

Overview: Cost Review Process HG § 21-2C-09

August 22, 2022

PDAB Staff



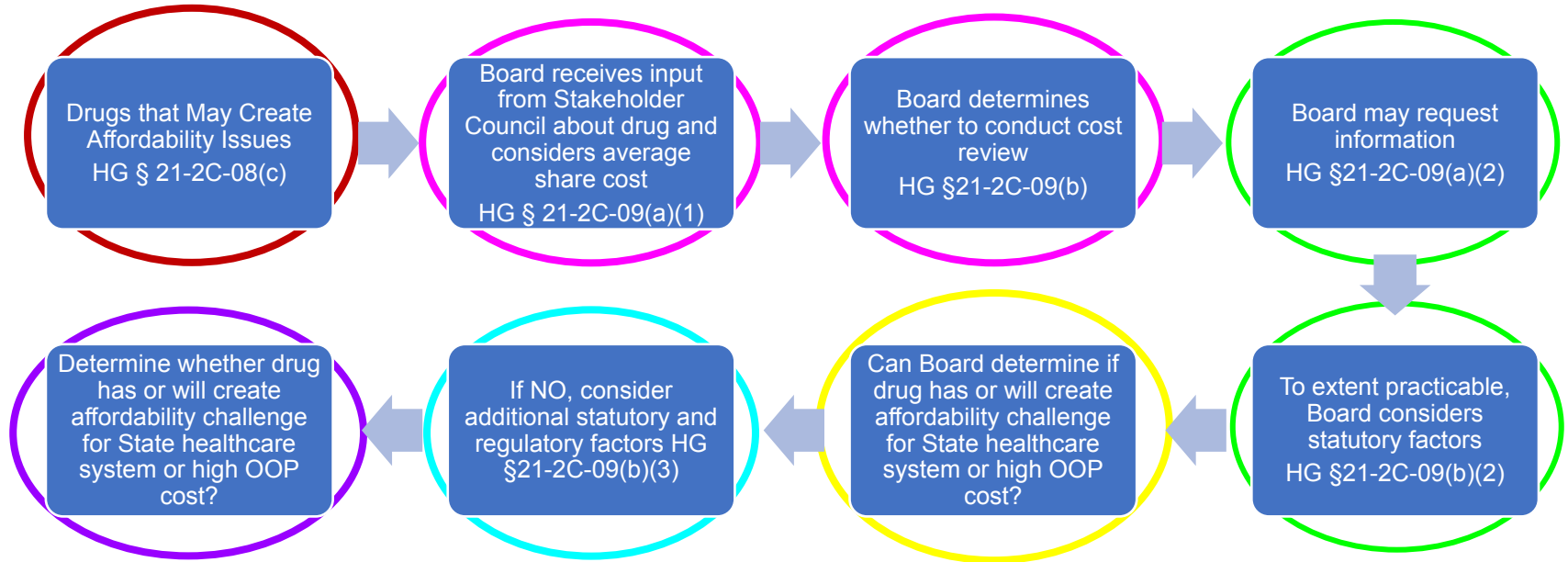
MARYLAND
Prescription Drug Affordability Board

Overview of Cost Review Process

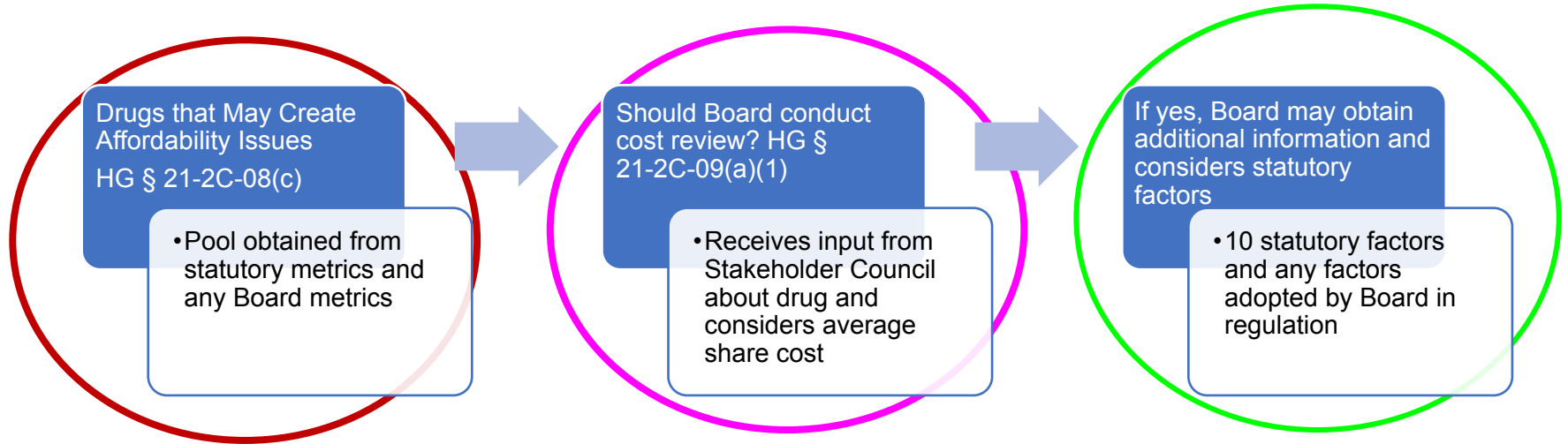
- Prescription Drug Affordability Board will conduct Cost Reviews under § 21-2C-09
 - “[T]he review shall determine whether use of the prescription drug product... has led or will lead to affordability challenges for the State health care system or high out-of-pocket costs for patients.”



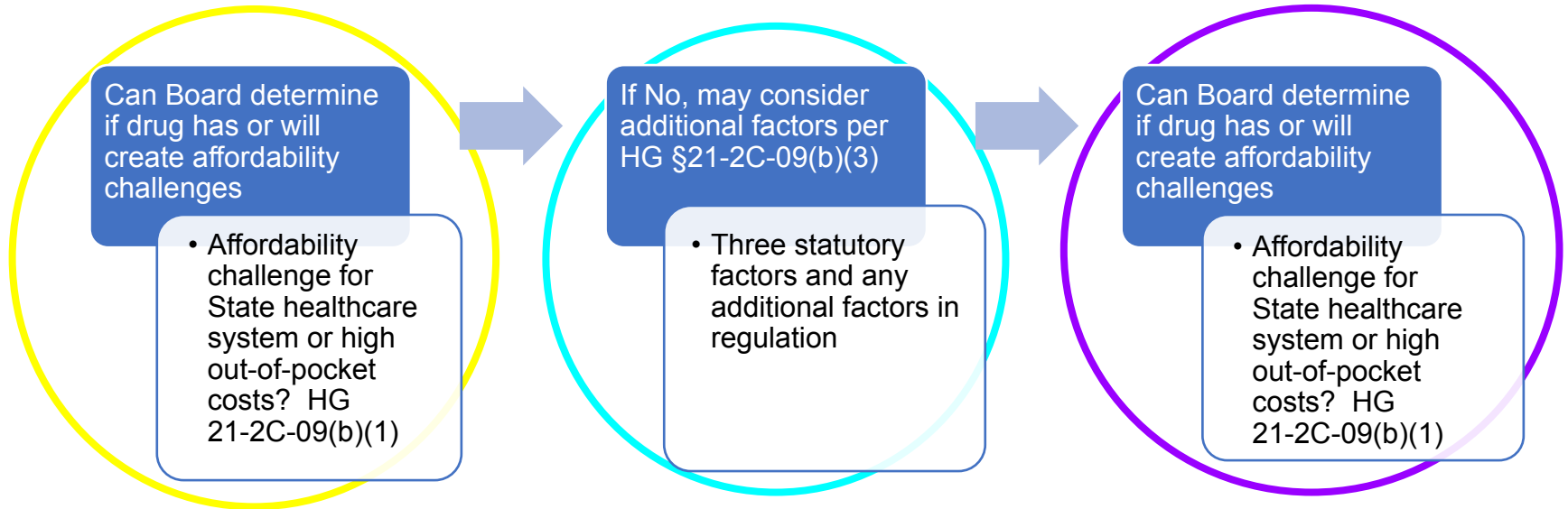
Overview of Statutory Cost Review Process Under HG § 21-2C-09



In-depth Cost Review



In-Depth Cost Review Continued. . .

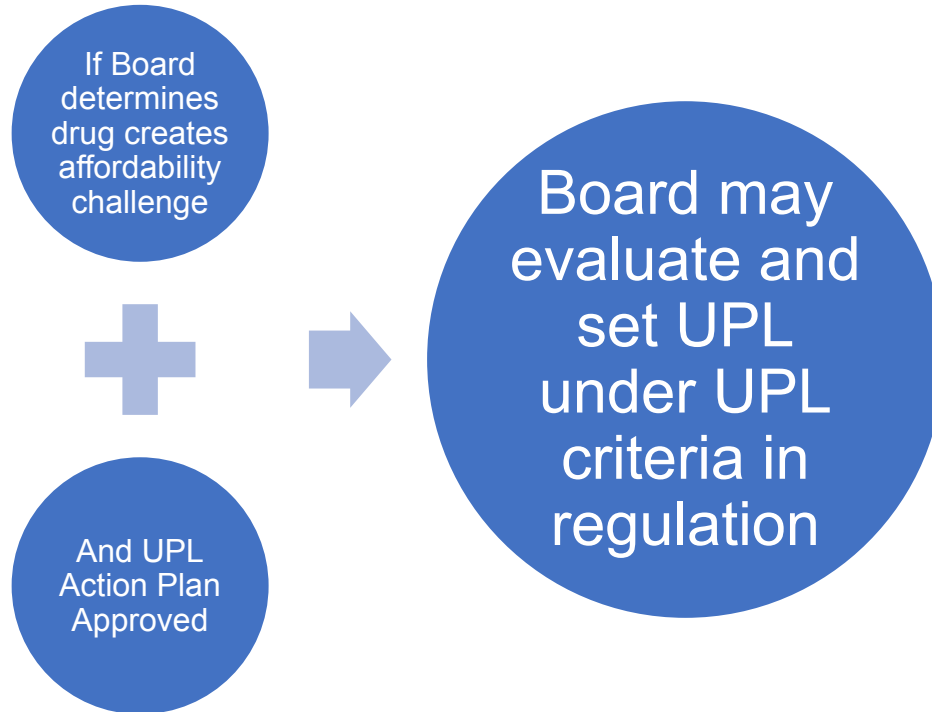


Relationship Between Cost Review and Upper Payment Processes

- Identify Drugs that may cause affordability issues- HG § 21-2C-08
- Determine if Drugs cause affordability challenge through Cost Review process- HG § 21-2C-09
- If the Board decides to move forward with Upper Payment Limits, drugs found to create “affordability challenge” in the Cost Review Process may (but are not required to be) subject to upper payment limits



Through the parallel cost review process and UPL Action Plan development:



Key Decisions for Cost Review Process

- Identifying Drugs Eligible for Cost Review Process
 - Additional Metrics
- Selecting Drugs for Cost Review Process
- How to Collect Data for Cost Review Process
 - Board Identified Data
- Implementing Cost Review Process
- Determine if Drug Causes Affordability Challenges



Process and Next Steps

- PDAB and PDASC will discuss key decisions in upcoming meetings
 - Likely 1-2 Meetings Per Topic
 - Introduced to Board, presented to PDASC for feedback, and then Board votes on policies
- Once key decisions are resolved, process will be implemented through regulation
- Example: Additional Metrics for Eligible Drugs
 - July 25, 2022- Topic Introduced to Board
 - August 22, 2022- Topic Presented to PDASC for consultation
 - September 26, 2022- Board decide on additional metrics and introduce the next topic





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