

Prescription Drug Affordability Board Meeting

February 17, 2023

February 17 PDAB Meeting Agenda

Call to Order, Roll Call, Member Updates, Minutes Approval

10:00 - 10:10 am

Director Overview and Board Business

10:10 am - 11:50 am

- *Affordability Review: Selection Criteria Methodology Presentation*

Public Comment

11:50 am - 12:00 pm

Break

12:00 - 12:10 pm

Director Overview and Board Business

12:10 - 1:00 pm

- *PDAB & PDAAC Draft Joint Resolution Discussion*
- *July 1, 2023 General Assembly Report*
- *CIVHC Transparency Reporting Update*
- *Conflict of Interest Policy*

Executive Session

1:00 - 1:30 pm

The Board may meet in Executive Session to receive legal advice from the Board's attorneys pursuant to section 24-6-402(3)(a)(II), C.R.S., regarding conflicts of interest and affordability reviews.

Public Comment

1:30 - 1:40 pm

Call to Order, Roll Call, & Minutes Approval

January 9 Meeting Minutes

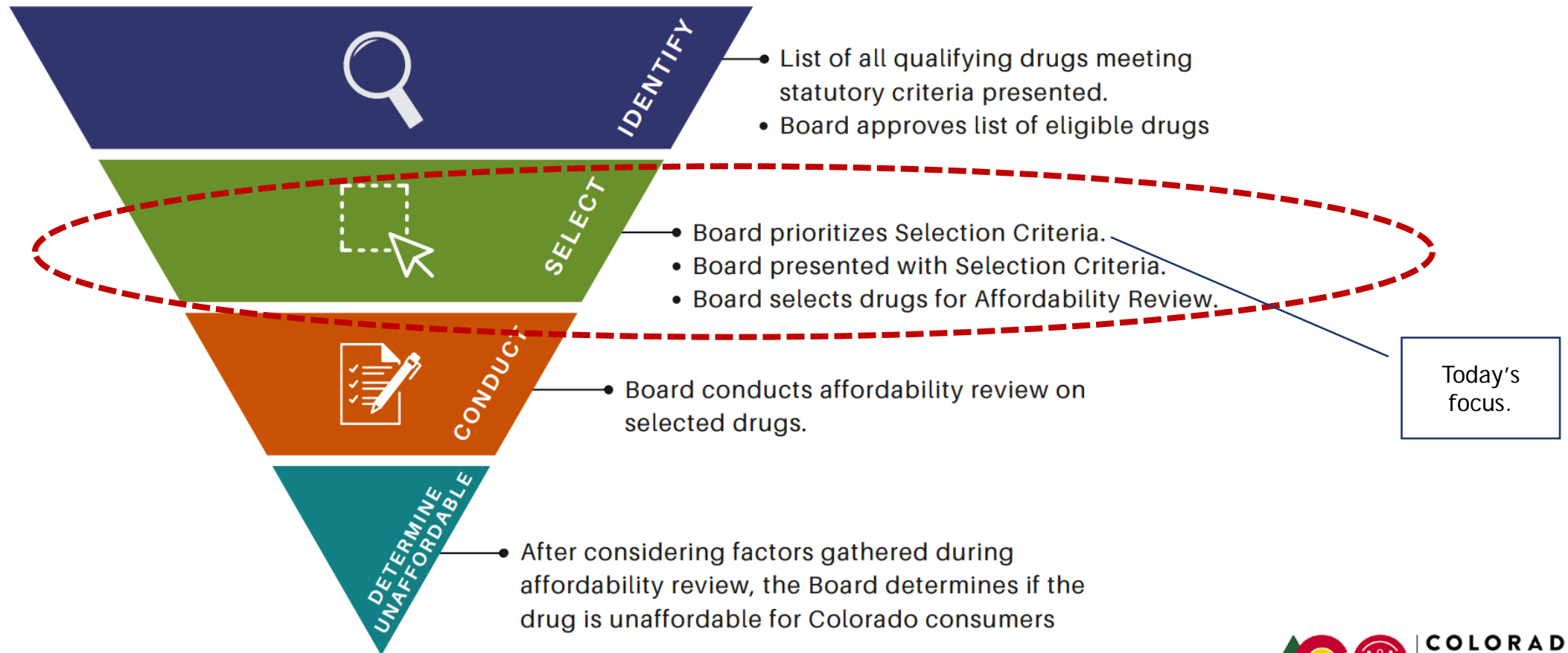
January 13 Meeting Minutes

PDAB Director Report & Board Business

*Affordability Review: Selection Criteria Methodology
Presentation*

Selection Criteria - Overview

Affordability Reviews follow this process:



Selection Criteria - Overview

The Board determines whether to conduct an affordability review by:

- Evaluating the class of the prescription drug and whether any therapeutically equivalent prescription drugs are available for sale;
- Evaluating aggregated data;
- Considering the average patient's out-of-pocket cost for the prescription drug; and
- Seeking and considering input from the advisory council about the prescription drug.

Selection Criteria - Overview

Further detail is outlined in [rule](#) and [policy](#) regarding what information will be used to select drugs for an affordability review:

Class & therapeutic equivalent

- Date of FDA approval
- Expedited approval
- Class & whether any generic & biosimilar drugs
- If equivalents, may consider utilization & spending data

Aggregated Data

- Pricing data
- Expenditures
- Utilization
- Health equity impact
- Estimated manufacturer net-cost and net-sales amounts

Average Patient's Out-of-pocket Cost

- Patient liability, including:
 - Deductible
 - Co-pay
 - Co-insurance

Input from the Advisory Council

- Seek and consider input from the Advisory Council about the prescription drug.

Selection Criteria - Overview

	January 13 PDAB Meeting	February 17 PDAB Meeting	February 23 PDAAC Meeting	March 9 PDAAC Meeting	March 23 PDAAC Meeting	March 31 PDAB Meeting	Potentially Cancel May 12 PDAB Meeting	TBD PDAAC Meeting	TBD PDAAC Meeting	June 23 PDAB Meeting
Identify	Present Methodology for Identified List		Present Methodology for Identified List			Board approves Identified List				
Select	Present List of Selection Criteria	Present PDAB w/ Methodology for Selection Criteria	Present PDAAC w/ Methodology for Selection Criteria	PDAAC Input on Prioritization of Selection Criteria		Prioritize Selection Criteria & View Example Dashboard	Present Final Selection Criteria Dashboard	PDAAC/Stakeholder Input on Selection		Potential Selection Date

The phrase “list” may be used in multiple ways, and it may be helpful to pinpoint what is being referenced and the anticipated associated dates.

March 31: Board prioritizes selection criteria.

March 31: Board approves eligible drugs.

Proposed for after June 2: Board reviews and considers selection criteria data results and selects prescription drugs for affordability reviews.

Prioritized Selection Criteria
Criteria 1
Criteria 2
Criteria 3
Criteria 4
Criteria 5
Criteria 6

Identified Eligible Drugs
Drug A
Drug B
Drug C
Drug D
Drug E
Drug F

Drug	Criteria 1	Criteria 2	Criteria 3	Criteria 4
Drug D	Number	Text	Amount	Date
Drug C	Number	Text	Amount	Date
Drug A	Number	Text	Amount	Date
Drug B	Number	Text	Amount	Date
Drug F	Number	Text	Amount	Date
Drug E	Number	Text	Amount	Date

Selection Criteria - Meeting Goals

Each meeting is intended to set the next meeting up for success:

Feb. 17 PDAB Meeting

Actions:

- Board is presented with Selection Criteria Data Methodologies.

Goals:

- Ensure Board members have shared understanding of selection criteria sources and methodologies and understand how each selection criteria could be utilized.
- Hear questions and suggestions from Board members regarding selection criteria.
- Gain initial understanding of how Board members might want to utilize each selection criteria and what priorities Board members think are important.

March 31 PDAB Meeting

Actions:

- Present Board staff's recommendations on selection criteria;
- PDAAC, stakeholders provide public comment on prioritization;
- Board decide how to utilize each selection criteria; and
- Board prioritizes selection criteria.

Goals:

- Board determines how to utilize each selection criteria and prioritizes selection criteria.
- **Also: Board receives, reviews, and potentially approves list of eligible identified prescription drugs after prioritization exercise.

June 23 PDAB Meeting

Actions:

- PDAAC, stakeholders may provide public comment on Selection Criteria Data Results;
- Staff presents Board with prioritized selection criteria;
- Board discusses Selection Criteria Data Results; and
- Board may select drug for Affordability Review.

Goals:

- Robust Board discussion on selection criteria dashboard.
- Potential selection of prescription drug for Affordability Review.

Selection Criteria - Meeting Goals

Feb. 17 Meeting Goal: Ensure Board members have shared understanding of selection criteria sources and methodologies and understand how each selection criteria could be utilized and prioritized. To accomplish this, today's discussion will:

- Provide a general overview of how the Board could utilize and prioritize selection criteria.
- Go through each selection criteria to ensure Board members have a shared understanding of the details and underlying methodologies.
 - Begin to discuss how Board members might want to utilize and prioritize each selection criteria.

Selection Criteria - Utilizing & Prioritizing Criteria

After the Jan. 13 presentation on a prioritization process, Board staff are suggesting a two-step approach the Board could use this year to utilize and prioritize selection criteria:

Step 1: How can each selection criteria be utilized in selection?

Is there a binary result that should de-prioritize a prescription drug?

Is there a threshold or range that should de-prioritize a prescription drug?



Step 2: How should selection criteria be prioritized?

How should selection criteria be prioritized against each other?

Selection Criteria - Utilizing & Prioritizing Criteria

If the Board uses this two-step approach, selection criteria data results could be presented in a general format akin to:

Drug	Criteria 1	Criteria 2	Criteria 3	Criteria 4
Drug D	Number	Text	Amount	Date
Drug C	Number	Text	Amount	Date
Drug A	Number	Text	Amount	Date
Drug B	Number	Text	Amount	Date
Drug F	Number	Text	Amount	Date
Drug E	Number	Text	Amount	Date

Selection Criteria - Utilizing & Prioritizing Criteria

If the Board uses this two-step approach, a list will be produced of the identified eligible prescription drugs, ranked and weighted according to their selection criteria data results.

In addition to the table of results, Board staff plan to publish a dashboard on its website on June 2 that provides data visualizations showing different types of intersections between multiple selection criteria.

Selection Criteria – Example of Selection Criteria Detail & Methodology

Example Criteria: Name of Criteria

Data Field: The type of information that will be provided. Most commonly this would be a text field, a date, a number, a dollar amount, or a quantitative range.

Data Source: The source Board staff use to access information. When possible, Board staff may also provide information on additional data sources and detailed descriptions.

Underlying Methodology: If a calculation is needed to determine the data result, that calculation will be described here.

Potential Considerations: Potential considerations will focus on items of note, including:

- Various ways the Board might consider selection criteria data results.
- Relevant policy context.
- Whether Board staff anticipates the data will be confidential.
- General data considerations and limitations.

Selection Criteria Category: The selection criteria category this selection criteria falls under.

*Board Staff Recommendation: Board staff are not making recommendations today. However, Board staff plan to make recommendations regarding how the Board could treat selection criteria during the Board's March 31, 2023 meeting.

Selection Criteria - General Data Considerations & Limitations

APCD Data

- The All Payer Claims Database receives claims from Medicaid, Medicare Advantage, and over 40 commercial payers and represents over 4.5 million lives and over 75% of insured Coloradans. The APCD does not have claims data for uninsured Coloradans and some commercial payers.
- Prescription drug claims utilized for this year's analysis only include claims with an NDC. There may be claims where a prescription drug was administered or utilized, but the associated NDC was not reported in claims data. In those situations, Board staff were unable to conduct analyses.
- Under federal and state law, information about drugs with fewer than 12 utilizers in the database must be protected, because at such low numbers it is potentially identifiable to individuals using that prescription drug. Prescription drugs with utilization below 12 individuals will have less information available for many of the selection criteria data points.

AnalySource & SSR Health Data

- AnalySource and SSR Health provide the Board and Division of Insurance with data that may be proprietary or confidential. As such, certain data points may only be disclosed to the Board in Executive Session. Board staff are working with vendors to determine if some level of data information can be displayed publicly.

Selection Criteria - Date of FDA Approval

Data Field: Date

Data Source: Analysource's FDA Approval Date, which contains the date the FDA approves a product for sale in the marketplace.

Underlying Methodology: Not applicable.

Potential Considerations:

- Board members might consider if there is a date or date range they want to consider in the selection process.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - Approved Through an Expedited Pathway

Data Field: Text containing the name of the expedited pathway through which a prescription drug was approved.

Data Source: U.S. Food & Drug Administration website, which contains information on:

- [Fast Track](#) - process designed to facilitate the development and expedite the review of drugs to treat serious conditions and fill an unmet medical need.
- [Breakthrough Therapy](#) - process designed to expedite the development and review of drugs which may demonstrate substantial improvement over available therapy.
- [Accelerated Approval](#) - process that allows drugs for a serious condition that fill an unmet medical need be approved based on a surrogate endpoint.
- [Priority Review](#) - process where the FDA's goal is to take action on an application within 6 months.

Underlying Methodology: Not applicable.

Potential Considerations:

- Board members might consider treating prescription drugs approved through an expedited pathway differently in the selection process.
- Board members might consider whether different types of expedited pathway approvals could be treated differently in the selection process.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - Therapeutic Class

Data Field: Text identifying the therapeutic class name.

Data Source: AnalySource, which lists a prescription drug's American Hospital Formulary Service (AHFS) Code. The AHFS Code identifies the pharmacologic therapeutic category of the drug product according to AHFS classification system. For many drug products, particularly combination products, more than one AHFS code is possible. The selection of the included AHFS number is determined by consultation between AnalySource and the staff of the AHFS.

Underlying Methodology: Not applicable.

Potential Considerations:

- None currently suggested.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria – Single-Source, Multi-Source, or Innovator Product

Data Field: Text identifying single-source, multi-source, or innovator product.

Data Source: AnalySource, which identifies if a prescription drug is single-source, multi-source, or innovator status as supplied on the Centers for Medicare and Medicaid Services' quarterly update.

Underlying Methodology: Not applicable.

Potential Considerations:

- Board members might consider whether different product sources could be treated differently in the selection process.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - Number of Therapeutic Equivalents

Data Field: Number

Data Source: FDA [Orange](#) and [Purple](#) Books, which lists approved drug and biological products with therapeutic equivalence evaluations. APCD, which provides detail regarding whether therapeutically equivalent prescription drugs were utilized by Coloradans with claims in the APCD.

Underlying Methodology: First, the number of therapeutically equivalent prescription drugs are identified. Next, analysis is done to determine if there was any utilization of those therapeutically equivalent prescription drugs in APCD data. Finally, therapeutically equivalent prescription drugs with utilization in the APCD are totaled to arrive at the number of therapeutic equivalents available for sale.

Potential Considerations:

- Board members might consider whether the number of therapeutic equivalents could be treated differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria – Earliest Therapeutic Equivalent Market Entry Date

Data Field: Date

Data Source: From AnalySource, the HCFA Market Entry Date, which is the date a manufacturer releases a drug product to the marketplace as supplied on the CMS quarterly update.

Underlying Methodology: For all therapeutically equivalent prescription drugs identified for the Number of Therapeutic Equivalents, research is done to identify the earliest associated Market Entry Date.

Potential Considerations:

- Board members might consider whether the length of time a therapeutic equivalent has been released to the marketplace could result in the prescription drug being treated differently in the selection process.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - Therapeutic Equivalents - Price Difference

Data Field: Dollar Amount

Data Source: Analysource, which contains the current WAC Per Unit for the therapeutic equivalent.

Underlying Methodology: For all therapeutically equivalent prescription drugs identified, the current WAC unit price difference between the prescription drug and average WAC of therapeutic equivalent(s).

Potential Considerations:

- Board members might consider whether the price difference between a prescription drug's price and a therapeutic equivalent's price are treated differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - Therapeutic Equivalents - Cost Difference

Data Field: Dollar Amount

Data Source: APCD, which provides paid amounts for Coloradans with claims in the database.

Underlying Methodology: Where there is sufficient utilization in the prescription drug and its therapeutic equivalents, per course of treatment paid amount differences will be calculated to estimate the average per person per year difference.

Potential Considerations:

- Board members might consider whether the cost difference between a prescription drug and therapeutic equivalent are treated differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria – Therapeutic Equivalents – Utilization Difference

Data Field: Number

Data Source: APCD, which provides utilization data for Coloradans with claims in the database.

Underlying Methodology: Where there is sufficient utilization in the prescription drug and its therapeutic equivalents, measures of central tendency will be compared between drugs to identify differences in utilization.

Potential Considerations:

- Board members might consider whether the utilization differences between a prescription drug and therapeutic equivalent(s) costs are treated differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Class & Therapeutic Equivalent

Selection Criteria - WAC Pricing Change

Data Field: Number representing the percentage change in Wholesale Acquisition Cost (WAC).

Data Source: AnalySource's WAC amount, which as published by First Databank, represents the manufacturer's published catalog or list price for a drug product to wholesalers as reported to First Databank by the manufacturer.

Underlying Methodology: Calculate the percent change in WAC per unit from its initial date to current date. The initial WAC per unit will be adjusted for inflation (CPI-U for all items for Denver- Aurora-Lakewood) to compare prices in the same dollars.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Some data and methodologies are proprietary and confidential.

Selection Criteria Category: Aggregated Data

Selection Criteria - ASP Pricing Change

Data Field: Number representing the percentage change in Average Sales Price (ASP).

Data Source: AnalySource's ASP Payment Limit, which is published by CMS and represents the revenue from a manufacturer's sales of a drug to all purchasers divided by the total number of units sold. CMS calculates ASP on a quarterly basis.

Underlying Methodology: Calculate the percent change in ASP per unit from its initial date to current (as of January 6, 2023). The initial ASP per unit will be adjusted for inflation (CPI-U for all items for Denver- Aurora-Lakewood) to compare prices in the same dollars.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- ASP is calculated for Medicare Part B prescription drugs, which tends to include only physician-administered drugs.

Selection Criteria Category: Aggregated Data

Selection Criteria - NADAC Pricing Change

Data Field: Number representing the percentage change in National Average Drug Acquisition Cost (NADAC).

Data Source: Center for Medicare and Medicaid Services (CMS) Medicaid Data - National Average Drug Acquisition Cost [website](#). CMS [defines NADAC as](#) a national pricing benchmark that is reflective of actual invoice costs that pharmacies pay to acquire prescription and over-the-counter drugs. It is based upon invoice cost data collected from retail community pharmacies and reflects actual drug purchases.

Underlying Methodology: Calculate the percent change in NADAC per unit from its initial date to current date. The initial NADAC per unit will be adjusted for inflation (CPI-U for all items for Denver- Aurora-Lakewood) to compare prices in the same dollars.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- NADAC is calculated for prescription drugs dispensed at retail community pharmacy entities, both independent and chain pharmacies, and not physician-administered drugs.

Selection Criteria Category: Aggregated Data

Selection Criteria - Total Paid Amount

Data Field: Dollar Amount

Data Source: APCD, which provides detail of all expenditures for a prescription drug in Colorado for people with claims in the APCD.

Underlying Methodology: Sum the total amount paid by payers and patients for each prescription drug within one year. For this analysis, data would be taken from 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Aggregated Data

Selection Criteria - Total Plan Paid Amount

Data Field: Dollar Amount

Data Source: APCD, which provides detail of all expenditures paid by plans for the prescription drug in Colorado for people with claims in the APCD.

Underlying Methodology: Sum the total paid amount by payers for each prescription drug within one year. For this analysis, data would be taken from 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Aggregated Data

Selection Criteria - Total Patient Paid Amount

Data Field: Dollar Amount

Data Source: APCD, which provides detail of all expenditures paid by patients for the prescription drug in Colorado for people with claims in the APCD.

Underlying Methodology: Sum of the patient paid amounts for each prescription drug within one year. For this analysis, data would be taken from 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Board staff plan to present visualizations to the Board that break out total expenditures paid by patients by co-pay, co-insurance, and deductible.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Aggregated Data

Selection Criteria – Average Paid Per Person Per Year – All Lines of Business

Data Field: Dollar Amount

Data Source: APCD, which provides detail of all expenditures paid by patients for the prescription drug in Colorado for people with claims in the APCD, inclusive of both payer and patient paid amounts. All lines of business indicates this dollar amount is representative of all payers in the APCD - commercial insurance, Medicare Advantage, and Medicaid.

Underlying Methodology: Sum of total paid for the prescription drug in 2021 divided by the number of people who had a claim for the prescription drug in 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Average Patient's Out-of-pocket Cost

Selection Criteria – Member Liability Per Person Per Year – All Lines of Business

Data Field: Dollar Amount

Data Source: APCD, which provides detail of member liability across all payer types.

Underlying Methodology: Sum of total patient paid amounts for the prescription drug in 2021 divided by the number of people who had a claim for the prescription drug in 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Average Patient's Out-of-pocket Cost

Selection Criteria – Member Liability Per Person Per Year – All Lines of Business Except Medicaid

Data Field: Dollar Amount

Data Source: APCD, which provides detail of member liability for members insured by different payers.

Underlying Methodology: Sum of total patient paid amounts for all payers except Medicaid for the prescription drug in 2021 divided by the number of people for all payers except Medicaid who had a claim for the prescription drug in 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.
- Board staff suggest this metric to better estimate a single metric of the “average patient’s out-of-pocket cost.” Medicaid patients typically have co-pays between \$0-\$4. Board staff suggest including Medicaid patient data for all selection criteria except for this one, to better estimate the average out-of-pocket cost for non-Medicaid patients.

Selection Criteria Category: Average Patient’s Out-of-pocket Cost

Selection Criteria - Total Utilization by Patients

Data Field: Number

Data Source: APCD, which provides detail of the number of individuals who utilize a prescription drug.

Underlying Methodology: The count of individuals who had a claim for the prescription drug in 2021.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data limitations that apply broadly to APCD data may apply here.

Selection Criteria Category: Aggregated Data

Selection Criteria - Health Equity Impact

Data Field: Percent of utilizers of the prescription drug that live in a county that has an opportunity index score below the Colorado average index score.

Data Source: The [Opportunity Index](#), which calculates a score for each county in the US across 20 economic, educational, health, and community-related indicators of opportunity. APCD, which includes the county of residence for each utilizer of the prescription drug.

Underlying Methodology: Calculate the percent of utilizers for each prescription drug who live in a county with an opportunity index score that is below the statewide average opportunity index score of 54.7.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- The Opportunity index is calculated on a county basis and does not necessarily reflect the circumstances of the utilizers of the prescription drug.
- The Opportunity Index only has enough data to calculate a score for 32 of Colorado's 64 counties
- Does not take into consideration the conditions the prescription drug is used to treat and how these conditions impact different communities in Colorado.
- As more health equity data become validated and available, Board staff aim to expand health equity analyses and their potential use as a selection criteria.

Selection Criteria Category: Aggregated Data

Selection Criteria - SSR Health Net-Price Estimates

Data Field: Dollar amount

Data Source: SSR Health, which estimates net price of certain prescription drugs using information on total net revenues to a manufacturer divided by estimated volume.

Underlying Methodology: Not applicable.

Potential Considerations:

- Board members might consider treating a threshold or range for this selection criteria differently in the selection process.
- Data and methodologies are proprietary and confidential.

Selection Criteria Category: Aggregated Data

Public Comment

Please type your name into the chat.

Break

The meeting will resume after a 10-minute break.

PDAB Director Report & Board Business

Draft PDAB/PDAAC Communication Joint Resolution

July 1, 2023 General Assembly Report

CIVHC Transparency Reporting Update

Conflict of Interest Policy

Draft PDAB/PDAAC Communication Joint Resolution

Purpose

- Provide a framework ensuring long-term and effective exchange of information between the Prescription Drug Affordability Board (the “Board”) and the Prescription Drug Affordability Advisory Council (the “Council”).
- Promote and enhance engagement between the Board and the Council.
- Provide Board and Council members with timely information regarding matters of interest to them.
- Inform the Council of Board goals, progress, and needs, and facilitate the Council’s input in the Board’s work.

Draft PDAB/PDAAC Communication Joint Resolution

Board and Council Communications

- Interactions between Board and Council should be communicated through respective Chair or designee

Board and Council Agenda Items

- 10-minute report from other entity

Council Input on Board Requests and Other Matters

- Council will attempt consensus
- Council may choose to submit written report summarizing input
- Board will review submitted Council reports

PDAB Director Report & Board Business

Draft PDAB/PDAAC Communication Joint Resolution

July 1, 2023 General Assembly Report

CIVHC Transparency Reporting Update

Conflict of Interest Policy

July 1, 2023 General Assembly Report

10-16-1414 outlines that on or before July 1, 2023 and on or before July 1 each year thereafter, the Board shall submit a report summarizing the activities of the Board during the preceding calendar year to:

- the Governor
- the Health & Insurance Committee (House of Representatives), and
- the Health & Human Services Committee (Senate).

For the 2023 Report, the report will likely focus on:

Recommendations the Board may have for the General Assembly concerning legislative and regulatory policy changes to increase the affordability of prescription drugs and reduce the effects of excess costs on consumers and commercial health insurance premiums in the state.

July 1, 2023 General Assembly Report

The Chair of the Board shall present to legislative committees information concerning any prescription drug for which the Board established a UPL during the preceding calendar year. The Chair shall summarize for the committee members:

- The affordability review, including the results of the Board's consideration.
- The establishment of UPLs, including a summary of the methodology used to establish the UPL.

Based on this information, members of committees may pursue legislation to discontinue the UPL for any prescription drug for which the Board established a UPL.

PDAB Director Report & Board Business

Draft PDAB/PDAAC Communication Joint Resolution

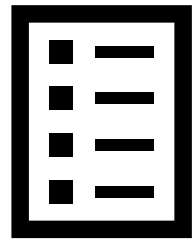
July 1, 2023 General Assembly Report

CIVHC Transparency Reporting Update

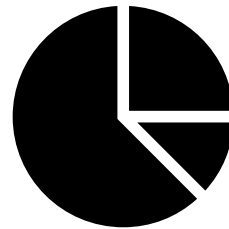
Conflict of Interest Policy

CIVHC Transparency Reporting Update

Section 10-16-1405, C.R.S., outlines that, beginning in 2022, each carrier must report certain information to the All-Payer Claims Database (APCD) maintained by the Center for Improving Value in Health Care (CIVHC). For all prescription drugs dispensed at a pharmacy in Colorado and paid for by a carrier - including brand name drugs, authorized generic drugs, biological products, and biosimilar drugs - carriers and PBMs must report information regarding:



Top 15
Prescription
Drugs



Total
Spending

The Division anticipates receiving initial carrier and PBM information from CIVHC in the coming months. The Division plans to create an external report that will be posted to the Division's website and shared with the Board in the coming months.



COLORADO
Prescription Drug
Affordability Board
Division of Insurance

CIVHC Transparency Reporting Update



Top 15
Prescription
Drugs

Each carrier and PBM acting on behalf of a carrier must report the top 15 prescription drugs in each of the following 7 categories:

By **Volume** (calculated by unit)

Costliest drugs (determined by
total annual spend)

That accounted for the **highest
increase in total plan spend**

That caused the **greatest
increase in premiums**

The carrier paid most
frequently and received a
rebate

The carrier received the
highest rebates

The carrier received the **largest**
rebates

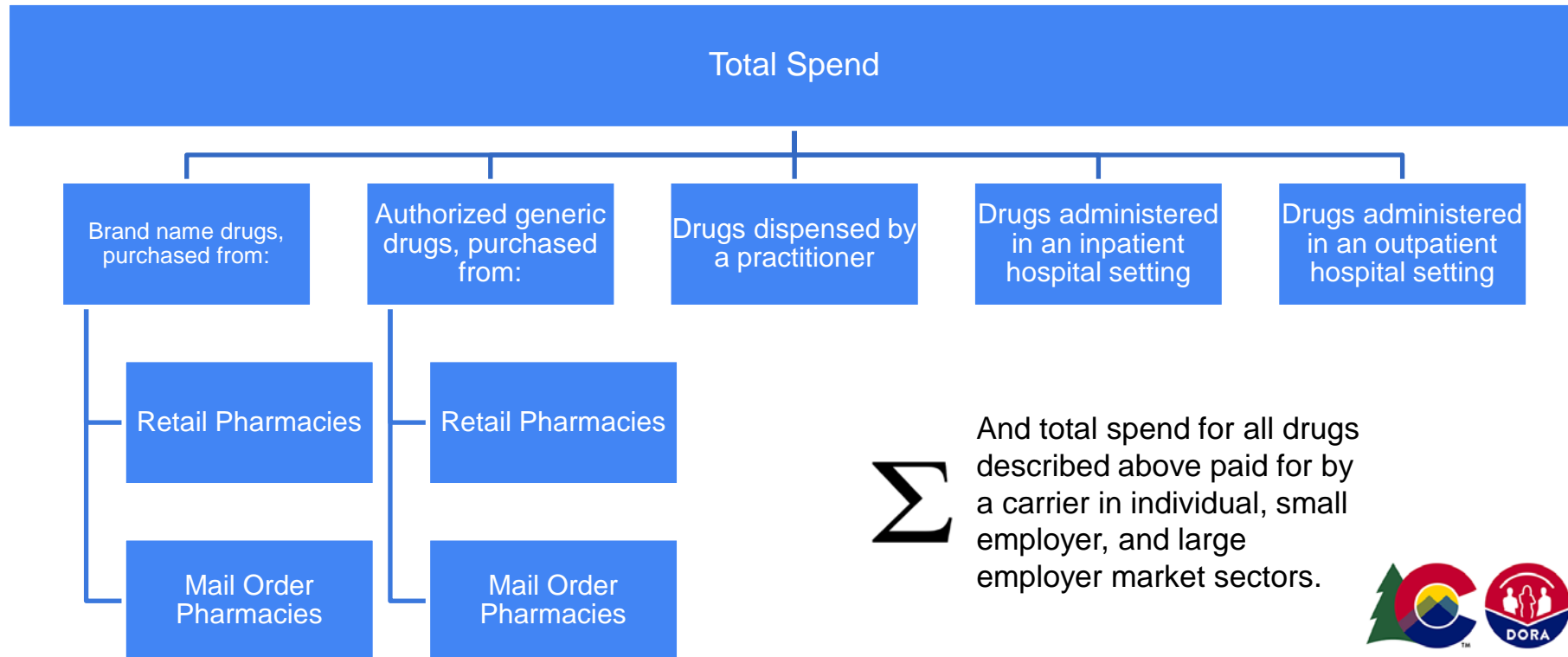


COLORADO
Prescription Drug
Affordability Board
Division of Insurance

CIVHC Transparency Reporting Update



Each carrier and PBM acting on behalf of a carrier must report total spending for prescription drugs in each of the following 8 categories:



Σ And total spend for all drugs described above paid for by a carrier in individual, small employer, and large employer market sectors.



COLORADO
Prescription Drug
Affordability Board
Division of Insurance

PDAB Director Report & Board Business

Draft PDAB/PDAAC Communication Joint Resolution

July 1, 2023 General Assembly Report

CIVHC Transparency Reporting Update

Conflict of Interest Policy

Conflict of Interest Discussion - Board Members

On Feb. 2, 2022 the Board updated its [Policy 03 - Conflict of Interest Policy and Procedure](#).

Board Staff propose the following updates to the Board's Policy:

- Capitalization will be changed to make this policy consistent with the Board's other policies,
- Duplicative definitions will be removed, and the Policy will reference definitions adopted by the Board in Part 1 of its Rules (namely Advisory Council, Division, Prescription Drug, Upper Payment Limit)
- Duplicative sections will be removed to streamline (namely "Background" and "Conflict of Interest" subheadings)
- Clarification of policy and process requirements related to Conflicts of Interest generally and, specifically, for the selection process.

Conflict of Interest Discussion - Board Members

Additions in “Procedures for Identifying and Managing Conflicts of Interest”:

- When the Board is selecting prescription drugs for affordability review, Board members will disclose conflicts of interest prior to deliberation concerning selection in the open meeting;
- The Board member will not participate in deliberations concerning a specific prescription drug or pharmaceutical company with which they have a conflict of interest. The Board member may otherwise participate in deliberations related to selection of prescription drugs for which they do not have a conflict.
- A Board member with a conflict of interest will recuse themselves from any vote that involves only the prescription drug or pharmaceutical company with which they have a conflict when selecting prescription drugs for affordability review;
- When they determine they have a conflict of interest, Board members are not permitted to participate in a Board activity and will inform the Board Chair and recuse themselves.
- The Board will disclose Conflicts of Interest for the Board, Advisory Council, Board staff, and contractors working on behalf of the Board on its page of the Division’s website and in the annual report to the Governor and respective committees in the General Assembly.

The Prescription Drug Affordability Board is in Executive Session

*The Board may meet in Executive Session to receive legal advice
pursuant to section 24-6-402(3)(a)(II), C.R.S.*

Conflict of Interest Policy

Board Deliberation



Board
Action Item

Board Deliberates

Board May Vote Whether to:

Adopt revised Conflict of Interest Policy
as presented; or

Adopt revised Conflict of Interest Policy
as amended; or

Postpone adoption until March 31
meeting; or

Convene ad hoc workgroup for revised
Conflict of Interest Policy.

Public Comment

To provide general public comment, please type your name into the chat.

Upcoming Meetings

- Next PDAAC Meeting: Thursday, Feb. 23rd at 9 am MT
- Next PDAB Meeting: Friday, March 31st at 10 am MT

For meeting minutes, agendas, and general information about PDAB, visit <https://doi.colorado.gov/insurance-products/health-insurance/prescription-drug-affordability-review-board>

Questions about the Prescription Drug Affordability Board and Advisory Council can be sent to dora_ins_pdab@state.co.us.