


Responses to PDAB Public Payors Questionnaire

May 19th, 2025



Respondents

- Maine Education Association Benefits Trust
 - Maine Municipal Employees Health Trust
 - MaineCare
 - State Employee Health Plan
 - Maine Community College System included
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Roughly how many members do you cover? Is there anything about the covered population's health the PDAB should know?

Maine Education Association Benefits Trust	68,000 active school employees and their dependents and retirees
Maine Municipal Employees Health Trust	As of March 1, MMEHT covers 10,036 subscribers in its six health plans. With dependents, this represents 20,033 covered lives. There are 476 participating employers, which represent municipalities, counties and quasi-municipal groups distributed state-wide.
MaineCare	368,635
State Employee Health Plan	27,000. The population has a relatively high average age, and a relatively high rate of obesity.

What vendors are involved in administering your prescription drug benefit(s)? How are those vendors procured? When are the contracts scheduled for re-procurement?


Maine Education Association Benefits Trust	We are a fully insured group with Anthem and use their PBM, Carelon . We recently completed a RFP process and are in the first year of a three year agreement. We review the pharmacy pricing annually and have the ability to make pricing enhancements each year.
Maine Municipal Employees Health Trust	MMEHT is a non-profit, self-insured organization, structured as a Multiple Employer Welfare Arrangement (MEWA). We contract with Anthem Maine to provide third party administration services for the health plans, and their PBM CarelonRx provides pharmacy administration. The Trust engages Cross Employee Benefits as a Benefits Advisor , and they assisted with an RFP process for health and pharmacy TPA services in 2022. The current contract with Anthem/CarelonRx is for 2024 – 2026.
MaineCare	Change Healthcare Pharmacy Solutions, Inc.
State Employee Health Plan	SEHP health-related vendors are not procured through the State of Maine's standard procurement process; rather, they are selected by a competitive out-to-market bidding process managed by our consultants at Lockton. Anthem handles healthcare-administered (HCA) drugs, and Capital Rx is the SEHP's PBM, with both contracts on three-year terms that began on 07/01/2024.

Is your organization involved in designing the plan's formulary, or are formulary decisions made by a vendor?

Maine Education Association Benefits Trust	As a fully insured group, we rely on Carelon to make formulary decisions.
Maine Municipal Employees Health Trust	The Health Trust utilizes the CarelonRx Maine Four Tier National Drug List with their Enhanced Preventive list . Decisions about which drugs are to be included in the formulary, and their tier placement, are made by the pharmacy benefits manager.
MaineCare	We are involved in designing MaineCare's Preferred Drug List (PDL) .
State Employee Health Plan	The SEHP's current formulary is based on Capital Rx's "Liberty" formulary , which Capital Rx describes as "restrictive," with narrower access to drugs than an "open" formulary. The SEHP does, however, also has total control over any necessary customizations to Capital Rx's standard Liberty formulary.

Can you share information on historical spending on prescription drugs for the last five years?

Maine Education Association Benefits Trust	For the July 2023-June 2024 plan year, the prescription drug benefit accounted for 28% of our total plan spend. Our overall pharmacy trend was up 15.5% and for the July 2022 - June 2023 period the overall pharmacy trend was up 16.8%. In looking at our renewal for July 2025, we are looking at pharmacy trends going up another 13%.
Maine Municipal Employees Health Trust	Historical spending on prescription drugs for the last five years, measured by allowed charges, has increased in the MMEHT plan on average by 14.3% per annum . This is prior to rebates which have increased over the same period. In the most recent year the increase was a bit lower at 9.7%.
MaineCare	N/A
State Employee Health Plan	2021-2022 was approximately \$44.1M , 2022-2023 was \$46.7M , 2023-2024 was \$49.5M , 2024-2025 projected at \$55.6M .



In looking at historical spending, are there any drivers you have identified in your data (e.g. utilization changes, introduction of new drugs to market)?

Maine Education Association Benefits Trust	Drug mix was the most significant trend driver increasing plan costs PMPM by 21.7% for the July, 2023 - June 2024 plan year. Specialty medications accounted for 56.3% of total Rx plan costs.
Maine Municipal Employees Health Trust	We have found that over the same period of the last five years, utilization measured by the number of scripts has increased by 2.2% per annum but pricing and product mix (including new drug protocols) has increased the spending by 11.9% per annum . This indicates that key cost drivers were not utilization, but price and product mix due to new Rx protocols, including GLP1s, psoriasis care and other auto-immune conditions .
MaineCare	Introduction of new drugs.
State Employee Health Plan	Rx spending is relatively high for chronic conditions, especially cancer and diabetes , with GLP-1 spending increasing dramatically.

Is your organization utilizing any strategies to contain prescription drug costs?

Maine Education Association Benefits Trust	We follow Anthem's standard edits which include prior auth, quantity limits and step therapy edits, etc. We have a four-tier pharmacy copay structure and we are increasing those copays in July.
Maine Municipal Employees Health Trust	The Health Trust works with our third party administrator to use a number of strategies to contain prescription drug costs. These include prior authorizations, step therapy, and voluntary site of care redirection to ensure that members are receiving appropriate medications, administered at lower cost, quality providers if appropriate. The Trust also has a program which dispenses a “split” (partial) fill of some new specialty medications , especially those with high discontinuation rates, to reduce waste and potential costs. A mail order program, with incentives , is available, and we offer assistance through our in-house call center to assist members with finding and enrolling in manufacturer “coupon” and other savings programs. We also incentivize utilization of highly proven, typically lower-cost, preventive medications , by assessing no or very low costs shares through an enhanced preventive tier.
MaineCare	N/A
State Employee Health Plan	Capital Rx's Liberty formulary is intended by design to be relatively "restrictive" in an effort to contain Rx costs. Our plan's co-pay structure has successfully incentivized generic drugs, resulting in higher-than-average generic utilization . We are adopting a new strategy in the coming 2025-2026 plan year to take advantage of biosimilar pricing .

In prior years, the PDAB has recommended several strategies with the potential to lower drug costs. Do you have any feedback you would like to share about those recommendations, or other policies that have been discussed in subsequent PDAB meetings?

Maine Education Association Benefits Trust	Each plan is unique, and each plan has its proprietary contract provisions. There is no one strategy fits all and what may work in the small group/individual market, may not work in the large group market. Also, what works for the SOM may be different from what works for MMEHT, vs. what works for the MEABT. I think where the PDAB can be most useful is in providing recommendations, not mandates, on different strategies to contain pharmacy costs.
Maine Municipal Employees Health Trust	As a participant on the Advisory Council, we have followed closely the PDAB's recommendations and reports, though not all strategies recommended would work well for our organization at this time. The Health Trust reviewed our formularies and was pleased to see that there was little to no use of the drugs on the "wasteful spending" list as recommended in the PDAB's 2021 report. We also negotiated a 100% pass through of all rebates collected through the pharmacy benefit from our current PBM, though increasing transparency is a continued challenge. We support the PDAB's recommendations to increase transparency and accountability of the 340B program, and share the concerns raised with the challenge of assessing spending targets, as identified in the 2022 annual report.
MaineCare	N/A
State Employee Health Plan	N/A

Is there any new authority or flexibility that you believe would be helpful to you in containing prescription drug costs for your plan?

Maine Education Association Benefits Trust	I think LD697 as written provides this new authority and flexibility.
Maine Municipal Employees Health Trust	The Trust believes that it is important to maintain needed flexibility, reduce mandates that increase costs, and increase auditing rights . Medicare-negotiated pricing of common drugs is not currently accessible to commercial purchasers. Each year Medicare will add to the list of negotiated drugs. We have concerns that manufacturers and PBMs will shift costs to commercial employers and plan sponsors to offset their lost revenue, such as we already observe on the medical side of the business. We also support efforts to increase PBM transparency . As rebates have become an increasingly important resource, it would be helpful to have a uniform definition of what does or does not constitute a rebate so that there is consistency and clarity on rebate offsets to AWP pricing. It is also important that plan sponsors are allowed to use rebates to offset plan costs for all members, if rebates remain a crucial piece to financing pharmaceutical costs.
MaineCare	N/A
State Employee Health Plan	N/A

Are there any observations you would like to share about affordability barriers for your members? Particularly any information about cost of drugs leading to problems with filling prescriptions?

Maine Education Association Benefits Trust	The cost of specialty medications is what is driving trend increases . It's tough to balance appropriate member cost shares that don't impact member medication compliance.
Maine Municipal Employees Health Trust	The MMEHT Board of Trustees is committed to maintaining affordability for our members, both in premium costs and in limiting members' cost sharing, to maintain affordability and continued adherence to maintenance medications. This has become more challenging as prescription costs have escalated dramatically in recent years. The Trustees voted to maintain a more-manageable copay structure but were forced to increase cost sharing across all prescription tiers for 2025 due to high Rx trend . MMEHT is unique in that we provide our own Member Services through an in-house call center staffed with experienced Maine Municipal Association employees. We regularly hear directly from employees and retirees who are forced to make decisions about paying for prescribed medications or other household essentials.
MaineCare	N/A
State Employee Health Plan	Our plan is under increasing cost pressure, with the biggest challenge being the statutory cap on our ability to raise rates (Consumer Price Index plus 3% annually).

In light of the new fiduciary duty requirements passed in the Consolidated Appropriations Act of 2021, how are you approaching transparency with your contracted PBMs and ensuring they are only paying fair and reasonable prices?

Maine Education Association Benefits Trust	As a fully insured group, we are working with our legal counsel and advisors to ensure we are taking all necessary steps in meeting our fiduciary responsibilities.
Maine Municipal Employees Health Trust	The Health Trust ensures compliance by reviewing reporting from the third party administrator and with regular claims auditing by an accounting firm of the Trust's selection. MMEHT does a competitive bid process for PBM services every 3-5 years. We also have in our contracts a clause which allows for a market check review no less than every 18 months.
MaineCare	N/A
State Employee Health Plan	We are generally pleased with our decision to contract with Capital Rx effective 07/01/2024, as recommended by our trusted partners at the Healthcare Purchaser Alliance as well as our consultants at Lockton. (Capital Rx is considered a relatively "transparent" PBM, with "pass-through" rebates and no spread pricing.)



Discussion and Questions

Thank you to our public payors for their participation!

Federal Prescription Drug Updates

- The Trump administration has issued Executive Orders (EOs) on the following, related to drug pricing:
 - Medicare Drug Price Negotiation
 - Medicare Payment Models
 - 340B
 - Medicaid
 - PBMs
 - Drug Approvals
 - Drug Importation
 - Site Neutrality for Clinician-Administered Drugs
 - Anticompetitive Behavior
 - Most Favored Nation Rx Drug Pricing



Highlights from Recent EOs

- **E.O.14273 – Lowering Drug Prices by Once Again Putting Americans First**
 - Issued April 15, 2025
- **E.O. 14297 – Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients**
 - Issued May 12, 2025

Lowering Drug Prices by Once Again Putting Americans First

Section	Actions
Section 3: Improving upon the Inflation Reduction Act	<p>Seek guidance for the Medicare Drug Price Negotiation Program for its first year in 2028 and manufacturer compliance with maximum fair prices in 2026, 2027, and 2028.</p> <ul style="list-style-type: none">• Improve transparency of the program• Prioritize the selection of prescription drugs with high costs to the Medicare program• Minimize any negative impacts on pharmaceutical innovation
	<p>Provide recommendations to the President on how best to stabilize and reduce Medicare Part D premiums</p>
	<p>Work with Congress to fix the IRA’s small molecule "pill penalty“</p>

Lowering Drug Prices by Once Again Putting Americans First

Section	Actions
Section 4: Reducing the Prices of High-Cost Drugs for Seniors	Develop and implement a payment model to improve Medicare’s ability to obtain “better value” for high-cost prescription drugs and biological products covered by the program (including those not subject to the Medicare Drug Price Negotiation Program)
Section 5: Appropriately Accounting for Acquisition Costs of Drugs in Medicare	<ul style="list-style-type: none">• Conduct a survey to determine the hospital acquisition cost for covered outpatient drugs at hospital outpatient departments• Based on results, consider and propose any appropriate adjustments that would align Medicare payment with the actual cost of acquisition
Section 6: Promoting Innovation, Value, and Enhanced Oversight in Medicaid Drug Payment	<ul style="list-style-type: none">• Recommendations to the President on how best to ensure that manufacturers pay accurate Medicaid drug rebates• Promote innovation in Medicaid drug payment methodologies• Link payments for drugs to the value obtained• Support States in managing drug spending

Lowering Drug Prices by Once Again Putting Americans First

Section	Action
Section 7: Access to Affordable Life-Saving Medications	<p>Take action to ensure future grants to health centers are based on whether they make insulin and injectable epinephrine available at or below the discounted price paid by the health center under 340B to low incomes patients, who:</p> <ul style="list-style-type: none">• Have a high cost-sharing requirement for insulin or injectable epinephrine• Have a high unmet deductible• Are uninsured
Section 8: Reevaluating the Role of Middlemen	<p>Provide recommendations to the President on how to promote a more competitive, efficient, transparent, and resilient pharmaceutical value chain</p>
Section 9: Accelerating Competition for High-Cost Prescription Drugs	<p>Issue a report providing recommendations to:</p> <ul style="list-style-type: none">• Accelerate approval of generics, biosimilars, etc.• Improve the process for prescription drugs to be reclassified as OTC meds (including recommendations to identify prescription drugs that can be safely provided to patients over the counter)

Lowering Drug Prices by Once Again Putting Americans First

Section	Action
Section 10: Increasing Prescription Drug Importation to Lower Prices	Streamline and improve the Importation Program to make it easier for States to obtain approval without sacrificing safety or quality
Section 11: Reducing Costly Care for Seniors	Propose regulations to ensure that Medicare payments are not encouraging a shift in drug administration volume, away from less costly physician office settings to more expensive hospital outpatient departments
Section 12: Improving Transparency into Pharmacy Benefit Manager Fee Disclosure	Propose regulations to improve employer health plan fiduciary transparency into the direct and indirect compensation received by PBMs
Section 13: Combating Anti-Competitive Behavior by Prescription Drug Manufacturers	Hold public listening sessions and issue a report with recommendations to reduce anti-competitive behavior from pharmaceutical manufacturers

Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients

Section	Action
Section 4: Enabling Direct-to-Consumer Sales to American Patients at the Most-Favored-Nation Price	Facilitate direct-to-consumer purchasing programs for pharmaceutical manufacturers that sell their products to American patients at the most-favored-nation price
Sec 5: Establishing Most-Favored-Nation Pricing	<p>Communicate most-favored-nation price targets to pharmaceutical manufacturers to bring prices in line with comparably developed nations</p> <p>If significant progress towards most-favored-nation pricing is not delivered:</p> <ul style="list-style-type: none">• Propose a rulemaking plan to impose most-favored-nation pricing• Identify situations when waivers can be consistently granted to import prescription drugs on a case-by-case basis from developed nations with low-cost prescription drugs• Take enforcement action against any anti-competitive practices

Legislative Update

- **LD 697** (PDAB Legislation) – awaiting votes in House and Senate
- **LD 1053**, An Act to Ensure That Rebates from Prescription Drug Manufacturers Are Passed on to Patients at Pharmacies – ONTP out of HCIFS, dead in Senate
- **LD 1580**, An Act to Prohibit Pharmacy Benefits Managers from Imposing Certain Fees and Pricing – OTP-AM out of HCIFS
- **LD 627**, An Act to Require Insurance Coverage for Glucagon-like Peptide-1 Receptor Agonist Medication – ONTP out of HCIFS, dead in Senate
- **LD 480**, An Act to Support Healthy Weight by Providing MaineCare Coverage for Certain Weight Loss Medications – ONTP out of HHS, dead in Senate
- **LD 180**, An Act Regarding the Interactions of Pharmacy Benefits Managers and So-called 340B Entities and Reimbursements by Pharmacy Benefits Managers to Pharmacies – OTP-AM out of HCIFS
- **LD 1018**, An Act Regarding the Interactions of Pharmacy Benefits Managers and So-called 340B Entities and Reimbursements by Pharmacy Benefits Managers to Pharmacies – OTP-AM out of HCIFS