



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 January 26, 2021 @ 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:
(Council seat 0 vacant)

Others Present:

Advisory Council: Jonathan French, Jennifer Kent, Ryan Low, Christina Moylan, Rob Nadeau, Heather Perreault, Shonna Poulin-Gutierrez & Anne Wright

Employee Health & Wellness: Joel Hill & Roberta Leonard

All Others: Marilyn Bartlett, Kevin Bourque, Ben Chandhok, Matthew Guilbault, Karynlee Harrington, Jim Jones & Ann Robinson & Ann Woloson

Agenda Item	Discussion;	Action/Next Steps
I. Call to Order (10:32 am)	Kenneth Mcall III (Mac) called the meeting to order	
II. Introductions	Noah Nesin went over the formality of the meeting structure. Kenneth Mcall III stated if any members would like their title announced to reach out to Employee Health & Wellness.	
III. Approval of the Minutes (January 8, 2021)		Peter Hayes made motion to accept the meeting minutes Noah Nesin seconded the motion; Motion passed.
IV. Monthly Business a. Presenters Marilyn Bartlett – National Academy for State Health Policy (NASHP)	Discussion highlights below: <ul style="list-style-type: none"> • <u>State of Montana Employee Health Plan 2015:</u> Facing \$9M deficit. Legislature passed bill 418 to turn the deficit around. • <u>The Plan Administrator Role:</u> Plan fiduciary, steward of taxpayer dollars, must answer to Legislative and Executive branches, plan members and unions and SEGBAC advisory group. The Advisory group did not have the power to make decisions. • <u>Plan 3 -Year Strategy:</u> Basic strategy to lower plan costs, no increase to members cost or state contributions and increase 	Peter Hayes asked if there are any suggestions to obtain unbiased authority to assist in data analytics on contracts. Marilyn Bartlett will send a list to Peter Hayes of her suggestions. Julia Redding asked if she had heard of any situations where the State in managing certain medications. Marilyn Bartlett replied she has not but would like to come up with a



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	<p>member benefits. Better overall plan for members and taxpayers.</p> <ul style="list-style-type: none"> • <u>What We Did</u>: Contracts with Montana hospitals for Medicare reference-based pricing, transparent RX benefit, Montana medication therapy management program, employee on-site health centers, duplicate programs eliminated and moved plan administration to third party cloud-based enrollment and administrative system and cloud-based data warehouse. • <u>What Happened</u>: Reserves reached \$112M in 2017. No rate increase for 5-years (thru 2021), OPEH liability \$374M in 2015 and \$54M in 2017. • <u>Focus on Plan's RX Costs</u>: RX benefit – pharmacies, medical benefit – inpatient/outpatient and transparency – where does the money go. • <u>Montana State Employee Health Plan</u>: Analyzed current RX benefit contracts. Terminated all contracts and contracted for transparent pass-through PBM. • <u>Engaging Members in Change</u>: On formulary change, communications and union leadership. • <u>What We Learned</u>: Highly concentrated markets – 3 large PBMs control 80% of the market. 5 of the largest insurance companies own PBM's. Proprietary and confidential; third party contracts. • <u>What Pharmacy Program Do We Want</u>: Carved-in or carved-out, traditional model, pass-through model or pass-through, transparent pass-through PBM. • <u>Middleman Financial Incentives</u>: Network contracting and account services. • <u>Medication Management Program</u>: 32M Americans use 3 or more medications daily. 75% of adults are non-adherent in one or more ways. The economic impact of non-adherent is estimated to cost \$100B annually. • <u>Formulary Management</u>: P&T committee, formulary placement, lowest net cost formulary, PBM able to substitute brand drugs and retain full rebate. Waste free formulary - generic vs high 	<p>solution. Jennifer Reck will research and add to the list of examples for future meetings.</p>
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	<p>priced brand, combination drugs, over the counter alternatives and “Me Too” drugs.</p> <ul style="list-style-type: none"> • <u>340B Federal Program</u>: 8% of RX market, prescribing higher cost brand-name drugs for 340B discount. Middlemen sharing in 340B savings with no decrease in their prices. Penny pricing and no rebates. • <u>Medical Plan-RX</u>: Drugs paid through medical benefit (J-Codes), fewer checks and balances in TPA claims processing for RX, plan formulary, rebates and 340B impacted. • <u>Consolidated Appropriations Act, 2021 (CAA)</u>: Every group health plan and every health insurance issuer file information reports. • Noah Nesin asked the difference between carved-in and carved-out. Marilyn Bartlett responded carved-in TPA services includes medical and pharmacy benefits for one fee is, carved-out fees are separate. 	
<p>i. Karynlee Harrington – Maine Health Data Organization (MHDO)</p>	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • <u>MHDO Purpose</u>: To create and maintain a useful, objective, reliable and comprehensive health information data warehouse that is used broadly to improve the health of Maine citizens and to promote transparency of the cost and quality of healthcare including prescription drug cost information, in the State of Maine by procedure, payer, facility and provider. • <u>Prescription Drug Data Sets</u>: All payer claims data. Prescription drug cost information from manufactures, wholesale distributors and pharmacy benefit managers. • <u>Public Law Chapter 406</u>: An act to promote prescription drug price transparency. • <u>Top 25 Prescription Drug Reports</u>: New time period recently released (7/1/2019-6/30/2020). Overall, the number of prescriptions increased by 1.8% while the cost of prescription increased by 11.1%. The cost per prescription increased from \$151 to \$165 (9.3%). • <u>Public Law Chapter 407</u>: An act to further expand drug price transparency. The MHDO is required by Maine State law to 	



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	<p>collet data from prescription drug manufactures, wholesale drug distributors and pharmacy benefit manages (slide 11)</p> <ul style="list-style-type: none"> • <u>Proposed Changes to Rule Chapter 570</u>: After a public hearing and a review of public comments MHDO board of directors provisionally adopted changes to Rule Ch. 570 10/1/2020. Proposed changes clarify the reporting requirements. Major substantive rule will go through legislative process. January 28th at 10am is the public hearing before the committee on Health Coverage, Insurance and Financial Services. • Peter Hayes asked to clarify, if collecting all of the rebates that are reported by the manufacture and the coupons. Jim Jones responded they are collecting. Rebate definition: manufactures level - any kind of discount, charge back or price concession that effects the price of a prescription drug. Wholesale level - ask for both rebates that have been accrued, both receivable from manufactures and payable to pharmacies through consumer benefit. 	
<p>V. Other Business a. Meeting Schedule for 2021</p>	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • Carry over to discuss next month due to time 	
<p>b. Creating a Mission & Vision Statement</p>	<p>Discussion highlights below:</p> <ul style="list-style-type: none"> • Carry over to discuss next month due to time 	
<p>VI. Education</p>	<p>No Education Planned This Month</p>	
<p>VII. Adjourn (12:35 pm)</p>		<p>Noah Nesin made motion to adjourn; Kenneth Mcall III seconded the motion; Meeting adjourned</p>

Next meeting: February 23rd, 2021