

Maine Prescription Drug Affordability Board

Monday, March 23rd @ 10:30 am

Microsoft TEAMS Meeting

In Person Location: 109 Capitol St, Augusta Maine, 04330

Board Members in Attendance: Kelsie Snow, Jennifer Reck, Lisa Nolan, Sharon Treat, Rhonda Selvin, Susan Wehry, Karynlee Harrington
(Total = 7)

Board Members Absent: Noah Nesin

Vacant Seat(s): 1

Others Present: Pamela Stutch, Jim Jones

Advisory Council: Kate Ende, Jonathan French, Christina Moylan, Jennifer Kent, Dan Mickool, Robert Payne, Shonna Poulin-Gutierrez

OAHC: Meg Garratt-Reed, Ceilidh Shea, Katherine Senechal

All Others: Evelyn Pereira, Kristine Ossenfort, Sergio Mayorga, Rachel Perkins, Jenna Doerr, David Large, Joesph Oros, Rosewell Cole, Kelly Memphis, Anthony Madorma, Cody Austin, Olivia Backhaus, Suhanee Patel, Stasha Parker, Rachel Cottle Latham, Jim Marnie, Cody Hill, Zach Lynkiewicz, Rose Kesselman, Charlie Sewell

Agenda Item:	Discussion:	Action/Next Steps:
I. Call to Order	Meg Garratt-Reed called the meeting to order.	
II. Introductions	Board members were introduced.	
III. Approval of the Minutes (February 23rd, 2026)	There were changes to the minutes discussed. Lisa Nolan asked that a correction be made on page eight, noting that the reference to her testimony on LD 1580 should be replaced with a reference to all testimony submitted on LD 1580.	Sharon Treat made a motion to approve the minutes with the change included. Susan Wehry seconded the motion.
IV. Administrative Update	Ceilidh Shea said this meeting is the second of two MPDAB meetings dedicated to the topic of PBMs. As a reminder, the previous meeting covered existing PBM regulations in Maine, with Board members requesting additional information on enforcement of existing provisions. She said that Board members also expressed interest in discussing rural pharmacy closures, DIR clawbacks, and vertical consolidation. Ceilidh Shea said that previously, the Office has used a National Academy for State Health Policy (NASHP) legislation tracker to level set and categorize PBM related legislation in Maine. Using the legislation represented in	

that tracker, the plan is to share more information related to enforcement of each provision.

Ceilidh Shea said that given the specific interest in other states enforcement mechanisms, the first slide focuses on the PBM enforcement unit within the Attorney General's Office in Oklahoma. She said that the unit, established in 2023, focuses primarily on enforcement of the Patients' Rights to Pharmacy Choice Act and the Pharmacy Audit Integrity Act. The unit is comprised of fourteen full time employees. Ceilidh Shea said it seems like they have mostly been focused on restitution. For example, the unit secured a settlement exceeding \$32 million from CVS Caremark after determining that the PBM withheld rebates that should have been passed through to through to the state employee health plan. They also issued a cease-and-desist letter to OptumRx following reports that the PBM engaged in illegal retroactive reimbursement clawbacks. She said there was also another settlement with CVS Caremark to resolve all allegations that the PBM paid Oklahoma pharmacies less than what the medications actually cost. These are just three examples. As a reminder, the enforcement authority is housed within the Attorney General's office, so mechanisms available to them are different than those you might find in the Bureau of Insurance or other state agencies. She said that it is also important to note that fourteen full time employees is a robust team.

Lisa Nolan asked whether Ceilidh Shea knew how Oklahoma was funding this enforcement unit. She said that sometimes when these kinds of enforcement activities are undertaken at the state level, their cost is passed through to the entities being overseen.

Ceilidh Shea said she did not know, but assumed staffing is funded through general fund dollars in addition to fees levied on units being investigated. She said she would follow up to confirm with more information.

Sharon Treat said she did not want to assume the answer and that she would like to know for sure about how that enforcement unit is funded. She also expressed an interest in learning more about how much they have recovered since the unit was set up. In some states, including in Maine, there is often the opportunity to offset the cost of a fiscal note with significant recoveries that go well beyond the cost of a couple employees. Sharon Treat said it would be helpful to learn more about this and to even have someone from Oklahoma come to present to the

Board. She said there are also other states doing this, maybe not to the same degree, but it would be nice to know what other models are out there.

Ceilidh Shea said she would come back with more information. She said she chose to highlight Oklahoma because it has been mentioned multiple times throughout other meetings and is one of the states leading this work, but she would be happy to think more about different models and their funding.

Ceilidh Shea said that moving on to Maine, the Office will review existing regulations and enforcement mechanisms. She said that Pam Stutch, Staff Attorney with the Bureau of Insurance (BOI), is present to field any questions related to the BOI's oversight and authority. The first law, LD 1504 passed in 2019, requires PBMs obtain a license to operate in the state from the BOI and establishes that PBMs have a fiduciary duty to the carrier(s) they contract with. The authority to enforce these provisions lie with the BOI. PBMS are subject to a fine for any day or the period of violation for failure to obtain a license and then suspension of a license, revoking a license, or placing a license on probation, which would likely come out of a PBM engaging in illegal behavior. It could also stem from the Superintendent receiving consumer complaints that again justify action.

Ceilidh Shea said that also included in that 2019 law are provisions that require carriers to pass on what they receive in rebates to either lower premiums or out-of-pocket costs. Carriers are also requires to report annually to the BOI on how they make use of compensation from manufacturers to benefit members. Secondly, PBMs are also prohibited from including clauses in their contracts that prohibit pharmacists from sharing information with patients about cost sharing or the potential availability of lower cost alternatives. Ceilidh Shea said that enforcement of the provisions related to pass through of rebates, requires that carriers file an annual report with the BOI demonstrating how they have complied with the section. There is no specific enforcement mechanism tied to the gag clause provision.

Ceilidh Shea said that LD 1783, passed in 2022, requires that all payments made by patients or on behalf of patients be counted towards their overall out of pocket maximum or deductible. There are no explicit enforcement mechanisms tied to this provision, but given it exists within Chapter 56-C, the provision is primarily

enforced through the BOI's broad regulation of carriers and PBMs. This might look like rate review, insurance regulation, or administrative oversight.

Ceilidh Shea said there are a few bills focused on data collection which essentially require submission of various data elements to MHDO and the BOI. These duties are carried out by those entities.

Ceilidh Shea said that LD 1906, passed in 2025, requires PBMs to allow employers to perform a post payment audit of all claims at least once a year and requires that PBMs provide data specifically related to rebate amounts, prescription drug and device claims received by the PBM and then on any other revenue and fees derived by the PBM from the contract specifically. Enforcement of this provision lies with the Attorney General, and any violations are subject to enforcement under the Maine Unfair Trade Practices Act. That might look like injunction, restitution, civil penalties, etc.

Ceilidh Shea said that another provision of LD 1504 requires the use of a single maximum allowable cost list to avoid the practice of spread pricing. For enforcement, this specific provision requires that a carrier or a PBM provide a reasonable appeal procedure, including the right to appeal at least two weeks following the filing of a claim to allow contracted pharmacies to challenge a maximum allowable cost for a specific drug. If the appeal is upheld, the carrier or PBM has to make appropriate adjustments and rebill the claim in question. If the appeal is denied, there is no rebilling. Ceilidh Shea said that LD 1580 passed in 2025, outright bans the practice of spread pricing by prohibiting a carrier or PBM from entering into a contract with another person involving spread pricing in the state. The authority for this provision lies with the BOI, requiring that carriers or PBMs annually certify that they have complied with the requirements of the section. The certification must be signed by the CEO or CFO. A violation is subject to enforcement by the Superintendent under Section 12-A, which mostly includes civil penalties.

Ceilidh Shea said the next set of regulations to review are related to protections for pharmacies. LD 180, which passed in 2025, prohibits a PBM from reimbursing a non-affiliated pharmacy in an amount less than they would have reimbursed an affiliated pharmacy, in an attempt, in some part, to disrupt the effects of vertical consolidation. This bill does not have explicitly enforcement mechanisms tied to it, but because it exists within Chapter 56-C, it is primarily enforced through rate

review, insurance regulation, and administrative oversight. Ceilidh Shea said that a 340B related bill that the Board may be more familiar with, ended up being passed as part of the 2025 Budget. The bill prohibits PBMs from reimbursing 340B entities at rates lower than they pay for the same drug at non-340B entities. Similar to LD 1906, this legislation is subject to the Maine Unfair Trade Practices Act, which could look like restitution, injunctive relief, and civil penalties.

Ceilidh Shea said that LD 1928, passed in 2020, prohibits clawbacks on clean claims. This is housed within Chapter 56-A, but again, enforcement primarily lies with the BOI through broad insurance regulation. While there are no explicit mechanisms tied to this section, enforcement under 56-A could look like rate review or administrative oversight.

Ceilidh Shea said that concluded the review of enforcement mechanisms. She said there are three other PBM related categories or topics to discuss, although more briefly. Ceilidh Shea said that the Board had expressed interest in learning more about vertical consolidation. She said major companies like CVS Health, UnitedHealth, and Cigna now control large parts of PBM, insurance, and pharmacy markets. This has generally raised a lot of concern about their control over access to prescription drugs and the cost that consumers end up paying or employers end up paying. She said what is particularly striking is that the three largest PBM's, which again are CVS Caremark, Express Scripts and Optum RX process roughly 80% of all prescriptions in the United States, which definitely points to a very high level of consolidation within the PBM market.

Ceilidh Shea said that there are some examples of work in other states to get at this issue. Arkansas passed a bill last year to outright ban PBM's from owning or operating retail or mail order pharmacies in the state, though that law is in a bit of a holding pattern. There is a preliminary injunction on Act 624, so we will continue to keep an eye on it. She said that while Arkansas is the only state to have passed a full ownership ban, there are quite a few states that have debated or introduced similar legislation, including Arizona, Indiana, New York, Tennessee, Iowa and Louisiana. Ceilidh Shea said that one last state of note is Pennsylvania, which passed a bill in 2024 that prohibits PBM from forcing patients to use mail order or PBM affiliated pharmacies. While it is somewhat similar to the Arkansas bill, it's a bit scaled back and isn't an outright ban on ownership in the state.

Ceilidh Shea highlighted a visual created by the FTC, which illustrates

consolidation in the PBM space and the prevalence of conglomerates who operate both mail order and retail pharmacies.

Ceilidh Shea moved on to DIR clawbacks. She said that as a reminder, DIR clawbacks are retroactive payments that PBMs end up collecting from pharmacies after prescriptions are filled. They can significantly reduce reimbursement and create quite a bit of uncertainty for independent pharmacies. Oftentimes they obscure the true cost of a medication. And while some of that is related to rebates, she said she thinks a lot of it now is justified by PBMs as related to performance based adjustments or risk management tools, although many feel like they are just obstructive. In Maine, as previously reviewed PBMs are prohibited from retroactively reducing payment on a clean claim after the point of sale. Ceilidh Shea said that this is the most common state based approach based on her research. While Maine doesn't publish a stand alone clawback report for the public, PBM reporting requirements and data access and audit rights can give plan sponsors and state entities visibility into the way that those finances are flowing, including potentially how clawback activity impacts bottom lines for pharmacies.

Ceilidh Shea said that independent pharmacy access and rural pharmacy closure was also a point of discussion during the last Board meeting. She said there is not a lot of concrete information on this issue, but in Maine, independent pharmacies have been facing high closure rates, sometimes creating pharmacy deserts. How a pharmacy desert is defined can vary, but she said she has seen some definitions point to someone having to drive 15 minutes or more to their closest pharmacy. She said she has also seen a 10 mile metric used. She said many closures have been linked to low reimbursement rates and retroactive PBM fees, which can end up squeezing margins specifically for independent pharmacies. Kentucky, Iowa, and Alabama have all enacted laws that require PBMs to reimburse pharmacies, or to specifically reimburse independent pharmacies, at rates tied to actual acquisition costs, such as NADAC or Medicaid rates. Ceilidh Shea said that LD 180, which passed in 2025, originally included language to tie reimbursement rates to NADAC, however the final version did not end up including that language, though the bill as passed into law does prohibit a PBM from reimbursing a non-affiliated pharmacy in an amount less than they would reimburse an affiliate, in an attempt to disrupt some of the issues that come with steering patients to affiliated pharmacies.

Ceilidh Shea said that between 2010 and 2021, all but one Maine county experienced pharmacy closure rates at above 20% and many more rural counties saw closure rates approaching 40%. She said that for context, the national average of closures during this time was almost 30%. Ceilidh Shea said she found a Maine Monitor analysis of state pharmacy licensing data from 2023 that found a 10th of Maine pharmacies closed between 2013 and 2024. A 2021 analysis by Good Rx found that in every Maine county except Cumberland, York and Sagadahoc, so every Maine county except for three, at least a third of residents live more than a 15 minute drive from the closest pharmacy, which by some definitions does constitute a pharmacy desert. Notably, in Washington county, 84% of residents live over 15 minutes from their closest pharmacy.

Ceilidh Shea shared a visual from Health Affairs, displaying pharmacy closure rates by county in each state, revealing that in Maine, particularly in the northern most counties, closure rates were up to 40% in the 2010 to 2021 time period represented. Ceilidh Shea shared another visual from Health Affairs, illustrating that most counties in Maine experienced a net loss of pharmacies over the 11 year period from 2010 to 2021. While there were some counties with a stable number of pharmacies or even an increase in the number of pharmacies, overwhelmingly, countries in Maine, particularly in northern areas of the states, experienced a net loss.

Ceilidh Shea said that concludes the staff presentation on enforcement mechanisms, vertical consolidation, clawbacks, and rural pharmacy access. She said the office wanted to ensure there was plenty of time for discussion or questions for the Bureau of Insurance.

Sharon Treat said this puts a lot on the shoulders of the Bureau of Insurance. She said there is a licensing fee that goes into the funding, but that she would like to understand the funding mechanisms for enforcement of PBM related statutes and whether the Bureau has any specific investigatory staff or whether processes are heavily dependent on consumer complaints.

Pam Stutch said that the Bureau does not have special staff relegated to investigate PBM issues the way it would if they got a complaint or if their consumer healthcare division staff would investigate. She said if there were trends, they would ask their market conduct division to investigate.

Susan Wehry asked who is able to request that the Bureau conduct an investigation. She asked whether the Bureau can request that the market conduct division investigate if there is an observed trend, for example, particularly when there are not consumer complaints. Susan Wehry also asked about when civil penalties are applied, where they end up. Do they go to the general fund or a quality improvement fund, for example?

Pam Stutch said she would get back to the Board with information on exactly where the civil penalties go, but to answer the other questions, there has to be reasonable cause for the Bureau to do a market conduct examination or even an inquiry, pursuant to Title 24A section 220. Unlike health insurers, who are statutorily required to be examined every five years, there are no such provisions for PBMs in the Maine statute.

Jennifer Reck thanked Meg Garratt-Reed and Ceilidh Shea for the presentation today and Pam Stutch for joining the meeting. She asked Pam Stutch how the enforcement is going from her perspective. She asked, for example, whether Pam Stutch is able to shed any light on the number of consumer complaints they receive.

Pam Stutch said that consumer complaints are confidential by statute but that it is certainly not an overwhelming part of what the Bureau does in terms of investigations. She said that one thing she can point to is that the Bureau licenses PBMs and if they find that a PBM is operating in Maine without a license, they can conduct enforcement actions. Pam Stutch said that on the Bureau's website, they recently posted a consent agreement that they reached with a PBM regarding unlicensed activity.

Jennifer Reck raised interest in the annual report that goes to the Bureau on rebate pass through. She asked how that process is going and what the Bureau has learned, if anything, from that reporting.

Pam Stutch said that a few years ago that report was beefed up to ask more questions and that those reports are publicly available. She said she does not know if they have concluded any specific trends. Most carriers decide not to pass through rebates to the consumer at the point of sale but rather reinvest in their plan structure to lower premiums.

Lisa Nolan thanked Ceilidh Shea for the presentation and materials provided. She asked Pam Stutch whether employers can also file complaints given consumers probably aren't able to tell what spread pricing is or whether it's present.

Pam Stutch said that the Bureau does not touch self funded plans but that there is a pathway for fully insured plans/employers to reach out with complaints.

Lisa Nolan asked whether there is a mechanism to forward complaints to the Department of Labor for ERISA violations should the Bureau identify a pattern.

Pam Stutch said she would have to take that question back but that she is almost positive they have not seen that kind of pattern so far.

Lisa Nolan asked whether the five year review of carriers includes a round up of consumer complaints received over the five year period.

Pam Stutch responded yes.

Lisa Nolan asked whether a similar mechanism/review for PBMs would be a place to potentially look at non-compliance.

Pam Stutch said that in terms of the market conduct examinations for carriers, the Bureau generally decides which areas to focus on based on complaints received. So, complaints are very useful, and the Bureau can of course initiate investigations based on complaints outside of the five year conduct examinations. She said that again, that five year market conduct examination does not exist for PBMs so for that kind of oversight to be generated, there needs to be cause to go in and look at a PBM specifically.

Sharon Treat said she can't imagine more than one percent of consumers who would have an awareness of PBMs and be able to tie that to a complaint so the idea of having a complaint process to initiate review as opposed to having the five year review seems pretty deficient. She said that as follow up to the question about rebate pass through, she is wondering whether the Bureau actually looks to see whether rebates are in fact being used to bring down premiums given most carriers decide not to remit them at the point of sale. She asked whether there is any kind of independent review of that.

Pam Stutch said that carriers are the ones doing the reporting to the Bureau through their PBMs. She said that in the report, the Bureau asks if rebates were to be passed on to consumers directly at the point of sale, whether that would impact premiums. She said those numbers are there, the percentages are there. All of the carriers have said yes, it would impact premiums.

Sharon Treat asked whether there is any follow up to carriers attesting to the fact that yes, pass through would lower premiums. Is there anybody independently determining what that means or the extent to whether it is true?

Pam Stutch said that if the Bureau receives numbers from carriers that don't add up, they question those numbers, but they are not going in and asking for records independently.

Meg Garratt-Reed said that she has spent a fair amount of time in rate filings and while she is far from the expertise of Bureau staff, the URRT or uniform rate review template does include fields for things like rebates for pharmacy. Perhaps this is more of a question for the actuaries at the Bureau, but there does seem to be, in the form of rate review, there is a lot of scrutiny about carrier reported trend on prior spending and estimates of trend that would include consideration of the role of rebates.

Pam Stutch agreed and noted that prescription drug price would be reflected in premiums.

Lisa Nolan said that her organization looks independently at their members claims data and there have been a couple of bills over the past few years that would tweak that law to have all rebates remitted at point of sale rather than used to defer premiums. In looking at premiums and tracking aggregate rebate dollars, there would have been a very appreciable hit on overall premiums. She said she thought it was somewhere in the 10 to 12 percent range, not just on Rx, but on total premiums. She said they have access to those claims for their members and the impact would have been significant, so you could turn that around and realize that those dollars are currently being used to reduce premiums.

Sharon Treat said that she has been struck by the fact that every single year since 2019 or even before that, there's been multiple bills introduced to the legislature and it almost feels like complaints are going to the legislature as opposed to the Bureau or Attorney General's Office. She said she is trying to

figure out if Maine lacks the underlying structure in our laws that set the rules and how much of it is how unclear enforcement can be. She said part of the PDAB's job is to think about what's working in terms of laws and regulations and whether, based on the landscape in Maine, we need more coordination between the Bureau and AG, perhaps.

Pam Stutch said she is not in a position to comment on policy decisions. She said if the legislature passes a bill, the Bureau follows it but they have not proposed legislation related to PBMs and the Bureau does not necessarily see that as their role.

Meg Garratt-Reed said she would be somewhat surprised if legislation around this was origination from a constituent coming to a legislator to discuss this. She said she thinks there is always interest in what can be done at a high level to control health care costs and this is an area a lot of other states have worked on. She said there was been federal level action on the notion of spread pricing and that she recognizes that even in the states a lot of work has been done to find the connection between regulation and the consumer out of pocket spending level, which can be very challenging. She said that overall, she assumes a lot of the work originates from interest in globally controlling health care spending, including pharmacy spend, rather than specific or nuanced feedback about particular PBM practices in the state.

Jonathan French said that he is curious as to whether any complaints have been filed related to LD 180 and LD 1928, because it seems like those two pieces of legislation were put in to address issues with independent pharmacies and trying to protect reimbursement. He asked how those laws were being enforced and if they are not, suggested that the Board may want to propose some possible changes to legislation or recommend possible changes around those particular items because it seems like besides the staffing issue, the issue of reimbursement to independent pharmacies is a big reason they are closing.

Pam Stutch said that the Bureau would investigate if there was reasonable cause to investigate, but absent that, there is no requirement that they perform investigations of PBMs absent reasonable cause. She also shared that the Bureau's market conduct staff is not specifically relegated to investigating PBMs. There are three people in market conduct and they basically deal with all types of insurances and all types of examinations.

Jonathan Frech said the recommendation could then be to increase staffing at the Bureau to create a small enforcement unit.

Meg Garratt-Reed said LD 180 is a particularly recent bill, passing in 2025, perhaps we could circle back with the Maine Board of Pharmacy to see if there are folks on that side that could provide more insight into whether they've seen any changes as a result of the bill.

Jonathan French said that even if the independent pharmacies are aware of their capability to take action, there could still be a discrepancy there.

Susan Wehry asked whether there is a legal standard for reasonable cause.

Pam Stutch said she would read directly from the Bureau's statute, stating that in addition to examinations and investigations expressly authorized, the Superintendent may conduct investigations on insurance matters the Superintendent considers proper upon reasonable cause to determine whether any person has violated this title. She said in that statute, there is no definition of reasonable cause, but certainly there would have to be cause for them to be made aware of an issue.

Susan Wehry said these complaints are likely not going to come from consumers, it is hard enough as it is to keep up with all this information as Board members, so maybe some of the advocacy groups could complain as opposed to individuals? There are things the consumer advocacy groups are made aware of through the press or consumers themselves.

Pam Stutch said that to do an investigation, the Bureau need specifics.

Susan Wehry said that makes sense, but for examples, if you live in rural Maine and you are aware that you have lost hospitals, rural nursing homes, and pharmacies, and are aware that there is a failure of the system, could an advocacy group raise the issue is they brought along data?

Pam Stutch said that while she recognizes issues in the larger health system and how problematic they are, the Bureau needs specifics. They have just three

people on their staff and she also realizes that PBM issues are extremely complex. That is why she alluded to the vendors the Bureau uses.

Karynlee Harrington said that listening to this conversation makes her think of when MHDO first got involved in the collection of pharmacy data and the requirements to create an annual report on pricing component data. Essentially it is really about transparency. She said as she listens to this conversation, she thinks one of the most important things is building a data infrastructure to support what we know. Waiting for someone to complain about something they may or may not understand isn't necessarily the most effective way to measure whether something is or is not occurring. She said MHDO is in the process of making some proposed rule changes that would impact some of the prescription drug data that they collect. She said that one of the things that they do not include as an indicator, but thinks that they should, is whether or not the prescription is being filled at an affiliated provider pharmacy. Once they have that data they can start including it in their annual report, including data about what the difference is, if there is one, in the reimbursement at an affiliated versus non-affiliated for the same drug. Karynlee Harrington said that joining the Board will hopefully help create a more actionable annual report. It has data elements this group is interested in but also maybe helps support some of MHDO's colleagues at the Bureau or AG's office. She said it would be great to have this group take a look at the proposed changes from MHDO and if the Board agrees, there is an opportunity to provide testimony in support at the upcoming public hearing on April 2nd.

Meg Garratt-Reed said that the Board had previously been wondering about whether there was any data on affiliated versus non-affiliated. If that is something the Board is willing to consider, that would be great. Meg Garratt-Reed said that the Board could talk more today about comments or the Office could circulate a draft on behalf of the Board.

Pam Stutch added that, in relation to the previous conversation, if the Bureau doesn't get any complaints, they still get notice of administrative action from other states so they do take a look at that and consider it.

Lisa Nolan said, in response to Karynlee Harrington, that the Board has heard of a practice where certain drugs are reimbursed at mail order or specialty or affiliated pharmacies, drugs that might help some of the independent pharmacies stay

a float. They are not allowed to dispense those drugs because contracts are drafted in a way that have them funded specifically through mail order, specialty, or affiliated pharmacies. It would be interesting to see the delta, in data, between those different places given some drugs can never flow through those independent pharmacies.

Karynlee Harrington said one of the proposed rule changes includes an indication of mail order versus retail, given you can't always tell from the name of the pharmacy.

Kelsie Snow said that to be a mail order pharmacy you have to be located out of the state so that could be an indicator as well. There have been times as a pharmacist, that she could absolutely reduce the patients out of pocket costs if they were allowed to fill with her, but they were prohibited by their PBM.

Meg Garratt-Reed said she is also curious to learn about whether some of these restrictions interact with any willing pharmacy requirements.

Pam Stutch said that to answer a previous question about civil penalties, those do go back to the general fund but she was seeking final confirmation during the meeting.

Sharon Treat said that in follow up to Kelsie Snow's comments, there is no definition she could find of specialty drug, so it's all over the map and can be gamed to direct certain drugs to certain pharmacies. That should be a topic to keep on the Board's list of things to pay attention to.

Susan Wehry asked Pam Stutch whether the Bureau has routine check ins with the AG's office. She said back in the 2000s the AG's office had a task force looking at prescription drugs.

Pam Stutch said she would have to come back with an answer to that. She said the Bureau does work closely with the AG's office, especially when it comes to enforcement action, though.

Christina Moylan said that there is collaboration between the division of the AG's office that represents the Bureau and the Bureau itself. She said there has not been an effort like those under Steve Rowe's task force but if the office has

specific enforcement authority, which they do not under most of these laws, there are sometimes private rights of action under the Unfair Trade Practices Act. There might be some complications with that because that's generally in the consumer realm. There are certain criteria that a private party has to meet before they can actually bring an action. For that to be a productive exercise, the AG would need bolstered independent authority, probably.

Sharon Treat said that for the Board's report to the legislature, it is important to have some understanding from the AG's office of where their authority could be bolstered up and where some of that language can become more proactive as opposed to reactive.

Christina Moylan said that is a great point and also noted she would like to learn more about the funding source for the Oklahoma PBM enforcement unit. She said if their office had more specific authority and mandates, they would likely need a specific division with specific resources allocated to them.

Meg Garratt-Reed asked Christina Moylan about the Maine Unfair Trade Practices Act and the previous examples provided in the presentation, like enforcement for LD 1906, which gives employers the right to request more comprehensive data from their TPAs. She said she thinks private right of action was discussed as part of that legislation but was not ultimately included. She asked whether that is something that the AG's office monitors for potential patterns or has seen employers come to the AG's office with compliance complaints about. She asked whether Christina Moylan could share more information on what that looks like to help the Board better understand the benefits or drawbacks of an approach like that.

Christina Moylan said they do tend to look for trends but it is difficult for them to enforce their authority on behalf of one particular entity or consumer, so there has to be a consumer connection. She said they do not usually take action on behalf of businesses who are harmed, but obviously there is a trickle down to consumers. It's not completely straightforward in this situation versus an unfair trade practice in other consumer areas, like construction or retail, for example. But, she said they would likely be looking for a pattern or practice.

Pam Stutch said she received confirmation that all penalties, except late fees, go to the general fund, and late fees are not enforcement related. She added that

the Bureau does have the full authority to investigate, but that they need some sort of indication that a statute was being violated.

Meg Garratt-Reed thanked Pam Stutch and Christina Moylan. She asked Jennifer Reck to provide an update on a recent event she participated in on behalf of the Board.

Jennifer Reck said that on March 12th, the Maine PDAB was invited to be a part of a lunch and learn for legislators, organized by Consumers for Affordable Health Care. It focused on drug pricing and affordability. She said along with herself representing the Board, she was joined by Ann Woloson from Consumers for Affordable Health Care and Vinny DeMarco, a health care advocate from Maryland, where they have an active PDAB with UPL authority. Maine specific survey data was shared at the event, which highlighted that prescription drugs remain one of the top concerns in terms of affordability for Maine consumers. She said Ann Woloson also shared some of the MHDO's ongoing list of the costliest drugs in Maine and the list of drugs that they're seeing the highest year over year increases for. Jennifer Reck said she shared information with legislators on the Board's work and updated charge from LD 697, inducing the priorities identified by Board members in January. She said it was a very busy day in the legislature but there was great turn out with representation from the HCIFS, HHS, and AFA committees.

Meg Garratt-Reed thanked Jennifer Reck for representing the Board.

Pam Stutch said that in respect to the earlier PBM discussions, that while the Bureau does license PBMs, a lot of the statutory elements relate to the carriers. They are the ones who really have to make sure that their PBM is acting correctly. So as a point of clarification, the Bureau is often doing it through the carrier.

Jennifer Reck said that in follow up the question about how the Oklahoma PBM unit if funded, she reached out to a NASHP contact, and that person shared that they are funded by a general appropriation to the AG's office. They do bring in money for the office and once they start generating more revenue than expenses, they expect they will be funded from settlement judgement funds. They think that may be the case by 2028.

Meg Garratt-Reed thanked Pam Stutch and Jennifer Reck. She said the next meeting will be dedicated to transparency for patients and providers, which is notably different from data related transparency. For this meeting, the office is thinking about it as more related to visibility for providers into the cost of drugs and similarly for patients, what their options are and what variation there is. She said the office would go back and revisit recommendations but wanted to open it up to Board members if there is anything in particular that would be helpful to cover as part of that meeting.

Sharon Treat said she wanted to follow up on the MHDO public hearing for proposed rule changes. She asked about the mechanism for participation and what timing will look like given the hearing is before the next PDAB meeting.

Meg Garratt-Reed said her plan was to check with Karynlee Harrington about whether there are draft rule changes already published. The office could then circulate those to the group. The options then are collaboration with the OAHC given the office will likely testify on the rules as well, or Board members could create their own testimony. If there is going to be a conversation, there needs to be public notice of that. But, if someone wanted to draft comments and circulate for approval, that could probably work as well.

Karynlee Harrington said she would share the basis statement. The two things relevant to this group are formulary designation and mail order versus retail designation. She said she also plans to add affiliated versus non-affiliated designations.

Sharon Treat asked when the public comment period ends if the hearing is on April 2nd.

Karynlee Harrington said she would confirm with Meg Garratt-Reed, but that she believes they accept comments for 10 business days after April 2nd.

Sharon Treat said that would still be before the next PDAB meeting, so to move things along, this is something she thinks the PDAB should support. She suggested the Board turn this task over to the staff at the office for support in formulating the actual written materials.

Jennifer Reck agreed.

	Meg Garratt-Reed said given they had already run over 12 pm, unless other Board members had concerns they wanted to raise, the office would draft comments for the Board and circulate them via email for feedback.	
VII. Open Discussion		
VIII. Adjourn	Sharon Treat made a motion to adjourn. Jennifer Reck seconded.	

Next meeting: April 27th, 2026