



Oregon Prescription Drug Affordability Board (PDAB) Regular Meeting
Wednesday, July 24, 2024
Minutes approved by the board on Aug. 21, 2024

Web link to the meeting video: <https://youtu.be/VntX-UHodJ0>

Web link to the meeting materials: <https://dfr.oregon.gov/pdab/Documents/20240724-PDAB-document-package.pdf>

Call to order and roll call: Chair Shelley Bailey called the meeting to order at 9:33 am and roll was called.

Board members present: Chair Shelley Bailey, Vice Chair Amy Burns, Dan Hartung, Robert Judge, Dan Kennedy, Chris Laman

Absent: John Murray, Akil Patterson

Declaration of conflict of interest: Robert Judge disclosed potential conflicts of interest, real or perceived. View at video minute [00:00:45](#).

Approval of board minutes: Chair Bailey asked for a motion and second to approve the board minutes as shown on [Pages 3-4](#) of the agenda materials, with any amendments. Dan Kennedy made a motion to approve the minutes and Robert Judge provided a second. View at video minute [00:01:31](#).

MOTION to approve the June 26, 2024, minutes

Board Vote:

Yes: Dan Hartung, Robert Judge, Dan Kennedy, Chris Laman, Vice Chair Amy Burns, Chair Shelley Bailey

No: None

Absent: John Murray, Akil Patterson

Motion passed 6-0

Executive director's program update: Ralph Magrish provided a program update. View the video at minute [00:02:27](#).

Constituent Panels: Chair Bailey stated the board is hosting seven constituent panels with a question-and-answer format moderated by the board chair. This is a follow up to the focus groups and community forums the board held recently to hear feedback about upper payment limits. An upper payment limit, or UPL, limits what purchasers in Oregon will pay for specific drugs. She thanked everyone who participated. View at video minute [00:05:45](#).

Panel 1 Patients, consumers:

Chair Bailey announced panel member, Mark Sturbois, and invited him to talk about how a UPL would impact him. View at video minute [00:07:47](#).

Board Member Robert Judge question: "During your therapy, have you ever skipped filling a prescription or rationed medication because of the cost? How has the out-of-pocket costs for your medications affected your household budget." View at video minute [00:13:41](#).



Panel 2 Pharmacy benefit managers:

Chair Bailey announced panel members, Greg Baker, CEO, BS Pharm, AffirmedRx, Tonia Sorrell Neal, senior director, state affairs, PCMA, and LuGina Mendez-Harper, state government affairs principal, Prime Therapeutics.

Chair Bailey question: “The board’s goal is to improve drug affordability for Oregonians. Numerous constituents have suggested pass through models, whereby UPL savings are realized at the point of sale, could help improve affordability for patients. At least one state, West Virginia, has adopted such a model. If Oregon were to pursue such a model, what data or reporting would PBMs be able to provide to demonstrate 100 percent pass-through of the UPL savings for an insured patient?” View at video minute [00:17:57](#).

Board Member Robert Judge question: “You said you lose negotiating leverage with manufacturers when it's passed through to payers and then down to consumers. What are you exactly referring to?” Follow up questions: “Does it impact the ability to exert influence on formulary placement? In my experience, tier placement for drugs on formulary is used as a lever for negotiating preferred and non-preferred drugs. This is a tool used in negotiating manufacturer rebates. Does the passthrough affect that?” View at video minute [00:25:44](#).

Board Member Chris Laman question: “I’m still trying to understand, when the rebate gets passed on to the consumer, how the PBM loses leverage. You're still negotiating that rebate but instead of the PBM keeping that money, it's getting passed on to the consumer. I understand how it's affecting the PBM financially, but how is it costing you leverage in terms of the negotiation with the pharmaceutical company?” Follow up question: “How frequently is the data required to be submitted to the state?” View at video minute [00:30:00](#).

Panel 3 Insurance companies:

Chair Bailey announced panel members, Justin Weiss, VP, pharmacy operations & compliance, Cambia Health Solutions, and Rick Blackwell, PacificSource Health Plans.

Chair Bailey question: “Some constituents have suggested that certain benefit design strategies, for example, carve out, point of sale models, have direct impact on drug affordability for patients. How common are these types of strategies in your benefit design considerations and or plan offerings?” Follow up question: “Related to our previous discussion with PBMs about point-of-sale discounts, how does that impact your plan design decisions?” View at video minute [00:34:20](#).

Panel 4 Manufacturers:

Chair Bailey announced panel members: Brett Michelin, Senior Director, State Government Affairs, Association for Accessible Medicines (representing generic and biosimilar manufacturers) Brian Warren, senior director, state government affairs, Biotechnology Innovation Organization Liisa Bozinovic, executive director, Oregon Bioscience Association, and Dharia McGrew, director, state policy, PhRMA



Chair Bailey question: “We have heard in listening sessions with manufacturers that they are willing to provide certain types of information to the board in a confidential way to help us make some of our decisions. We recognize the importance of data for our affordability reviews and in our efforts to develop associated UPL strategies. What specific protections and structures would be required from manufacturers to share this type of confidential information with the board, for example, statutory protections, regulations, or contractual. We would like to hear from the panelists today on how we might be able to structure something that would give the board confidential information in a mechanism that's agreeable to manufacturers.” View at video minute [00:49:53](#).

Chair Bailey question: “Constituents have suggested the board define affordability in a better way and that is something we have discussed as a board. What factors beyond manufacturer costs for a given drug should the board consider in our definitions? What type of data should be included and from what constituents should we obtain this? What are some additional things the board should think about to help us define affordability?” View at video minute [00:56:27](#).

Board Member Robert Judge question: “This is a broad question that gets to some of the information I've been listening to over the last two years about upper payment limits and the impact on the industry. From a manufacturer perspective, how would an upper payment limit method impact your pricing strategy for new and existing medications?” View at video minute [01:03:17](#).

Panel 5 Advocacy Groups:

Chair Bailey announced panel members Leigh Purvis, prescription drug policy principal, AARP Public Policy Institute, Tiffany Westrich-Robertson, chief executive officer, AiArthritis IFFAAA, Madonna McGuire Smith, executive director, Bleeding Disorders Counsel, Kathleen Costello, ANP-BC, MSCN, Chief operating officer, Can Do Multiple Sclerosis, Lorren Sandt, executive director, Caring Ambassadors Program, Corey Greenblatt, director of state policy and advocacy, Global Healthy Living Foundation, Gina Ross Murdoch, president, CEO, Multiple Sclerosis Association of America, Kasey Minnis, executive director, Multiple Sclerosis Foundation, Bill Robie, state government relations director, National Bleeding Disorders Foundation, Seth Greiner, senior manager advocacy, National Multiple Sclerosis Society, Lucy Laube, state government relations manager west, National Psoriasis Foundation, John Mullin, president, Oregon Coalition for Affordable Prescriptions, Charlie Fisher, OSPIRG, and Sara van Geertruyden, executive director, Partnership to Improve Patient Care.

Chair Bailey question: “Advocacy groups have made recommendations to the board. We want to better understand these recommendations and how we might move forward. Advocacy groups here have suggested the board consider a UPL feasibility study. What exactly would this group recommend the board study? Who should be engaged in completing such a study and what types of information or data should the board seek?” View at video minute [01:07:50](#).

Board Member Robert Judge question: “I have a question for Mr. Greenblatt, a clarification on what he was referring to on pharmacies not being able to stock inventory if an upper payment level is set for a drug that they could not stock. Are you inferring or assuming that an upper payment level would be a reimbursement to a pharmacy of whatever the PDAB establishes as the upper payment limit, as opposed to a rebate on the back end?” View at video minute [01:28:32](#).



Panel 6 Pharmacies:

Chair Bailey announced panel members, Caitlin Malone, director of procurement, Albertsons, Melanie Maxwell, president, AlignRx LLC, Michael Murphy, senior advisor for state government affairs, American Pharmacists Association, Thad Mick, chief clinical & innovation officer, Ardon Health Holdings, LLC, Priyal N Patel, pharmacist, co-owner, Broadway Pharmacy in North Bend (also a member of the Oregon Board of Pharmacy), Pat Hubbell, RPh, owner, Brooklyn Pharmacy, in Portland, Austin Blakeslee, director of pharmacy, Hi-School Pharmacy, John Covello, Senior Director of Government Relations, Independent Pharmacy Cooperative, Thomas Irby, pharmacist, owner, Irby Pharmacy, in Vernonia, Justin Ramsey, pharmacy director, La Clinica, Medford, Randy Klemm, owner, CEO, Managed Healthcare Pharmacy, in Eugene, Lauren Lyles-Stolz, Pharm.D vice president, reimbursement, innovation, and advocacy, National Association of Chain Drug Stores (NACDS), Kevin Russell, director of ambulatory pharmacy services, St. Charles Health System, Bend, and Brian Mayo, executive director, Oregon State Pharmacy Association.

Chair Bailey question: “Pharmacies have made recommendations to the board. We want to better understand these recommendations and how we might move forward. Pharmacies have suggested that drug importation may be a potential solution for affordability issues. As a pharmacy provider, what challenges would you see related to drug importation, for example, the Drug Supply Chain Security Act may create challenges.” View at video minute [01:36:25](#).

Chair Bailey question: “What suggestions do panelists have for the board to consider related to the UPL model and how would you propose we ensure both patients and providers are protected should a UPL model be implemented.” View at video minute [01:51:37](#).

Board Member Robert Judge question: “The PDAB exists to try to come up with recommendations on how to address the affordability of drugs. It's a burden to everybody and I don't think there's anybody who disagrees with that. We're hearing a lot today from individuals saying how do we protect ourselves or how do we do this? What I'd like to hear are what are your recommendations for affordability? What would you recommend to the board to consider as we think about upper payment limits and affordability? Dr. Lyles-Stolz, do you have a recommendation, because I think you make a very cogent point.” View at video minute [01:56:05](#).

Panel 7: Hospitals, FQHCs, providers

Chair Bailey announced panel members: Robert Trachtenberg, senior director, Health Center Operations, Cascadia Health, Portland, Arsalan Shah, senior director of pharmacy, Central City Concern, Portland, Simon Vismantas, counsel, government relations, Kaiser Permanente, Jay Flesch, clinical pharmacist, La Pine Community Health Center, LaPine, Amanda Cummings, PharmD, director of pharmacy, Dietitians and Cancer Services, Adventist Health Columbia Gorge, The Dalles, Michele Koder, pharmacy director, Multnomah County Health Department, Portland, Shinta Imansjah, Nara Northwest (Native American Rehabilitation Association), Portland, Jennifer McElravey, director of pharmacy, Neighborhood Health Center, Lisa Sandoval, PharmD, BCACP, One Community Health, Hood River, Marty Carty, gov affairs director, Oregon Primary Care Association, Joe Evans, PeaceHealth at River Bend Hospital, Springfield Amy Cervan, senior director of pharmacy, Rogue Community Health, Medford, Cory Rahn, director of pharmacy, Salem Health Hospitals and Clinics, Salem, and Megan Jones, PharmD BCGP, Director of



Outpatient Pharmacies, Samaritan Health Services, Corvallis, April Etheridge-Bosworth, Virginia Garcia Memorial Health Center, Hillsboro, and Russ Heaton, VP of Pharmacy, Yakima Valley Farm Workers Clinic

Chair Bailey question: “Related to specific protections and structure, what would be required for health systems or hospitals to share details regarding exactly any 340B program savings that are used to benefit patients? Are there statutory protections, regulation or contractual, related to anything we may propose related to UPLs and the potential impact on hospitals and FQHC providers?” View at video minute [02:06:30](#).

Board Member Robert Judge question: “An upper payment limit is a reimbursement on a drug and 340B is an acquisition cost method for a drug. The point you're making is the upper payment limit may use less margin, which is used to fund your underserved responsibilities. Is that the point that you're arguing for exclusions of 340B entities? Would that apply to hospitals as well, making huge monies from cancer medication and infusion centers? View at video minute [02:14:34](#).

Announcements: Chair Bailey said the next board meeting would be Aug. 21, 2024. View at video minute [02:33:23](#).

Public comment: Chair Bailey said the board received [six public comment letters](#), which are posted to the PDAB website. No one signed up to speak during the general public comment portion of the agenda. View at video minute [02:33:23](#).

Adjournment: Chair Bailey adjourned the meeting at 12:30 pm with all board members in agreement. View at video minute [02:34:13](#).