a later Board meeting.

The presentation is available on the Board's website.

Agenda Item 5

Administrative Update

Mr. York provided an update on the FY 22 Fee Assessment process and acknowledged Administrative Specialist Sydne Robinson's efforts.

Mr. York provided an update on the Board's transition to an independent agency in FY 23. The Board will no longer be administratively housed under the Maryland Health Care Commission and instead will enter into an agreement with the Maryland Health Benefit Exchange for MHBE to provide certain support services.

Mr. York advised that there is a current staffing vacancy, Health Policy Analyst, and that PDAB is seeking an immediate hire.

Agenda Item 6

Chair's Update

The Chair reported ongoing discussions with the Maryland Health Care Commission regarding the repayment schedule for PDAB's startup costs.

The Chair, along with Executive Director York, presented former Health Policy Analyst Kris Vallecillo with a Proclamation recognizing his work and contributions to the Board.

The next Stakeholders Council meeting is scheduled for June 27, 2022 at 2:00 p.m. and will be held virtually.

The Chair noted that there may be a Special Board meeting before the regularly scheduled July 25, 2022 meeting. Details to follow.

Adjournment

Dr. Anderson moved to adjourn and Dr. Levy seconded the motion.

Adjourned at 3:45 p.m.