



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 November 24, 2020 @ 10:30 am
Microsoft TEAMS Meeting

Council members in attendance: Peter Hayes, Frank Johnson, Kenneth Mcall III (Mac), Noah Nesin, Jennifer Reck, Julia Redding, Rhonda Selvin & Susan Wehry (Total = 8)

Council members absent: None
(Council seat 0 vacant)

Others Present:

Department of Administrative & Financial Services: Heather Perreault

Employee Health & Benefits: Shonna Poulin-Gutierrez & Roberta Leonard

All Others: Ben Chandhok; Kate Ende; Mark Gallagher; Matthew Guilbault; Jennifer Kent; Holly Lusk; Collen McCarthy; Isabel Mullin; Craig Nale; Kristine Ossenfort; Ann Woloson & Anne Wright

| Agenda Item | Discussion | Action/Next Steps |
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| I. Call to Order (10:32 am) | Noah Nesin called the meeting to order | |
| II. Introductions | | |
| III. Approval of the Minutes (March 17, 2020) | | Peter Hayes made motion to accept the amended minutes Rhonda Selvin seconded the motion; Motion passed. |
| IV. Monthly Business a. Development of key shared knowledge bases (Noah Nesin) i. What do we need to learn about? ii. Who do we need to learn from? iii. What support do we need to build on that knowledge? b. Update from staff | Discussion highlights below: <ul style="list-style-type: none"> <u>Overview of LD1499:</u> 2019 a billed passed into law that established the Maine Prescription Drug Affordability Board (MPDAB) was part of a package of bills that focused on provided affordable prescription medications to Mainers. Other bills included PBM regulation and transparency. WS prescription drug implantation program. This Board and the Advisory Council will help set spending targets and monitor how effectively public payers meet them. Strategies include collaborating with other states to purchase drugs in bulk, restructure formularies and cheaper rebates. | Peter Hayes asked about the meeting schedule and if additional meeting times can be added for the MPDAB to be able to submit a comprehensive report by the deadline. Current meeting schedule 1xmonth, Roberta Leonard will send out a doodle poll to add an extra meeting in December 2020 and January 2021. |



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- MPDAB First Report Due: On January 30, 2021; was originally due in October 2020.
- Noah Nesin asked each MPDAB member to answer the three questions listed.
 - Frank Johnson– Spending by the public peers. Status of the Advisory Council. Foundation information that would help guide the MPDAB over the next few months from groups such as Maine Education Association Benefits Trusts, Maine Municipal Health Trust and The State Employee plan.
 - Peter Hayes– Like to learn more about specialty drugs that are increasing at an incredible rates and combo drugs. What are more effective things to the MPDAB could do around managing formularies and specialty drugs. Peter Hayes may have a PBM consultant contact that could provide more insight to the MPDAB.
 - Jennifer Reck stated that NASHP has worked with a team of researchers at Johns Hopkins that have completed studies on waste free formularies.
 - Susan Wehry– Psycho active drugs. Pharmacogenomics and the big push by the pharmaceutical industry to have designer drugs or drugs that are targeted to the way drugs are metabolized by DNA testing. Where Medicare doesn't fit in particular on part D, how and why it impacts or why it doesn't impact.
 - Mac– Public payer group differences in Maine on high cost drug spends and how much communication exist between the different groups.
 - Rhonda Selvin– High cost drugs, such as estrogen. Focus to listen and understand from the ground up perspective on the individual's side on risk benefits.
 - Julia Redding- Interested in formulary conversations. Would like to learn more about what others are saying in terms of how those formularies are made and what is offered to them in terms of cost saving. Education



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| | important part for prescribers and patients in terms of creating a demand on manufactures to be forced to drive cost down. | |
| V. Other Business | <p>Discussion highlights:</p> <ul style="list-style-type: none"> • <u>Advisory Council Appointed Members</u>: Anne White from Maine Municipal Employee Health Trust; Jennifer Kent from Maine Education Association Trust and Robert Nadeau from the Maine Community College System. • Ann Woloson stated the Maine health data prescription drug transparency data the Maine health data organization. They list the 25 most prescribed most expensive drugs that have the most cost increase as a reference. • Shonna Poulin-Gutierrez stated they are always looking at ways to reduce cost without removing benefits to the State of Maine health plan. • Heather Perreault stated still working on finalizing the Advisory Council and suggested that bi-laws should be drafted to determine things such as executive sessions. | <p>A link will be added to Employee Health and Wellness’s website for the Advisory Council. Articles will be posted on the site under the MPDAB page. https://www.maine.gov/bhr/oeH/about/Maine-Prescription-Drug-Affordability-Board</p> <p>Noah Nesin stated if there is any future content, feedback or impactful recommendations that MPDAB would like to discuss to please reach out to him or Mac.</p> |
| VI. Education a. Comparison of Maryland and Maine PDAB (<i>Jennifer Reck</i>) | <p>Discussion highlights:</p> <ul style="list-style-type: none"> • National Academy for State Health Policy (NASHP) put out model registration for a prescription drug affordability board in 2017. Originally creating the idea of building from public utility commission model to set up payment limits for prescription drugs for States. Prescription Drug Affordability Board in Maryland was built from the NASHP model is tasked to identify unaffordable drugs surpassing specified threshold. The MPDAB is tasked with determining annual spending targets for prescription drugs purchased by public payors and for specific drugs that may cause affordability challenges to enrollees in a public payor health plan. • There is also a Prescription Drug Affordability Board in New Hampshire that was established this year that has a charge identical to what Maine is trying to accomplish. New Mexico has a council similar to Maine as well. Ohio has a Prescription Drug Transparency and Affability Council. Very recently put out recommendation for purchasers in Ohio, including | <p>Noah Nesin asked how the MPDAB members feel about convening the other State’s that are doing similar work? All MPDAB members support this. Jennifer Reck stated NASHP will do some planning and thinking on the timing of convening format.</p> |



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| | <p>combining purchasing for drugs for state and local employees into a single PMB contract. Varies State's looking at various issues trying to come up with strategies to make drugs cost more affordable.</p> | |
| <p>b. National Academy for State Health Policy (NASHP) model acts <i>(Jennifer Reck)</i></p> | <p>Discussion highlights:</p> <ul style="list-style-type: none"> • <u>International Reference Rates</u>: This model act can greatly lower prescription drug spending in a state- without running afoul of patent law through price setting. Starting with a State employee health plan, to identify the 250 most costly drugs within the state. Once the list is developed it's passed to the Bureau of Insurance to be compared with Canada. This is not price setting but used to determine an upper price. This model excludes Medicaid. Saving that are achieved through this model are passed on to consumers. • <u>Penalizing Unsupported Price Increases</u>: The Institute for Clinical and Economic Review (ICER) produces an annual report identifying the drugs with unsupported price increases outpacing 2x medical inflation that are the greatest drivers of net spending. Penalties are 80% of access revenue. Manufactures must report information on total sales revenue in the state to the Tax Assessor to determine the penalty owed. Protentional revenue can be quite substantial. • <u>Price-Gouging 2.0</u>: This model acts to prevent excessive and unconscionable prices for prescription drugs. Maryland's price gauging law was struck down by the courts. This model does look only at generic prices. Vermont put out a study from 2016-2020 showing a decline in brand name drugs and increase in generics. • <u>Licensing Sales Representatives</u>: Require sales representatives to disclose wholesale cost on drugs. • Peter Hayes asked models are targeting manufactures what is NASHP doing. Transparency PBM's on market saying they can save \$.50 on the dollar. Anything in the works that talk about transparency? Informative to have a chart to follow the transparency. Rebate dollars are about 25% of spend a lot are shared. A lot of the major companies are classifying the rebate | |



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| | <p>dollars as admin fees. Jennifer Reck stated NASHP dose shave a transparency model. The data coming out of Maine Legislation will help follow the money trail specific to Maine.</p> <ul style="list-style-type: none"> • Mac asked if international reference rates would become a new price benchmark, how do we enforce that? How does it go from a benchmark to saving money? Jennifer Reck stated it's a little bit different than being a benchmark its more a provider rate. Within the healthcare system rates are established, the state this would establish an upper payment limit. Payers are not able to pay more than that ceiling. • Mac asked what about Mainers that have no healthcare coverage and have no access to a plan for prescriptions drugs. Which strategies would be best for people with no coverage? Jennifer Reck stated the penalizing unsupported price increasing would have the most potential it does have the potential to raise revenue that the state would then be directed to bring consumer relief. Can determine how to effectively use these dollars. | |
| VII. Adjourn (12:11 am) | | |

Next meeting: December 4, 2020