DRAFT: 2024 Annual Report of the Maine Prescription Drug Affordability Board

The Maine Prescription Drug Affordability Board (MPDAB) was established in 2019 pursuant to MRS Title 5 Chapter 167-1.

Mission: To determine annual spending targets for prescription drugs purchased by Maine public payers and make recommendations to achieve the targets.

Vision: Board recommendations will target strategies to achieve prescription drug affordability while maintaining safety and ensuring clinically appropriate use. The spending targets will be based upon a 10- year rolling average of the medical care services component plus a reasonable percentage for inflation and minus a spending target determined by the board for pharmacy savings. In addition, spending targets will be determined on specific prescription drugs that may cause affordability challenges to enrollees.

MPDAB 2024 Membership:

Board Member	Title/Occupation	Nominated By
Kelsie Snow,	Assistant Professor of Pharmacy Practice,	Governor of Maine
PharmD, MPH	Husson University College of Health and	
(Chair)	Pharmacy	
Noah Nesin,	Medical Director for Research &	Governor of Maine
MD (alternate)	Innovation, Community Care Partnership	
	of Maine	
Peter Hayes	Former President/CEO Healthcare	President of the Senate
	Purchaser Alliance of ME	
Sharon Treat	Health Policy Consultant	President of the Senate
Jennifer Reck	Director of Center for State Prescription	President of the Senate
(alternate)	Drug Pricing at the National Academy for	
	State Health Policy	
Susan Wehry,	Geriatrics, Primary Care University of	Speaker of the House
MD	New England	
Julia Redding,	Family & Geriatric Medicine Maine	Speaker of the House
DO	Medical Partners	
Rhonda Selvin,	Family Medicine Groups Recover	Speaker of the House
FNP (alternate)	Together	

Advisory Council Members:

Bethany Beausang, Governor's Office;

Anne-Marie Toderico, PharmD, Pharmacy Director, Office of MaineCare Services; Kristy Gould, Maine Municipal Employee Health Trust;

Jennifer Kent, Maine Education Association Trust;

Kate Ende, Consumers for Affordable Health Care;

Jonathan French, Maine Department of Transportation;

Ryan Low, University of Maine System;

Christina Moylan, Assistant Attorney General;

Shonna Poulin-Gutierrez, Executive Director Maine Employee Health and Wellness;

Jenny Boyden, Department of Administrative & Financial Services.

SECTIONS

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- II. Administrative updates
- III. Collaborating with Prescription Drug Affordability Boards in Other States
- IV. Testimony and legislative engagement
- V. The future of MPDAB
- VI. Past recommendations of the MPDAB to the legislature

I. 2024 Overview

The MPDAB met six times during 2024 and held all meetings in a hybrid format after adopting a policy regarding virtual attendance in 2023. Topics covered by presentations and discussions during these meetings included:

- Supporting legislation to broaden the Boards charge and authority, including but not limited to LD 1829
- Ongoing discussions of both the 340B program in Maine and in other states
- Ongoing discussion of Upper Payment Limits, reference pricing, and the broader work of PDABs other states
- Discussion of the role of PBMs in the prescription drug supply chain and pricing issues
- Discussion of biologics, new weight loss drugs, and of potential savings from the use of biosimilar drugs. Included exploration of solutions in other states
- Discussion of Section 804 State Importation Programs
- Ongoing discussion of the Board's scope, authority, and mission.
- Updated the 10-year rolling average of Consumer Price Index (CPI) for medical services with most recent available data
- Discussion and presentation from Bureau of Insurance Superintendent Carey related to the prescription drug landscape in Maine and the authority of the Bureau

II. Administrative Updates

Effective May 2024, the Office of Affordable Health Care's assumed administration of the Board. This included but is not limited to providing public facing information, which from 2024 on will be housed on the OAHC website: maine.gov/OAHC.

Additionally, Dr. Noah Nesin has resigned as chair of the MPDAB, effective April 1, 2024. Governor Mills named Kelsie Snow, PharmD, as the new Chair, while Dr. Nesin continues as a member of the MPDAB. Dr. Snow presided as Chair over the remainder of 2024 meetings.

III. Collaborating with Prescription Drug Affordability Boards in Other States

The MPDAB continued to participate in monthly meetings of a multi-state Prescription Drug Affordability Board work group, convened by the National Academy for State Health Policy (NASHP). MPDAB member Sharon Treat, OAHC Executive Director Meg Garratt-Reed, and OAHC Policy Analyst Ceilidh Shea have attended on behalf of the MPDAB.

IV. Testimony and Legislative Engagement

In 2023, Noah Nesin presented testimony on <u>LD 1829</u>. The bill was carried over into the second session of the 131st Legislature, into 2024. Throughout the second session in 2024, the bill had three work sessions and was heavily amended.

The Board collaborated with the bill sponsor to present an amendment to change the MPDAB scope to study and provide recommendations on the broader drug market (as opposed to only public payers). The bill was also amended to require rulemaking on the implementation of upper payment limits, which significantly increased the fiscal note.

LD 1829 received a majority ought to pass report out of the Health Insurance, Coverage, and Financial Services committee and passed in both the House and Senate. However, the bill did not receive funding and died during session.

V. The Future of the MPDAB

The Maine Prescription Drug Affordability Board is committed to collaborating and working closely with the Office of Affordable Health Care and the legislature in the interests of the people of the State of Maine. Our original charge was to "to determine annual spending targets for prescription drugs purchased by Maine public payers based upon a 10-year rolling average of the medical care services component of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index medical care services index plus a reasonable percentage for inflation and minus a spending

target determined by the Board for pharmacy savings" (see <u>2022 Annual Report</u>) and to make other recommendations to the legislature.

The outcome of LD 1829 in the last legislative session has led to many in-depth conversations regarding the direction and goals of the Board. Although LD 1829 was not enacted, the MPDAB maintains a strong desire to continue to contribute to efforts to reduce pharmaceutical costs for health plans and individuals in Maine. In order to accomplish those goals, the Board endorsed draft legislative text that would broaden the MPDAB statute and require the Board to study and make detailed recommendations to the legislature for proposals to lower prescription drug costs. The Board is working with legislators to have the bill introduced during the 132nd Legislative session. Our aim is to work with the Legislature to broaden the scope of our work and to advocate for financial support to sufficiently staff the MPDAB, including through the establishment of two dedicated staff positions.

The burden of paying for increasingly costly prescription drugs --whether it falls on public programs, private employers, or family budgets— must be addressed, and we are enthusiastic about taking on more responsibility to do just that. However, to be successful, the MPDAB must be sufficiently staffed and funded to carry out affordability analyses and implement policies to rein in those costs. As we have urged in prior annual reports, we again ask the Legislature and Governor in the strongest possible terms to support both broader authority for the MPDAB and sufficient funding and staff to support that work.