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Comparison of State Prescription Drug Affordability Review Initiatives

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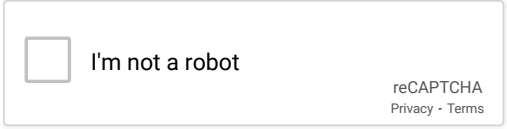
As states take important steps to lower prescription drug costs, at least eight have implemented prescription drug affordability review initiatives, although approaches vary across states. This National Academy for State Health Policy chart highlights the diverse efforts in Colorado, Maine, Maryland, New Hampshire, Oregon, Washington, New York, and Massachusetts.

To learn more, read NASHP's blog, States Take Diverse Approaches to Drug Affordability Boards.

	Colorado's Prescription Drug Affordability Board (CO SB 175 - 2021)	Maine's Prescription Drug Affordability Board (ME LD 1499/Chapter 471 - 2019)	Maryland's Prescription Drug Affordability Board (MD HB 768 - 2019) (Updated in MD HB 1100 - 2020)	New Hampshire's Prescription Drug Affordability Board (NH HB 1280 - 2020)	Oregon's Prescription Drug Affordability Board (OR SB 844 - 2021)	Washington's Prescription Drug Affordability Board (WA SB 5532 / Chapter 153 - 2022)	*Medicaid Model Massachusetts Enhanced Negotiating Authority (HB 4000 - Section 46 of FY 2020 Budget)	*Medicaid Model New York's Medicaid Drug Benefit Budget Cap (S 2007/PHL § 280 - 2017) (Updated in SSL § 367-a)
Model	Colorado's Prescription Drug Affordability Review Board has the authority to review the affordability of certain drugs and establish upper payment limits.	Maine's Prescription Drug Affordability Review Board has the authority to determine spending targets for specific drugs and can recommend policies to meet the targets.	Maryland's Prescription Drug Affordability Board will study the pharmaceutical supply chain and review possible policy options, including but limited to, setting upper payment limits.	This Prescription Drug Affordability Review Board has the authority to determine spending targets for specific drugs and will recommend policies to meet those targets.	Oregon's Prescription Drug Affordability Board has the authority to review prices for nine drugs and at least one insulin product that are expected to create affordability challenges. The board will also conduct an annual study of the generic drug market.	Washington's Prescription Drug Affordability Board has the authority to review the affordability of certain drugs and establish upper payment limits.	The Massachusetts Executive Office of Health and Human Services may directly negotiate supplemental rebate agreements with drug manufacturers. If an agreement cannot be reached, the manufacturer may be referred to the Health Policy Commission (HPC) for review. The HPC can identify a proposed value of the drug and propose a supplemental rebate.	New York's Medicaid program has the authority to negotiate with drug manufacturers for supplemental rebates if spending on a drug is expected to exceed the Medicaid drug cap (PHL §280) or if a newly launched drug meets certain thresholds to be considered "high cost" (SSL §367-a).
Can it set upper payment limits?	Yes (for up to 12 drugs during the first three years of implementation)	No	Yes, pending additional legislative approval.	No	No	Yes (for up to 12 drugs)	No	No
Population impacted	All consumers in the state (excluding enrollees in self-funded plans that elect not to participate).	Public plan enrollees	Enrollees in a public plan, - may expand to all payers	Public plan enrollees	N/A	All consumers in the state (excluding enrollees in self-funded plans that elect not to	Medicaid enrollees	Medicaid enrollees

						participate).		
Drugs covered by program	Drugs that meet the following thresholds: -Brand-name drugs and biologics with a launch wholesale acquisition cost (WAC) of $30,000 or more per year or course of treatment -Brand-name drugs or biologics with a WA increase of 10% or more during the preceding 12 months -Biosimilar drugs with a launch WAC that is not at least more than 15% lower than the referenced biologic. -Generic drugs with a WAC of $100 or more for a 30-day supply or course of treatment or that increased by 200% or more during the preceding 12-months.	Specific drugs purchased by public payers that may cause affordability challenges	Drugs that meet the following thresholds: -Brand-name drugs with a launch wholesale acquisition cost (WAC) of $30,000 or more per year -Brand-name drugs with a price increase of $3,000 or more in a year -Biosimilar drugs with a launch WAC that is not at least more than 15% lower than the referenced biologic. -Generic drugs with a WAC of $100 or more for a course of treatment or that increased by 200% or more during the preceding 12-months.	Specific drugs purchased by public payers that may cause affordability challenges	The board will consider nine drugs and one insulin product each year based on drugs reported under Oregon's Prescription Drug Price Transpareny Program (under ORS 646A.689). The board will not consider drugs designated by the FDA as treating a rare disease or condition.	Prescription drugs that have been on the market for at least 7 years, are dispensed at a retail, specialty, or mail-order pharmacy, are not designated by the FDA as a treatment for a rare disease or condition, and meet the following thresholds: - Brand-name drugs and biologics with a wholesale acquisition cost (WAC) of $60,000 or more per year or course of treatment - Brand-name drugs and biologics with a WAC increase of 15% or more in any 12-month period or a 50% WAC increase over three years - Biosimilar drugs	Drugs covered by Medicaid (for which a supplemental rebate agreement cannot be reached), which exceed a cost of $25,000 per person per year or an annual cost to the Medicaid program of $10 million.	- Drugs purchased by Medicaid that are contributing to spending that will exceed the state's Medicaid drug cap (set annually based on top percentage of net spend and/or cost per claim). - Newly launched drugs considered to be "high cost," or those that meet the following conditions: (i) Brand-name drug or biologic with a launch wholesale acquisition cost (WAC) of $30,000 or more per year or course of treatment (ii) Brand-name drug or biologics



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