

PRESCRIPTION DRUG AFFORDABILITY BOARD
VIRTUAL MEETING
Tuesday June 16, 2020
Minutes

Chairman Van Mitchell called the meeting to order at 2:07 p.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.

Approval of minutes

Chairman Mitchell moved that the minutes be approved as submitted. Dr. Anderson made motion to approve the minutes, which was seconded by Dr. Levy and unanimously approved.

AGENDA ITEM 2.

Board Members Introduction

Chairman Mitchell provided an update on Board activity which included an introduction of Board members by roll call. The Chairman introduced Kris Vallecillo, the Board's newest hire. He will support the Board as a policy analyst.

Kris previously worked as an analyst for the Maryland Health Benefit Exchange. He is working with the MHCC team to launch the PDAB website on July 1st. PDAB members will have a chance to look at the website and provide feedback before launch. Chairman Mitchell mentioned the website does not have to launch on July 1, perhaps after the 4th of July.

No Action Needed

AGENDA ITEM 3.

Legislative Review

Chairman Mitchell provided an overview of pertinent legislation for the PDAB.

- HB 1150 required DBM to use a reverse auction system to administer the State's pharmacy program. Chairman Mitchell reported that the bill passed the General Assembly.

- HB 1100 made certain technical changes to the structure of the Board and delayed the due dates for some of the studies the Board is required to undertake. The bill passed the General Assembly.
- HB 1095 provides for the Board's funding mechanism. While the bill passed the General Assembly, it was vetoed. Chairman Mitchell expressed his belief that the funding mechanism and veto would be handled in the next session.

Jim Johnson is working with Kris on the regulations for the Board. Kris noted that he was making progress and had drafted some regulations for the Board.

Dr. Anderson asked if Kris would handle legal issues for the Board. Chairman Mitchell advised that the Office of the Attorney General would be responsible for staffing an attorney to the Board. Jim Johnson mentioned that in some cases Boards and Commissions split the use of an attorney; who could possibly begin in a part-time capacity.

Chairman Mitchell announced that the MS-22 for the Executive Director position was completed and the Board was prepared to submit the job announcement. However, due to the COVID-19 hiring freeze, the Board must now submit an exemption. Jim Johnson explained the procedural steps necessary and estimated a two- or three-month delay before the position would be filled.

Chairman Mitchell suggested that once the executive director is hired, he/she would spend time with Kris and Jim to assess their needs for more staff. There are five positions that have been approved for the Board that include: Executive Director, Health Policy Analyst, Pharmacist, Administrative support, and an Assistant Attorney General.

No Action Needed

AGENDA ITEM 4.

Budget Update

Jim Johnson provided an overview of FY 2020 spending and FY 2021 appropriations. For FY 2020, MHCC was expected to incur \$30,000 in initial costs. The vetoed funding bill would provide a permanent funding source for the Board through a modest fee of less than \$1,000 annually on manufacturers, wholesale distributors, PBMs and health insurance carriers.

Jim Johnson noted that the solicitation of Board office space in the Bowie area with DGS staff had begun. DGS is working with their brokers; the space would have to be approved by the Board of Public Works before moving forward. Jim estimated the earliest the office would be available would be September.

Dr. Anderson asked with regard to FY 2021 spending, whether the \$750,000 appropriation would have to be paid back to MHCC. The vetoed legislation provided that PDAB would need to repay these funds over a period of three years. If the veto is overridden, then the funds will have to be repaid.

Jim Johnson has completed a budget for the next five years. He noted two uncertain items, potential litigation costs and the cost of acquiring data. Chairman Mitchell proposed reaching out to Board members to establish a committee to respond to this need. Dr. Anderson noted that Johns Hopkins had purchased large amounts of data, Medicaid and large private sector of data from 2014-2018 timeframe. He advised that they didn't have data beyond 2018. He suggested that the Board reach out to carriers and explore drug utilization data from other state agencies. Dr. Anderson offered help with purchasing decisions; Hopkins is willing to donate its data.

Dr. Onukwugha noted that in addition to data, the Board should consider the costs of data analysis and analysts.

AGENDA ITEM 5.

Ben Steffen, Executive Director of the Maryland Health Care Commission, provided an overview of the All Claims Database. They have data for the first half of 2020 for the fully insured private markets of Maryland. The data includes the state employees plan, and residents who are enrolled in fully-insured and self-insured not fully insured non- ERISA health plans and under 65 years of age. CRISP will assign an encrypted master patient index identifier that can be linked back to information health / HIE for more in-depth studies that CRISP and MHCC have access to.

Dr. Levy, Dr. Anderson and Mr. Steffen had a discussion regarding how detailed certain drug claims are, including physician-administered drugs and patient-administered drugs. Dr. Anderson noted the importance of discerning the difference between the sales price and the acquisition price.

AGENDA ITEM 6.

Kris will put out meeting dates for the fall; September, October and November on Mondays at 2:00 pm; meetings may be in Annapolis in person or virtual. Chairman Mitchell will inform the Board how the meetings will be held. Kris will post the dates on the website as it goes live.

Adjourned at 3:13 p.m.