

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

May 1, 2023 10:00 AM

NOTE: This meeting was recorded. All related documents (and a recording of the entire meeting) are available at: [New Hampshire Prescription Drug Affordability Board | New Hampshire Department of Health and Human Services \(nh.gov\)](https://www.nh.gov/health/human-services/prescription-drug-affordability-board)

CALL TO ORDER: Representative Gary Merchant, Chair, opened; introductions were made.

ATTENDING: In person: Representative Gary Merchant, Robert Woodward, Jason Aziz, Cindy Rosenwald.
Remotely: Tom Sherman, William Marsh

A quorum was established, following the elevation of both Robert Woodward and Jason Aziz to full members.

ABSENT: Senator Sharon Carson, Todd Fahey.

AGENDA REVIEW: Representative Gary Merchant reviewed the agenda with the Board .

REVIEW AND APPROVE MINUTES OF APRIL 3 MEETING: Representative Gary Merchant reviewed the minutes with the Board; Robert Woodward mentioned some typos. Motion to accept the minutes made by Jason Aziz, seconded by Robert Woodward. Motion passed via roll call.

PRESENTATION – TRADITIONAL VS TRANSPARENT PBM: Roy Wilkinson, consultant, presented a Powerpoint describing the differences between traditional PBM and Transparent PBM. Roy discussed the definition of PBM and its place in the supply chain. He discussed the landscape, the Big 3 PBMs, and the fact that 75% of the prescription volume is handled by these 3. Roy discussed the problem with PBMs in action; how they overcharge and engage in shady business practices in order to hide/limit transparency. He discussed the financial models for PBMs. Traditional is what causes the most issues. Now there is a transparent model or “pass-through”. He discussed how PBMs make money, such as via pricing spreads and rebates. Tom Sherman asked about the availability of information in regards to the “black box” of information Roy mentioned. Roy talked about how difficult it has been, historically, to get solid information about PBM operations. He stated such information usually came about as the result of litigation. Roy discussed the “squeeze play” tactic and the pricing spread, and how a current topic of debate is whether either are a fair business practice. Roy discussed the appearance if the idea that PBMs typically make the Traditional, rather than Transparent style more affordable. He discussed how pricing works with generics. He discussed the reasons why PBMs are allowed to operate the way they do and how they don’t want to be categorized as fiduciaries. The courts have ruled they are not, but they do appear to be operating as such. Robert Woodward and Roy will potentially collaborate on research in the future.

LEGISLATIVE BUDGET UPDATE: Representative Merchant provided a legislative update, stating HB 130 and HB 172 are being retained by Commerce, and he does not know where they will go from there. HB 2 is currently in the Senate. It calls for the \$250,000 budget to be allocated through General Funds. Other items are the redundancy exploration between the Board and the Insurance Department and a sunset date of 2 years for the Executive Director position. Tom Sherman discussed the major drawbacks if this were to pass as written, and the concern of it “gutting” the operations of the Board.

EXECUTIVE DIRECTOR POSITION UPDATE: Representative Gary Merchant had met with Commissioner Arlinghaus, who expects to have recommendations back this month. He is trying to get JCEC together to sign off on the recommendations by the end of June. Representative Merchant and Commissioner Arlinghaus have another meeting scheduled for May 10.

RxDC AND CHIS DATABASE: Jason Aziz discussed the alternative data set, Prescription Drug Data Collection Program (RxDC) and how it could fill in some gaps presented by the CHIS data.

PBM ANALYSIS UPDATE: Robert Woodward requested to discuss more in depth at the next meeting.

BOARD DISCUSSION – DOCUMENT RETENTION: Nancy Plourde discussed this issue with the Board, and it was determined that it needs further analysis.

NEXT MEETINGS: June 5, August 28th, September 25th and October 30th.

NON-MEETING MEETING WITH BOARD ATTORNEY

PUBLIC COMMENTS: None.

ADJOURNMENT: Motion to adjourn made by Robert Woodward, seconded by Jason Aziz. Motion to adjourn passed via roll call.

Todd Fahey, Clerk, not present at meeting, however respectfully submitted.

Nancy T. Plourde, Recording Secretary