

PRESCRIPTION DRUG AFFORDABILITY BOARD
Miller Senate Building, William Amos Room, 4th Fl.
Monday, January 13, 2020
Minutes

Chairman Van Mitchell called the meeting to order at 11:02 a.m.

Board members present:

Joseph Levy, PhD, Assistant Scientist, Health Policy and Management (Primary), Johns Hopkins Bloomberg School of Public Health;

Eberechukwu Onukwugha, MS, PhD, Associate Professor of Pharmaceutical Health Services Research, University of Maryland School of Pharmacy;

George Malouf, MD, ophthalmologist in private practice and University of Maryland Capitol Region Hospital;

Gerard Anderson, PhD, Professor, Health Policy and Management (Primary) Johns Hopkins Bloomberg School of Public Health

AGENDA ITEM 1.

Introduction of Board Members

Chairman Mitchell asked the members of the Board to introduce themselves. Each member provided a brief summary of their academic and professional background and described their interest on drug-related spending.

AGENDA ITEM 2.

PRESENTATION: A legislative overview of HB 768- Lisa Simpson, Senior Policy Analyst, House Health and Government Operations Committee

Lisa J. Simpson, Senior Policy Analyst, House Health and Government Operations Committee, provided an overview of (HB 768 ([Chapter 692 of 2019](#))), the legislation that created the Prescription Drug Affordability Board (the Board). Ms. Simpson explained that the Board is an independent unit in the Executive Branch of State government. The legislation charges the Board with reviewing prices for prescription drugs paid by health insurance plans for State and county government employees and authorizes the Board to study whether price caps should be set for prescription drugs. With the approval of the Governor and the Attorney General, the Board may set upper payment limits for drugs that have rapidly increased in price. A Prescription Drug Affordability Stakeholder Council (Council), appointed by the Governor, the President of the Senate, and the Speaker of the House advises the Board. Collectively, members of the Council must have knowledge in the pharmaceutical industry, consumer preferences, clinical practice, the Maryland health care market, and health care and prescription drug costs trends.

Ms. Simpson further explained key operations of the Board including directing studies, adopting regulations, and entering into contracts with third parties. She described the duties of the Chair, which include developing a budget and hiring staff. She noted that the Board must hold open meetings at least every 6 weeks and that these meetings must include opportunities for the Board

to hear public comment. Ms. Simpson outlined the key reporting requirements including the seven policy studies required of the Board through 2023. She stated that the first report the Board is to produce is on the operation of the generic drug market and is due June 1, 2020, and that the second report is on the sources for long-term funding of the Board due on December 31, 2020.

Chairman Mitchell thanked Ms. Simpson for her presentation.

ACTION: NO ACTION REQUIRED

AGENDA ITEM 3.

Chairman's Update on Operational Issues

Chairman Mitchell discussed office space, budget and staffing for the new Board which will have five staff positions. The positions will consist of the following:

- Executive Director
- Pharmacist
- General Counsel
- Two administrative staff

Chairman Mitchell informed the Board that the Maryland Health Care Commission (MHCC) will assist the Board with administrative functions until staff is hired. He announced that the Department of Information Technology (DOIT) had authorized use of the PDAB.MARYAND.GOV as the official URL. MHCC staff will develop a basic website for the Board and will work with DOIT to complete a temporary hosting arrangement.

Chairman Mitchell reported that he examined whether the Board should seek exemption from the Ethics Commission reporting and determined that the Board should conform to the Ethics Commission reporting requirements. He announced that the Board would comply with 2019 reporting due April 30, 2020. Chairman Mitchell stated that Mr. Michael Lord would provide a review of Maryland's Ethics Law and the Board members responsibilities under the law.

AGENDA ITEM 4.

PRESENTATION: The History of the State Ethics Commission and an explanation of the financial disclosure process- Michael Lord, Executive Director, State Ethics Commission

Michael Lord, Executive Director, State Ethics Commission provided the Board with a brief history of the Commission and description of the financial disclosure process for Board members. He emphasized the importance to comply with State requirements that Board members must abide by to complete financial disclosure forms. After the initial filing, a financial disclosure statement must be filed annually no later than April 30th.each year. There was a

discussion of various types of advice – informal advice by Commission Staff and formal opinions issued by the Commission. Mr. Lord pointed out that financial reporting is important, which generally includes real estate ownership, stocks and employment. Other areas of concern could be the spouse and children of a Board member. Mr. Lord said he would stop by to discuss questions raised by Dr. Malouf. .

AGENDA ITEM 5.

Ben Steffen, MHCC Executive Director, introduced Mr. Kenneth Yeates-Trotman, Ms. Stacey Howes, and Lawanda Edwards from the MHCC staff. Mr. Yeates-Trotman and Ms. Howes are experienced in analyzing prescription drug utilization and costs and could be available to assist the Board in the future.

Mr. Steffen provided a summary of work completed through first week of January. He notified the Board that MHCC was awarding a contract to James Johnson to assist in developing the Board's budget and administrative processes. He informed the Board that MHCC has received approval from the Department of Budget Management to hire a mid-level analyst to assist the Chairman in organizing the Board. The position announcement will close in early February. MHCC will work with the Chair in organizing the interviews and selecting the final applicant.

Chairman Mitchell thanked the members and stated that the next Board meeting will be held February 24, 2020 at 2:00 p.m.

AGENDA ITEM 6.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:15 p.m.