

PRESCRIPTION DRUG AFFORDABILITY BOARD
May 2021 Budget Update

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

| | FY20 Expenditures | FY21 Projection | FY22 Projection |
|----------------------------|----------------------|--------------------|-----------------|
| Salaries & Fringe Benefits | 2,197 | 137,703 | 491,997 |
| Contracts | 9,750 | 195,095 | 186,879 |
| Operating Expenses | 271 | 34,061 | 84,763 |
| Total | 12,218 | 367,388 | 763,639 |

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|--|------------------|
| FY20 Expenditures | 12,218 |
| FY21 Projection | 367,388 |
| FY22 Projection | 763,639 |
| FY20-FY22 Total Projected Expenditure | 1,143,245 |

Salaries and fringe benefits include the costs for the Executive Director (hired Jan’21), the Health Policy Analyst Advanced (hired May’20), the Admin Specialist (projected hire date of July’21), the Assistant Attorney General (projected hire date of July’21), and a fifth position currently classified as a Pharmacist (projected to be filled in early 2022).

Contracts include the cost of a management consultant (started Feb’21), analytics assistance (projected start date June’21), assistance with production of mandated studies (projected in FY22), and various administrative support services.

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

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 3 years.