



Janet T. Mills
Governor

STATE OF MAINE
Maine Prescription Drug Affordability Board
61 State House Station
Augusta, ME 04333-0061

Noah Nesin
Chair

Maine Prescription Drug Affordability Board
Tuesday December 20, 2022 @ 10:30 am
Microsoft TEAMS Meeting

Board Members in Attendance: Peter Hayes, Dr. Noah Nesin, Jennifer Reck, Rhonda Selvin
(Total = 4)

Board Members Absent: Dr. Julia Redding, Dr. Susan Wehry
Vacant Seat(s): 2

Others Present:

Advisory Council: Jennifer Kent, Christina Moylan, Anne-Marie Toderico, Shonna Poulin-Gutierrez

Employee Health & Wellness: Devon French, Roberta DuPont, Emma-Lee St. Germain

All Others: Kate Ende, Ann Woloson

Agenda Item:	Discussion:	Action/Next Steps:
I. Call to Order (10:33 am)	Dr. Noah Nesin called the meeting to order.	
II. Introductions		
III. Approval of the Minutes (August 23, 2022)		Peter Hayes made motion to accept the meeting minutes; Rhonda Selvin seconded the motion. Motion passed.
IV. Monthly Business		
a. Annual Report Discussion – Peter Hayes	Information contained in written reports; highlights and discussion noted below: <i>10 Year Rolling Average with Inflation Discussion</i> <ul style="list-style-type: none"> <u>Spreadsheet Review:</u> The board had concluded last meeting that some of the work done in the spreadsheet seemed reasonable. <u>Legislation:</u> To move forward with legislation, they will need to coordinate with the Office of Affordability Care. 	



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- Benchmark: PORTAL felt the figures in the spreadsheet were in the ballpark and the board has a baseline benchmark, an understanding of the process as well as the next steps to take along with some of the issues that would need to be dealt with to get to that final target.
- Cost Target: PORTAL also brought up the complexities of determining a cost target due to inflation.
- Take Aways: Dr. Noah Nesin will work on some language and send it around for review, comment and edit.

340B Discussion

- 340B Margin: 340B continues to get a lot of attention. It grew to be a \$49B margin for our health system.
- Reporting: Peter Hayes suggests reporting for 340B facilities on how they use that margin and direct line of sight to help patients as well as show accountability that the dollars are being invested back into patient care.
- Reporting Entities: Jennifer Reck states they are working on a reporting template that would enable a State to follow the money around 340B dollars for both hospitals and pharmacies. Both entities have stated if we request reporting, they could provide it. Dr. Noah Nesin agrees that full transparency is best.
- State Requirements: The 340B program does not require participating entities to pass the benefits along to patients and States do not have the authority to make that a requirement.
- Hospital Losses: Hospitals are saying 340B is really a safety net to cover their losses. The NASHP took on the SAGE website shows some hospitals are claiming they're losing money on Medicare or have a 7% margin.
- Take Aways: Peter Hayes agrees to draft a section regarding having a line of sight as to where 340B dollars are going.



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b. The National Academy for State Health Policy (NAHSP) Model Legislation on Indexing to Medicare Negotiated Prices – Jennifer Reck	<p>Discussion highlights below:</p> <ul style="list-style-type: none">• <u>Inflation Reduction Act</u>: Looking at Canadian prices would allow States to reference the prices that Medicare will be negotiating for a subset of prescription drugs because of the Inflation Reduction Act. There are very clear parameters in the Inflation Reduction Act in terms of what those drugs will be and they'll be looking at – specifically drugs that have been on the market for 7 to 11 years. Depending on the type of drug, that accounts for a large degree of spending for Medicare - at least \$200M in spend a year.• <u>Part D Drugs</u>: Exceptions to the standards set include generic or biosimilar drugs. These exceptions are so there is no disruption with competition in the market when new generic or biosimilar drugs come out. Maximum fair prices will be agreed upon as part of that• <u>Drugs to be Negotiated</u>: Drugs that they select for negotiation will be public as of September 2023. Maximum fair prices will be agreed upon as part of that negotiation will be finalized as of September 2024 – however they won't go into effect until 2026 which should include 60+ drugs.• <u>Take Aways</u>: Jennifer Reck agrees to draft a report around this legislation for the annual review which also includes what other states are doing and what their models are.	
c. Overview of Prescription Drug Affordability Board (PDAB) in Other States – Jennifer Reck	<p>Discussion highlights below:</p> <ul style="list-style-type: none">• <u>Maryland</u>: There has been one update since I spoke about other States last, which is Maryland has finalized a report on its policy recommendations coming out of the work of its Prescription Drug Affordability Board (PDAB) which was voted on and approved this morning.• <u>Upper Payment Limits</u>: Jennifer Reck states given where the board is and the experience, we've seen with other States PDAB's implementing upper payment limits, it might make sense for our focus to be on reference rate models.	



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	<ul style="list-style-type: none"> • <u>Early Adopting PDAB States</u>: Some early adopting PDAB states like Maryland and Colorado are designing rules and regulations and processes for doing their own affordability reviews and setting their own upper payment limits. • <u>Take Aways</u>: Dr. Noah Nesin suggests it may be sufficient for this year's report to include a description of what other states are doing and what their models are, which can inform the legislature – without making recommendations. 	
d. Update on New Bills Related to Healthcare Costs – Jennifer Reck	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • There are no updates as of right now. This topic will be kept on the agenda for January. 	
V. Other Business		
a. Open Seats (2) – Dr. Noah Nesin	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • The board is currently down 2 members, one of which, was previously held by a pharmacist. Dr. Noah Nesin suggests adding a pharmacist as well as someone with State government experience. Jennifer Reck agreed these would be the ideal replacements. 	
b. Request for Clarification of Maine Prescription Drug Affordability Board's (MPDAB) Role in Relation to Office of Affordable Healthcare – Dr. Noah Nesin	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • Dr. Noah Nesin shared his initial draft language on filling positions on the board and on our relationship with the Office of Affordable Health Care. • Dr. Noah Nesin asks the board to speak on whether the language in his draft was too gentle and clear enough. • Dr. Noah Nesin suggests adding requests as soon as the office is staffed. • Christina Moylan asks whether the language was specifically going to clarify the roles of the board verses the office. Dr. Noah Nesin suggests adding that under the collaborative effort and clear rules of the board and the office. 	



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c. 2023 Meeting Schedule & Hybrid Model	<p>Discussion highlights below:</p> <ul style="list-style-type: none">• The committee agrees that it makes more sense to have a hybrid option of both in person and remote options.• The January 17th meeting does have a physical space to attend in person in Augusta. The committee will meet via Teams in January for the Annual Report discussion.• The meeting cadence will continue to be every other month and will be looking for another meeting in March 2023 – the 4th Tuesday of every month.	
d. Open Discussion	<p>Discussion highlights below:</p> <ul style="list-style-type: none">• No items were brought to the board.	
VI. Adjourn (11:27 am)		Rhonda Selvin made motion to adjourn; Peter Hayes seconded the motion. Motion passed. Meeting adjourned.

Next meeting: January 17, 2023