Prescription Drug Affordability Board

2023 Annual Report

November 1, 2023

Produced with support from Nancy T. Plourde, NH DHHS

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Executive Summary

This year, the board's focus continued to be establishing the regulatory and operational framework necessary to meet its statutory obligations and address legislative pressures and concerns on board funding and board legitimacy.

House Bill (HB) 130 to repeal the board and HB 172 to study the redundancy of the board and other state agencies were retained in the House Commerce Committee. HB 2, however, included language that limited authorization of the executive director position for two years, suspended reporting of drug price notification and disclosures to the board for two years, repealed the assessment of fees but funded the board from state funds for two years, and included a report related to redundancy between the board and the Insurance Department.

The board finalized administrative rules, signed a Memorandum of Understanding with the New Hampshire Department of Health and Human Services, worked with the Department of Administrative Services to grade the executive director position, and worked with the Department of Health and Human Services to post the position of Executive Director during September. As of this report, several candidates have applied for the job, and the board is optimistic about hiring and onboarding a candidate later this year.

The board met several times during the past year to hear presentations from various entities to continue educating board members on the complexities and challenges of bringing greater transparency to the public on prescription drug prices.

The board welcomed three new members: Senator Darryl Abbas, appointed by the president of the senate; Representative Jess Edwards, appointed by the speaker of the house; and Representative David Nagel, appointed by the speaker of the house as an alternate.

The board recognizes Dr. William Marsh and Dr. James Murphy, who have finished their service on the board. Both individuals served on the board with distinction and were instrumental in establishing the board.

Government data continues to show the growing increase in the cost of prescription drugs, which now account for almost twenty percent of the healthcare dollar. The affordability of drugs remains a significant concern to the citizens of the great state of New Hampshire, as does the financial impact of high drug costs on insurance premiums for a prescription drug benefit supported by taxpayer dollars.

The board remains committed to bringing greater transparency to prescription drug pricing, essential to allowing market forces to disinfect the pharmacy supply chain. Cleaning up the drug pricing mess should make prescription drugs more affordable to patients and taxpayers.

Given the complexities of the subject, and the extent of information in the report, the board encourages readers to read the entire report.

Gary Merchant, Chair
New Hampshire Prescription Drug Affordability Board

INTRODUCTION

By Gary Merchant

Creation of the Prescription Drug Affordability Board was via legislation introduced in legislative year 2020 and signed into law during July 2020 as RSA 126-BB and amended in 2022 (appendix F). The board consists of five members with expertise in health care economics or clinical medicine, who shall not be, or be directly related to, anyone affiliated with, employed by, or representing the interests of a public payor, pharmaceutical or pharmacy company, pharmacy benefits management company, or health insurance provider and who shall complete a conflict-of- interest statement. Two members and two alternate members shall be appointed by the president of the senate, two members and two alternate members shall be appointed by the speaker of the house, one member and two alternate members shall be appointed by the governor.

The board is administratively attached in the Department of Health and Human Service (DHHS) as a self-funded, independent board.

Legislative intent was to create a board to identify strategies that optimize spending by public payers for pharmaceutical products while reasonably ensuring prescriber assess to needed pharmaceutical products. To achieve this goal, "*the board shall determine annual spending targets for prescription drugs purchased by public payers based upon a 10-year rolling average of the medical care services component of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index, medical care services index, plus a reasonable percentage for inflation and minus a spending target for pharmacy savings as determined by the board".* [i]

Focus of the board continues to be the establishment of the regulatory and operational framework necessary for the board to meet its statutory obligations.

Board membership:

Board Member	Nominated by	Term
Gary Merchant, RPh (Chair)	Speaker of the House	2020-2024
Todd Fahey, JD (Clerk)	Governor	2020-2025
Darryl Abbas, JD	President of the Senate	2023-2024
Thomas Sherman, MD	President of the Senate	2021-2026
Sharon Carson, MA (Alt)	President of the Senate	2021-2024
Cindy Rosenwald, MA (Alt)	President of the Senate	2021-2026
Robert Woodward, PhD (Alt)	Speaker of the House	2022-2027
James Murphy, MD	Speaker of the House	2020-2023
David Nagel, MD (Alt)	Speaker of the House	2023-2028
Jason Aziz, PhD (Alt)	Governor	2022-2027
William Marsh, MD (Alt)	Governor	2020-2023

[i] New Hampshire RSA 126-BB:5, https://www.gencourt.state.nh.us/rsa/html/X/126-BB/126-BB-5.htm

Monthly Meeting Summaries

January

The Board discussed the pending MOU with DHHS, the budget process and JLCAR cost benefit.

February

Discussion included an overview of how accounting and invoicing will work with DHHS. They continued the discussion of the developing MOU and there was a quick update from Nancy Plourde on the emails to entities and manufacturers for compliance. Board chair Representative Gary Merchant provided updates on HB 130, the bill to repeal the Board and HB 172, the bill to conduct a study of redundancy between the Board and the Insurance Department.

April

The Board continued to discuss the MOU, compliance emails, and House Bills 130 and 172. Additionally, Jason Aziz discussed some strategies to reduce drug costs.

June

Dr. Sal Morana presented a Powerpoint on the "challenges and opportunities of PBMs. Robert Woodward discussed his data on Medicaid prescription expenditures, and information about the First Data Bank. There was more discussion on the MOU and the significant changes to the funding structure of the Board. Tom Sherman provided an update on the Board Advisory Council. Initial discussions about the annual report were presented and Jason Aziz presented a Powerpoint on the "CMS RxDC, an Alternative Source of Data for NH PDAB".

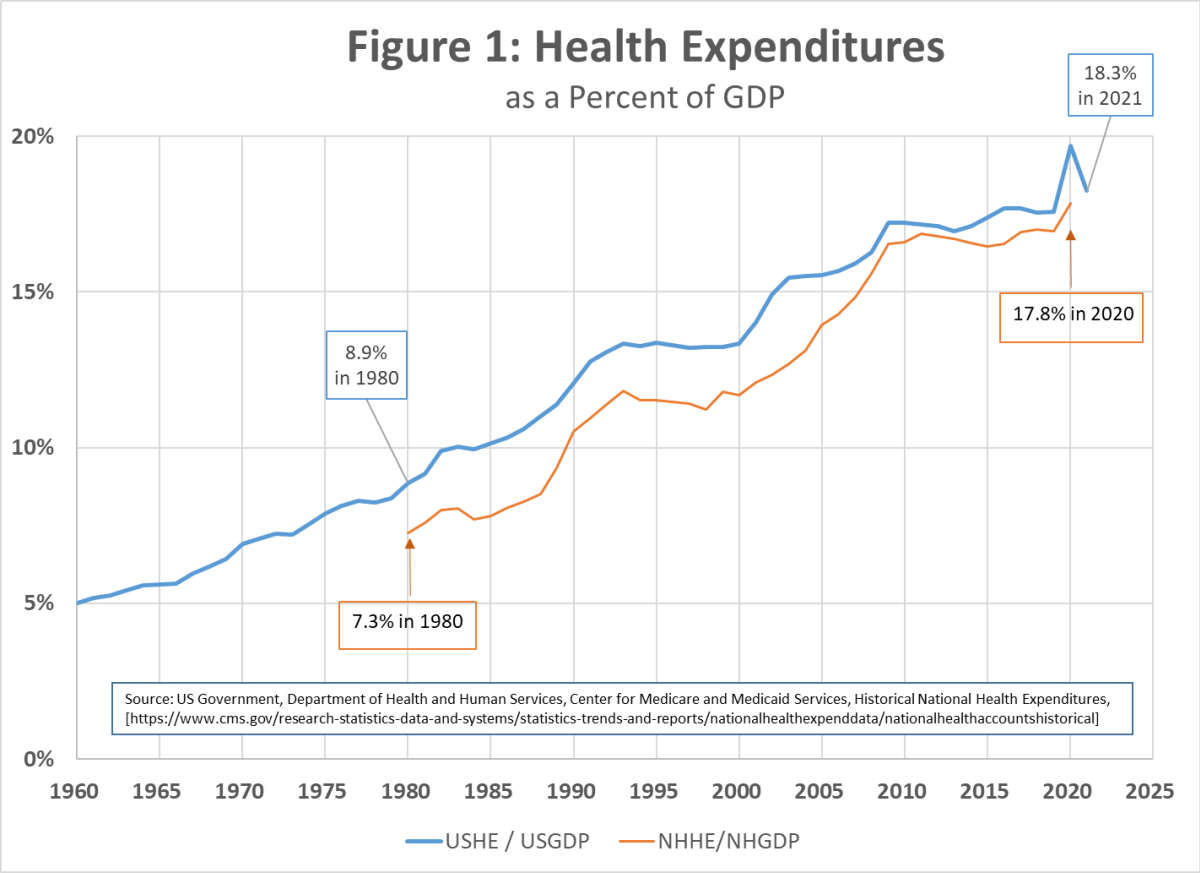
August

Representative Merchant discussed the changes to the Board members. DHHS Attorney Robert Berry discussed the MOU, stating it has been fully executed and there was no Governor and Council approval needed. Attorney Berry also spoke about the Board's Executive Director position. The Board discussed the different aspects of the contents of the annual report, due on November 1st. There was a dual perspective presentation centered around the current issues with PBMs and the causes of pharmaceutical waste. Lastly, Representative Merchant spoke about the 2 bills that are currently retained in House Commerce, mainly involving the redundancy report.

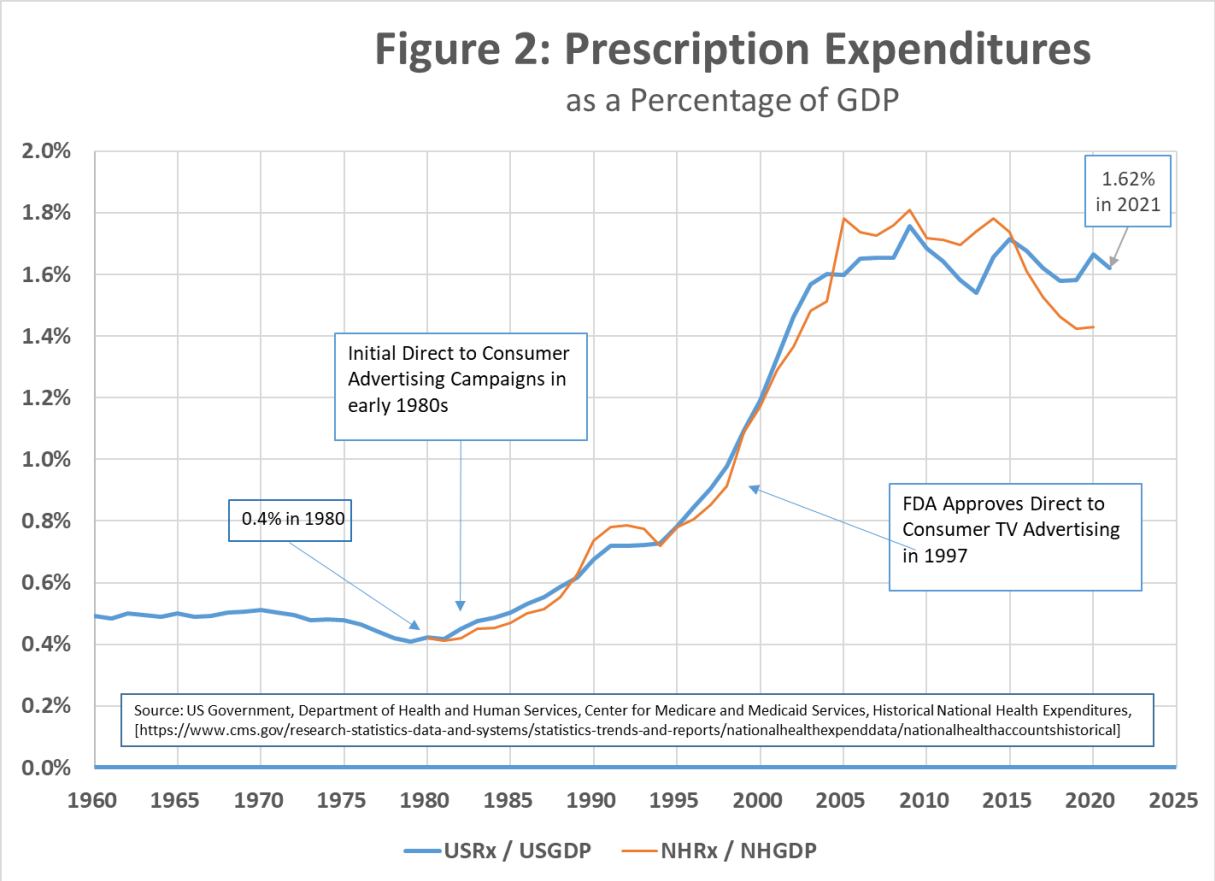
Historical Background on Medicaid Prescription Expenditures.

Trends in New Hampshire's Medicaid prescription expenditures have been importantly affected by a variety of national factors. These include the rising prominence of all healthcare in the US, the Nation's rise in prescription expenditures and the increasing importance of Medicaid as a 3rd party payer. But while New Hampshire's experience in these three areas closely track's national patterns, New Hampshire Medicaid's prescription expenditures appear to deviate significantly from National trends.

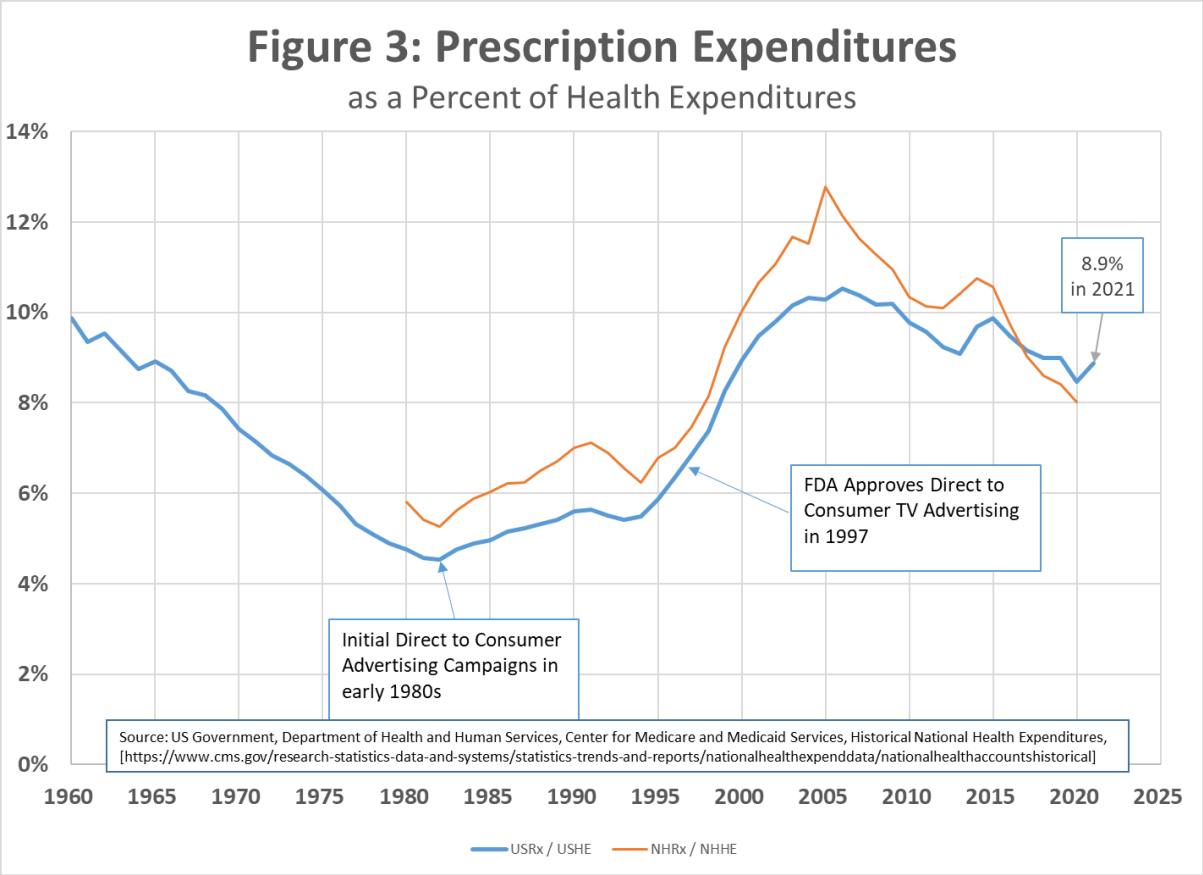
Healthcare expenditures in the United States have a long history of increasing more rapidly that the Nation's Gross Domestic Product, Figure 1. The proportion of the US GDP spent on healthcare more than doubled from 8.9% in 1980 to 18.3% in 2021. During almost the same years, the proportion of New Hampshire's GDP spent on healthcare grew similarly from 7.3% to 17.8%.



While prescription expenditures as a percent of GDP remained stable for 20 years following 1960, they grew rapidly following the growth in pharmaceutical direct-to-consumer advertising of the 1980's, Figure 2. US prescription expenditures as a percent of US GDP rapidly increased from 0.4% in 1980 to 1.6% in 2005. Available data for New Hampshire's prescription expenditures and GDP indicate a similar increase over the same years. Nevertheless, New Hampshire's proportion appears to have broken from the National trend and fallen to 1.4% between 2015 and 2020.



If overall health care expenditures replace GDP as the comparison basis, New Hampshire closely tracks the national experience, Figure 3. Between 1960 and 1982, US prescription expenditures fell from almost 10% of total healthcare expenditures to 4.5%. This dramatic drop occurred as Medicare expenditures on hospital and physician services dramatically expanded. But by 2005 the direct-to-consumer advertising helped the pharmaceutical industry regain its share of the overall healthcare dollars. Since its peak in 2006 at 10.5%, prescription expenditures as a proportion of overall healthcare have decreased to 8.9% in 2021.



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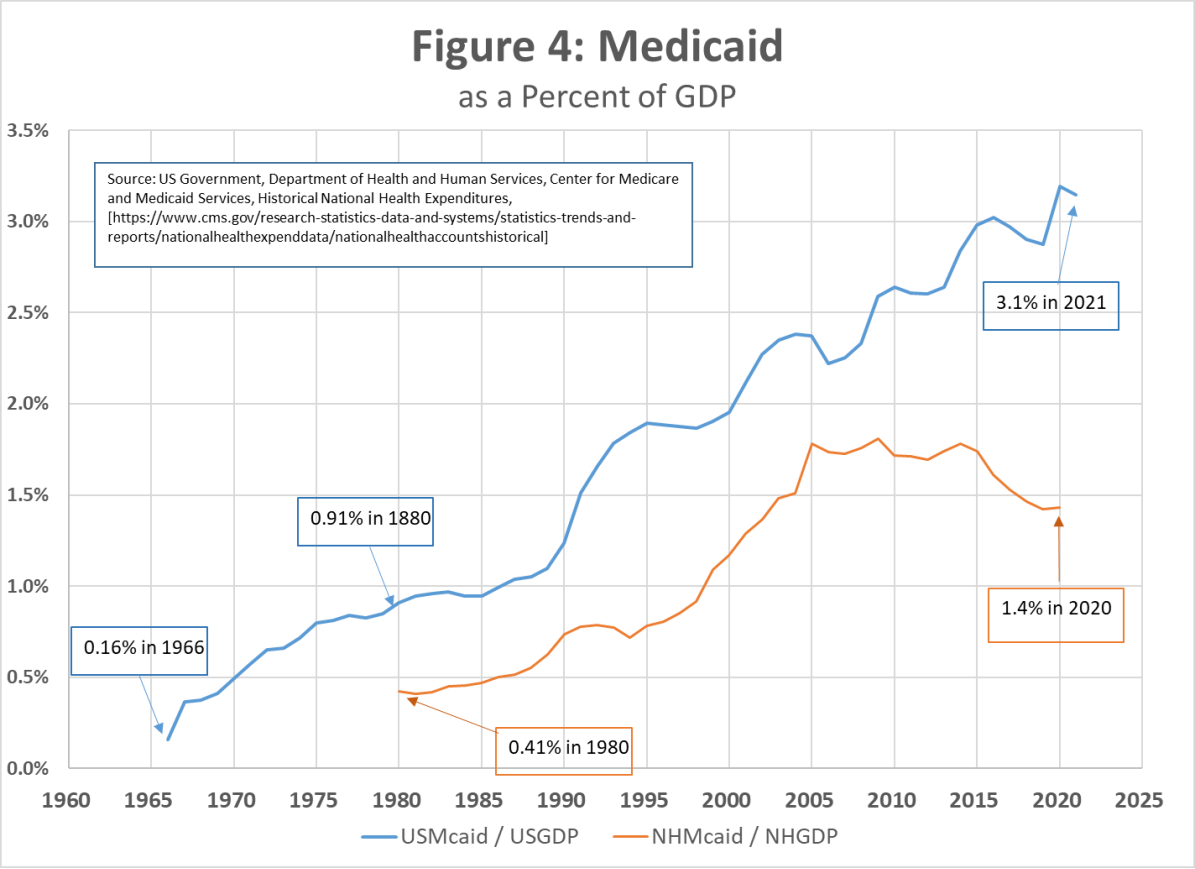

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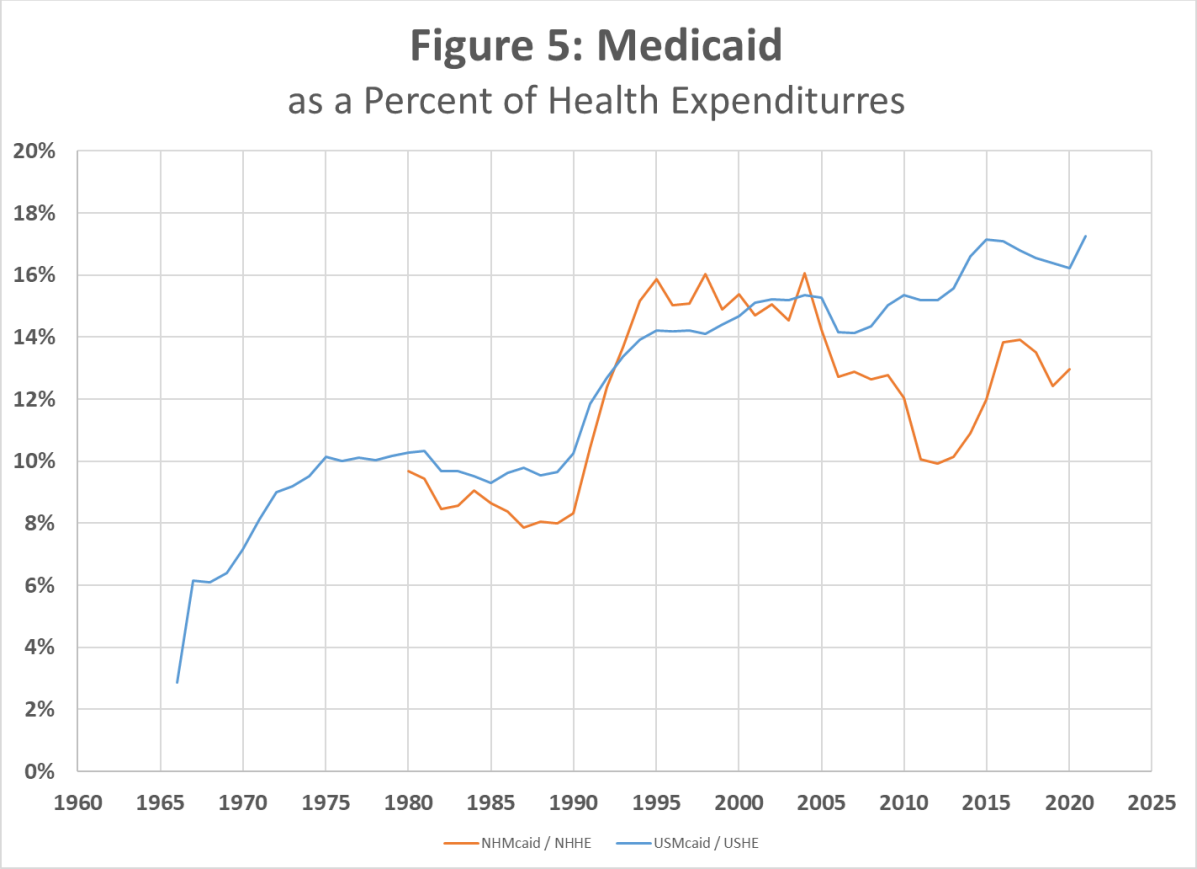
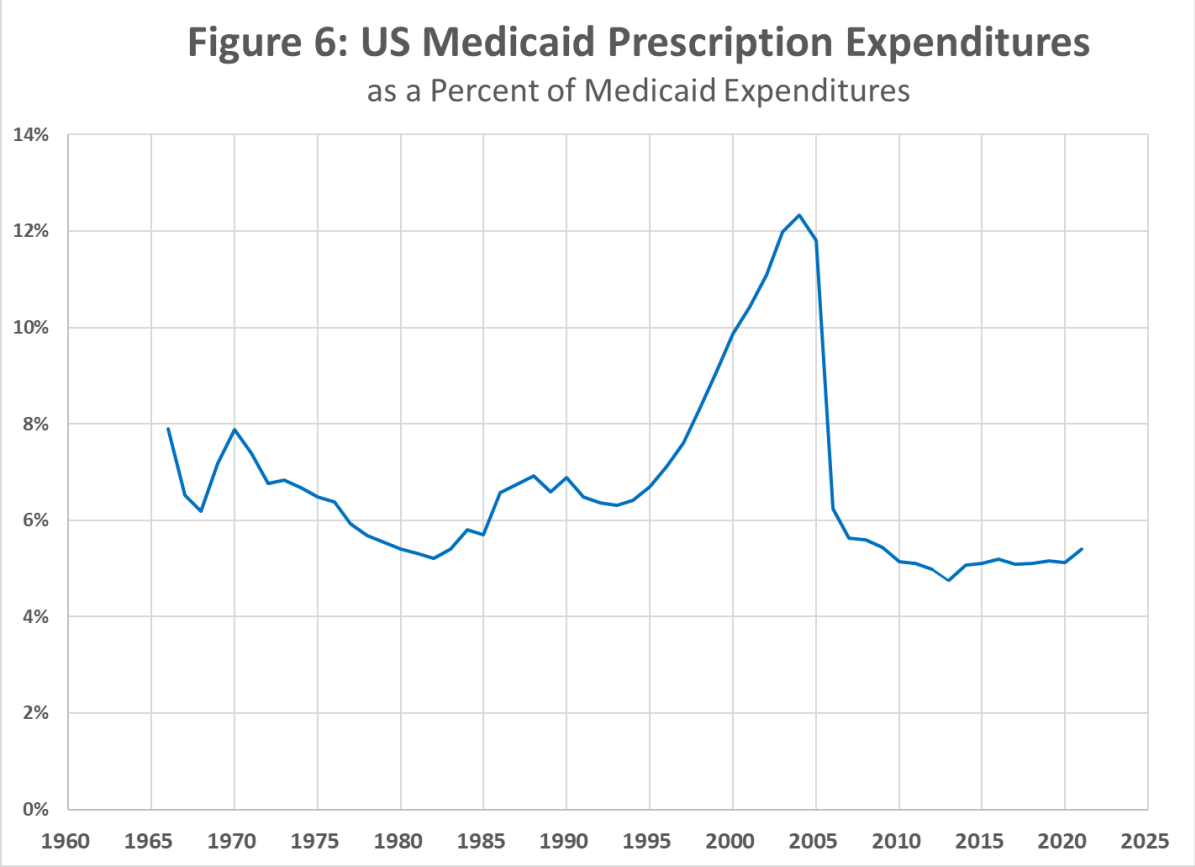
Based on the data in Figure 4, above, it is the Board's recommendation to discuss with NH Medicaid to gain a better understanding of the data.

The apparent uniqueness of NH's Medicaid expenditures is again illustrated when the state's overall health care expenditures is used as a base in place of the state's GDP, Figure 5. In this context, both US and NH Medicaid were relatively stable as a percent of health care between 1980 and 1990 and then rapidly grew between 1990 and 2000. However in the 15 years since 2005, national Medicaid continued to grow while New Hampshire Medicaid expenditures have remained relatively stable.



Over the long term, national prescription expenditures as a percent of national Medicaid expenditures have fallen from almost 8% in 1966 to 5.4% in 2021, Figure 6. But between 1995 and 2005, that percentage experienced a spike that temporarily rose to 12.3% in 2004.



2023 PDAB Annual Report

Aggregate Medicaid Prescription Expenditures in 2018 and 2022

According to the NH MMIS 2022 data, Medicaid spent $304,043,938 on prescription drugs for 149,287 patients. Within the NH MMIS 2018 data, Medicaid spent $223,863,909 on prescription drugs for 135,606 patients. The 2022 expenditure figure represents a 35.9% increase over the 2018 value, which corresponds to an almost 8% annual increase.

The 35.9% expenditure increase can be parsed into four factors: the greater number of patients enrolled, the greater number of prescriptions per enrollee, the greater average dose-days associated with each prescription, and increased cost per dose-day received.

- The 149,287 patients Medicaid covered in 2022 represents more than a 10% increase over the 135,606 lives covered in 2018.
- The 4.96 prescriptions per enrollee in 2022 represents a 4.5% increase from the 4.75 prescriptions per enrollee in 2018.
- The 104 average number of dose-days per prescription in 2022 represents more than a 12 % increase over the 92 average dose-days per prescription in 2018.
- The $11.16 cost per dose-day in 2022 represents a 60% increase in cost per dose-day over the $6.97 2018 value.

The 50 Generic Drug Class with the Highest Expenditures In 2018 and 2022

As might be expected, a small number of generic drug names constitute a disproportionate and growing share of Medicaid Total Payments on Prescription Drugs. In 2018 and 2022, the top 10 generic drug categories absorbed 24.5% and 26.9% of Medicaid Total Payments, respectively. In the same years, the top 25 generic drug categories absorbed 43.1% and 45.6% of Medicaid Total Payments. Similarly, the top 50 generic drug categories consumed 57.6% and 61.7% of Medicaid Total Payments.

Adalimumab, brand name Humira used to treat arthritis pain, was the single prescription drug on which Medicaid spent the most in 2022. Medicaid spent $18,727,961, or 6.2% of all prescription payments in 2022. That value is 139% greater than Medicaid's 2018 $7,823,481 expenditure. The increase can be attributed to a 45% increase in patients, a 22% increase in the average number of dose-days supplied to each patient, and a 35% increase in cost-per-day's-dose.

Ustekinumab, brand name Stelara used to treat plaque psoriasis, was the prescription drug on which Medicaid spent the second most in 2022. Medicaid spent $13,068,116 on Ustekinumab in 2022 or 4.3% of all its 2022 prescription payments. This 2022 value is 383% greater than Medicaid's 2018 $2,705,723 expenditure due to a 120% increase in patients, a 61% increase in the average number days supplied each patient, and a 37% increase in cost per day's dose.

Elexacaftor/Tezacaftor/Ivacaft, brand name Trikafta used to treat Cystic Fibrosis, was the prescription drug on which Medicaid spent the third most in 2022. In that year, Medicaid spent $10,742,335 on Elexacaftor/Tezacaftor/Ivacaft, or 3.5% of all of 2022's prescription payments. This drug first appeared on the top 50 Medicaid expenditures in 2020 when it immediately rose to its current third position. The

high expenditure in 2022 may be attributed to the $791 cost of a day's dose (which is the 29th highest cost per day's dose) and the 272 average daily doses prescribed to 50 patients.

Buprenorphine HCL/Naloxone HCL, band name Suboxone, is used to treat opioid addition, was the prescription drug on which Medicaid spent the fourth most in 2022. In that year, Medicaid spent $9,365,754 or 3.1% of all of 2022's prescription payments. The 2022 value is actually 6% less than Medicaid's 2018 $9,991,096 expenditure. The saving occurred because the price fell by 39% which offset the 38% increase in patients and a 12% increase in average day's doses per patient. THIS ANALYSIS DOES NOT RECOGNIZE THE FACT THAT BUPRENORPHINE (without the HCL/Naloxone HCL) is listed as a separate category.

Etanercept, brand name Enbrel used to treat arthritis and rheumatoid inflammation, was the prescription drug on which Medicaid spent the fifth most in 2023. In that year, Medicaid spent $5,632,318 or 1.8% of all of 2022's prescription payments. The 2022 value is 61% greater than Medicaid's 2018 $3,493,843 payment even though the number of patients decreased by 7.6%. The increased expenditure was caused by a 30.5% increase in the number of dose-days prescribed per patient and a 23.3% increase in the cost per dose-day.

As suggested by these 5 most expensive Medicaid prescription generic drug categories in 2022, high expenditures can be attributed to various patterns of utilization and cost. Eight of the 50 highest expenditures also appeared in the 50 highest utilization: BUPRENORPHINE HCL/NALOXONE HCL, LISDEXAMFETAMINE DIMESYLATE, METHYLPHENIDATE HCL, FLUTICASONE PROPIONATE, DEXTROAMPHETAMINE/AMPHETAMINE, ARIPIPRAZOLE, ALBUTEROL SULFATE, and BLOOD SUGAR DIAGNOSTIC) Five appeared in the list of the 50 highest Cost per Day: ELEXACAFTOR/TEZACAFTOR/IVACAFT at $791, EMICIZUMAB-KXWH at $1,007, GLYCEROL PHENYLBUTYRATE at $3,815, CYSTEAMINE BITARTRATE at $2,783, and CARGLUMIC ACID at $3,900. The remaining 37 of the 50 highest expenditure prescriptions had neither extremely high utilization nor extremely high cost per day's dose.

Overall, high utilization rates seemed a slightly better (although decreasingly important) predictor of high expenses than unit cost.

- As mentioned above, the top 50 prescription drugs with the highest expenditure represented 57.6% and 61.7% of all Medicaid expenditures in 2018 and 2022, respectively.

- The top 50 drugs based on Patient Utilization (Number of Days' Supply) represented 22.9% and 13.8% total Medicaid expenditures, in 2018 and 2022, respectively.

- The top 50 drugs based on the Amount Paid per Day's Dose represented 16.8% and 12.0% of all Medicaid expenditures in 2018 and 2022, respectively.

The 50 generic drug classes with the greatest expenditure increases between 2018 and 2022

Analyses of the 50 generic drug classes with the greatest expenditure increases between 2018 and 2022 yield some similar and some unexpected results. Many of the drug classes with the highest expenditures in 2022 also experienced greatest expenditure increase since 2018. But the same examination uncovered the existence of numerous drug classes for which Medicaid spent less in 2022 than it had in 2018.

At the aggregate level, the 50 drug classes with the largest expenditure increases increased Medicaid prescription expenditures by $104,725,135 more in 2022 than in 2018. Additional analysis shows that Medicaid spent $137,752,637 more in 2022 than in 2018 on every drug class with increased expenditures. But since total Medicaid expenditures on all prescription drugs, as reported in Section V.A. above, rose only $80,238,437 during the same period, expenditures on some drug classes must have decreased. Section V.D. below will comment on some of the drug classes with the largest decreases.

Not surprisingly, the drug class with the greatest expenditures in 2022, Adalimumab, was also the drug class with the greatest 2018 to 2022 increase ($10,904,480) in Medicaid expenditures. That drug class by itself, represented 13.6% of Medicaid's total increase in expenditures on prescription drugs. Indeed, the additional expenditures of Adalimumab and the next four drug classes with the greatest increases (Elexacaftor/Tezacaftor/Ivacaft, Ustekinumab, Buprenorphine, and Dupilumab) constituted $41,355,208 which is over 51% of the overall Medicaid expenditure increase of $80,238,437.

Dupilumab, the drug category with the fifth largest expenditure growth, is the first that also the only category not in the top five expenditure drugs in 2022. It grew $4,377,967 (1872%) from $233,814 in 2018 to $4,611,781 which was the drug with the 10th highest expenditure in 2022. All of that increase can be attributed to the 2122% increase from 9 to 200 patients. Average dose-days actually decreased by 16% and the cost per dose-day only increased by 5.6%

50 generic drug classes with the greatest expenditure decreases between 2018 and 2022.

As suggested above, Medicaid's total expenditures on prescription drugs increased far less than would be anticipated by rising prices and rising utilization. Medicaid spent an additional $137,752,637 in 2022 (compared with 2018) on drugs with rising expenditures. But Medicaid's net increase was only $80,457,467 during the same period. The difference, $57,295,170, represents the estimated cumulative savings on all those drug classes on which Medicaid spent less.

Ledipasvir/sofosbuvir is the single drug category with the largest decrease in expenditures. The $4,202,545 savings was created when the $4,732,896 expenditure in 2018 fell to $530,351 in 2022. Much of that 88.8% drop in expenditures occurred because the number of patients treated dropped 73.4% from 79 in 2018 to 21 in 2022, and because the cost per dose-day dropped 54.6% from $1,098 to $498.

Prazosin HCl is the drug category with the second largest decrease in expenditures. The $2,308,350 savings was created with the $6,099,095 expenditures in 2018 dropped to $3,780,845 in 2022. That 37.8% savings occurred despite a 14.7% increase in patients because the cost per dose-day fell 50.0% from $6 in 2018 to $3 in 2022.

Acknowledgements

Author: Robert Woodward, Ph.D.; McKerley Professor of Health Economics Emeritus, UNH. The author: wishes to thank Mary Fields, Healthcare Data
Analyst, New Hampshire Department of Health and Human Services, Division of Healthcare Statistics for her technical assistance. Professor Woodward assumes all responsibility for any errors.

Prescription Drug Costs Administered in the Medical Benefit

Produced by The NH Insurance Department

A significant share of New Hampshire's total drug spend is administered in the insureds' medical benefit—which falls outside of the pharmacy benefit.[1] The primary purpose of this section of the report is to describe cost trends and characteristics of drugs covered within the medical benefit among commercial, fully insured NH residents, managed care organizations, and Medicare Supplemental plans (Med Supp). A secondary aim is to describe claims frequency, total cost, and relative cost burdens across a population of drugs known as *Biologics and Biosimilars* over a two-year period.

Introduction

Drugs covered under the medical benefit are most often those that are administered at a physician's office or in a hospital setting and are typically high-cost injectable medications. These are sometimes referred to as 'specialty drugs'. Specialty drugs have several operational definitions but are commonly defined as high-cost oral or injectable medications used to treat complex chronic conditions. Specialized handling and distribution requirements also exist for the administration of these medications, which is a contributing factor to their cost.[2]

A subset of specialty drugs are known as Biologics. These are medications that are derived from blood, tissues, proteins, viruses, and/or living organisms. They are often indicated to treat rare, and serious chronic health conditions. As such, they can be quite costly. In the Biologics market, little competitive pressure exists to exert price controls. In contrast, in conventional drug markets, lower cost generics have successfully lowered total and relative costs for prescription. However, creating lower cost substitutes for Biologics is not completely analogous to creating generics to compete with brand name drugs. So-called generics for Biologics are referred to as *Biosimilars.*

For branded medications, drug manufacturers own patents to protect their proprietary rights to sell their drugs. US and FDA patent laws and policies differ between medications considered 'drugs' (often referred to as 'small molecule' drugs), and those considered 'biologics' ('large molecule' drugs). The Hatch-Waxman Act manages the patent process for generic companies that would make small molecule drugs while the Biologics Price Competition and Innovation Act (BPCIA) performs a similar function for biosimilar companies.[3] Choosing a generic drug over a brand name drug can save a patient up to 85%. However, the cost savings from choosing a Biosimilar over a brand-name Biologic is, on average, considerably, lower (typically between 10-15%).

It has been acknowledged that increasing prescriptions for biologic drugs has accounted for a significant and increasing share of total pharmacy spending. In 2019, 47% of the total pharmacy spend in New Hampshire was attributable to specialty drugs—most of which include Biologics. In 2021, that share increased to 55% of the State's total pharmacy spend.[1] Recently, there has been political, Public Health, economic, and social interest in encouraging the use of Biosimilars. The data expressed in this report include only the prescription drugs—including specialty drugs—administered in the medical benefit of among the eligible populations described in the Methods section.

Methods

We performed a descriptive analysis of medical claims using the New Hampshire Comprehensive Health Care Information System (NH CHIS). Eligible claims included medical claims from 2021 and 2022 submitted by New Hampshire-sitused commercial carriers administering benefits for fully insured, managed care, and Medicare Supplemental plans. We chose this unit of analysis, as upward pressure on premiums—to these plans, would be applied, independent of members' residency status. Healthcare Common Procedure Coding System—Level II (HCPCS II) were used to identify drugs administered through the medical benefit. For our secondary aim, Biologics and their FDA-approved Biosimilar claims were assessed in the medical claim files. Data from the NH CHIS are de-identified per HIPAA regulations to protect patient confidentiality. Consequently, this evaluation is exempt from IRB approval. Data for the Biologics/Biosimilar analysis were aggregated at the therapeutic class level. Milliman MedInsights Query Express was used to query the data. Stata MP 14.1 (College Station, TX) was used for data analyses.

Results

The total prescriptions, total amount paid, and cost per prescription of drugs administered under the medical benefit in 2021 and 2022 are presented in Table 1. These parameters exhibited slight increases from 2021 to 2022. Claims for a wide array of medications and substances exist in the medical claims files. These include, corticosteroids, anti-emetics, sedatives, antibiotics, IV solutions, opioids, Biologics, Biosimilars, and many other approved pharmacologic substances. Collectively, Biologics and Biosimilars accounted for 20.02% and 15.5% of the share of prescription drug expenditures administered under the medical benefit in 2021 and 2022, respectively.

Table 1: Total prescriptions, paid amount and paid amount per prescription, by year

	Total Prescriptions	Total Paid ($USD)	Average Paid per Prescription ($USD)	% Share Represented by Biologics and Biosimilars
2021	882,725	$395,520,487.48	$448.07	20.02%
2022	889,107	$411,461,181.72	$462.78	15.50%
%Δ from 2021	0.70%	4.03%	3.28%	-4.52%

Fully Insured Commercial, Managed Care, and Medicare Supplement Plan Medical Claims
Data from NH Comprehensive Health Information System (NH CHIS)

Tables 2 and 3 compare the differences in the total prescriptions, total prescription drug spend, and cost per prescription between Biologics and their FDA-approved Biosimilars, for 2021 and 2022, respectively. The total number of prescriptions across all Biologics and Biosimilars increased by 70 units from 2021 to 2022, whereas total Biologic expenditures decreased by $12,941,548.82 and total Biosimilar expenditures decreased by $2,479,418.92 representing a net decrease in total Biologic and Biosimilar expenditures of $15,420,967.74 from 2021 to 2022. Importantly, Biologic prescriptions declined by 1,218 units in favor of a 1,288 unit increase in Biosimilar prescriptions during that same period. These trends support the notion that, upon Biosimilar entry into the market, an erosion of the Biologic market may ensue, exerting downward pressure to total expenditures for a specific therapeutic class or market.

Table 2: Total Prescriptions, Paid Amount and Paid Amount per prescription in 2021 by Therapeutic Class

	Biologics			Biosimilars		
Therapeutic Class	# of Prescriptions	Total Paid ($USD)	Average Paid per Prescription ($USD)	# of Prescriptions	Total Paid ($USD)	Average Paid per Prescription ($USD)
Antineoplastics	10,672	$20,802,207.47	$1,949.23	3,870	$19,145,125.68	$4,947.06*
Blood Products/Modifiers/Volume Expanders	1,858	$7,708,542.06	$4,148.84	2,692	$5,188,721.46	$1,927.46
Blood Glucose Regulators	1214	$52,834.09	$43.52	0	$0.00	$0.00
Erythropoiesis-Stimulating Agents (ESAs)	398	$64,229.43	$161.38	1602	$317,324.92	$198.08*
Immunological Agents	4,855	$19,894,155.60	$4,097.66	1,938	$4,971,865.77	$2,565.46
Unclassified	0	$0.00	$0.00	265	$1,031,911.15	$3,894.00
Totals	**18,997**	**$48,521,968.65**	**N/A**	**10,367**	**$30,654,948.98**	**N/A**

Fully Insured Commercial, Managed Care, and Medicare Supplement Plan Medical Claims Data from NH Comprehensive Health Information System (NH CHIS)

*Sufficient data is not available as to why the individual prescription price is higher for a biosimilar

Table 3: Total Prescriptions, Paid Amount and Paid Amount per prescription in 2022 by Therapeutic Class

	Biologics			Biosimilars		
Therapeutic Class	# of Prescriptions	Total Paid ($USD)	Average Paid per Prescription ($USD)	# of Prescriptions	Total Paid ($USD)	Average Paid per Prescription ($USD)
Antineoplastics	10,005	$14,681,226	$1,467	4,177	$15,389,885	$3,684*
Blood Products/Modifiers/Volume Expanders	1,860	$6,288,713	$3,381	2,311	$3,442,944	$1,490
Blood Glucose Regulators	1019	$39,073.18	$38	0	$0.00	$0
Erythropoiesis-Stimulating Agents (ESAs)	485	$71,096.12	$147	1738	$665,001.84	$383*
Immunological Agents	4,410	$14,500,312	$3,288	2,868	$8,364,735	$2,917
Unclassified	0	$0	$0	561	$312,965.10	$558
Totals	**17,779**	**$35,580,419.83**	**N/A**	**11,655**	**$28,175,530.06**	**N/A**

Fully Insured Commercial, Managed Care, and Medicare Supplement Plan Medical Claims Data from NH Comprehensive Health Information System (NH CHIS)

*Sufficient data is not available as to why the individual prescription price is higher for a biosimilar

Discussion

We sought to describe the total frequency and cost of prescription drug utilization administered in the medical benefit in New Hampshire's commercial, fully insured, managed care, and Medicare Supplement plan members. Additionally, we examined whether the entry of Biosimilars in specific drug markets might exert downward pressure on total specialty drug expenditures in the Medical Benefit. These data suggest an erosion of the aggregate Biologic market, in favor of their Biosimilar counterparts. Economic theory and expert opinion support the notion that, increased competition—where close substitutes exist (i.e.: Biosimilars)—results in downward price pressure in a market. These empirical findings support that thesis. Insufficient evidence exists in this analysis to support the hypothesis that individual patients experience lower out-of-pocket costs as a result of this movement in the market.

Strengths and Limitations

This report is based on empirical, cross-sectional data that captures a large sample of recent healthcare

system claims activity in New Hampshire. We feel that this is a strength. The NH CHIS, however, does not include medical claims from plans sponsored by large employers who assume the financial risk of their employees' claims (e.g., self-funded plans). Additionally, these data do not include NH Medicare nor (some) NH Medicaid subscribers. These realities dampen our enthusiasm for the findings. Future studies should examine the effects of migration of prescribing trends towards Biosimilars on patient cost sharing parameters, once a Biosimilar enters a market (e.g., becomes FDA approved for a specific indication) to evaluate the time required for markets to respond to the presence of increased competition. Lastly, with the entry of new Biosimilar into a market and/or a new indication for an existing Biologic or Biosimilar, HCPCS II codes may not yet exist or may change resulting in potential coding errors or misclassification of certain medications. We performed rigorous validity checks to minimize any bias resulting from this anomaly.

Conclusion

We observed an erosion in the frequency and total cost of brand name Biologic medications between 2021 and 2022, in favor of their competitive Biosimilars. Total expenditures declined from 2021, despite a similar total number of prescriptions for drugs under these classifications.

Acknowledgements

Primary author: Jason Aziz, Ph.D.; Director of Health Economics, New Hampshire Insurance Department. Co-author: Morgan Harris, MPH, New Hampshire Insurance Department. Mary Fields, Healthcare Data Analyst, New Hampshire Department of Health and Human Services, Division of Healthcare Statistics. We'd like to thank Rose Hess at Milliman, Inc. for her work developing queries on MedInsight.

Inquiries should be directed to: Jason Aziz, Ph.D.; Director of Health Economics, New Hampshire Insurance Department: mailto:Jason.J.Aziz@ins.nh.gov

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2. What are Biologics?: Questions and Answers, US FDA, https://www.fda.gov/about-fda/center-biologics-evaluation-and-research-cber/what-are-biologics-questions-and-answers
3. Goode R, Chao B. Biological patent thickets and delayed access to biosimilars, an American problem. J Law Biosci. 2022 Sep 1;9(2):lsac022. doi: 10.1093/jlb/lsac022. PMID: 36072417; PMCID: PMC9439849.

Strategies for Board Consideration to Reduce Prescription Drug Costs

By Gary Merchant

Reducing prescription drug costs is a complex challenge that requires a combination of strategies involving various stakeholders. Stakeholders include policymakers, healthcare providers, payers, and patients. Some strategies identified by the board include, but is not limited to, the following strategies to explore in the coming year: Increasing market adoption of biosimilars, payment options of biosimilars, creating a purchasing cooperative for pharmacy benefit managers (PBMs), and reducing drug waste.

Biosimilars

Increasing the market adoption of biosimilars is a complex process that involves multiple stakeholders. Biosimilars, which are biological products highly similar to and interchangeable with a Food and Drug Administration (FDA) approved reference biological product, offer the potential for significant cost savings for public payers. Some key strategies to promote the utilization of biosimilar usage and facilitate market adoption are:

Healthcare Providers: Provide education and training opportunities for healthcare professionals about biosimilars' safety, efficacy, and benefits. Address concerns about switching patients from a reference biological to a biosimilar.

Patients: Educate patients about biosimilars, assuring them of the safety and efficacy of these products. Address misconceptions and concerns, emphasizing the potential cost savings and improved access to treatment.

Policy Makers: Work with legislators and regulators to identify legal barriers to using biosimilars necessary to support switching patients between a reference biologic or substituting a biosimilar for a reference biologic.

Market Adoption Incentives: One strategy for board consideration is to make biosimilars more affordable than the reference biologic. Offer discounts to encourage healthcare providers to prefer a biosimilar. Introduce payment reform that incentivizes using biosimilars, ensuring that cost savings are shared among healthcare providers, payers, and patients.

Purchasing Cooperative for Pharmacy Benefit Managers

Improving coordination and cooperation among public payers of pharmacy benefit managers (PBMs) is an approach to reduce prescription drug benefits costs. Knowledge sharing and combining resources across public entities within the state that use pharmacy benefits managers may potentially allow them to negotiate better deals with PBMs, pharmaceutical companies, and pharmacies, leading to additional cost savings. Some key strategies for a purchasing cooperative:

Negotiate Pricing and Terms: Leverage the aggregated volume of prescriptions to negotiate favorable pricing and contract terms. Seek more transparent pricing models that clearly outline drug costs, rebates, and calculation of fees.

Utilize Data Analytics: Utilize advanced data analytics to identify patterns, monitor prescribing behaviors, and track outcomes. Data-driven insights can inform decisions, leading to more effective cost-saving measures such as utilization of biosimilars.

Elimination of Spread Pricing: Spread pricing refers to the practice where pharmacy benefit managers (PBMs) charge health plans one price for a prescription and reimburse a pharmacy at a lower price, keeping the difference (spread) as profit. This difference occurs when the payer charges the health plan a higher fee than the reimbursement to a pharmacy, which can be substantial and often not transparent. The elimination of spread pricing could significantly reduce drug costs to a prescription drug benefit plan. Greater transparency in this practice could improve negotiations between a PBM and a public payer to reduce the overall cost of a plan.

Formulary Management: Work with PBMs to develop formularies that encourage using cost-effective medications, especially biosimilars, while ensuring access to necessary treatments.

Pass-through Pricing: Work with PBMs on a contract that charges a flat fee or a transparent percentage over the actual cost of a drug. This approach eliminates the hidden spreads and ensures payers know what they pay for PBMs' services.

Reducing Drug Waste

The cost of prescription drug waste is a significant economic and environmental concern. Several factors contribute to the overall cost of prescription drug waste, including unused or expired medications, overprescribing, and patient non-adherence. The cost of drug waste has the financial impact of unused or expired drugs and the environmental cost of improper disposal methods.

Prescribe Smaller Quantities: Healthcare providers could initially prescribe smaller quantities, especially for new prescriptions. Patients can then refill as needed, balancing cost savings of larger quantities with the risk of excess or unused medications, particularly expensive drugs.

Prescription Drug Dose Rounding: Prescription drug dose rounding, also known as dose adjustment, is a practice where the prescribed dose is rounded or adjusted to the amount of drug in full packages. This practice minimizes drug waste associated with partial packages of medications, especially injectable drugs.

Reducing prescription drug costs for public payers is a complex challenge, requiring the board to explore the feasibility of these and other strategies.

Given the complexity to meet the legislative objectives in RSA 126-BB, the board will need to explore these and additional strategies to accomplish its mission.

Key Board Goals for 2024

1. Hire and onboard an Executive Director
2. Complete redundancy report with NH Insurance Department
3. Establish an Advisory Council per RSA 126-BB
4. Collaboration with other state prescription drug affordability boards
5. Recommend legislation that supports board objectives
6. Recruit board members to replace members who term off
7. Work on strategies to reduce drug expenditures for public payors.
8. Publish 2024 annual report by November 1, 2024.
9. Create rules to receive grants or voluntary contributions.
10. Assess adequacy of data needed for the board to meet its statutory objectives.
11. Assess board staff or members of the board having appropriate access to data.

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

January 3, 2023 1:00 PM

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)

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

ATTENDING: In person: Representative Gary Merchant, Robert Woodward, Tom Sherman, Representative James Murphy, Senator Cindy Rosenwald, Todd Fahey, William Marsh.

A quorum was established.

ABSENT: Senator Sharon Carson.

AGENDA REVIEW: Representative Merchant reviewed the agenda with the Board. Tom Sherman asked that we add a discussion around the advisory council to the agenda.

REVIEW AND APPROVE MINUTES OF NOVEMBER 30 MEETING: Tom Sherman moved to accept the minutes, Senator Rosenwald seconded. Motion passed via roll call. Tom Sherman noted that prior meeting minutes, that are currently posted on the Board website, contain the draft watermark, which should be removed, as they have all been approved.

DISCUSSION – MOU WITH DHHS: Attorney Rob Berry discussed the progress of the Memorandum of Understanding (MOU) between the Department of Health and Human Services (DHHS) and the Board. He noted that it is comprised of mostly standard language, and had worked on it with the assistance of the attorney general's office, and from DHHS: the Chief Financial Officer (CFO), the Director of the Contracts Unit and the Chief Privacy Officer. There was a discussion, led by Representative Jess Edwards, about the budget process in regards to funding the Board, with everyone agreeing that it should be clarified in the MOU. Attorney Berry stated he will meet with the DHHS CFO, Nathan White to get clear wording, and the Board agreed he should also be invited to speak during one of the future Board meetings. Tom Sherman and Todd Fahey brought up the topic of liability if there were to be a data breach. Attorney Berry stated he will get clarification from the attorney general's office on how the Board is protected.

BUDGET DISCUSSION: Board Chair, Representative Gary Merchant, discussed his belief that the revenue will come in before the expenses; Attorney Berry to get clarification from DHHS Human Resources (HR). The biggest expense is the executive director. Representative Merchant presented several documents to support this discussion. Representative Merchant spoke about the timeline for hiring, which is estimated to be 6 months, and reaching out to anyone in Administrative Services to see if there is an alternative to getting this filled any sooner, such as utilizing an already existing vacant position. The Board then discussed the Administrative Assistant position and at which level it should be. Nancy Plourde agreed to follow up with the Board to provide more detail as to the job description for the Administrative Assistant II recommendation, over an Administrative Assistant I. The Board discussed how it may be necessary to bring in consultants to handle data management moving forward and Tom Sherman agreed to reach out to Amy Costello, the Director of Health Analytics and Informatics at UNH Institute for Health Policy and Practice, for guidance on that topic. Representative Merchant continued to review the chart, including both the expenses of the Board and the revenue. On a related note, he discussed the importance of the information that is reported going through the proper channels and processes of validation. Tom Sherman

mentioned adding a placeholder for the Board, Officers and Advisory Council insurance. Representative Merchant inquired how the services of the attorney from the Attorney General's Office is provided to us; whether they are paid, if there is an MOU, etc. Attorney Berry stated he believes they are provided to us at no cost to us, rather as part of the Department of Justice's budget. Representative Merchant reviewed the list of covered entities. Tom Sherman brought up the point that there are other covered entities that aren't represented in the list, that they were not able to obtain data on, that will eventually be considered in the revenue. Jason Aziz stated CHIS should be able to have this data and he will work with Representative Merchant to explore. The Board discussed the idea that those who will be paying fees will be expecting some sort of data/results from the Board, the timing of that, and how it will be presented. Attorney Berry stated he will have a basic workup for JLCAR in February, identifying the general benefit of collecting fees. The Board reviewed the draft of the invoice. Heidi Kroll pointed out to the Board that we will need to add the area code to the invoice document. There was a short discussion about the similarities in reporting requirements to the Board and the Insurance Department, and ideas on how to make it more clear. Following a short discussion, Tom Sherman made a motion to send out invoicing for a 6-month period, second by Todd Fahey. Motion approved via roll call.

DISCUSSION – JLCAR COST BENEFIT: Representative Merchant discussed the differences between taxes and fees. Taxes go through the legislative process and fees carry the expectation that something will be given in return. Tom Sherman stated how important it is to present what the clear benefit to the consumer is.

SCHEDULE MEETINGS FOR COMING MONTHS: Next meetings are scheduled for February 6th, April 3rd, May 1st and June 5th; all 10:00-12:00.

PUBLIC COMMENTS: Heidi Kroll spoke about the annual report, and her view about making it clear that the data that came from the CHIS database focused on the pharmacy benefit side and not the medical benefit side, even though the data is available. She believes the snapshot is only half the picture, and provided an example of a drug whose price increased dramatically in regards to the medical benefit side.

ADJOURNMENT: Representative Merchant made an undebatable motion to adjourn.

Todd Fahey, Clerk, respectfully submitted.

Nancy T. Plourde, Recording Secretary

State of New Hampshire
DEPT OF ADMINISTRATIVE SERVICES
DIVISION OF PERSONNEL
28 SCHOOL STREET
CONCORD, NH 03301

JOB CLASSIFICATION:	ADMINISTRATIVE ASSISTANT I	**Date Established:**	7/1/1950
Class Code:	008100 - 16		
Occupational Code:	712	**Date of Last Revision:**	7/17/2015
Exempt Status:	Non Exempt		

BASIC PURPOSE SUMMARY: To supervise the administrative and office management functions of an organizational unit or section, with responsibility for scheduling staff assignments.

CHARACTERISTIC RESPONSIBILITIES:

- Manages a clerical support unit or section including solving work-related problems as necessary.
- Recommends the development of work methods to facilitate the flow of work in the assigned work area.
- Presents information to clarify department policies, procedures, laws and regulations to inquiring employees or the general public.
- Gathers and summarizes fiscal data to prepare reports and documents used in administrative decision-making.
- Reviews and replies to correspondence and performs public relations duties, such as assisting in the preparation of news articles.
- Conducts research work, prepares reports and informational material for administrative use by agency managers.

DISTINGUISHING COMPETENCY FACTORS:

Skill:	Requires skill in recommending routine changes in standardized operating procedures OR in retrieving, compiling and reporting data according to established procedures OR in operating complex machines.
Knowledge:	Requires knowledge of business practices and procedures or technical training in a craft or trade, including working from detailed instructions, to apply knowledge in a variety of practical situations.
Impact:	Requires responsibility for contributing to immediate, ongoing agency objectives by facilitating the direct provision of services to the public or other state agencies. Errors at this level result in inaccurate reports or invalid test results and require a significant investment of time and resources to detect.
Supervision:	Requires direct supervision of programs or of employees doing work which differs from the supervisor, including disciplining employees, solving personnel problems, recommending hiring and firing employees, and developing work methods. The supervisor in this position manages a working unit or section with responsibility for employee performance appraisal.
Working Conditions:	Requires performing regular job functions under good conditions in a safe working environment.
Physical Demands:	Requires sedentary work, including continuous sitting and occasional standing and walking.
Communication:	Requires summarizing data, preparing reports, and making recommendations based on findings which contribute to solving problems and achieving work objectives. This level also requires presenting information for use by administrative-level managers in making decisions.
Complexity:	Requires a combination of job functions to establish facts, to draw daily operational conclusions, or to solve practical problems. This level also requires providing a variety of alternative solutions where only limited standardization exists.
Independent Action:	Requires a range of choice in applying a number of technical or administrative policies under general direction and making routine decisions or in recommending modifications in work procedures for approval by supervisor.

MINIMUM QUALIFICATIONS:

Education: Associate's degree from a recognized college or technical institute with a major study in business administration, accounting, or public administration. Each additional year of approved formal education may be substituted for one year of required work experience.

Experience: Three years' experience in responsible office or business management activities. Each additional year of approved work experience may be substituted for one year of required formal education.

License/Certification:
None required.

RECOMMENDED WORK TRAITS:
Knowledge of modern principles and practices of public or business administration. Knowledge of modern office methods and procedures. Knowledge of basic principles and practices of accounting. Ability to plan, assign and supervise the work of others. Ability to conduct studies and analyses contributing to the development of sound operational procedures. Ability to speak and write effectively. Ability to understand and carry out complex written or oral instructions. Ability to establish and maintain harmonious working relationships with administrative officials, other employees and the general public. Must be willing to maintain appearance appropriate to assigned duties and responsibilities as determined by the agency appointing authority.

DISCLAIMER STATEMENT: This job classification description represents general duties and is not intended to list every specific function of this class title.

EXECUTIVE DIRECTOR, MD PRESCRIPTION DRUG AFFORDABILITY BOARD EXEC VIII

Recruitment #20-009608-0001

DEPARTMENT	MDH Maryland Health Care Commission
DATE OPENED	10/14/2020 1:05:00 PM
FILING DEADLINE	10/28/2020 11:59:00 PM
SALARY	$113,866.00 - $152,121.00/year
EMPLOYMENT TYPE	Full-Time
HR ANALYST	Janet Esser
WORK LOCATION	Baltimore City

GRADE

9908

LOCATION OF POSITION

MDH, Maryland Prescription Drug Affordability Board, Baltimore, MD

This position will eventually based in Bowie, Maryland, but some travel to Annapolis MD and Baltimore MD is anticipated.

Main Purpose Of Job

The Maryland Prescription Drug Affordability Board (Board) is seeking an individual with a strong technical and analytical background in health care and prescription drug policy with demonstrated leadership capability to fill the position of Executive Director.

The Maryland Prescription Drug Affordability Board is an independent agency of Maryland government. Maryland is one of only two states that has formed a prescription drug oversight board to address issues of high drug costs and the rapid growth of those costs. Five members comprise the Board, one each appointed by the Governor, the President of the Senate, the Speaker of the House of Delegates, and the Attorney General; and one appointed jointly by the President of the Senate and the Speaker of the House of Delegates, who serves as chair. The board, in consultation with the Prescription Drug Affordability Stakeholder Council (Council), which is defined in the law, must (1) study the entire pharmaceutical distribution and payment system in the State and (2) identify policy options being used in other states and counties to lower the list price of pharmaceuticals, including setting upper payment limits, using a reverse auction marketplace, and implementing a drug bulk-purchasing process. The Council is comprised of specified stakeholders appointed by the Governor, the President of the Senate, and the Speaker of the House. Collectively, members of the Council must have knowledge in the following areas: the pharmaceutical business model; supply chain business models; the practice of medicine or clinical training; consumer or patient perspectives; health care costs, trends, and drivers; clinical and health services research; or the State's health care marketplace.

The Board's first actions will be to recommend an assessment approach for permanently funding its work and to develop the Action Plan for improving drug affordability for Maryland residents. After approval of the Action Plan by the Legislative Policy Committee of the General Assembly and the Governor, the Board will implement the Action Plan. The legislation that established the Board is accessible at http://mgaleg.maryland.gov/2019RS/Chapters_noln/CH_692_hb0768e.pdf

POSITION DUTIES

The Executive Director reports to the Board and is responsible for the overall operation of the Board and its multi-disciplinary staff including senior leadership, strategic direction, and management and oversight of all activities necessary to develop the Board's mission. The Executive Director, in collaboration with the Board Chair and members will develop the organization including hiring and developing staff, procuring contracts, and forming workgroups that will provide input to the Board's decision-making process. These duties include:

- Implementing the Board's action plans, analytic activities and reports, including the mandated reports on the funding of the Board's operations. Developing proposed regulations and reports to the Governor and General Assembly, enforcing the Board's decisions through negotiation and litigation, and directing the development of Board analyses and studies.
- Communicating in verbal and written form on issues related to drug policy and affordability, as well as policies and regulations adopted by the Board with senior policymakers at the Governor's Office and the Maryland Department of Health, including the independent boards and commissions.
- In concert with the Board, organizing the activities of the Stakeholder Council and communicating the input of the Council to assist the Board in making decisions as required.
- Providing senior leadership and overseeing operations at the Board including reviewing and evaluating the results of program activities, ensuring that continuing contractual obligations are being fulfilled, hiring and evaluating staff, allocating resources for greater program effectiveness and efficiency and developing organizational and administrative policies and program objectives to meet the Board's mission.
- Serving as the obligating official for all Board funds to carry out the Board's mission, and serving as contracting officer for all contracts, including research, policy analysis, data analysis, administration, and operations.

MINIMUM QUALIFICATIONS

Qualified candidates must possess a doctorate, an M.D., or a master's degree from an accredited college or university in pharmacoeconomics, pharmacology, health policy, health services research, medicine, pharmacology, public policy, or a related field or discipline and ten or more years of related policy experience, including at least three years' experience in a senior leadership position.

To qualify for this position, the applicant must provide evidence of an ability to serve in a senior leadership capacity with responsibility for providing strategic direction to a new organization. The applicant must possess sophisticated analytical skills, superior written and oral communication skills, and experience in interacting with government and non-government officials and in managing a multi-disciplinary analytic staff. The applicant must demonstrate experience in working with one or more organizations in the drug or medical equipment supply chain such as pharmaceutical companies, medical equipment manufacturers, health insurance companies, pharmacy benefit managers, and consumer groups. Successful experience in a startup organization or in an established organization in which the applicant launched a new program and led organizational change will be considered a plus. Experience in, or knowledge of, the pharmaceutical drug supply chain will be considered a plus.

Other Important Information: Applicants for the Executive Director must be a U.S. citizen (or have applied for U.S. citizenship and naturalization). This is a full-time position based in Bowie, Maryland, but some travel to Annapolis MD and Baltimore MD is anticipated.

SELECTION PROCESS

This is an Executive Service position, and serves at the pleasure of the Appointing Authority. **A cover letter and resume must accompany your application. Please upload the cover letter and resume in one file under the resume section of the application.**

Applicants who meet the minimum (and selective) qualifications will be included in further evaluation. The evaluation may be a rating of your application based on your education, training and experience as they relate to the requirements of the position. Therefore, it is essential that you provide complete and accurate information on your application. Please report all related education, experience, dates and hours of work. Clearly indicate your college degree and major on your application, if applicable. For education

obtained outside the U.S., any job offer will be contingent on the candidate providing an evaluation for equivalency by a foreign credential evaluation service prior to starting employment (and may be requested prior to interview).

Complete applications must be submitted by the closing date. Information submitted after this date will not be added.

Incorrect application forms will not be accepted. Resumes will not be accepted in lieu of a completed application.

Candidates may remain on the certified eligible list for a period of at least one year. The resulting certified eligible list for this recruitment may be used for similar positions in this or other State agencies.

BENEFITS

STATE OF MARYLAND BENEFITS

FURTHER INSTRUCTIONS

Online applications are highly recommended. However, if you are unable to apply online, the paper application (and supplemental questionnaire) may be submitted to MDH, Recruitment and Selection Division, 201 W. Preston St., Room 114-B, Baltimore, MD 21201. Paper application materials must be received by 5 pm, close of business, on the closing date for the recruitment, no postmarks will be accepted.

If additional information is required, the preferred method is to upload. If you are unable to upload, please fax the requested information to 410-333-5689. Only additional materials that are required will be accepted for this recruitment. All additional information must be received by the closing date and time.

For questions regarding this recruitment, please contact the MDH Recruitment and Selection Division at 410-767-1251.

If you are having difficulty with your user account or have general questions about the online application system, please contact the MD Department of Budget and Management, Recruitment and Examination Division at 410-767-4850 or Application.Help@maryland.gov.

Appropriate accommodations for individuals with disabilities are available upon request by calling: 410-767-1251 or MD TTY Relay Service 1-800-735-2258.

We thank our Veterans for their service to our country.

People with disabilities and bilingual candidates are encouraged to apply.

As an equal opportunity employer, Maryland is committed to recruitment, retaining and promoting employees who are reflective of the State's diversity.

State of New Hampshire

PRESCRIPTION DRUG AFFORDABILITY BOARD

Budget Presentation

January 3, 2023 Board Meeting

RSA 126-BB:8 established that expenses and cost of operation of the board shall be funded by reasonable user fees and assessments determined in rules adopted by the board. The RSA established two basic category of assessment fees – RSA 126-BB:8 (I)(e) for manufacturers, distributors and PBM and RSA 126-BB:8 (I)(c) for health insurance carriers and health maintenance organizations on the basis of the total annual health care premium, third-party administrators, and health carriers that provide only administrative services for a plan sponsor. Rules adopted by the board and approved by JLCAR (Joint Legislative Committee for Administrative Rules) set annual assessments fees for RSA 126-BB:8 (I)(e) between $500 to $1,000, and for RSA 126-BB:8(I)(c) between $100 and $200.

RSA 126-BB:8 (III) established a non-lapsing fund to be known as the New Hampshire prescription drug affordability board administration fund, which shall be kept distinct and separate from all other funds. The fund shall be continually appropriated to and administered by the board. All fees and assessments collected under this section shall be deposited in the fund. The board shall use the fund, consistent with the provisions of this chapter, to receive funds and to reimburse costs incurred by the board. The fund may be used to pay administrative, technical, legal support, or other costs incurred by the board under this chapter. The state treasurer may invest moneys in the fund as provided by law, and all interest received on such investment shall be credited to the fund.

RSA 126-BB:8 (II) states that the aggregate level of annual assessments under subparagraphs (c) and (e) shall be an amount sufficient to meet the board's expenditures authorized, provided that such amount shall not exceed 125 percent of the board's annual operating costs.

In January 2022, the board identified 643 entities categorized as either a manufacturer, distributor, pharmacy benefit manager, manufacturer/wholesale distributor, or a pharmacy benefit manager/wholesale distributor.

Assessment fees (revenue) used the 643 entities with an assessment fee of $700 for a total annual revenue of **$450,100.** 125% of this amount equates to $562,625.

A 2020 posting for an Executive Director for the Maryland Prescription Drug Affordability Board list the salary range between $113,866 to $152,121 with a mid-point of $132,994. Grade KK, step 4 in the state of New Hampshire unclassified list wage as $118,378. The final wage will be determined by the legislative Joint Committee for Employee Compensation (JCEC).

For the administrative assistant, the position of Administrative Assistant I, Grade 16, Step 4 is used with the final to be determined by the Executive Director.

Nathan White, CFO for DHHS recommends using $50,000 to cover the MOU between the board and DHHS. The board should establish a method to reimburse the AG office for legal services, or to use for legal services not provided by the office.

The board will need to contract with an organization to develop a comprehensive and robust methodology to establish and set spending limits. In addition, the contract should include an annual review and verification of work done either by in-house staff or via a contract with a data analyst.

In-state travel should be limited, so 2,500 miles x IRS rate of $0.58 equates to $1,450. One national or regional conference for the Executive Director to network with other PDAB programs to share and learn.

Annual subscription to Medi-Span for drug pricing such as WAC (wholesaler acquisition costs), Max allowable generic costs, and manufacturer price increases.

Option A – send out invoices for the full assessment fee for fiscal year 2022-2023, and annually thereafter in May of each year.

Option B – sent out invoices for a pro-rated year of 6 months for fiscal year 2022-2033, and full assessment fees for fiscal year 2023-2024 in May 2023.

Respectfully submitted – Rep. Gary Merchant, Board Chair

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

THE PRESCRIPTION DRUG AFFORDABILITY BOARD RELATIVE TO:

DEPARTMENT OF HEALTH AND HUMAN SERVICES-PROVIDED ADMINISTRATIVE SUPPORT TO STAND UP THE PRESCRIPTION DRUG AFFORDABILITY BOARD

AND

DATA SHARING AGREEMENT BETWEEN

DEPARTMENT OF HEALTH AND HUMAN

SERVICES AND PRESCRIPTION DRUG AFFORDABILITY BOARD

PURPOSE

This Memorandum of Understanding (MOU) is entered into by the Department of Health and Human Services (Department) and the Prescription Drug Affordability Board (Board), collectively, (Parties) to establish collaborative procedures for the Department to administratively support the standing up of the Board and for the sharing and exchanging of certain required data pursuant to RSA 126-BB.

The MOU is divided into three (3) parts. Part I covers certain administrative and other matters between the Department and the Board. Part II consists of the Data sharing agreement that covers any and all data that are provided or shared between the Department and the Board. Part III consists of amendment and termination terms, effective date, and signatures of Parties.

PART I.

1.1. The Department provides an integrated, administrative structure for the design and delivery of a comprehensive and coordinated system of health and human services which is family-centered and community-based whole-person programs and services for the citizens of the State of New Hampshire.

1.2. The Board is administratively attached to the Department tin pursuant to RSA 126-BB:2, VI.

The Parties agree that as an attached entity, the Board may request and receive certain administrative and other support pursuant to RSA 21-G:10, II and as further outlined in this agreement.

1.3. The Board is established through a legislative mandate and operates pursuant to RSA 126-BB and adopted administrative rules.

1.4. The purpose of the Board is to identify strategies that optimize spending by public payors (any division of state, county, or municipal government that administers a health plan for its employees or an association of state, county, or municipal employers that administers a health plan for its employees) for pharmaceutical products while ensuring that the public has access to needed pharmaceutical products. RSA 126-BB:5.

2. Administrative Services and Other Support

2.1. The Department agrees to provide the following administrative and other support to the Board on a cost allocation basis:

2.1.1. Financial Services/Budget Support;
2.1.2. Contracts and Procurement Support;
2.1.3. Business Operational Support;
2.1.4. Human Resources Support;
2.1.5. Administrative Support;
2.1.6. Creation of and standing up the Board's public webpage; and
2.1.7. Agreement for the provision and/or Exchange of Required Data.

3. Financial Services/Budget

3.1. The Board receives its funding from user fees and assessments, established pursuant to RSA 126-BB:8.

3.2. The Department shall assist the Board with establishing and maintaining an account to receive and expend funds as necessary.

3.3. In accordance with RSA 21-G:10, the Department shall assist the Board with the following:

3.3.1 Budgeting, recordkeeping and related administrative and clerical assistance to the Board; and

3.3.2 Submitting the Board's budget requests, without any changes, to the appropriate entity for review and approval.

4. Contract and Procurement Support

4.1. The Department will provide contract support, through its Contract Bureau, to the Board, as needed.

4.2. Contracts may provide for, among other things, support services and technology acquisitions and may be in the form of interagency agreements and MOUs with other State agencies, as well as data sharing agreements.

4.3. The Department's Contract Bureau will:

4.3.1. Provide consultation and assistance to Board staff in the development of agreements, and competitive solicitations.

4.3.2. Conduct the solicitation process to include meeting any requirements of all New Hampshire state agencies as necessary, , negotiating terms, and processing and preparing agreements for signature.

4.3.3. Serving as liaison with other New Hampshire state agencies on procurement matters as needed.

4.3.4. Review and provide comments and/or recommendations on agreements and solicitations to include negotiating directly with or assisting in the negotiation with contractors, for any required modifications to statement of work and contract terms and conditions.

4.3.5. Maintain contractual records and documentation such as receipt and control of all contract correspondence, amendments, DAS filings, solicitation information and other documents related to the agreement.

4.3.6. Serve as the point of contact for the Board on procurement matters, and act as contractual liaison between Board members or staff and contractors during the procurement and negotiation process as needed.

5. Business Operational Support

7.1 The Department shall provide office equipment such as computers, laptops, and other like electronic devices and basic office furnishings.

7.2 The Department shall permit the Board to utilize its mail service.

6. Human Resources Support

6.1. The Department will provide Human Resources support by assisting in the drafting of the Supplemental Job Description (SJD), recruiting, and hire of an Executive Director pursuant to RSA 126-BB:2.

6.2. Pursuant to RSA 126-BB:2, the Executive Director position shall be a State unclassified employee.

6.3. The Department's Bureau of Human Resources Management will post the position on the Department's intranet and internet webpages as needed.

6.3.1. The Bureau of Human Resources Management will forward all submitted applications to the Board for its review and selection of the Executive Director.

6.3.2. The Board shall follow all Department and Division of Personnel rules and processes for the review and selection of the Executive Director.

6.4. The Executive Director shall be supervised by an individual within the DHHS or the Department of Administrative services for the purposes of basic supervisory functions including time card approval if appropriate. The Board shall retain the supervisory duties of hiring, discipline and overseeing the day to day work product of the Executive Director.

6.5. The Executive Director, when a classified employee, shall be subject to State Personnel rules and Department rules, regulations, and disciplinary process.

6.6. The duties of the Executive Director shall be outlined in the Supplemental Job Description.

7. Legal support

7.1. Draft Forms and Documents: the Executive Director and Board with draft and review, with assistance from the Department as necessary, the following forms and/or documents:

7.1.1. Confidentiality and Non-disclosure form that conforms with the requirements of RSA 126-BB:7, 9 and other applicable laws.

7.1.2. Conflict of Interest form that conforms with the requirements of RSA 126-BB:3 and other applicable laws.

7.1.3. Additional legal documents and/or forms as needed during the term of the MOU.

7.2. The Board has rulemaking authority pursuant to RSA 126-BB:6.

7.2.1. The Department's Office of Legal and Regulatory Services shall assist the Board with the drafting of its rules pursuant to, and in conformity with, RSA 126-BB and RSA 541-A. Draft rules will be presented to the Board for review, public comment, and approval.

7.2.2. Once the Board has approved its rules, the Department's Administrative Rules Unit will submit them to the Joint Legislative Committee on Administrative Rules (JLCAR) for final approval.

7.3. The Department's Office of Legal and Regulatory Services shall respond to all right to know requests.

8. Creation of and Standing up Public Webpage

8.1. The Department's Information Services Unit (BIS) will consult with the Board regarding the design and lay-out of the web page to address the needs of the Board.

8.2. The Department's Information Services Unit will create the public web site.

8.3. The Department's Information Services Unit will provide technical support as needed.

9. Provision of and/or Exchange of Required Data

9.1. Data shall be exchanged and shared in accordance with RSA 126-BB and the Data Sharing Agreement within PART II of this MOU.
9.2. The Department shall share aggregated non-protected health information data for use by the Board in meeting the needs of its stakeholders as described in Part II.

PART II.

DATA SHARING AGREEMENT No. 2020-0XX

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

A. Purpose

This Data Sharing Agreement, hereinafter the "Agreement" made as of the ____day of _____, 2023 (the "Effective Date"), by and between the State of New Hampshire Department of Health and Human Services (the "Department" or "DHHS") and the Prescription Drug Affordability Board (the "Board" or "User"), contains the framework and the terms, conditions, safeguards, and procedures under which the Department and the Board agree to share data with each other for the purposes of

assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Use of the data our Parties receive under this Agreement is limited to

1. Members of the Prescription Drug Affordability Board;
2. Employees of the Prescription Drug Affordability Board;
3. The Advisory Council established by RSA 126-BB:4.

B. Legal Authority

This Agreement supports the responsibilities of the Department and/or the Board and is permissible pursuant to RSA 126-BB. This Agreement shall be established so as to ensure compliance with all applicable state and federal confidentiality and privacy laws.

C. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" sall have the same meaning "Computer Security Incident" in Section 2.1 of NIST Publication 800-61 Rev. 2, Computer Security Incident Handling Guide.

3. "Confidential Data" means all information owned, managed, created, received, from or on behalf of, the Department that is protected by information security, privacy or confidentiality rules and state and federal laws. This information includes but is not limited to derivative data, Protected Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information, Social Security Administration, and CJIS (Criminal Justice Information Services) data.

4. "Derivative Data" means data or information based on or created from Confidential Data.

5. "End User" means any person or entity (e.g. contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives Confidential Data in accordance with the terms of this Agreement.

6. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

7. "Incident" means an act that potentially violates an explicit or implied security policy, which includes successful attempts to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic mail.

8. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted Confidential Data.

9. "Penetration Testing" shall mean testing to attempt to exploit found or known

vulnerabilities to determine whether unauthorized access or other malicious activity is possible. Penetration testing for this Agreement includes network penetration testing and application security testing as well as controls and processes around the networks and applications from both outside the network trying to come in (external testing) and from inside the network.

10. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Virtual Private Network" (VPN) shall mean network technology that creates a **secure** private connection between the device and endpoint; hiding IP address and encrypting all data in motion.

II. OBLIGATIONS OF USER

A. Business Use and Disclosure of Confidential Information.

1. The Board must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this MOU. Further, the Board, including but not limited to all its members, directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. To the extent the Board is permitted under the MOU to disclose Confidential Information to a third party, the Board must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such Confidential Information will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii), with regard to PHI, an agreement from such third party to notify the Board, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
3. The Board must not, disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying the Department so that the Department has an opportunity to consent or object to the disclosure. In the event the Department and the Board are unable to agree, the New Hampshire Department of Justice must decide whether or not to disclose the Confidential Information.
4. If the Department notifies the Board that the Department has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Board must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.

5. The Board agrees not to disclose direct findings, listings, or information derived from the file(s) specified in Section IIII, with or without direct identifiers, if such findings, listings, or information can, by themselves or in combination with other data, be used to deduce an individual's identity, unless authorized by law. The Board agrees that any use of Department data in the creation and publication of any document (manuscript, table, chart, study, report, etc.) concerning the purpose specified in Sections I and III (regardless of whether the report or other writing expressly refers to such purpose, to the Department, or to the data elements specified in Section III or any data derived from such files) must adhere to CMS' current cell size suppression policy. This policy stipulates that no cell (e.g. admittances, discharges, patients, services) 10 or less may be displayed. Also, no use of percentages or other mathematical formulas may be used if they result in the display of a cell 10 or less. By signing this Agreement the Board hereby agrees to abide by these rules.
6. The Board agrees that Department Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this MOU.
7. The Board agrees that the Board and any End User must not attempt to link data elements included in the data specified in Section III and/or DHHS data obtained through this MOU to any other individually identifiable source of information, except as authorized by law and as provided for in this MOU. This includes attempts to link the data to other Department, Sister Agency, State Partner, State Business Associate, CMS, other States, or Federal Government data file(s). A protocol that includes the linkage of specific files that has been approved in accordance with this MOU constitutes express authorization from the Department to link files as described in the protocol.
8. The Board agrees that Department Data obtained under this MOU may not be used for any other purposes that are not indicated in this MOU.
9. The Board must have a signed End User Agreement (EUA) (Attachment A) for all of its End-Users on file with the Department, prior to the Department sharing data with the Board.
10. The EUA must be signed and returned to the Department to track disclosures of Department Data and to ensure that the Board only uses the Department Data and any derivative data for the purposes provided under the terms of this MOU.
11. If requested, the Board agrees to grant access to the data to the authorized representatives of the Department for the purpose of inspecting to confirm compliance with the terms of this MOU.

III.OBLIGATIONS OF THE DEPARTMENT

IV. SCOPE

The Parties agree Medicaid prescription drug data provided by the Department will be restricted to the following use: Assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Further, the Board agrees that the Confidential Data being shared is the "minimum necessary" to carry out the stated use of the data, as defined in the Privacy Rule and in accordance with all applicable confidentiality laws. **Number of Records Involved and Operational Time Factors**

V. INFORMATION SECURITY

1. The Parties agree to maintain proper security controls to protect the Confidential Data collected, processed, managed, and/or stored in association with this MOU at a level consistent with the requirements applicable to state and federal Parties.
2. Parties agree to establish and maintain appropriate administrative, technical, physical, and organizational safeguards to protect the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements that is set forth in the principles of NIST 800-53 (Rev.4).
3. The Parties agree to maintain policies and procedures to safeguard Confidential Data throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
4. Parties agree computer disks or portable storage devices, such as a thumb drive, may not be used as a method of transmitting Confidential Data.
5. Parties agree Confidential Data may be transmitted via email if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
6. Encrypted Web Site. If the Board is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure
7. Laptops and PDA. If the Board is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. The Board may not transmit Confidential Data via an open network. The Board may only employ a wireless network when remotely transmitting via a VPN.
9. Remote User Communication. If the Board is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the Board's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If the Board is employing an SFTP to transmit Confidential Data, the Board will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will

be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).

11. Wireless Devices. If the Board is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

The Parties agree to negotiate an amendment to this MOU as needed to address changes in policy issues, fiscal issues, information security, and specific safeguards for maintaining confidentiality, as needed.

VI. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Parties acknowledge that respective Parties retains all ownership rights to the Data obtained under the terms of this MOU. The Parties will only retain Confidential Data and any derivative for the duration of this MOU. After such time, the Parties will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this MOU. To this end, the Parties must:

A. Retention

1. The Parties agree they will not store or transfer Confidential Data collected under the terms of this MOU outside of the United States. This includes backup data and Disaster Recovery locations.
2. The Parties agrees to provide security awareness and education for its members, employees, contractors and sub-contractors in support of protecting Confidential Data.
3. The Parties agree Confidential Data stored in a Cloud must be in a Government compliant Cloud solution and comply with all applicable statutes and regulations regarding privacy and security for the type of data stored within the solution. The data owner must retain control and management of the encryption key to the cloud solution. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.
4. The Parties agree to cooperation with the State's Chief Information Security Officer in the detection of any security vulnerability of the hosting infrastructure.

VII. LOSS REPORTING

The Parties must notify NH DoIT Help Desk, via the email provided in this MOU, and their respective Information Security Officers and Privacy Officers of any information security events, Computer Security Incidents, Incidents, or Breaches immediately once the Board has determined that the aforementioned has occurred and that Confidential Data may have been exposed or compromised.

In addition to notifying NH-CIC, security incidents and/or Breaches that implicate PII

must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

If a suspected or known information security event, Computer Security Incident, Incident or Breach involves **Social Security Administration (SSA) provided data, Criminal Justice Information (CJI)** or Internal Revenue Services (IRS) provided **Federal Tax Information (FTI)** then the Agency/Partner must notify DHH Information Security immediately (without delay) of any security breaches or loss of Confidential Data at the time that the Board learns of their occurrence.

VIII. REIMBURSEMENT

No funds will be exchanged under this MOU for any work to be performed by the Parties to carry out the requirements of Part II of this MOU. The Parties agree to absorb their respective costs associated with this MOU unless otherwise provided for in this MOU.

IX. PERSONS TO CONTACT

A. Department contact for Data Management, Information Security, or Privacy issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

B. NH Cyber Integration Center (NH-CIC) contacts for Security Incidents/Breach Reporting:

helpdesk@doit.nh.gov

C. User contact for Information Security/Privacy issues: [Fill in with Agency/Partner contact information]

X. APPROVALS

A. Hon. Gary Merchant, Chair of the Prescription Drug Affordability Board, authorized official

The authorized official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved by:

Gary Merchant **Chairman** **Prescription Drug Affordability Board** **(Insert State Agency/Business Name)**	**Date:**

B. State of New Hampshire, Department of Health & Human Services Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DHHS Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

C. State of New Hampshire, Department of Information Technology Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DOIT Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

ATTACHMENT A

END USER AGREEMENT

By requesting and receiving approval to access the DHHS Data:

- I understand that I will have direct and indirect access to confidential information in the course of performing my work activities.
- I agree to protect the confidential nature of all information to which I have access.
- I understand that there are state and federal laws and regulations that ensure the confidentiality of an individual's information.
- I understand that there are DHHS policies and procedures with which I am required to comply related to the protection of individually identifiable information.
- I understand that the information extracted from the site shall not be shared outside the DHHS Scope of Work or related signed Memorandum of Understanding and/or Information Exchange Agreement/Data Sharing Agreement agreed upon.
- I understand that my SFTP or any information security credentials (user name and password) should not be shared with anyone. This applies to credentials used to access the site directly or indirectly through a third party application.
- I will not disclose or make use of the identity, financial, health information or other confidential data of any person or establishment discovered inadvertently. I will report such inadvertent exposure and other security incidents or breaches immediately to **helpdesk@nh.gov** and **DHHSInformationSecurityOffice@dhhs.nh.gov**.
- I will not imply or state, either in written or oral form, that interpretations based on the data are those of the original data sources or the State of NH unless the data user and DHHS are formally collaborating.
- I understand how I am expected to ensure the protection of individually identifiable information and other confidential data. Should questions arise in the future about how to protect information to which I have access, I will immediately notify my supervisor.
- I understand that I am legally and ethically obligated to maintain the confidentiality of Department client, patient, and other sensitive information/confidential data that is protected by information security, privacy or confidentiality rules and state and federal laws even after the conclusion/termination of my or my organization's contract/written agreement with the Department or one of its authorized contractors working on behalf of the Department.
- I have been informed that this signed agreement will be retained on file for future reference.

_____	_____
Signature	Date
_____	_____
Printed Name	Title
_____	
Business Name	

PART III.

1. Amendment

1.1 This Memorandum of Understanding may be amended or modified from time to time upon written agreement by both Parties. If this MOU requires approval by Governor and Executive Council any subsequent modification by the Parties will likewise require approval by Governor and Executive Council.

2. Period of Agreement

2. 1 Effective Date. This MOU shall be effective upon its execution by the Parties.

2.2 Duration. The duration of this MOU is from the date of execution by the Parties for a period of two (2) years. The Parties may extend this MOU for up to one (1) year at any time by mutual written agreement, subject to the continued availability of funds, satisfactory performance of responsibilities, approval by the Parties, and approval of Governor and Executive Council.

2.3 Modification. The Parties may modify this MOU by mutual written agreement at any time, subject to the approval of the Governor and Executive Council.

3. Termination

3.1 This MOU is subject to termination by either Party at any time by providing written notice to the other Party at least thirty (30) calendar days prior to such termination. Notice must be in writing and delivered to the Commissioner of the Department and the Chair of the Board.

3.2 Notwithstanding the thirty days written notice requirement, either Party may terminate this MOU upon immediate verbal notice to the signatory or his or her General Counsel if in its sole judgment the other Party has violated any data protections or restrictions set forth herein. In its discretion, the Party executing an immediate termination for a data protection violation may provide the other Party a cure period within which time the other Party may attempt to resolve the violation to the terminating Party's satisfaction.

4. Waivers

4.1 The Parties specifically agree that failure of either Party to insist upon compliance with any provision contained herein at any time shall not waive the requirement for performance of such provision at any other time.

4.2 No waiver by either Party of any default or breach hereunder by the other Party shall constitute a waiver of any subsequent default or breach.

Gary Merchant, Chairman of the Board Prescription Drug Affordability Board	Date
Lori Weaver, Commissioner New Hampshire Department of Health and Human Services	Date

Fiscal Note Worksheet - New Position Cost Calculator

----- Classified Employees - A000 Pay Scale -----

POSITION DETAILS				
Job Title	**Grade**	**Step**	**Start Date**	**End Date** (If None, Leave Blank)
POSITION NOT LISTED - EXPLAIN BELOW	**16**	**4**	**07/01/23**	

	FY 2023	FY 2024	FY 2025	FY 2026
% of FY Employee Active	**0%**	**100%**	**100%**	**100%**
Salary				
FY Starting Annual Salary	$0	$40,638	$40,638	$42,296
FY Ending Annual Salary	$0	$40,638	$42,296	$42,296
Average Annual Salary	$0	$40,638	$42,296	$42,296
Start Date / End Date Adjustment	$0	$0	$0	$0
Total FY Salary Cost	**$0**	**$40,638**	**$42,296**	**$42,296**
Benefits				
Social Security (6.2% of Salary)	$0	$2,520	$2,622	$2,622
Medicare (1.45% of Salary)	$0	$589	$613	$613
Retirement (14.53% of Salary)	$0	$5,628	$5,858	$5,858
Health Insurance	$0	$20,424	$21,866	$21,866
Dental Insurance	$0	$952	$983	$983
Life Insurance / Short-Term Disability	$0	$27	$27	$27
Paid Family Medical Leave (0.21% of Salary)	$0	$85	$89	$89
Total FY Benefit Cost	**$0**	**$30,226**	**$32,058**	**$32,058**
Total Salary and Benefits	**$0**	**$70,864**	**$74,354**	**$74,354**
Current Expenses				
Equipment				
Office Space				
Travel In State		$500	$500	$500
Other (Please Explain Below)				
Total Other Expenses	**$0**	**$500**	**$500**	**$500**
TOTAL PER POSITION COST (Rounded)	**$0**	**$72,000**	**$75,000**	**$75,000**
TOTAL NUMBER OF POSITIONS	**1**	**1**	**1**	**1**
TOTAL COST FOR ALL POSITIONS	**$0**	**$72,000**	**$75,000**	**$75,000**

Additional Comments

Fiscal Note Worksheet - New Position Cost Calculator

----- Classified Employees - A000 Pay Scale -----

POSITION DETAILS				
Job Title	**Grade**	**Step**	**Start Date**	**End Date** (If None, Leave Blank)
POSITION NOT LISTED - EXPLAIN BELOW		**4**	**07/01/23**	

	FY 2023	FY 2024	FY 2025	FY 2026
% of FY Employee Active	**0%**	**100%**	**100%**	**100%**
Salary				
FY Starting Annual Salary	$0	$118,378	$120,746	$123,160
FY Ending Annual Salary	$0	$118,378	$120,746	$123,160
Average Annual Salary	$0	$118,378	$120,746	$123,160
Start Date / End Date Adjustment	$0	$0	$0	$0
Total FY Salary Cost	**$0**	**$118,378**	**$120,746**	**$123,160**
Benefits				
Social Security (6.2% of Salary)	$0	$7,339	$7,486	$7,636
Medicare (1.45% of Salary)	$0	$1,716	$1,751	$1,786
Retirement (14.53% of Salary)	$0	$16,395	$16,723	$17,058
Health Insurance	$0	$20,424	$21,866	$21,866
Dental Insurance	$0	$952	$983	$983
Life Insurance / Short-Term Disability	$0	$27	$27	$27
Paid Family Medical Leave (0.21% of Salary)	$0	$249	$254	$259
Total FY Benefit Cost	**$0**	**$47,103**	**$49,090**	**$49,614**
Total Salary and Benefits	**$0**	**$165,481**	**$169,835**	**$172,775**
Current Expenses				
Equipment				
Office Space				
Travel Conference				
Travel In State				
Other (Please Explain Below)				
Total Other Expenses	**$0**	**$0**	**$0**	**$0**
TOTAL PER POSITION COST (Rounded)	**$0**	**$166,000**	**$170,000**	**$173,000**
TOTAL NUMBER OF POSITIONS	**1**	**1**	**1**	**1**
TOTAL COST FOR ALL POSITIONS	**$0**	**$166,000**	**$170,000**	**$173,000**

Additional Comments

INVOICE

STATE OF NEW HAMPSHIRE
Prescription Drug Affordability Board

Customer # XX
Customer Name

DATE: XX/XX/XXXX

To: Entity Being Billed
Address
City State Zip

From: Name agreed to using
Address
City, State, Zip

VENDOR #	INVOICE #	TERM
TBD	TBD	TBD

DESCRIPTION	AMOUNT
To be customized based on what is being invoiced and to whom.	$ X,XXX.XX
AMOUNT DUE	$ X,XXX.XX

Please process this invoice using AP20 in the Lawson Financial System. The invoice and vendor numbers are provided above.

If you have any questions concerning this invoice, please contact Paula N. Booth at 271-4280.

Thank you

A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022

WAGE SCHEDULE - A000

A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022 **Effective: July 01, 2022**

GRADE	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09
01									
ANNUALLY	21,762.00	22,347.00	22,932.00	23,614.50	24,297.00	25,018.50	25,701.00	26,383.50	27,105.00
BI-WEEKLY	837.00	859.50	882.00	908.25	934.50	962.25	988.50	1,014.75	1,042.50
HOURLY	11.16	11.46	11.76	12.11	12.46	12.83	13.18	13.53	13.90
02									
ANNUALLY	22,347.00	22,932.00	23,614.50	24,297.00	25,018.50	25,701.00	26,383.50	27,105.00	27,963.00
BI-WEEKLY	859.50	882.00	908.25	934.50	962.25	988.50	1,014.75	1,042.50	1,075.50
HOURLY	11.46	11.76	12.11	12.46	12.83	13.18	13.53	13.90	14.34
03									
ANNUALLY	22,932.00	23,614.50	24,297.00	25,018.50	25,701.00	26,383.50	27,105.00	27,963.00	29,854.50
BI-WEEKLY	882.00	908.25	934.50	962.25	988.50	1,014.75	1,042.50	1,075.50	1,148.25
HOURLY	11.76	12.11	12.46	12.83	13.18	13.53	13.90	14.34	15.31
04									
ANNUALLY	23,614.50	24,297.00	25,018.50	25,701.00	26,383.50	27,105.00	27,963.00	29,854.50	30,946.50
BI-WEEKLY	908.25	934.50	962.25	988.50	1,014.75	1,042.50	1,075.50	1,148.25	1,190.25
HOURLY	12.11	12.46	12.83	13.18	13.53	13.90	14.34	15.31	15.87
05									
ANNUALLY	24,297.00	25,018.50	25,701.00	26,383.50	27,105.00	27,963.00	29,854.50	30,946.50	32,077.50
BI-WEEKLY	934.50	962.25	988.50	1,014.75	1,042.50	1,075.50	1,148.25	1,190.25	1,233.75
HOURLY	12.46	12.83	13.18	13.53	13.90	14.34	15.31	15.87	16.45
06									
ANNUALLY	25,018.50	25,701.00	26,383.50	27,105.00	27,963.00	29,854.50	30,946.50	32,077.50	33,403.50
BI-WEEKLY	962.25	988.50	1,014.75	1,042.50	1,075.50	1,148.25	1,190.25	1,233.75	1,284.75
HOURLY	12.83	13.18	13.53	13.90	14.34	15.31	15.87	16.45	17.13
07									
ANNUALLY	25,701.00	26,598.00	27,690.00	28,723.50	29,854.50	30,946.50	32,077.50	33,403.50	34,690.50
BI-WEEKLY	988.50	1,023.00	1,065.00	1,104.75	1,148.25	1,190.25	1,233.75	1,284.75	1,334.25
HOURLY	13.18	13.64	14.20	14.73	15.31	15.87	16.45	17.13	17.79
08									
ANNUALLY	26,598.00	27,690.00	28,723.50	29,854.50	30,946.50	32,077.50	33,403.50	34,690.50	36,016.50
BI-WEEKLY	1,023.00	1,065.00	1,104.75	1,148.25	1,190.25	1,233.75	1,284.75	1,334.25	1,385.25
HOURLY	13.64	14.20	14.73	15.31	15.87	16.45	17.13	17.79	18.47
09									
ANNUALLY	27,690.00	28,723.50	29,854.50	30,946.50	32,077.50	33,403.50	34,690.50	36,016.50	37,401.00
BI-WEEKLY	1,065.00	1,104.75	1,148.25	1,190.25	1,233.75	1,284.75	1,334.25	1,385.25	1,438.50
HOURLY	14.20	14.73	15.31	15.87	16.45	17.13	17.79	18.47	19.18
10									
ANNUALLY	28,723.50	29,854.50	30,946.50	32,077.50	33,403.50	34,690.50	36,016.50	37,401.00	38,922.00
BI-WEEKLY	1,104.75	1,148.25	1,190.25	1,233.75	1,284.75	1,334.25	1,385.25	1,438.50	1,497.00
HOURLY	14.73	15.31	15.87	16.45	17.13	17.79	18.47	19.18	19.96
11									
ANNUALLY	29,854.50	30,946.50	32,077.50	33,403.50	34,690.50	36,016.50	37,401.00	38,922.00	40,638.00
BI-WEEKLY	1,148.25	1,190.25	1,233.75	1,284.75	1,334.25	1,385.25	1,438.50	1,497.00	1,563.00
HOURLY	15.31	15.87	16.45	17.13	17.79	18.47	19.18	19.96	20.84
12									
ANNUALLY	30,946.50	32,077.50	33,403.50	34,690.50	36,016.50	37,401.00	38,922.00	40,638.00	42,295.50
BI-WEEKLY	1,190.25	1,233.75	1,284.75	1,334.25	1,385.25	1,438.50	1,497.00	1,563.00	1,626.75
HOURLY	15.87	16.45	17.13	17.79	18.47	19.18	19.96	20.84	21.69
13									
ANNUALLY	32,077.50	33,403.50	34,690.50	36,016.50	37,401.00	38,922.00	40,638.00	42,295.50	44,128.50
BI-WEEKLY	1,233.75	1,284.75	1,334.25	1,385.25	1,438.50	1,497.00	1,563.00	1,626.75	1,697.25
HOURLY	16.45	17.13	17.79	18.47	19.18	19.96	20.84	21.69	22.63

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A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022

WAGE SCHEDULE - A000

A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022 **Effective: July 01, 2022**

GRADE	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09
14									
ANNUALLY	33,403.50	34,690.50	36,016.50	37,401.00	38,922.00	40,638.00	42,295.50	44,128.50	45,883.50
BI-WEEKLY	1,284.75	1,334.25	1,385.25	1,438.50	1,497.00	1,563.00	1,626.75	1,697.25	1,764.75
HOURLY	17.13	17.79	18.47	19.18	19.96	20.84	21.69	22.63	23.53
15									
ANNUALLY	34,690.50	36,133.50	37,596.00	39,097.50	40,638.00	42,295.50	44,128.50	45,883.50	47,872.50
BI-WEEKLY	1,334.25	1,389.75	1,446.00	1,503.75	1,563.00	1,626.75	1,697.25	1,764.75	1,841.25
HOURLY	17.79	18.53	19.28	20.05	20.84	21.69	22.63	23.53	24.55
16									
ANNUALLY	36,133.50	37,596.00	39,097.50	40,638.00	42,295.50	44,128.50	45,883.50	47,872.50	49,822.50
BI-WEEKLY	1,389.75	1,446.00	1,503.75	1,563.00	1,626.75	1,697.25	1,764.75	1,841.25	1,916.25
HOURLY	18.53	19.28	20.05	20.84	21.69	22.63	23.53	24.55	25.55
17									
ANNUALLY	37,596.00	39,097.50	40,638.00	42,295.50	44,128.50	45,883.50	47,872.50	49,822.50	51,909.00
BI-WEEKLY	1,446.00	1,503.75	1,563.00	1,626.75	1,697.25	1,764.75	1,841.25	1,916.25	1,996.50
HOURLY	19.28	20.05	20.84	21.69	22.63	23.53	24.55	25.55	26.62
18									
ANNUALLY	39,097.50	40,638.00	42,295.50	44,128.50	45,883.50	47,872.50	49,822.50	51,909.00	54,093.00
BI-WEEKLY	1,503.75	1,563.00	1,626.75	1,697.25	1,764.75	1,841.25	1,916.25	1,996.50	2,080.50
HOURLY	20.05	20.84	21.69	22.63	23.53	24.55	25.55	26.62	27.74
19									
ANNUALLY	40,638.00	42,295.50	44,128.50	45,883.50	47,872.50	49,822.50	51,909.00	54,093.00	56,881.50
BI-WEEKLY	1,563.00	1,626.75	1,697.25	1,764.75	1,841.25	1,916.25	1,996.50	2,080.50	2,187.75
HOURLY	20.84	21.69	22.63	23.53	24.55	25.55	26.62	27.74	29.17
20									
ANNUALLY	42,295.50	44,128.50	45,883.50	47,872.50	49,822.50	51,909.00	54,093.00	56,881.50	59,319.00
BI-WEEKLY	1,626.75	1,697.25	1,764.75	1,841.25	1,916.25	1,996.50	2,080.50	2,187.75	2,281.50
HOURLY	21.69	22.63	23.53	24.55	25.55	26.62	27.74	29.17	30.42
21									
ANNUALLY	44,128.50	45,883.50	47,872.50	49,822.50	51,909.00	54,093.00	56,881.50	59,319.00	61,893.00
BI-WEEKLY	1,697.25	1,764.75	1,841.25	1,916.25	1,996.50	2,080.50	2,187.75	2,281.50	2,380.50
HOURLY	22.63	23.53	24.55	25.55	26.62	27.74	29.17	30.42	31.74
22									
ANNUALLY	45,883.50	47,872.50	49,822.50	51,909.00	54,093.00	56,881.50	59,319.00	61,893.00	64,681.50
BI-WEEKLY	1,764.75	1,841.25	1,916.25	1,996.50	2,080.50	2,187.75	2,281.50	2,380.50	2,487.75
HOURLY	23.53	24.55	25.55	26.62	27.74	29.17	30.42	31.74	33.17
23									
ANNUALLY	47,872.50	49,939.50	52,162.50	54,444.00	56,881.50	59,319.00	61,893.00	64,681.50	67,509.00
BI-WEEKLY	1,841.25	1,920.75	2,006.25	2,094.00	2,187.75	2,281.50	2,380.50	2,487.75	2,596.50
HOURLY	24.55	25.61	26.75	27.92	29.17	30.42	31.74	33.17	34.62
24									
ANNUALLY	49,939.50	52,162.50	54,444.00	56,881.50	59,319.00	61,893.00	64,681.50	67,509.00	70,590.00
BI-WEEKLY	1,920.75	2,006.25	2,094.00	2,187.75	2,281.50	2,380.50	2,487.75	2,596.50	2,715.00
HOURLY	25.61	26.75	27.92	29.17	30.42	31.74	33.17	34.62	36.20
25									
ANNUALLY	52,162.50	54,444.00	56,881.50	59,319.00	61,893.00	64,681.50	67,509.00	70,590.00	73,612.50
BI-WEEKLY	2,006.25	2,094.00	2,187.75	2,281.50	2,380.50	2,487.75	2,596.50	2,715.00	2,831.25
HOURLY	26.75	27.92	29.17	30.42	31.74	33.17	34.62	36.20	37.75
26									
ANNUALLY	54,444.00	56,881.50	59,319.00	61,893.00	64,681.50	67,509.00	70,590.00	73,612.50	76,908.00
BI-WEEKLY	2,094.00	2,187.75	2,281.50	2,380.50	2,487.75	2,596.50	2,715.00	2,831.25	2,958.00
HOURLY	27.92	29.17	30.42	31.74	33.17	34.62	36.20	37.75	39.44

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A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022

WAGE SCHEDULE - A000

A000-37.5 HOURLY WAGE SCHEDULE-1.16%-2022 **Effective: July 01, 2022**

GRADE	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08	STEP 09
27									
ANNUALLY	56,881.50	59,319.00	61,893.00	64,681.50	67,509.00	70,590.00	73,612.50	76,908.00	81,042.00
BI-WEEKLY	2,187.75	2,281.50	2,380.50	2,487.75	2,596.50	2,715.00	2,831.25	2,958.00	3,117.00
HOURLY	29.17	30.42	31.74	33.17	34.62	36.20	37.75	39.44	41.56
28									
ANNUALLY	59,319.00	61,893.00	64,681.50	67,509.00	70,590.00	73,612.50	76,908.00	81,042.00	84,844.50
BI-WEEKLY	2,281.50	2,380.50	2,487.75	2,596.50	2,715.00	2,831.25	2,958.00	3,117.00	3,263.25
HOURLY	30.42	31.74	33.17	34.62	36.20	37.75	39.44	41.56	43.51
29									
ANNUALLY	61,893.00	64,681.50	67,509.00	70,590.00	73,612.50	76,908.00	81,042.00	84,844.50	88,744.50
BI-WEEKLY	2,380.50	2,487.75	2,596.50	2,715.00	2,831.25	2,958.00	3,117.00	3,263.25	3,413.25
HOURLY	31.74	33.17	34.62	36.20	37.75	39.44	41.56	43.51	45.51
30									
ANNUALLY	64,681.50	67,509.00	70,590.00	73,612.50	76,908.00	81,042.00	84,844.50	88,744.50	92,898.00
BI-WEEKLY	2,487.75	2,596.50	2,715.00	2,831.25	2,958.00	3,117.00	3,263.25	3,413.25	3,573.00
HOURLY	33.17	34.62	36.20	37.75	39.44	41.56	43.51	45.51	47.64
31									
ANNUALLY	67,509.00	70,726.50	74,022.00	77,376.00	81,042.00	84,844.50	88,744.50	92,898.00	97,110.00
BI-WEEKLY	2,596.50	2,720.25	2,847.00	2,976.00	3,117.00	3,263.25	3,413.25	3,573.00	3,735.00
HOURLY	34.62	36.27	37.96	39.68	41.56	43.51	45.51	47.64	49.80
32									
ANNUALLY	70,726.50	74,022.00	77,376.00	81,042.00	84,844.50	88,744.50	92,898.00	97,110.00	101,283.00
BI-WEEKLY	2,720.25	2,847.00	2,976.00	3,117.00	3,263.25	3,413.25	3,573.00	3,735.00	3,895.50
HOURLY	36.27	37.96	39.68	41.56	43.51	45.51	47.64	49.80	51.94
33									
ANNUALLY	74,022.00	77,376.00	81,042.00	84,844.50	88,744.50	92,898.00	97,110.00	101,283.00	105,495.00
BI-WEEKLY	2,847.00	2,976.00	3,117.00	3,263.25	3,413.25	3,573.00	3,735.00	3,895.50	4,057.50
HOURLY	37.96	39.68	41.56	43.51	45.51	47.64	49.80	51.94	54.10
34									
ANNUALLY	77,376.00	81,042.00	84,844.50	88,744.50	92,898.00	97,110.00	101,283.00	105,495.00	109,668.00
BI-WEEKLY	2,976.00	3,117.00	3,263.25	3,413.25	3,573.00	3,735.00	3,895.50	4,057.50	4,218.00
HOURLY	39.68	41.56	43.51	45.51	47.64	49.80	51.94	54.10	56.24
35									
ANNUALLY	81,042.00	84,844.50	88,744.50	92,898.00	97,110.00	101,283.00	105,495.00	109,668.00	113,860.50
BI-WEEKLY	3,117.00	3,263.25	3,413.25	3,573.00	3,735.00	3,895.50	4,057.50	4,218.00	4,379.25
HOURLY	41.56	43.51	45.51	47.64	49.80	51.94	54.10	56.24	58.39

UNCL - UNCLASSIFIED

WAGE SCHEDULE - UNCL

UNCL-UNCLASSIFIED **Effective: 7/1/2022**

GRADE		STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
AA								
	ANNUALLY	56,732.00	60,424.00	64,142.00	67,834.00	71,526.00	75,218.00	78,936.00
	BI-WEEKLY	2,182.00	2,324.00	2,467.00	2,609.00	2,751.00	2,893.00	3,036.00
BB								
	ANNUALLY	58,994.00	62,842.00	66,690.00	70,538.00	74,386.00	78,234.00	82,082.00
	BI-WEEKLY	2,269.00	2,417.00	2,565.00	2,713.00	2,861.00	3,009.00	3,157.00
CC								
	ANNUALLY	61,724.00	65,754.00	69,784.00	73,814.00	77,844.00	81,874.00	85,904.00
	BI-WEEKLY	2,374.00	2,529.00	2,684.00	2,839.00	2,994.00	3,149.00	3,304.00
DD								
	ANNUALLY	65,000.00	69,238.00	73,476.00	77,740.00	81,978.00	86,216.00	90,454.00
	BI-WEEKLY	2,500.00	2,663.00	2,826.00	2,990.00	3,153.00	3,316.00	3,479.00
EE								
	ANNUALLY	68,822.00	73,320.00	77,844.00	82,342.00	86,840.00	91,338.00	95,862.00
	BI-WEEKLY	2,647.00	2,820.00	2,994.00	3,167.00	3,340.00	3,513.00	3,687.00
FF								
	ANNUALLY	73,580.00	78,416.00	83,226.00	88,062.00	92,872.00	97,682.00	102,518.00
	BI-WEEKLY	2,830.00	3,016.00	3,201.00	3,387.00	3,572.00	3,757.00	3,943.00
GG								
	ANNUALLY	79,430.00	84,630.00	89,856.00	95,056.00	100,256.00	105,482.00	110,682.00
	BI-WEEKLY	3,055.00	3,255.00	3,456.00	3,656.00	3,856.00	4,057.00	4,257.00
HH								
	ANNUALLY	86,502.00	92,170.00	97,838.00	103,532.00	109,200.00	114,894.00	120,562.00
	BI-WEEKLY	3,327.00	3,545.00	3,763.00	3,982.00	4,200.00	4,419.00	4,637.00
II								
	ANNUALLY	91,442.00	97,448.00	103,454.00	109,460.00	115,492.00	121,498.00	127,504.00
	BI-WEEKLY	3,517.00	3,748.00	3,979.00	4,210.00	4,442.00	4,673.00	4,904.00
JJ								
	ANNUALLY	96,408.00	102,726.00	109,070.00	115,414.00	121,758.00	128,102.00	134,446.00
	BI-WEEKLY	3,708.00	3,951.00	4,195.00	4,439.00	4,683.00	4,927.00	5,171.00
KK								
	ANNUALLY	98,852.00	105,352.00	111,878.00	118,378.00	124,878.00	131,378.00	137,878.00
	BI-WEEKLY	3,802.00	4,052.00	4,303.00	4,553.00	4,803.00	5,053.00	5,303.00
LL								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	142,272.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	5,472.00
MM								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	147,082.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	5,657.00
NN								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	152,724.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	5,874.00
OO								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	159,302.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	6,127.00
PP								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	167,206.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	6,431.00
QQ								
	ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	176,696.00
	BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	6,796.00

UNCL - UNCLASSIFIED

WAGE SCHEDULE - UNCL

UNCL-UNCLASSIFIED **Effective: 7/1/2022**

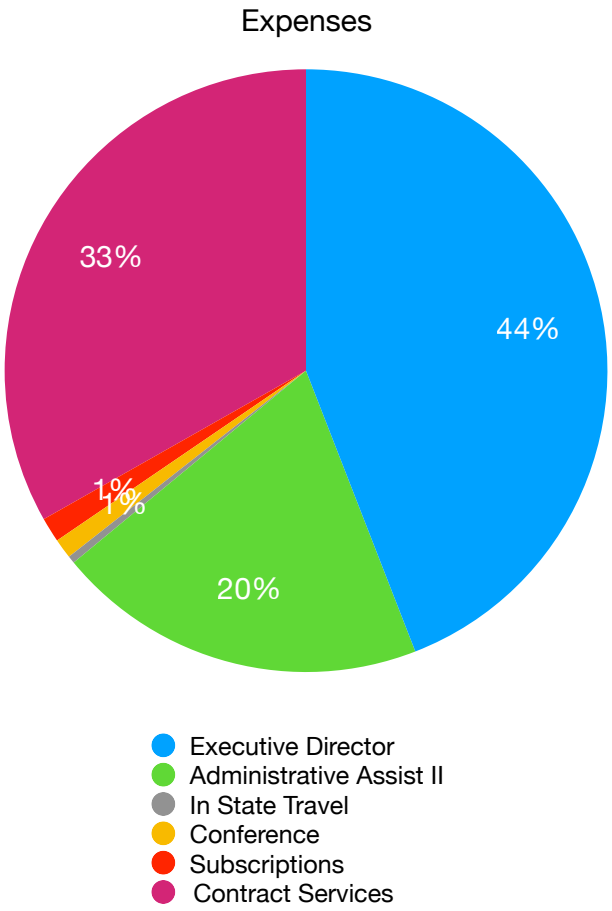
GRADE	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7
GOVERNOR'S COUNCIL							
ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	17,940.00
BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	690.00
PARIMUTUAL							
ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	13,910.00
BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	535.00
SWEEPS MEMBERS							
ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	11,388.00
BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	438.00
SWEEPS CHAIRMAN							
ANNUALLY	0.00	0.00	0.00	0.00	0.00	0.00	20,228.00
BI-WEEKLY	0.00	0.00	0.00	0.00	0.00	0.00	778.00

Annual Budget NH PDAB

Assessment Fees ($700 per entity)	
Manufacturers (442)	$309,400
Distributors (164)	$114,800
PBM/Others (37)	$25,900
Total income	$450,100
125% Limit	**$562,625**

Expenses	
Executive Director	$166,000
Administrative Assist II	$75,000
In State Travel	$1,500
Conference	$4,000
Subscriptions	$5,000
Contract Services	$125,000
MOU DHHS	$50,000
Total expenses	**$426,500**

Money Left Over	
Income minus expenses	$23,600



Expense - Details

Contract Services UNH/PORTAL to Develop Methodology Set Spending Targets	$	50,000
Contract Service with PORTAL Set Annual Spending Targets - Validate Analyst Result	$	25,000
Contract Service for Analytic work	$	40,000
Legal Support	$	10,000
Total Contract Services	**$**	**125,000**
Medi-Span Subscription	$	10,000

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

February 6, 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)

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

ATTENDING: In person: Representative Gary Merchant, Robert Woodward (vitually), Tom Sherman, Representative James Murphy, Todd Fahey, William Marsh, Jason Aziz.

A quorum was established.

ABSENT: Senator Sharon Carson, Senator Cindy Rosenwald.

AGENDA REVIEW: Representative Merchant reviewed the agenda with the Board. He mentioned that Attorney Philips was unable to make the meeting due to health reasons, so the non-meeting meeting would need to be removed from the agenda.

REVIEW AND APPROVE MINUTES OF JANUARY 3 MEETING: Representative Merchant noted that William Marsh still had the title of Representative in the minutes but was not a Representative at this time, so that will need to be amended. Motion to accept upon removal of former title made by Todd Fahey, seconded by Representative James Murphy. Motion passed via roll call.

DHHS OVERVIEW OF BOARD ACCOUNTING AND INVOICING – Mary Calise held a discussion with the Board about how the accounting aspect works, explaining that funding will be cost allocated to the Board. They talked about how an accounting unit needs to be created for the Board to contribute the funding to. Mary stated she would follow up on what was needed from the Board in order to create that accounting unit, as they don't currently have funding. She will also provide a statement of appropriations. Mary explained how the invoicing would work in conjunction with the account, which is hinged upon the approval of the MOU. Nancy Plourde will provide a list to Finance, that contains contacts to where the invoices may be sent.

MOU WITH DHHS: Robert Berry reviewed the changes to the MOU, verbally and visually. The main update reflected the financing aspect that was reviewed with Mary Calise, just prior. Jason Aziz also recommended spelling out the acronym "CHIS", in its initial use in the document. Rob reminded the Board that the next steps for the MOU are having it signed by the Commissioner and then, he believes, approved by Governor and Council. Rob will follow up with clarification on the final step. Rob expects it to be approved in March. Motion to approve with the changes mentioned, made by Tom Sherman, seconded by Representative James Murphy. Motion passed via roll call.

UPDATE ON EMAILS TO ENTITIES AS MANUFACTURERS AND DISTRIBUTORS: Nancy Plourde provided an update to the compliance emails. Nancy estimated there has been about 25% response thus far. Representative Merchant reviewed the fine details of compliance.

NON-MEETING WITH BOARD ATTORNEY: In place of holding the meeting with the Board attorney, Representative Merchant reviewed statute 99-D, regarding defense and indemnification. Representative Merchant stated that all Board members, as officials, would be covered.

LEGISLATIVE UPDATE ON HB 130 AND HB 172: Representative Merchant reviewed the bills HB 130, which is the bill to repeal the Board, and HB 172, which is to conduct a study to look at redundancy between the Insurance Department and Board, suspending the Board while it is being conducted. Tom Sherman discussed the idea of redundancy; he doesn't believe that the apparent duplication in presence of data itself creates redundancy, rather the methodology of the analysis, which is not currently being duplicated. A lengthy discussion ensued around various methodologies on the table, and the importance that the Board be allowed to conduct analysis before its worthiness is determined.

PUBLIC COMMENTS: Representative Peter Leishman, one of the sponsors of the 2 House bills referenced, spoke, initially stating he was glad there was someone from the Insurance Department in attendance (in reference to the new Board alternate member Jason Aziz). He stated the issue he has is bipartisan, contrary to popular belief. He raised a concern about Tom Sherman's motion noted in the January minutes, to send out invoices. The Board clarified that no invoices have been sent out to date. He also stated he feels there is an important need to have financial oversight and transparency of this Board, to which Representative Merchant and Tom Sherman replied, citing examples of how both concerns are already being met. Tom Sherman reiterated the fact that, if this Board is repealed, the process that is occurring in this Board does not currently exist anywhere else.

ADJOURNMENT: Representative Merchant made an undebatable motion to adjourn.

Todd Fahey, Clerk, respectfully submitted.

Nancy T. Plourde, Recording Secretary

TITLE VI
PUBLIC OFFICERS AND EMPLOYEES

Chapter 99-D
DEFENSE AND INDEMNIFICATION OF STATE OFFICERS AND EMPLOYEES

Section 99-D:1

99-D:1 Statement of Policy. – It is the intent of this chapter to protect state officers, trustees, officials, employees, and members of the general court who are subject to claims and civil actions arising from acts committed within the scope of their official duty while in the course of their employment for the state and not in a wanton or reckless manner. It is not intended to create a new remedy for injured persons or to waive the state's sovereign immunity which is extended by law to state officers, trustees, officials, and employees. The doctrine of sovereign immunity of the state, and by the extension of that doctrine, the official immunity of officers, trustees, officials, or employees of the state or any agency thereof acting within the scope of official duty and not in a wanton or reckless manner, except as otherwise expressly provided by statute, is hereby adopted as the law of the state. The immunity of the state's officers, trustees, officials, and employees as set forth herein shall be applicable to all claims and civil actions, which claims or actions arise against such officers, trustees, officials, and employees in their personal capacity or official capacity, or both such capacities, from acts or omissions within the scope of their official duty while in the course of their employment for the state and not in a wanton or reckless manner.

Source. 1978, 43:1. 1985, 412:1, eff. July 3, 1985.

Section 99-D:2

99-D:2 Defense and Indemnification. – If any claim is made or any civil action is commenced against a present or former officer, trustee, official, or employee of the state or any agency thereof, including members of the New Hampshire national guard and any justice of the district, municipal, probate, superior, or supreme court, or the clerks or bail commissioners thereof, or any harbor master appointed by the Pease development authority, division of ports and harbors, or officials and employees of the New Hampshire housing finance authority, or directors, officers, and employees of the Pease development authority, members and employees of the lakeshore redevelopment planning commission, or directors, officers, and employees of the land and community heritage investment authority seeking equitable relief or claiming damages for the negligent or wrongful acts and the officer, trustee, official, or employee requests the state to provide representation for him or her, and the attorney general, or, in the case of a claim or civil action commenced against the attorney general, the governor and council, determines that the acts complained of were committed by the officer, trustee, official, or employee while acting within the scope of official duty for the state and that such acts were not wanton or reckless, the attorney general shall represent and defend such person with respect to such claim or throughout such action, or shall retain outside counsel to represent or defend such person, and the state shall defray all costs of such representation or defense, to be paid from funds not otherwise appropriated. In such case the state shall also protect, indemnify, and hold harmless such person from any costs, damages, awards, judgments, or settlements arising from the claim or suit. The attorney general or governor and council shall not be required to consider the request of such person that representation be

provided for him or her unless within 7 days of the time such person is served with any summons, complaint, process, notice, demand, or pleading the person shall deliver the original or a copy thereof to the attorney general or, in the case of an action against the attorney general, to the governor and council. As a condition to the continued representation by the attorney general and to the obligation of the state to indemnify and hold harmless, such officer, trustee, official, or employee shall cooperate with the attorney general in the defense of such claim or civil action. No property either real or personal of the state of New Hampshire shall be subject to attachment or execution to secure payment of or to satisfy any obligations of the state created under this chapter. Upon the entry of final judgment in any action brought under this chapter, the governor shall draw a warrant for said payment out of any money in the treasury not otherwise appropriated, and said sums are hereby appropriated. The attorney general shall have the authority to settle any claim brought under this chapter by compromise and the amount of any such settlement shall be paid as if the amount were awarded as a judgment under this chapter. Indemnification by the state under this section shall be for the actual amount of costs, damages, awards, judgments, or settlements personally incurred by any such officer, trustee, official, or employee, and the state shall not pay any amounts for which payment is the obligation of any insurance carrier or company under a policy or policies of insurance or any other third party under a similar obligation.

Source. 1978, 43:1. 1979, 466:2. 1985, 144:11. 1986, 113:1. 1988, 169:1. 1989, 124:3. 1990, 161:11, 12; 207:1, 2. 2001, 158:11, eff. July 1, 2001; 290:8, eff. July 1, 2001 at 12:01 a.m. 2017, 240:2, eff. July 18, 2017.

Section 99-D:2-a

99-D:2-a Official Duty Defined. – For the purposes of RSA 99-D:2, the term "official duty" shall, in the case of a legislator, mean any duty or action taken in committee or in sessions of the general court or in such other forum where the legislator appears at the request of the house, senate or presiding officer of either body. It shall also include any other act for which immunity is granted under the provisions of RSA 541-B:19. Nothing in this section shall be construed to waive any immunity applicable to the legislator or the actions complained of, including those set forth in RSA 541-B:19, and all other provisions of RSA 99-D:2 shall apply.

Source. 1991, 199:1, eff. Jan. 1, 1992.

Section 99-D:2-b

99-D:2-b Repealed by 2007, 361:35, I, eff. July 1, 2011. –

Section 99-D:3

99-D:3 Insurance. – The state, or any department or agency thereof, shall self-insure against all such damages, losses, and expenses except to the extent that insurance coverage is obtained under the authority of RSA 9:27.

Source. 1978, 43:1. 2003, 150:7, eff. Jan. 1, 2004. 2018, 125:5, eff. May 30, 2018.

Section 99-D:4

99-D:4 Evidence. – Any determination by the attorney general or governor and council pursuant to RSA 99-D:2 shall not be admissible as evidence in the trial of any such action or claim.

Source. 1978, 43:1, eff. June 27, 1978.

Section 99-D:5

99-D:5 Counsel. – Nothing contained in this chapter shall be construed to deprive any such person of his right to select and be represented by private counsel of his own choice at his own expense.

Source. 1978, 43:1, eff. June 27, 1978.

Section 99-D:6

99-D:6 Defenses not Waived. – Nothing contained in this chapter shall be construed or held to constitute a waiver of any defense otherwise available against the claim.

Source. 1978, 43:1. 1985, 412:2, eff. July 3, 1985.

Section 99-D:7

99-D:7 Appeal. – Appeal from denial of representation by the attorney general as provided in RSA 99-D:2 shall be available to any officer, trustee, official or employee who is so denied. Such appeal shall be by petition to the governor and council.

Source. 1978, 43:1, eff. June 27, 1978.

Section 99-D:8

99-D:8 Claims Arising From the Clinical Services Provided to the Department of Health and Human Services. –

I. Without otherwise limiting or defining the sovereign immunity of the state and its agencies, this chapter shall apply to all claims against any nonprofit entity, or any employee, trustee, or director of such nonprofit entity when acting in the scope of such person's elected or appointed capacity and not in a wanton or reckless manner, arising out of clinical services provided in accordance with any contract entered into by the department of health and human services for the clinical operation and administration of the New Hampshire hospital pursuant to RSA 135-C:3 and RSA 135-C:4 or, at the discretion of the commissioner of the department of health and human services, any other public health or clinical service provided to the department.

II. This section shall apply only to claims or civil actions arising out of incidents occurring on or after July 1, 1988.

III. [Repealed.]

IV. [Repealed.]

Source. 1988, 217:4. 1993, 358:19. 1995, 10:16, III; 310:21. 1997, 166:3. 1999, 50:1. 2003, 83:1. 2010, 368:28, XI, eff. Dec. 31, 2010.

Section 99-D:9

99-D:9 Claims Arising From the Clinical Services Provided to the Department of Corrections. –

I. Without otherwise limiting or defining the sovereign immunity of the state and its agencies, this chapter shall apply to all claims against any nonprofit entity, or any employee, trustee, or director of such nonprofit entity when acting in the scope of such person's elected or appointed capacity and not in a wanton or reckless manner, arising out of clinical services of psychiatrists, other medical doctors, or psychiatric/mental health

nurse practitioners provided in accordance with any contract limited to such services entered into by the department of corrections.
II. This section shall apply only to claims or civil actions arising out of incidents occurring after the effective date of this section.
III. [Repealed.]

Source. 2000, 301:1. 2001, 72:1. 2010, 368:28, XII, eff. Dec. 31, 2010.

Section 99-D:10

99-D:10 Repealed by 2016, 296:2, eff. June 21, 2016. –

Section 99-D:11

99-D:11 Complaints or Investigations Arising From Licensing Board, Committee, or Regulatory Agency Matters. –
I. Without otherwise limiting or defining the sovereign immunity of the state and its agencies, this chapter shall apply to all complaints filed with or investigations by a professional licensing board, committee, or regulatory agency against any state officer, trustee, official, employee, member of the general court, or other person identified in RSA 99-D:2 when acting in the scope of such person's official elected, appointed, or state employment duty and not in a wanton or reckless manner.
II. This section shall apply only to complaints or investigations arising out of incidents occurring on or after July 1, 2013.

Source. 2016, 296:1, eff. June 21, 2016.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

THE PRESCRIPTION DRUG AFFORDABILITY BOARD RELATIVE TO:

DEPARTMENT OF HEALTH AND HUMAN SERVICES-PROVIDED ADMINISTRATIVE SUPPORT TO STAND UP THE PRESCRIPTION DRUG AFFORDABILITY BOARD

AND

DATA SHARING AGREEMENT BETWEEN

DEPARTMENT OF HEALTH AND HUMAN

SERVICES AND PRESCRIPTION DRUG AFFORDABILITY BOARD

PURPOSE

This Memorandum of Understanding (MOU) is entered into by the Department of Health and Human Services (Department) and the Prescription Drug Affordability Board (Board), collectively, (Parties) to establish collaborative procedures for the Department to administratively support the standing up of the Board and for the sharing and exchanging of certain required data pursuant to RSA 126-BB.

The MOU is divided into three (3) parts. Part I covers certain administrative and other matters between the Department and the Board. Part II consists of the Data sharing agreement that covers any and all data that are provided or shared between the Department and the Board. Part III consists of amendment and termination terms, effective date, and signatures of Parties.

PART I.

1.1. The Department provides an integrated, administrative structure for the design and delivery of a comprehensive and coordinated system of health and human services which is family-centered and community-based whole-person programs and services for the citizens of the State of New Hampshire.

1.2. The Board is administratively attached to the Department ~~tin~~ pursuant to RSA 126-BB:2, VI.

The Parties agree that as an attached entity, the Board may request and receive certain administrative and other support pursuant to RSA 21-G:10, II and as further outlined in this agreement.

1.3. The Board is established through a legislative mandate and operates pursuant to RSA 126-BB and adopted administrative rules.

1.4. The purpose of the Board is to identify strategies that optimize spending by public payors (any division of state, county, or municipal government that administers a health plan for its employees or an association of state, county, or municipal employers that administers a health plan for its employees) for pharmaceutical products while ensuring that the public has access to needed pharmaceutical products. RSA 126-BB:5.

2. Administrative Services and Other Support

2.1. The Department agrees to provide the following administrative and other support to the Board ~~on a cost allocation basis~~:

2.1.1. Financial Services/Budget Support;
2.1.2. Contracts and Procurement Support;
2.1.3. Business Operational Support;
2.1.4. Human Resources Support;
2.1.5. Administrative Support;
2.1.6. Creation of and standing up the Board's public webpage; ~~and~~
2.1.7. Agreement for the provision and/or Exchange of Required Data; and
~~2.1.7.~~2.1.8. Cost of facilities.~~.~~

2.2 The Board shall reimburse the Department for the services provided in 2.1 on a cost allocation basis in accordance with RSA 21-G:10.

3. Financial Services/Budget

3.1. The Board receives its funding from user fees and assessments, established pursuant to RSA 126-BB:8.

3.2. The Department shall assist the Board with establishing and maintaining an account to receive and expend funds as necessary.

3.3. In accordance with RSA 21-G:10, the Department shall assist the Board with the following:

3.3.1 Budgeting, recordkeeping and related administrative and clerical assistance to the Board; and

3.3.2 Submitting the Board's budget requests, without any changes, to the appropriate entity for review and approval.

4. Contract and Procurement Support

4.1. The Department will provide contract support, through its Contract Bureau, to the Board, as needed.

4.2. Contracts may provide for, among other things, support services and technology acquisitions and may be in the form of interagency agreements and MOUs with other State agencies, as well as data sharing agreements.

4.3. The Department's Contract Bureau will:

4.3.1. Provide consultation and assistance to Board staff in the development of agreements, and competitive solicitations.

4.3.2. Conduct the solicitation process to include meeting any requirements of all New Hampshire state agencies as necessary, , negotiating terms, and processing and preparing agreements for signature.

4.3.3. Serving as liaison with other New Hampshire state agencies on procurement matters as needed.

4.3.4. Review and provide comments and/or recommendations on agreements and solicitations to include negotiating directly with or assisting in the negotiation with contractors, for any required modifications to statement of work and contract terms and conditions.

4.3.5. Maintain contractual records and documentation such as receipt and control of all contract correspondence, amendments, DAS filings, solicitation information and other documents related to the agreement.

4.3.6. Serve as the point of contact for the Board on procurement matters, and act as contractual liaison between Board members or staff and contractors during the procurement and negotiation process as needed.

5. Business Operational Support

7.1 The Department shall provide office equipment such as computers, laptops, and other like electronic devices and basic office furnishings.

7.2 The Department shall permit the Board to utilize its mail service.

6. Human Resources Support

6.1. The Department will provide Human Resources support by assisting in the drafting of the Supplemental Job Description (SJD), recruiting, and hire of an Executive Director pursuant to RSA 126-BB:2.

6.2. Pursuant to RSA 126-BB:2, the Executive Director position shall be a State unclassified employee.

6.3. The Department's Bureau of Human Resources Management will post the position on the Department's intranet and internet webpages as needed.

6.3.1. The Bureau of Human Resources Management will forward all submitted applications to the Board for its review and selection of the Executive Director.

6.3.2. The Board shall follow all Department and Division of Personnel rules and processes for the review and selection of the Executive Director.

6.4. The Executive Director shall be supervised by an individual within the DHHS or the Department of Administrative services for the purposes of basic supervisory functions including time card approval if appropriate. The Board shall retain the supervisory duties of hiring, discipline and overseeing the day to day work product of the Executive Director.

6.5. The Executive Director, when a classified employee, shall be subject to State Personnel rules and Department rules, regulations, and disciplinary process.

6.6. The duties of the Executive Director shall be outlined in the Supplemental Job Description.

7. Legal support

7.1. Draft Forms and Documents: the Executive Director and Board with draft and review, with assistance from the Department as necessary, the following forms and/or documents:

7.1.1. Confidentiality and Non-disclosure form that conforms with the requirements of RSA 126-BB:7, 9 and other applicable laws.

7.1.2. Conflict of Interest form that conforms with the requirements of RSA 126-BB:3 and other applicable laws.

7.1.3. Additional legal documents and/or forms as needed during the term of the MOU.

7.2. The Board has rulemaking authority pursuant to RSA 126-BB:6.

7.2.1. The Department's Office of Legal and Regulatory Services shall assist the Board with the drafting of its rules pursuant to, and in conformity with, RSA 126-BB and RSA 541-A. Draft rules will be presented to the Board for review, public comment, and approval.

7.2.2. Once the Board has approved its rules, the Department's Administrative Rules Unit will submit them to the Joint Legislative Committee on Administrative Rules (JLCAR) for final approval.

7.3. The Department's Office of Legal and Regulatory Services shall respond to all right to know requests.

8. Creation of and Standing up Public Webpage

8.1. The Department's Information Services Unit (BIS) will consult with the Board regarding the design and lay-out of the web page to address the needs of the Board.

8.2. The Department's Information Services Unit will create the public web site.

8.3. The Department's Information Services Unit will provide technical support as needed.

9. Provision of and/or Exchange of Required Data

9.1. Data shall be exchanged and shared in accordance with RSA 126-BB and the Data Sharing Agreement within PART II of this MOU.
9.2. The Department shall share aggregated non-protected health information data for use by the Board in meeting the needs of its stakeholders as described in Part II.

PART II.

DATA SHARING AGREEMENT No. 2020-0XX

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

A. Purpose

This Data Sharing Agreement, hereinafter the "Agreement" made as of the ____day of _____, 2023 (the "Effective Date"), by and between the State of New Hampshire Department of Health and Human Services (the "Department" or "DHHS") and the Prescription Drug Affordability Board (the "Board" or "User"), contains the

framework and the terms, conditions, safeguards, and procedures under which the Department and the Board agree to share data with each other for the purposes of assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Use of the data our Parties receive under this Agreement is limited to

1. Members of the Prescription Drug Affordability Board;
2. Employees of the Prescription Drug Affordability Board;
3. The Advisory Council established by RSA 126-BB:4.

B. Legal Authority

This Agreement supports the responsibilities of the Department and/or the Board and is permissible pursuant to RSA 126-BB. This Agreement shall be established so as to ensure compliance with all applicable state and federal confidentiality and privacy laws.

C. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" sall have the same meaning "Computer Security Incident" in Section 2.1 of NIST Publication 800-61 Rev. 2, Computer Security Incident Handling Guide.

3. "Confidential Data" means all information owned, managed, created, received, from or on behalf of, the Department that is protected by information security, privacy or confidentiality rules and state and federal laws. This information includes but is not limited to derivative data, Protected Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information, Social Security Administration, and CJIS (Criminal Justice Information Services) data.

4. "Derivative Data" means data or information based on or created from Confidential Data.

5. "End User" means any person or entity (e.g. contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives Confidential Data in accordance with the terms of this Agreement.

6. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

7. "Incident" means an act that potentially violates an explicit or implied security policy, which includes successful attempts to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic mail.

8. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted Confidential Data.

9. "Penetration Testing" shall mean testing to attempt to exploit found or known

Field Code Changed

vulnerabilities to determine whether unauthorized access or other malicious activity is possible. Penetration testing for this Agreement includes network penetration testing and application security testing as well as controls and processes around the networks and applications from both outside the network trying to come in (external testing) and from inside the network.

10. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Virtual Private Network" (VPN) shall mean network technology that creates a **secure** private connection between the device and endpoint; hiding IP address and encrypting all data in motion.

II. OBLIGATIONS OF USER

A. Business Use and Disclosure of Confidential Information.

1. The Board must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this MOU. Further, the Board, including but not limited to all its members, directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. To the extent the Board is permitted under the MOU to disclose Confidential Information to a third party, the Board must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such Confidential Information will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii), with regard to PHI, an agreement from such third party to notify the Board, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
3. The Board must not, disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying the Department so that the Department has an opportunity to consent or object to the disclosure. In the event the Department and the Board are unable to agree, the New Hampshire Department of Justice must decide whether or not to disclose the Confidential Information.
4. If the Department notifies the Board that the Department has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Board must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.

5. The Board agrees not to disclose direct findings, listings, or information derived from the file(s) specified in Section IIII, with or without direct identifiers, if such findings, listings, or information can, by themselves or in combination with other data, be used to deduce an individual's identity, unless authorized by law. The Board agrees that any use of Department data in the creation and publication of any document (manuscript, table, chart, study, report, etc.) concerning the purpose specified in Sections I and III (regardless of whether the report or other writing expressly refers to such purpose, to the Department, or to the data elements specified in Section III or any data derived from such files) must adhere to CMS' current cell size suppression policy. This policy stipulates that no cell (e.g. admittances, discharges, patients, services) 10 or less may be displayed. Also, no use of percentages or other mathematical formulas may be used if they result in the display of a cell 10 or less. By signing this Agreement the Board hereby agrees to abide by these rules.
6. The Board agrees that Department Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this MOU.
7. The Board agrees that the Board and any End User must not attempt to link data elements included in the data specified in Section III and/or DHHS data obtained through this MOU to any other individually identifiable source of information, except as authorized by law and as provided for in this MOU. This includes attempts to link the data to other Department, Sister Agency, State Partner, State Business Associate, CMS, other States, or Federal Government data file(s). A protocol that includes the linkage of specific files that has been approved in accordance with this MOU constitutes express authorization from the Department to link files as described in the protocol.
8. The Board agrees that Department Data obtained under this MOU may not be used for any other purposes that are not indicated in this MOU.
9. The Board must have a signed End User Agreement (EUA) (Attachment A) for all of its End-Users on file with the Department, prior to the Department sharing data with the Board.
10. The EUA must be signed and returned to the Department to track disclosures of Department Data and to ensure that the Board only uses the Department Data and any derivative data for the purposes provided under the terms of this MOU.
11. If requested, the Board agrees to grant access to the data to the authorized representatives of the Department for the purpose of inspecting to confirm compliance with the terms of this MOU.

III.OBLIGATIONS OF THE DEPARTMENT

IV. SCOPE

The Parties agree Medicaid prescription drug data and CHIS data provided by the Department will be restricted to the following use: Assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Further, the Board agrees that the Confidential Data being shared is the "minimum necessary" to carry out the stated use of the data, as defined in the Privacy Rule and in accordance with all applicable confidentiality laws. ~~**Number of Records Involved and Operational Time Factors**~~

V. INFORMATION SECURITY

1. The Parties agree to maintain proper security controls to protect the Confidential Data collected, processed, managed, and/or stored in association with this MOU at a level consistent with the requirements applicable to state and federal Parties.
2. Parties agree to establish and maintain appropriate administrative, technical, physical, and organizational safeguards to protect the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements that is set forth in the principles of NIST 800-53 (Rev.4).
3. The Parties agree to maintain policies and procedures to safeguard Confidential Data throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
4. Parties agree computer disks or portable storage devices, such as a thumb drive, may not be used as a method of transmitting Confidential Data.
5. Parties agree Confidential Data may be transmitted via email if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
6. Encrypted Web Site. If the Board is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure
7. Laptops and PDA. If the Board is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. The Board may not transmit Confidential Data via an open network. The Board may only employ a wireless network when remotely transmitting via a VPN.
9. Remote User Communication. If the Board is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the Board's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If the Board is employing an SFTP to transmit Confidential Data, the Board will structure the Folder and access privileges to prevent inappropriate disclosure of

information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).

11. Wireless Devices. If the Board is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

The Parties agree to negotiate an amendment to this MOU as needed to address changes in policy issues, fiscal issues, information security, and specific safeguards for maintaining confidentiality, as needed.

VI. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Parties acknowledge that respective Parties retains all ownership rights to the Data obtained under the terms of this MOU. The Parties will only retain Confidential Data and any derivative for the duration of this MOU. After such time, the Parties will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this MOU. To this end, the Parties must:

A. Retention

1. The Parties agree they will not store or transfer Confidential Data collected under the terms of this MOU outside of the United States. This includes backup data and Disaster Recovery locations.
2. The Parties agrees to provide security awareness and education for its members, employees, contractors and sub-contractors in support of protecting Confidential Data.
3. The Parties agree Confidential Data stored in a Cloud must be in a Government compliant Cloud solution and comply with all applicable statutes and regulations regarding privacy and security for the type of data stored within the solution. The data owner must retain control and management of the encryption key to the cloud solution. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.
4. The Parties agree to cooperation with the State's Chief Information Security Officer in the detection of any security vulnerability of the hosting infrastructure.

VII. LOSS REPORTING

The Parties must notify NH DoIT Help Desk, via the email provided in this MOU, and their respective Information Security Officers and Privacy Officers of any information security events, Computer Security Incidents, Incidents, or Breaches immediately once the Board has determined that the aforementioned has occurred and that Confidential Data may have been exposed or compromised.

In addition to notifying NH-CIC, security incidents and/or Breaches that implicate PII must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

If a suspected or known information security event, Computer Security Incident, Incident or Breach involves **Social Security Administration (SSA) provided data, Criminal Justice Information (CJI)** or Internal Revenue Services (IRS) provided **Federal Tax Information (FTI)** then the Agency/Partner must notify DHH Information Security immediately (without delay) of any security breaches or loss of Confidential Data at the time that the Board learns of their occurrence.

VIII. REIMBURSEMENT

No funds will be exchanged under this MOU for any work to be performed by the Parties to carry out the requirements of Part II of this MOU. The Parties agree to absorb their respective costs associated with this MOU unless otherwise provided for in this MOU.

IX. PERSONS TO CONTACT

A. Department contact for Data Management, Information Security, or Privacy issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

B. NH Cyber Integration Center (NH-CIC) contacts for Security Incidents/Breach Reporting:

helpdesk@doit.nh.gov

C. User contact for Information Security/Privacy issues: [Fill in with Agency/Partner contact information]

X. APPROVALS

A. Hon. Gary Merchant, Chair of the Prescription Drug Affordability Board, authorized official

The authorized official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved by:

Gary Merchant **Chairman** **Prescription Drug Affordability Board** **(Insert State Attorney/Designee Name)**	**Date:**

B. State of New Hampshire, Department of Health & Human Services Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DHHS Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

C. State of New Hampshire, Department of Information Technology Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DOIT Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

ATTACHMENT A

END USER AGREEMENT

By requesting and receiving approval to access the DHHS Data:

- I understand that I will have direct and indirect access to confidential information in the course of performing my work activities.
- I agree to protect the confidential nature of all information to which I have access.
- I understand that there are state and federal laws and regulations that ensure the confidentiality of an individual's information.
- I understand that there are DHHS policies and procedures with which I am required to comply related to the protection of individually identifiable information.
- I understand that the information extracted from the site shall not be shared outside the DHHS Scope of Work or related signed Memorandum of Understanding and/or Information Exchange Agreement/Data Sharing Agreement agreed upon.
- I understand that my SFTP or any information security credentials (user name and password) should not be shared with anyone. This applies to credentials used to access the site directly or indirectly through a third party application.
- I will not disclose or make use of the identity, financial, health information or other confidential data of any person or establishment discovered inadvertently. I will report such inadvertent exposure and other security incidents or breaches immediately to **helpdesk@nh.gov** and **DHHSInformationSecurityOffice@dhhs.nh.gov**.
- I will not imply or state, either in written or oral form, that interpretations based on the data are those of the original data sources or the State of NH unless the data user and DHHS are formally collaborating.
- I understand how I am expected to ensure the protection of individually identifiable information and other confidential data. Should questions arise in the future about how to protect information to which I have access, I will immediately notify my supervisor.
- I understand that I am legally and ethically obligated to maintain the confidentiality of Department client, patient, and other sensitive information/confidential data that is protected by information security, privacy or confidentiality rules and state and federal laws even after the conclusion/termination of my or my organization's contract/written agreement with the Department or one of its authorized contractors working on behalf of the Department.
- I have been informed that this signed agreement will be retained on file for future reference.

_____	_____
Signature	Date
_____	_____
Printed Name	Title
_____	
Business Name	

PART III.

1. Amendment

1.1 This Memorandum of Understanding may be amended or modified from time to time upon written agreement by both Parties. If this MOU requires approval by Governor and Executive Council any subsequent modification by the Parties will likewise require approval by Governor and Executive Council.

2. Period of Agreement

2. 1 Effective Date. This MOU shall be effective upon its execution by the Parties.

2.2 Duration. The duration of this MOU is from the date of execution by the Parties for a period of two (2) years. The Parties may extend this MOU for up to one (1) year at any time by mutual written agreement, subject to the continued availability of funds, satisfactory performance of responsibilities, approval by the Parties, and approval of Governor and Executive Council.

2.3 Modification. The Parties may modify this MOU by mutual written agreement at any time, subject to the approval of the Governor and Executive Council.

3. Termination

3.1 This MOU is subject to termination by either Party at any time by providing written notice to the other Party at least thirty (30) calendar days prior to such termination. Notice must be in writing and delivered to the Commissioner of the Department and the Chair of the Board.

3.2 Notwithstanding the thirty days written notice requirement, either Party may terminate this MOU upon immediate verbal notice to the signatory or his or her General Counsel if in its sole judgment the other Party has violated any data protections or restrictions set forth herein. In its discretion, the Party executing an immediate termination for a data protection violation may provide the other Party a cure period within which time the other Party may attempt to resolve the violation to the terminating Party's satisfaction.

4. Waivers

4.1 The Parties specifically agree that failure of either Party to insist upon compliance with any provision contained herein at any time shall not waive the requirement for performance of such provision at any other time.

4.2 No waiver by either Party of any default or breach hereunder by the other Party shall constitute a waiver of any subsequent default or breach.

_____ _____

Gary Merchant, Chairman of the Board Date
Prescription Drug Affordability Board

_____ _____

Lori Weaver, Commissioner Date
New Hampshire Department of
Health and Human Services

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

April 3, 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)

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

ATTENDING: In person: Representative Gary Merchant, Todd Fahey, Tom Sherman, Robert Woodward, Jason Aziz, Senator Cindy Rosenwald. Virtually: William Marsh, Representative James Murphy.

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

ABSENT: Senator Sharon Carson.

AGENDA REVIEW: Representative Gary Merchant reviewed the agenda with the Board and stated he will be moving the discussion around drug cost reduction strategies to the end of the meeting to allow for ample time.

REVIEW AND APPROVE MINUTES OF FEBRUARY 6 MEETING: Representative Gary Merchant noted William Marsh's name still showed the title of Representative and needs to be removed. Tom Sherman made a motion to accept with proposed changes, Robert Woodward seconded. Motion passed via roll call.

MOU WITH DHHS: Attorney Robert Berry updated the Board on the status of the MOU. He stated that the House Finance Committee is proposing the Board change its funding mechanism to a general fund appropriation, rather than utilizing the collection of fees. He stated the Board should hold off on submitting the final MOU draft to Governor and Council until after the budget process plays out, as recommended by the DHHS Commissioner.

UPDATE ON EMAILS TO ENTITIES AS MANUFACTURERS AND DISTRIBUTORS: Nancy Plourde updated the Board with the status of the 2023 compliance. She stated a list of about 800 registrants was sent to DHHS Finance. Representative Gary Merchant also stated that we also closed the loop on a few questions presented by manufacturers on how the compliance applies to them.

LEGISLATIVE UPDATE ON HB 130 AND HB 172: Representative Gary Merchant updated the Board on the status of HB 130 and HB 170, and noted they have been retained by House Commerce. He also spoke about HB 2, which Mr. Berry had referenced, earlier, regarding the mechanism of funding the Board. The issue is with the constitutionality of the fees and that they need to present a benefit to the payor. Representative Merchant believes the Board needs legal counsel form the A.G.'s office, hopefully at the next meeting. Representative Merchant made a motion to have the A.G.'s advise on the issue, seconded by Tom Sherman. Motion passed via roll call.

BOARD DISCUSSION – STRATEGIES TO REDUCE DRUG COSTS: Jason Aziz discussed the ways he believes the state can reduce drug costs. Jason stated there is a CMS prescription reporting portal direct from the manufacturers that may broaden the availability of data, in addition claims data. He describes the data elements in CMS to be robust, including the top 50 most costly drugs and 50 most often prescribed. There are no utilization parameters in CMS, but there are in CHIS. HE feels he can work with fellow Board

member, Robert Woodward, to create a data set that both. There was further discussion on how to extract, analyze and report the necessary data. There was a short discussion about the importance of and pathway way to price transparency. All agreed there is a market-wide benefit to price transparency. Representative Merchant asked why public payors don't all use the same PBM, to which Senator Rosenwald stated she had attempted to broach the subject years ago and was met with a no. She added it would be even more complicated now, with the current system of managed care. The Board continued to discuss various strategies. Representative Merchant asked Jason to follow up with the Board with more information on the CMS site. Tom Sherman asked him to look at our statute, and if the reporting requirement would be rendered unnecessary given the CHIS and CMS data, especially given the penalty for breach of confidentiality. Jason recommended analyzing therapeutic class rather than specific diagnosis. Representative Merchant asked Robert Woodward to follow up with the Board with a public payor PBM analysis.

NEXT MEETINGS: May 1, 2023, 10:00 AM and June 10, 2023, 10:00 AM.

PUBLIC COMMENTS: Donald Pfundstein discussed a letter, on behalf of AHIP, he had sent to Board members on Thursday March 30. It was in regards to RSA 126-BB:8, II which provides in pertinent part: "The board may waive assessments otherwise due under subparagraphs (c) and (e) when a waiver is determined to be in the interests of the board and the parties to be assessed." He asked that Nancy Plourde post the letter to the PDAB web page.

Representative Jess Edwards stated he feels the Board is trying to get outside of the scope of their statutory requirements/limitations. Feels that the Board is trying to regulate, without being transparent about it, the number if PBMs the state utilizes for public payors. Spoke to the legislative history of the Board statute, mentioning that is skipped Finance and Ways and Means. He spoke about the idea of changing the path of reaction in the House to the statute to proposing the change in the funding mechanism, and taking the issue of unconstitutionality. He spoke about Representative Lynn, and that he feels he understands that HB 2 has the power to change law, and feels he can get a statement from him on the topic. HE spoke about House Finance passing HB 2 and noted that PDAB was not a negotiating point, as it wasn't the only thing on the bill. HE stated he feels that this Board is the least accountable and the most powerful entity in NH government. He stated AHIP correctly recognizes it. He reiterated the benefit of waiving the fees. He wanted to make sure that it is reflected in the comments section of these minutes that he does believe in the fundamental vision of the Board and feels that the work of the Board is powerful and important.

ADJOURNMENT: Representative Merchant made an undebatable motion to adjourn.

Todd Fahey, Clerk, respectfully submitted.

Nancy T. Plourde, Recording Secretary

GALLAGHER CALLAHAN & GARTRELL

DONALD J. PFUNDSTEIN

214 N. Main Street
Concord, NH 03301

Ph. (603) 545-3600
Ph: (800) 528-1181
pfundstein@gcglaw.com

March 30, 2023

Honorable Gary Merchant, Chairman
NH Prescription Drug Affordability Board
Department of Health and Human Services
129 Pleasant Street, Concord, NH 03301

Dear Mr. Chairman:

We write on behalf of America's Health Insurance Plans (AHIP), a national trade association whose members provide health care coverage, services, and solutions for hundreds of millions of Americans every day. We are writing to express our strong objection to the New Hampshire Prescription Drug Affordability Board (PDAB) issuing invoices for assessments to fund its operations. **For the reasons which follow, we respectfully request that the Board waive all assessments pursuant to RSA 126-BB:8, II which provides in pertinent part: "The board may waive assessments otherwise due under subparagraphs (c) and (e) when a waiver is determined to be in the interests of the board and the parties to be assessed."**

The Joint Legislative Committee on Administrative Rules (JLCAR) expressed great concern at their February 17, 2023 meeting[1] in questioning the constitutionality of the assessments. Representative Bill Hatch captured the discussion when he stated "A fee has to be directly related to the cost and the service being provided. If it's not, it's a tax." Representative Carol McGuire stated "it's pretty clear from the Board's response that there is no clear obvious benefit to the people who are paying the fees…" Fees must be aligned with the benefits or services provided in order to comply with constitutional requirements to be proportional and reasonable.

JLCAR unanimously voted to recommend that the Legislature review and make changes to the PDAB law[2] this session to address their concerns. As a result, House Finance Division III[3] and

[1] https://www.gencourt.state.nh.us/lba/budget/operating_budgets/2024-2025/HF_Division_III/PDAB_JLCAR_Transcript_Excerpt.pdf
[2] RSA 126-BB https://gencourt.state.nh.us/rsa/html/X/126-BB/126-BB-mrg.htm
[3] See discussion starting at minute marker 5:12:40 https://www.youtube.com/watch?v=b4ByHqcRMKQ and at minute marker 6:23:20 https://www.youtube.com/watch?v=b4ByHqcRMKQ.

the House Finance Committee have adopted amendments to HB 1 and HB 2 relative to the PDAB that, in part, replace the unconstitutional assessments with General Funds and anticipated voluntary contributions from the PDAB's supporters.

In AHIP's opinion, it is abundantly clear that a waiver is in the interests of the assessable community, as there is no benefit directly related to the assessments thereon. Moreover, we respectfully suggest that in light of the record in JLCAR and House Finance, any end run around the legislative process to levy unconstitutional assessments in a race to the bank could place the Board and its members in a precarious position. If the assessments are collected and spent, who would refund the money to the assessed entities should a court find the fees to be unconstitutional?

In closing, we respectfully request that the PDAB use its authority under RSA 126-BB:8, II and waive all assessments in the interests of the Board and the parties to be assessed.

Very truly yours,

Donald J. Pfundstein

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

THE PRESCRIPTION DRUG AFFORDABILITY BOARD RELATIVE TO:

DEPARTMENT OF HEALTH AND HUMAN SERVICES-PROVIDED ADMINISTRATIVE SUPPORT TO STAND UP THE PRESCRIPTION DRUG AFFORDABILITY BOARD

AND

DATA SHARING AGREEMENT BETWEEN

DEPARTMENT OF HEALTH AND HUMAN

SERVICES AND PRESCRIPTION DRUG AFFORDABILITY BOARD

PURPOSE

This Memorandum of Understanding (MOU) is entered into by the Department of Health and Human Services (Department) and the Prescription Drug Affordability Board (Board), collectively, (Parties) to establish collaborative procedures for the Department to administratively support the standing up of the Board and for the sharing and exchanging of certain required data pursuant to RSA 126-BB.

The MOU is divided into three (3) parts. Part I covers certain administrative and other matters between the Department and the Board. Part II consists of the Data sharing agreement that covers any and all data that are provided or shared between the Department and the Board. Part III consists of amendment and termination terms, effective date, and signatures of Parties.

PART I.

1.1. The Department provides an integrated, administrative structure for the design and delivery of a comprehensive and coordinated system of health and human services which is family-centered and community-based whole-person programs and services for the citizens of the State of New Hampshire.

1.2. The Board is administratively attached to the Department pursuant to RSA 126-BB:2, VI.

The Parties agree that as an attached entity, the Board may request and receive certain administrative and other support pursuant to RSA 21-G:10, II and as further outlined in this agreement.

1.3. The Board is established through a legislative mandate and operates pursuant to RSA 126-BB and adopted administrative rules.

1.4. The purpose of the Board is to identify strategies that optimize spending by public payors (any division of state, county, or municipal government that administers a health plan for its employees or an association of state, county, or municipal employers that administers a health plan for its employees) for pharmaceutical products while ensuring that the public has access to needed pharmaceutical products. RSA 126-BB:5.

2. Administrative Services and Other Support

2.1. The Department agrees to provide the following administrative and other support to the Board :

2.1.1. Financial Services/Budget Support;
2.1.2. Contracts and Procurement Support;
2.1.3. Business Operational Support;
2.1.4. Human Resources Support;
2.1.5. Administrative Support;
2.1.6. Creation of and standing up the Board's public webpage;
2.1.7. Agreement for the provision and/or Exchange of Required Data; and
2.1.8. Cost of facilities.

2.2 The Board shall reimburse the Department for the services provided in 2.1 on a cost allocation basis in accordance with RSA 21-G:10.

3. Financial Services/Budget

3.1. The Board receives its funding from user fees and assessments, established pursuant to RSA 126-BB:8.

3.2. The Department shall assist the Board with establishing and maintaining an account to receive and expend funds as necessary.

3.3. In accordance with RSA 21-G:10, the Department shall assist the Board with the following:

3.3.1 Budgeting, recordkeeping and related administrative and clerical assistance to the Board; and

3.3.2 Submitting the Board's budget requests, without any changes, to the appropriate entity for review and approval.

4. Contract and Procurement Support

4.1. The Department will provide contract support, through its Contract Bureau, to the Board, as needed.

4.2. Contracts may provide for, among other things, support services and technology acquisitions and may be in the form of interagency agreements and MOUs with other State agencies, as well as data sharing agreements.

4.3. The Department's Contract Bureau will:

4.3.1. Provide consultation and assistance to Board staff in the development of agreements, and competitive solicitations.

4.3.2. Conduct the solicitation process to include meeting any requirements of all New Hampshire state agencies as necessary, , negotiating terms, and processing and preparing agreements for signature.

4.3.3. Serving as liaison with other New Hampshire state agencies on procurement matters as needed.

4.3.4. Review and provide comments and/or recommendations on agreements and solicitations to include negotiating directly with or assisting in the negotiation with contractors, for any required modifications to statement of work and contract terms and conditions.

4.3.5. Maintain contractual records and documentation such as receipt and control of all contract correspondence, amendments, DAS filings, solicitation information and other documents related to the agreement.

4.3.6. Serve as the point of contact for the Board on procurement matters, and act as contractual liaison between Board members or staff and contractors during the procurement and negotiation process as needed.

5. Business Operational Support

7.1 The Department shall provide office equipment such as computers, laptops, and other like electronic devices and basic office furnishings.

7.2 The Department shall permit the Board to utilize its mail service.

6. Human Resources Support

6.1. The Department will provide Human Resources support by assisting in the drafting of the Supplemental Job Description (SJD), recruiting, and hire of an Executive Director pursuant to RSA 126-BB:2.

6.2. Pursuant to RSA 126-BB:2, the Executive Director position shall be a State unclassified employee.

6.3. The Department's Bureau of Human Resources Management will post the position on the Department's intranet and internet webpages as needed.

6.3.1. The Bureau of Human Resources Management will forward all submitted applications to the Board for its review and selection of the Executive Director.

6.3.2. The Board shall follow all Department and Division of Personnel rules and processes for the review and selection of the Executive Director.

6.4. The Executive Director shall be supervised by an individual within the DHHS or the Department of Administrative services for the purposes of basic supervisory functions including time card approval if appropriate. The Board shall retain the supervisory duties of hiring, discipline and overseeing the day to day work product of the Executive Director.

6.5. The Executive Director, when a classified employee, shall be subject to State Personnel rules and Department rules, regulations, and disciplinary process.

6.6. The duties of the Executive Director shall be outlined in the Supplemental Job Description.

7. Legal support

7.1. Draft Forms and Documents: the Executive Director and Board with draft and review, with assistance from the Department as necessary, the following forms and/or documents:

7.1.1. Confidentiality and Non-disclosure form that conforms with the requirements of RSA 126-BB:7, 9 and other applicable laws.

7.1.2. Conflict of Interest form that conforms with the requirements of RSA 126-BB:3 and other applicable laws.

7.1.3. Additional legal documents and/or forms as needed during the term of the MOU.

7.2. The Board has rulemaking authority pursuant to RSA 126-BB:6.

7.2.1. The Department's Office of Legal and Regulatory Services shall assist the Board with the drafting of its rules pursuant to, and in conformity with, RSA 126-BB and RSA 541-A. Draft rules will be presented to the Board for review, public comment, and approval.

7.2.2. Once the Board has approved its rules, the Department's Administrative Rules Unit will submit them to the Joint Legislative Committee on Administrative Rules (JLCAR) for final approval.

7.3. The Department's Office of Legal and Regulatory Services shall respond to all right to know requests.

8. Creation of and Standing up Public Webpage

8.1. The Department's Information Services Unit (BIS) will consult with the Board regarding the design and lay-out of the web page to address the needs of the Board.

8.2. The Department's Information Services Unit will create the public web site.

8.3. The Department's Information Services Unit will provide technical support as needed.

9. Provision of and/or Exchange of Required Data

9.1. Data shall be exchanged and shared in accordance with RSA 126-BB and the Data Sharing Agreement within PART II of this MOU.
9.2. The Department shall share aggregated non-protected health information data for use by the Board in meeting the needs of its stakeholders as described in Part II.

PART II.

DATA SHARING AGREEMENT

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

A. Purpose

This Data Sharing Agreement, hereinafter the "Agreement" made as of the ____day of _____, 2023 (the "Effective Date"), by and between the State of New Hampshire Department of Health and Human Services (the "Department" or "DHHS") and the Prescription Drug Affordability Board (the "Board" or "User"), contains the framework and the terms, conditions, safeguards, and procedures under which the

Department and the Board agree to share data with each other for the purposes of assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Use of the data our Parties receive under this Agreement is limited to

1. Members of the Prescription Drug Affordability Board;
2. Employees of the Prescription Drug Affordability Board;
3. The Advisory Council established by RSA 126-BB:4.

B. Legal Authority

This Agreement supports the responsibilities of the Department and/or the Board and is permissible pursuant to RSA 126-BB. This Agreement shall be established so as to ensure compliance with all applicable state and federal confidentiality and privacy laws.

C. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in Section 2.1 of NIST Publication 800-61 Rev. 2, Computer Security Incident Handling Guide.

3. "Confidential Data" means all information owned, managed, created, received, from or on behalf of, the Department that is protected by information security, privacy or confidentiality rules and state and federal laws. This information includes but is not limited to derivative data, Protected Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information, Social Security Administration, and CJIS (Criminal Justice Information Services) data.

4. "Derivative Data" means data or information based on or created from Confidential Data.

5. "End User" means any person or entity (e.g. contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives Confidential Data in accordance with the terms of this Agreement.

6. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

7. "Incident" means an act that potentially violates an explicit or implied security policy, which includes successful attempts to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic mail.

8. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted Confidential Data.

9. "Penetration Testing" shall mean testing to attempt to exploit found or known

vulnerabilities to determine whether unauthorized access or other malicious activity is possible. Penetration testing for this Agreement includes network penetration testing and application security testing as well as controls and processes around the networks and applications from both outside the network trying to come in (external testing) and from inside the network.

10. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Virtual Private Network" (VPN) shall mean network technology that creates a **secure** private connection between the device and endpoint; hiding IP address and encrypting all data in motion.

II. OBLIGATIONS OF USER

A. Business Use and Disclosure of Confidential Information.

1. The Board must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this MOU. Further, the Board, including but not limited to all its members, directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. To the extent the Board is permitted under the MOU to disclose Confidential Information to a third party, the Board must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such Confidential Information will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii), with regard to PHI, an agreement from such third party to notify the Board, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
3. The Board must not, disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying the Department so that the Department has an opportunity to consent or object to the disclosure. In the event the Department and the Board are unable to agree, the New Hampshire Department of Justice must decide whether or not to disclose the Confidential Information.
4. If the Department notifies the Board that the Department has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Board must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.

5. The Board agrees not to disclose direct findings, listings, or information derived from the file(s) specified in Section IIII, with or without direct identifiers, if such findings, listings, or information can, by themselves or in combination with other data, be used to deduce an individual's identity, unless authorized by law. The Board agrees that any use of Department data in the creation and publication of any document (manuscript, table, chart, study, report, etc.) concerning the purpose specified in Sections I and III (regardless of whether the report or other writing expressly refers to such purpose, to the Department, or to the data elements specified in Section III or any data derived from such files) must adhere to CMS' current cell size suppression policy. This policy stipulates that no cell (e.g. admittances, discharges, patients, services) 10 or less may be displayed. Also, no use of percentages or other mathematical formulas may be used if they result in the display of a cell 10 or less. By signing this Agreement the Board hereby agrees to abide by these rules.
6. The Board agrees that Department Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this MOU.
7. The Board agrees that the Board and any End User must not attempt to link data elements included in the data specified in Section III and/or DHHS data obtained through this MOU to any other individually identifiable source of information, except as authorized by law and as provided for in this MOU. This includes attempts to link the data to other Department, Sister Agency, State Partner, State Business Associate, CMS, other States, or Federal Government data file(s). A protocol that includes the linkage of specific files that has been approved in accordance with this MOU constitutes express authorization from the Department to link files as described in the protocol.
8. The Board agrees that Department Data obtained under this MOU may not be used for any other purposes that are not indicated in this MOU.
9. The Board must have a signed End User Agreement (EUA) (Attachment A) for all of its End-Users on file with the Department, prior to the Department sharing data with the Board.
10. The EUA must be signed and returned to the Department to track disclosures of Department Data and to ensure that the Board only uses the Department Data and any derivative data for the purposes provided under the terms of this MOU.
11. If requested, the Board agrees to grant access to the data to the authorized representatives of the Department for the purpose of inspecting to confirm compliance with the terms of this MOU.

III.OBLIGATIONS OF THE DEPARTMENT

IV. SCOPE

The Parties agree Medicaid prescription drug data and CHIS data provided by the Department will be restricted to the following use: Assisting the Board with fulfilling its duties and responsibilities in accordance with RSA 126-BB.

Further, the Board agrees that the Confidential Data being shared is the "minimum necessary" to carry out the stated use of the data, as defined in the Privacy Rule and in accordance with all applicable confidentiality laws.

V. INFORMATION SECURITY

1. The Parties agree to maintain proper security controls to protect the Confidential Data collected, processed, managed, and/or stored in association with this MOU at a level consistent with the requirements applicable to state and federal Parties.
2. Parties agree to establish and maintain appropriate administrative, technical, physical, and organizational safeguards to protect the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements that is set forth in the principles of NIST 800-53 (Rev.4).
3. The Parties agree to maintain policies and procedures to safeguard Confidential Data throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).
4. Parties agree computer disks or portable storage devices, such as a thumb drive, may not be used as a method of transmitting Confidential Data.
5. Parties agree Confidential Data may be transmitted via email if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
6. Encrypted Web Site. If the Board is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure
7. Laptops and PDA. If the Board is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. The Board may not transmit Confidential Data via an open network. The Board may only employ a wireless network when remotely transmitting via a VPN.
9. Remote User Communication. If the Board is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the Board's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If the Board is employing an SFTP to transmit Confidential Data, the Board will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will

be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).

11. Wireless Devices. If the Board is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

The Parties agree to negotiate an amendment to this MOU as needed to address changes in policy issues, fiscal issues, information security, and specific safeguards for maintaining confidentiality, as needed.

VI. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Parties acknowledge that respective Parties retains all ownership rights to the Data obtained under the terms of this MOU. The Parties will only retain Confidential Data and any derivative for the duration of this MOU. After such time, the Parties will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this MOU. To this end, the Parties must:

A. Retention

1. The Parties agree they will not store or transfer Confidential Data collected under the terms of this MOU outside of the United States. This includes backup data and Disaster Recovery locations.
2. The Parties agrees to provide security awareness and education for its members, employees, contractors and sub-contractors in support of protecting Confidential Data.
3. The Parties agree Confidential Data stored in a Cloud must be in a Government compliant Cloud solution and comply with all applicable statutes and regulations regarding privacy and security for the type of data stored within the solution. The data owner must retain control and management of the encryption key to the cloud solution. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.
4. The Parties agree to cooperation with the State's Chief Information Security Officer in the detection of any security vulnerability of the hosting infrastructure.

VII. LOSS REPORTING

The Parties must notify NH DoIT Help Desk, via the email provided in this MOU, and their respective Information Security Officers and Privacy Officers of any information security events, Computer Security Incidents, Incidents, or Breaches immediately once the Board has determined that the aforementioned has occurred and that Confidential Data may have been exposed or compromised.

In addition to notifying NH-CIC, security incidents and/or Breaches that implicate PII

must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

If a suspected or known information security event, Computer Security Incident, Incident or Breach involves **Social Security Administration (SSA) provided data, Criminal Justice Information (CJI)** or Internal Revenue Services (IRS) provided **Federal Tax Information (FTI)** then the Agency/Partner must notify DHH Information Security immediately (without delay) of any security breaches or loss of Confidential Data at the time that the Board learns of their occurrence.

VIII. REIMBURSEMENT

No funds will be exchanged under this MOU for any work to be performed by the Parties to carry out the requirements of Part II of this MOU. The Parties agree to absorb their respective costs associated with this MOU unless otherwise provided for in this MOU.

IX. PERSONS TO CONTACT

A. Department contact for Data Management, Information Security, or Privacy issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

B. NH Cyber Integration Center (NH-CIC) contacts for Security Incidents/Breach Reporting:

helpdesk@doit.nh.gov

C. User contact for Information Security/Privacy issues: [Fill in with Agency/Partner contact information]

X. APPROVALS

A. Hon. Gary Merchant, Chair of the Prescription Drug Affordability Board, authorized official

The authorized official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved by:

Gary Merchant **Chairman** **Prescription Drug Affordability Board** **(Insert State Agency/Business Name)**	**Date:**

B. State of New Hampshire, Department of Health & Human Services Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DHHS Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

C. State of New Hampshire, Department of Information Technology Approving Official

The authorized approving official, whose signature appears below, accepts and expressly agrees to the terms and conditions expressed herein, and confirms that no verbal agreements of any kind must be binding or recognized, and hereby commits their respective organization to the terms of this Agreement.

Approved By: (Signature of Authorized DOIT Approving Official)	
(Insert DHHS Authorized Individual's Name) **(Insert Title)** **(Insert Office or Program Name)**	**Date:**

ATTACHMENT A

END USER AGREEMENT

By requesting and receiving approval to access the DHHS Data:

- I understand that I will have direct and indirect access to confidential information in the course of performing my work activities.
- I agree to protect the confidential nature of all information to which I have access.
- I understand that there are state and federal laws and regulations that ensure the confidentiality of an individual's information.
- I understand that there are DHHS policies and procedures with which I am required to comply related to the protection of individually identifiable information.
- I understand that the information extracted from the site shall not be shared outside the DHHS Scope of Work or related signed Memorandum of Understanding and/or Information Exchange Agreement/Data Sharing Agreement agreed upon.
- I understand that my SFTP or any information security credentials (user name and password) should not be shared with anyone. This applies to credentials used to access the site directly or indirectly through a third party application.
- I will not disclose or make use of the identity, financial, health information or other confidential data of any person or establishment discovered inadvertently. I will report such inadvertent exposure and other security incidents or breaches immediately to **helpdesk@nh.gov** and **DHHSInformationSecurityOffice@dhhs.nh.gov**.
- I will not imply or state, either in written or oral form, that interpretations based on the data are those of the original data sources or the State of NH unless the data user and DHHS are formally collaborating.
- I understand how I am expected to ensure the protection of individually identifiable information and other confidential data. Should questions arise in the future about how to protect information to which I have access, I will immediately notify my supervisor.
- I understand that I am legally and ethically obligated to maintain the confidentiality of Department client, patient, and other sensitive information/confidential data that is protected by information security, privacy or confidentiality rules and state and federal laws even after the conclusion/termination of my or my organization's contract/written agreement with the Department or one of its authorized contractors working on behalf of the Department.
- I have been informed that this signed agreement will be retained on file for future reference.

_____ _____

Signature Date

_____ _____

Printed Name Title

_____

Business Name

PART III.

1. Amendment

1.1 This Memorandum of Understanding may be amended or modified from time to time upon written agreement by both Parties. If this MOU requires approval by Governor and Executive Council any subsequent modification by the Parties will likewise require approval by Governor and Executive Council.

2. Period of Agreement

2. 1 Effective Date. This MOU shall be effective upon its execution by the Parties.

2.2 Duration. The duration of this MOU is from the date of execution by the Parties for a period of two (2) years. The Parties may extend this MOU for up to one (1) year at any time by mutual written agreement, subject to the continued availability of funds, satisfactory performance of responsibilities, approval by the Parties, and approval of Governor and Executive Council.

2.3 Modification. The Parties may modify this MOU by mutual written agreement at any time, subject to the approval of the Governor and Executive Council.

3. Termination

3.1 This MOU is subject to termination by either Party at any time by providing written notice to the other Party at least thirty (30) calendar days prior to such termination. Notice must be in writing and delivered to the Commissioner of the Department and the Chair of the Board.

3.2 Notwithstanding the thirty days written notice requirement, either Party may terminate this MOU upon immediate verbal notice to the signatory or his or her General Counsel if in its sole judgment the other Party has violated any data protections or restrictions set forth herein. In its discretion, the Party executing an immediate termination for a data protection violation may provide the other Party a cure period within which time the other Party may attempt to resolve the violation to the terminating Party's satisfaction.

4. Waivers

4.1 The Parties specifically agree that failure of either Party to insist upon compliance with any provision contained herein at any time shall not waive the requirement for performance of such provision at any other time.

4.2 No waiver by either Party of any default or breach hereunder by the other Party shall constitute a waiver of any subsequent default or breach.

_____ _____

Gary Merchant, Chairman of the Board
Prescription Drug Affordability Board

Date

_____ _____

Lori Weaver, Commissioner
New Hampshire Department of
Health and Human Services

Date

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

June 5, 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)

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

ATTENDING: In person: Representative Gary Merchant, Tom Sherman, Robert Woodward, Jason Aziz.

ABSENT: Senator Sharon Carson, Senator Cindy Rosenwald (after initially attending the first part of the meeting), Todd Fahey, William Marsh and James Murphy.

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

AGENDA REVIEW: Representative Gary Merchant reviewed the agenda with the Board and added the advisory council discussion at the end of the meeting.

PHARMACY BENEFITS (PBMs) PRESENTATION: Dr. Sal Morana presented a Powerpoint about the "Challenges and Opportunities" of PBMs. Some key points he spoke about were as follows. 1. HE discussed how the PBMs make money: member fee per month, the spread (the difference between what the pharmacy pays and the plan pays), rebates (they sometimes keep money that an audit doesn't catch). 2. Contract negotiating is a good way to lower cost. 3. Overfilling is an issue, for example a fill for 90 days, especially if the employee leaves, causes a loss. 4. Advertising is the largest expense vs. research at the beginning stage. 5. He feels optimistic that "something rational", as far as cost to patient and plans/employers, is inevitably in the works. *Finer details can be found in the presentation on the Board website, as noted above.

MEDICAID PRESCRIPTION EXPENDITURES PRESENTATION: Bob Woodward reviewed his data presentation. He presented observations on Medicaid expenditures spanning the years 2018-2022. He explained from where he retrieved his data, explaining it's not quite representative of all New Hampshire residents. One of the takeaways was the example of the drug Humira being the one with the highest increase in expenditure: 139%. The Board had a short discussion following the presentation. Tom Sherman stated he felt the main takeaway, based on this presentation and the prior one, was that 35% of the driving factors related to the cost increase was the actual cost of the drug and the remaining percentage, that which could present savings, is the oversight. Tom would like to hear from the plans, and what they are doing to monitor utilization and cost. *Finer details of the presentation can be found on the Board website, as noted above.

REVIEW AND APPROVE MINUTES OF MAY 1 MEETING: Motion to accept the minutes by Bob Woodward, seconded by Tom Sherman, motion passed via roll call.

MOU - BOARD DISCUSSION: The Board discussed the major change in regards to general funds appropriation instead of funding from assessment fees. Tom Sherman moved to accept the MOU, as revised, with the contingency that HB 2 in regards to funding, as currently written, remains intact. Bob Woodward seconded. Motion passed via roll call. Tom Sherman made the motion to temporarily waive pending assessment fees, contingent upon passage of HB 2, with language that includes $250,000 a year

of funding from general funds and the support of an executive director position, for at least 2 years. Seconded by Bob Woodward. Motion passed via roll call.

ADVISORY COUNCIL UPDATE: Tom Sherman discussed the aspect of the statute regarding the advisory council. He talked about their role, namely that they should not be considered as being in an oversight capacity. He discussed the content and structure of the proposed letter that will be sent to the different areas, as specified in the statue. The Board discussed the structure and wording of the advisory board and how they would like to see it change in the future.

EXECUTIVE DIRECTOR UPDATE: Laurie Spring, of DHHS Human Resources, presented some updates on the status of the Executive Director position. She stated the position number will be established on or after July 1, followed by the posting in the state NH First system. For recruitment purposes, she suggested connecting with Victoria Davis, the DHHS talent acquisition manager. She discussed the process of applicant interviews. The Board discussed how to review applications confidentially. It was determined that the Board can establish a quorum for the purpose of a non-public meeting regarding personnel matters, which is exempt from the Right to Know law, which will ensure the confidentiality of the application and interview process. It was clarified that a quorum needs to be present/in-person.

FIRST DATA BANK UPDATE: It was noted that Bob Woodward will be working with UNH on the First Data Bank, and should have something prepared to discuss at the next meeting.

PDAB ANNUAL REPORT: The Board discussed the parameters and timeline expectations for the process and structure of the 2023 annual report, due by November 1.

DRUG COST MEDICAL BENEFIT: Jason Aziz presented slides entitled “CMS RxDC, An Alternative Source of Data for NH PDAB”. Jason talked about how CMS RxDC could be used as an additional resource of data to fill in apparent gaps. He spoke about how the data reports are released annually, so we can expect to see the 2023 reports in July. He spoke about the benefits and limitations of the database, and the Board discussed how it could be used in the future. *Finer details can be found in the presentation on the Board website, as noted above.

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

PUBLIC COMMENTS: None.

ADJOURNMENT: Undebatable motion to adjourn the meeting made by Representative Gary Merchant.

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

Nancy T. Plourde, Recording Secretary

The CMS RxDC
An Alternative Source of Data for NH PDAB

Jason Aziz, Ph.D.
New Hampshire Insurance Department

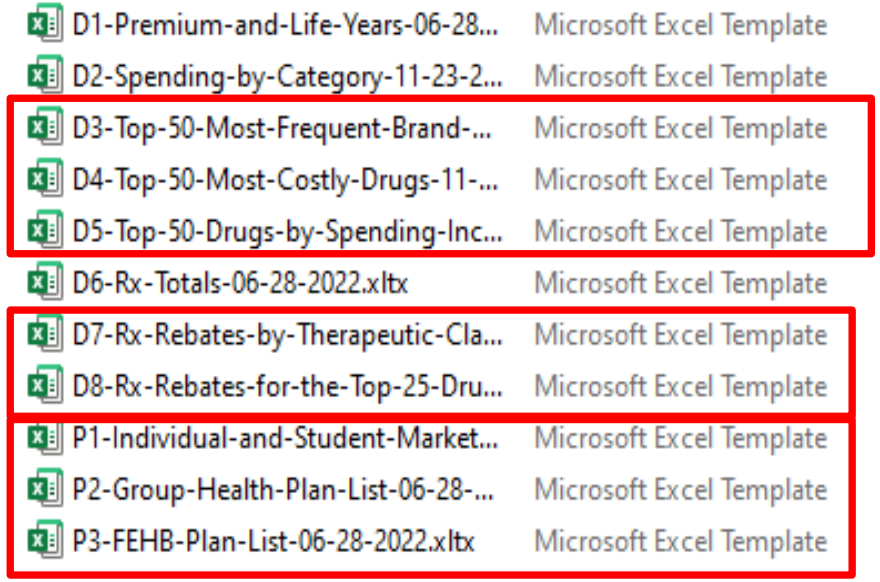
Introduction

- Under Section 204 (of Title II, Division BB) of the Consolidated Appropriations Act, 2021 (CAA), **insurance companies and employer-based health plans** must submit information about prescription drugs and health care spending.
- CMS RxDC is the result
  - Rx= Prescription (drugs)
  - DC = data collection
- Not only about Rx drugs
  - Healthcare Spending
  - Premiums paid
  - Enrollment data

Primary Purpose(s)

- Identify major drivers of increases in prescription drug and health care spending
- Understand how prescription drug rebates impact premiums and out-of-pocket costs
- Promote transparency in prescription drug pricing
- These are central objectives of the NH PDAB

Eleven Different Reporting Parameters



D1-Premium-and-Life-Years-06-28...	Microsoft Excel Template
D2-Spending-by-Category-11-23-2...	Microsoft Excel Template
D3-Top-50-Most-Frequent-Brand-...	Microsoft Excel Template
D4-Top-50-Most-Costly-Drugs-11-...	Microsoft Excel Template
D5-Top-50-Drugs-by-Spending-Inc...	Microsoft Excel Template
D6-Rx-Totals-06-28-2022.xltx	Microsoft Excel Template
D7-Rx-Rebates-by-Therapeutic-Cla...	Microsoft Excel Template
D8-Rx-Rebates-for-the-Top-25-Dru...	Microsoft Excel Template
P1-Individual-and-Student-Market...	Microsoft Excel Template
P2-Group-Health-Plan-List-06-28-...	Microsoft Excel Template
P3-FEHB-Plan-List-06-28-2022.xltx	Microsoft Excel Template

- Some parameters are similar to 126-BB:5(IV)(a),(b),(c)
- Rebate information is also available; 126-BB:9(III)(d)(1),(2)
- Plan enrollment files
  - Includes FEHB (NH CHIS lacks most FEHB plans)

Data Reports

- Published annually by CMS
- First output expected by July 2023
  - Downloadable .xlsx or .csv files
  - Some outputs will be stratified by state level

Advantages/Disadvantages

Advantages

- It's free…
- Another lens to view Rx pricing
- May allow for the identification of *'public payors'*
- Includes FEHB data

Disadvantages

- States have little/no control over data collection or reporting
- Reporting compliance measures may not be assessed

Contact Info

Jason Aziz, Ph.D.
Director of Healthcare Economics
New Hampshire Department of Insurance

Desk: (603) 271-4191

E-Mail: Jason.J.Aziz@ins.nh.gov

Web: https://www.nh.gov/insurance/

NHID Webinar on Price Transparency in Healthcare:
https://youtu.be/BlgJvYrTmAc

Pharmacy Benefits Discussion: Challenges and Opportunities

June 2023

Sal Morana, RPh, PhD

Executive Vice President

Pharmacy Benefits Lead - Alliant

Discussion Topics

- Introductions
- Pharmacy Benefits Landscape/Background
- Pharmacy Benefits Management Opportunities
- Current Challenges: Weight loss and Gene Therapies
- Questions and Discussion

Disclosure: I have not, nor has Alliant, received any financial support or commitment from the NH Prescription Drug Affordability Board.

Why is the Pharmacy Benefit a Critical Focus Area?

Frequency

Most utilized employee benefit

30%

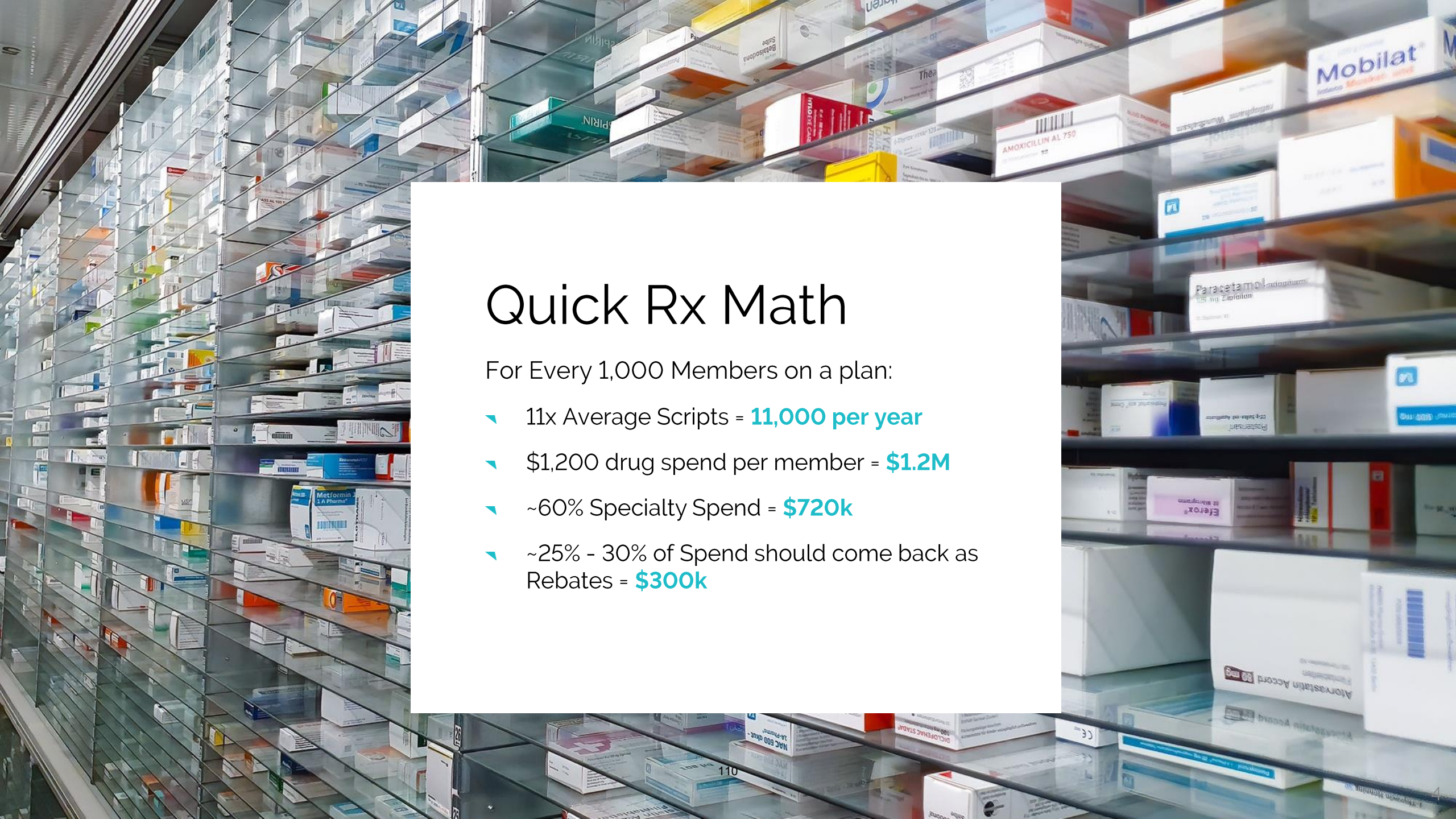
Pharmacy represents 30% of healthcare spend for most employers

60%

Specialty represents approximately 60% of drug spend. 1-2% of members utilize 50-60% of cost

Fastest

Fastest growing benefit in healthcare and accelerating rapidly



Quick Rx Math

For Every 1,000 Members on a plan:

- 11x Average Scripts = **11,000 per year**
- $1,200 drug spend per member = **$1.2M**
- ~60% Specialty Spend = **$720k**
- ~25% - 30% of Spend should come back as Rebates = **$300k**

Pharmacy Landscape

200+
New specialty drugs in the pipeline

Up to 100 cell and gene therapies by 2025

Explosion of new orphan drugs and gene therapies, specialty drugs exceed
50%
of all drug spend (prediction)

Biosimilars
limited benefits to date

Employer Contracting
Need for transparency
Rising Costs
Rebate Cliff

COVID-19
Vaccines and medications reducing need for inpatient care

Mental Health
Pandemic worsened challenges

Political Hot Buttons
State and Federal Legislation

ONCE-WEEKLY wegovy™ semaglutide injection 2.4 mg

once weekly mounjaro® (tirzepatide) injection 0.5 mL

Weight loss and Obesity
New clinical focus area with launch of Wegovy and Mounjaro

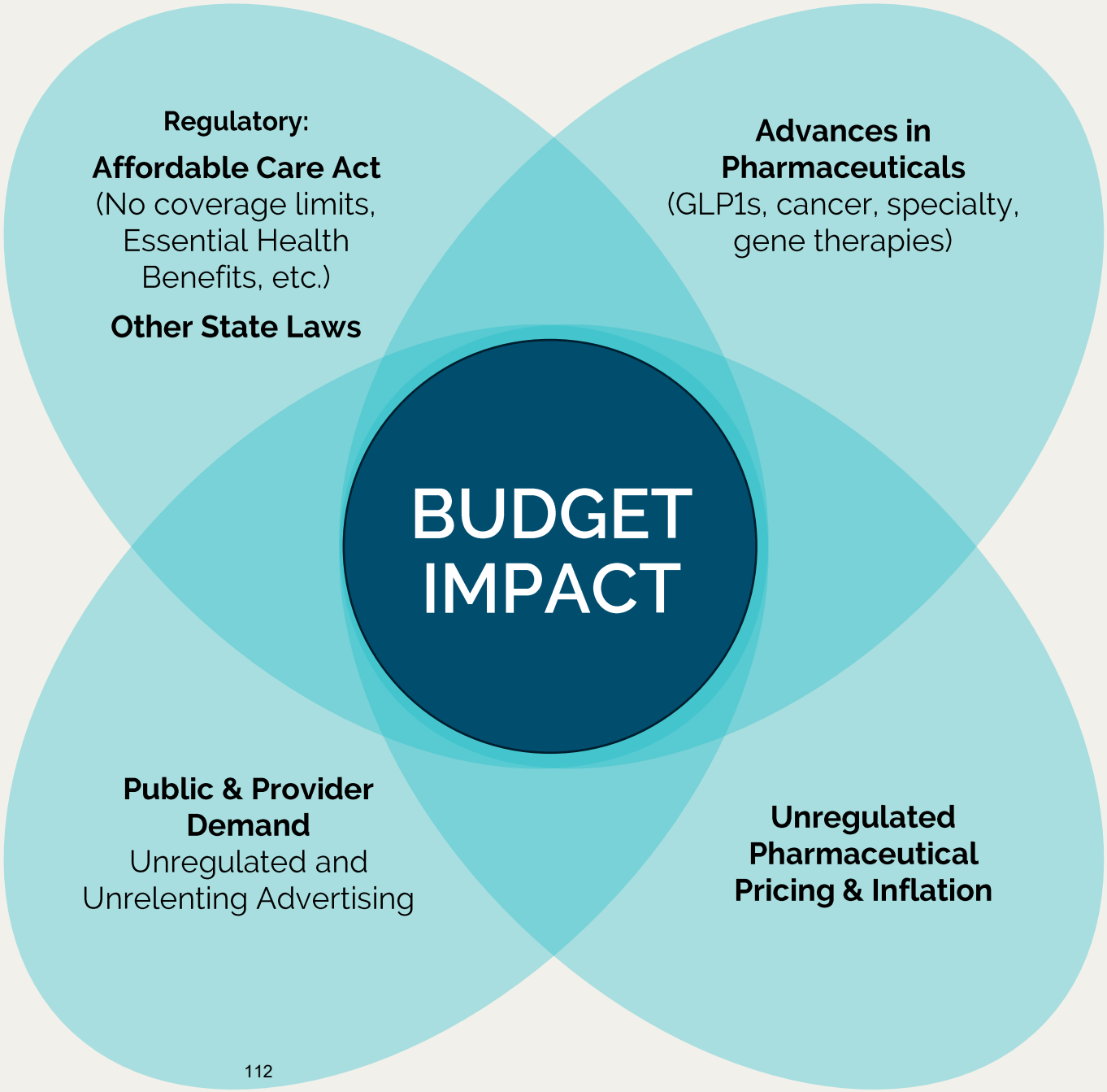
CVS

PBM Trade
Mergers
Acquisitions

MARK CUBAN CostPlus DRUG COMPANY
amazon pharmacy
GoodRx

Change Agents or adding more confusion to the PBM Model?

Pharmacy Cost Drivers: "The Big Picture"



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Evolving Pharmacy Marketplace

Vertically Integrated Large Players

UnitedHealthcare · aetna · Cigna · Elevance Health · BlueCross BlueShield · OPTUMRx · CVS caremark · EXPRESS SCRIPTS · carelon · PRIME THERAPEUTICS · And others

Mid-sized Transparent

MAXORplus · wellDyne · Medimpact · NAVITUS HEALTH SOLUTIONS · MagellanRx MANAGEMENT · elixir PHARMACY

Potential Disruptors (Standalone PBMs)

Capital Rx · Ventegra · SmithRx · EmpiRx HEALTH · prescryptive · with me HEALTH · rightway · MedOne · southernscripts · emsana Rx · flipt

Potential Disruptors (RX Point Solutions)

amazon pharmacy · GoodRx · scipher MEDICINE · CANARX · ARCHIMEDES · MARK CUBAN CostPlus DRUG COMPANY · RxSavings Solutions · TabulaRasa HealthCare · levrx · Paydhealth

And many more!

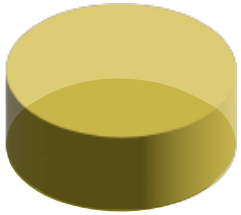
An Artist's Depiction of the PBM Industry

Employers and Health Plans have many options for PBM Contracting

Possible PBM Configuration Options

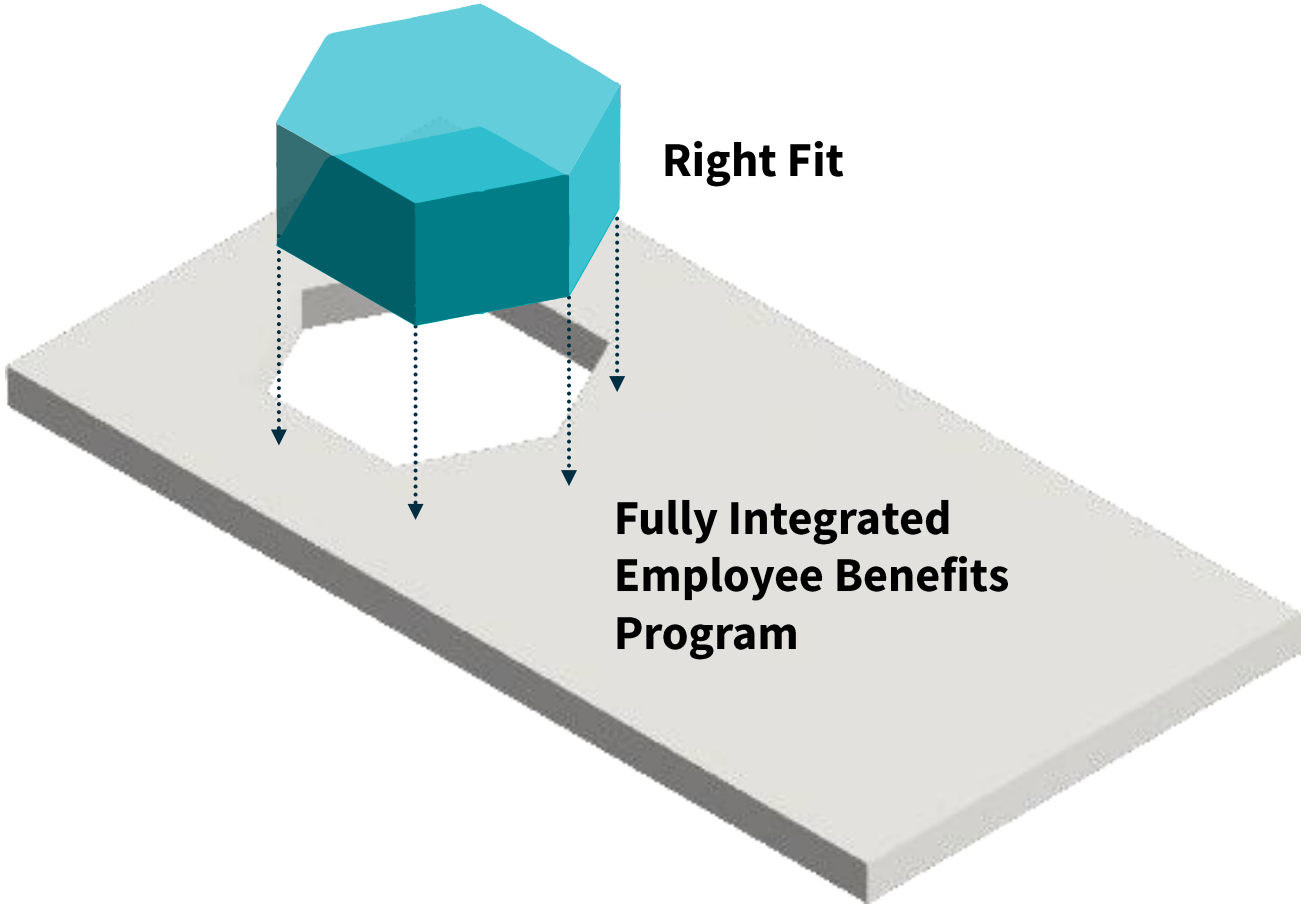
Direct Carve-Out

Direct Carve-In

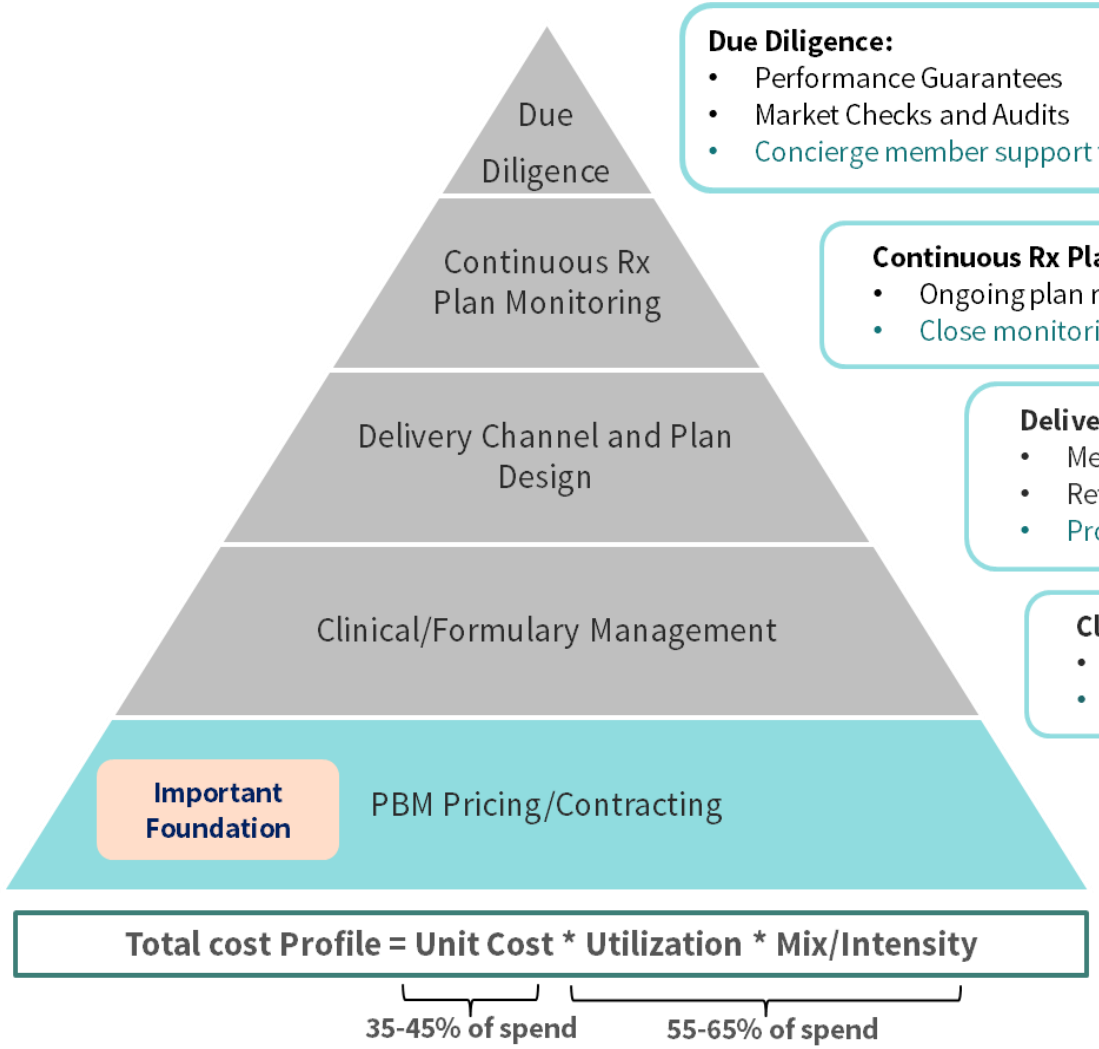


Group Purchasing Carve-Out

Group Purchasing Carve-In



Pharmacy Benefits must be managed aggressively at all levels



Due Diligence:
- Performance Guarantees
- Market Checks and Audits
- Concierge member support for any issues or escalations

Continuous Rx Plan Monitoring:
- Ongoing plan review & team meetings
- Close monitoring of drug pipeline and High Cost Claimants

Delivery Channel and Plan Design:
- Medical and Rx data integration
- Retail/Mail and Rx/Medical programs
- Pros and Cons of R90 and Mail

Clinical/Formulary Management:
- Suite of UM, PA, QL, Step Therapy options
- Focus on Medication Adherence/Outcomes

Contract terms clearly defined:
- Transparency
- Maximal rebate & discount guarantees
- Includes provisions for Biosimilars

Examples of Pricing and Rebate Improvements with Aggressive Management

Client	Industry	Membership Size	PBM	Improvement
A	Technology	4,700	CVS	20%
B	Voluntary Health	8,700	OptumRx	19%
C	Technology	2,200	CVS	21%
D	Manufacturing	12,600	ESI	17%
E	Insurance	2,200	BCBS	21%
F	Retail	44,800	CVS	18%
G	Entertainment	5,000	Cigna	22%
H	Hospitality	2,800	Aetna	19%
I	Banking	9,600	ESI	22%
J	Retail	15,400	OptumRx	13%
K	Legal	1,000	Cigna	17%
L	Manufacturing	8,700	CVS/ESI	12%

Current Pharmacy Focus Areas: Gene Therapies and Weight Loss

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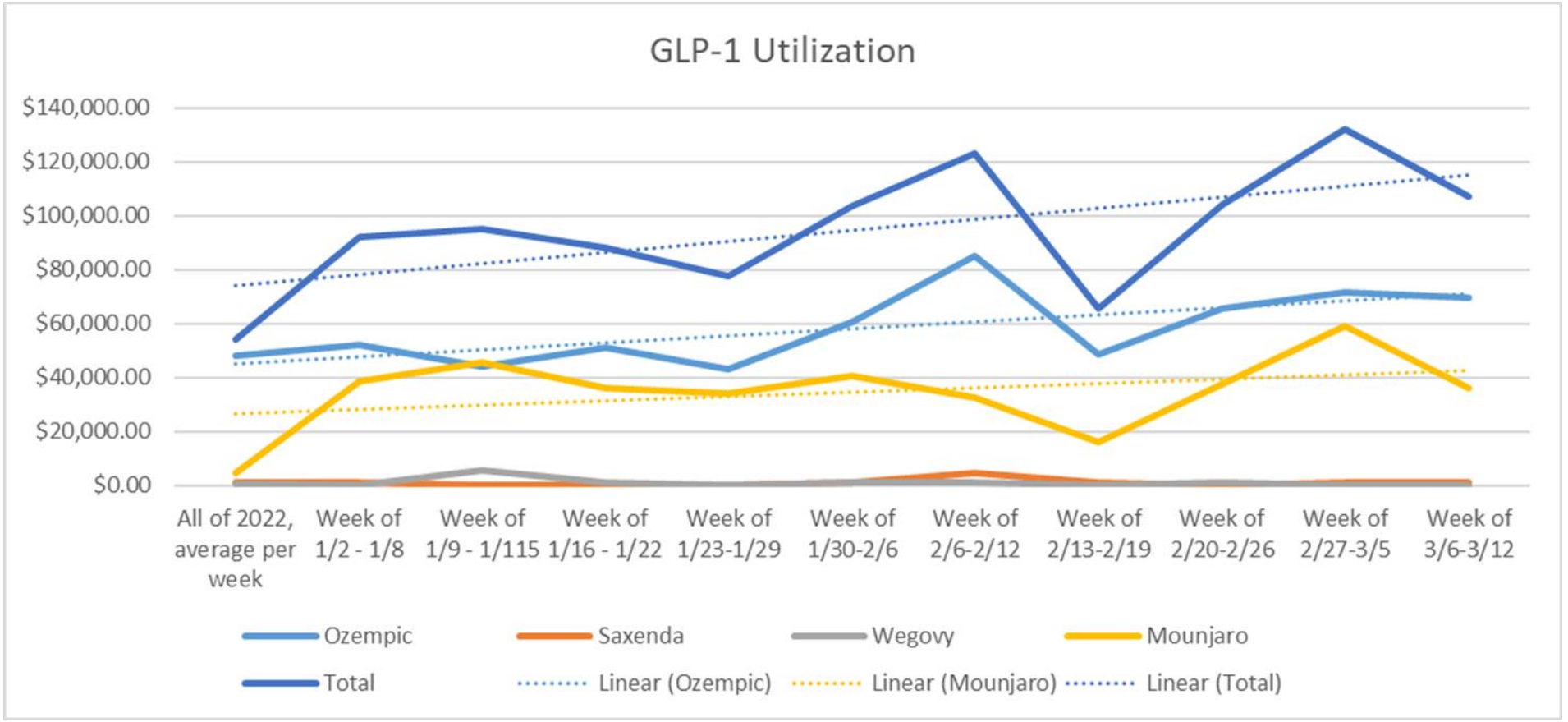
Increased Use of Weight Loss Drugs

	Saxenda (liraglutide)	Ozempic (semaglutide)	Wegovy (semaglutide)	Mounjaro (tirzepatide)
What is it FDA approved for?	**Weight loss**	**Type 2 diabetes**	**Weight loss**	**Type 2 diabetes**
Year approved	2014	2017	2021	2022
Manufacturer	Novo Nordisk	Novo Nordisk	Novo Nordisk	Eli Lilly
Efficacy (there are no studies directly comparing these products)	About 2.7% over 56 weeks	6% to 7% weight loss	About 12-15%	• About 21% to 22.5% at the highest dose
Average plan cost per year	~$16,500	~15,750	~$16,200	~$13,300
Form of administration	Injection	Injection	• Injection • Novo Nordisk is working on a pill form	Injection

Typical GLP-1 Utilization Patterns



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Current FDA Approved Gene Therapies

Therapy Name	Disease or Condition	Prevalence	Estimated Cost	Efficacy
Zolgensma	Spinal muscular atrophy Type 1	450 to 500 infants born per year in the U.S.	$2.1M	Modest efficacy: Decreases symptoms and extends life of affected children, but is not a full cure
Luxturna	A rare form of blindness caused by inherited retinal disease	1,000-2,000 patients in the U.S.	$850k	Modest efficacy: Helps to maintain vision in people with this disease
Zynteglo	Transfusion-dependent beta-thalassemia	1,000 patients in the U.S.	$2.8M	Transfusion independence is the goal; clinical studies to date seem promising
Skysona	Cerebral Adrenoleuko-dystrophy (CALD)	About 40 cases per year in the U.S.	$3.0M	To be determined; small trial of 67 patients will be studied for 15 more years for continued safety and efficacy monitoring
Hemgenix	Hemophilia B	1 in 40,000 patients (15% of patients with hemophilia)	$3.5M	Reduction in annualized bleeding rate and need for routine Factor replacement therapy

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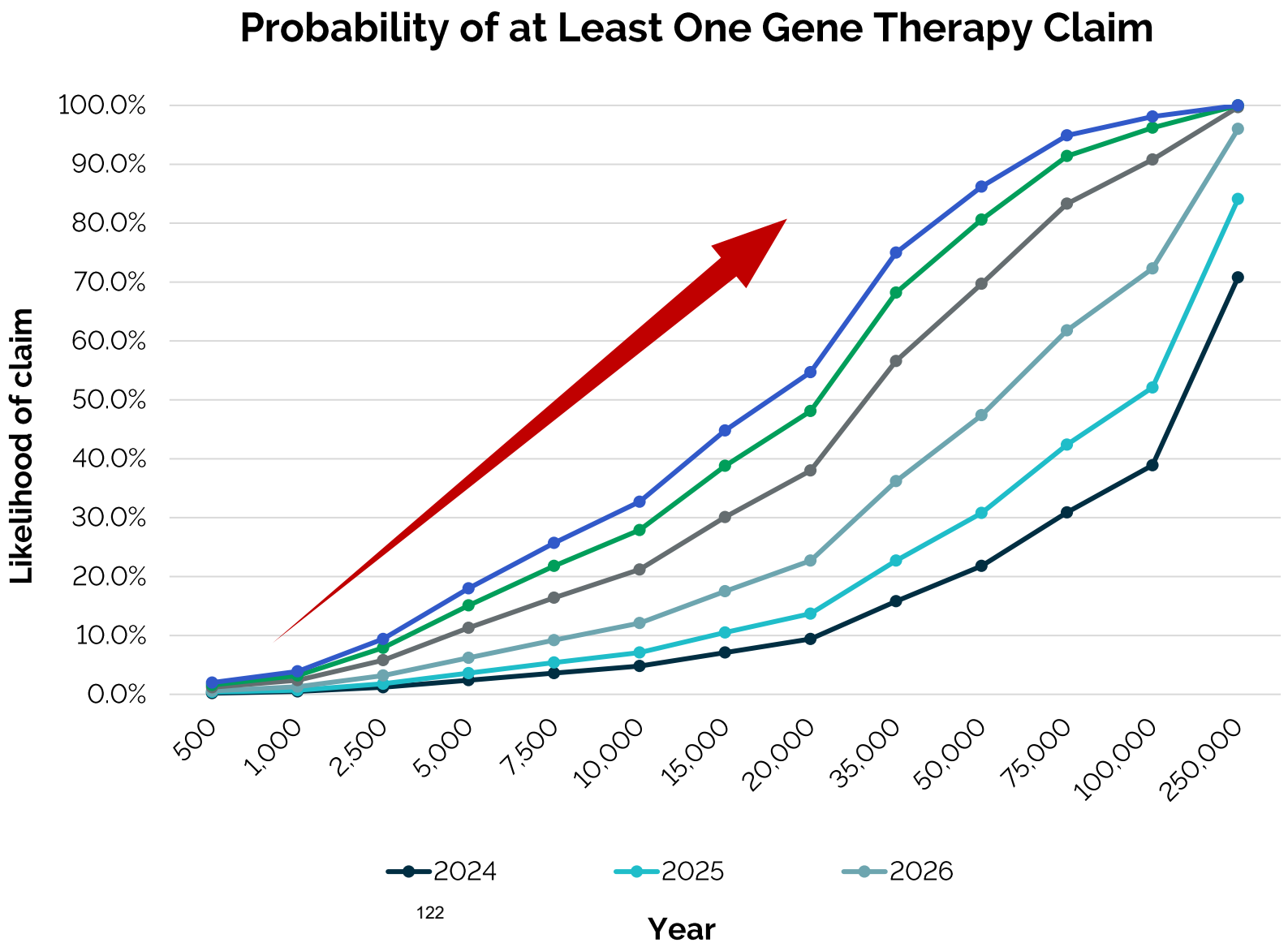
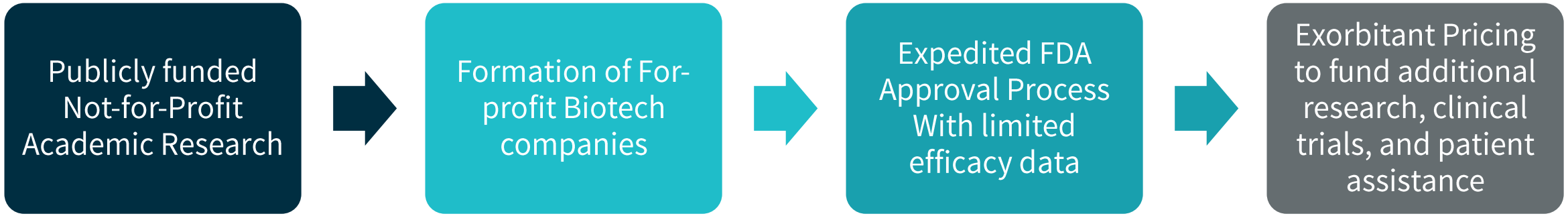
Likelihood of a Gene Therapy Claim is Increasing

- FDA is prioritizing review of Gene and Cell Therapies
- The FDA is set to approve 5-10 new therapies per year.
- Each therapy is estimated to cost $2M



Gene Therapy and Biotech Business Model



Key Challenges

- Questionable efficacy and long-term durability
- Global cost shifting (uninsured to insured)
- Equity and Sustainability

123

Gene Therapy Coverage: A Difficult (But Necessary) Decision

Cost	• Financial risk is growing and many employers do not have the ability to absorb these costs if a case arises • Costs are NOT currently built into client projections unless there is a known risk, as the prevalence rate for these therapies is too low to assume any utilization • Financial protection – stop loss or specific gene therapy protection programs are coming to market
Administrator Consideration	• Carrier partner medical policies may strongly support coverage of gene therapies • Excluded should mean excluded – no matter who is in need or individual circumstances
Employee/ Public Relations	• Can an employer "afford" to not cover an FDA approved therapy? • Can an employer answer why other high-cost therapies are covered and these are not?
Compliance	• Most compliance experts have determined that excluding gene therapies is not a discrimination issue • There is not a mandate to cover these therapies

Questions or Comments?

Some Preliminary Observations about Medicaid Prescription Expenditures

2018 to 2022

Robert S. Woodward, Ph.D.

Forrest McKerley Professor of Health Economics Emeritus, UNH

PDAB Alternate Board Member

June 5, 2023

Outline

- The NH CHIS Data
- Observations from
  - Medicaid Overall Expenditures on Prescription Drugs in 2018 and 2022
  - Prescription Drugs with the Highest Expenditures in 2018 and 2022
  - Prescription Drugs with the Greatest Expenditure Increases between 2018 and 2022

NH CHIS Data

- The NH CHIS is an all payer claims database that collects claim and membership data from Commercial carriers, including Medicare Advantage and Medicare supplemental policies, including Medicare Part D.
- The CHIS data is not necessarily representative of all NH residents, as the data from small carriers with less than 10,000 members per month and carriers not regulated by the state are not reported. Additionally self-insured data is only voluntarily reported and data for uninsured patients is not collected. Only data that has been paid by a carrier is included and payment amounts do not account for manufacturer coupons or the like.
- The NH Medicaid data includes data from the Managed Care plans and is representative of all paid claim utilization for the specified dates of service. As such the NH Medicaid data is more complete.
- NH CHIS Tabulations provided by NH DHHS, Andrew Chalsma and Mary Fields. Thank you. Any remaining errors are mine.

NH CHIS Data Definitions

- Prescription drugs are grouped by generic drug name
- Total Payments measure expenditures
- Dose-days measure utilization
- Dose-days are affected by
  - Numbers of patients
  - Prescriptions per patient
  - Dose-days per prescription
- Total Payments per Dose-day measures cost
  - On average, Medicaid pays more than 99%

Observations: Medicaid Overall Expenditures

- 2018
  - Medicaid spent $223,863,909
- 2022
  - Medicaid spent $304,043,938
- 2018 to 2022
  - The extra $80,238,437 is a 35.9% increase

Observations: Medicaid Overall Expenditures

- The 35.9% increase occurred more because of utilization than because of cost.
  - 28.4% due to extra Dose-days
  - 7.5% due to increased cost per Dose-day

Observations: Medicaid Overall Expenditures

- The 28.4% additional utilization (Dose-days) can be additionally deconstructed as:
  - 10% increase in covered patients
  - 4.5% increase in prescriptions per patient
  - 12% increase in Dose-days per prescription

Note: 1.10*1.045*1.12 = 1.287

Observations: The Highest Expenditures

- Disproportionate and growing share of expenditures
  - Top 10 drugs
    - 2018: 24.5% 2022: 26.9%
  - Top 25 drugs
    - 2018: 43.1% 2022: 45.6%
  - Top 50 drugs
    - 2018: 57.6% 2022: 61.7%

Observations: The Highest Expenditures

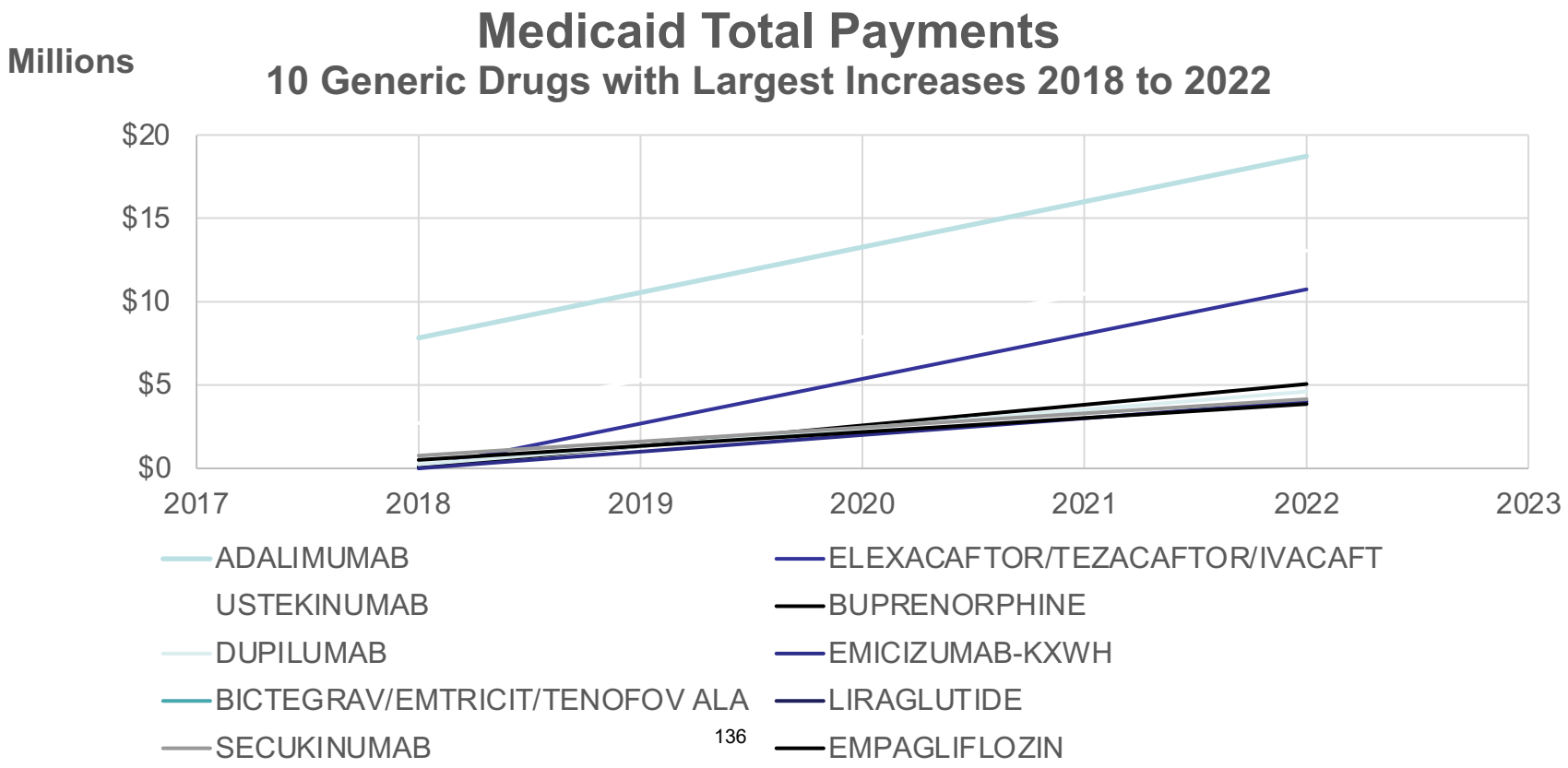
- The winner: Adalimumab (Humira) used to treat arthritis pain
  - 2022: $18,727,961
    - 6.2% of all Medicaid expenditures on prescription drugs
    - 139% increase over the 2018 expenditure level
  - Due to
    - 45% increase in patients
    - 36% increase in cost per Dose-day
    - 22% increase in Dose-days per patient

Observations: The Greatest Expenditure Increases

- Medicaid had not paid anything in 2018 for 10 of the 50 drugs with the greatest increase in expenditures between 2018 and 2022.
    1. ELEXACAFTOR/TEZACAFTOR/IVACAFT
    2. EMICIZUMAB-KXWH
    3. RISANKIZUMAB-RZAA
    4. OFATUMUMAB
    5. ABEMACICLIB
    6. COVID-19 ANTIGEN TEST
    7. RIFAXIMIN
    8. UBROGEPANT
    9. RIMEGEPANT SULFATE
    10. BOSENTAN

Observations: The Greatest Expenditure Increases

- Many of the drugs with the greatest expenditures also generated the greatest increases in expenditures.



Observations: The Greatest Expenditure Increases

- While expenditures on many drugs increased, expenditures on others decreased.
  - Drugs with expenditure increases added $137,752,637 to Medicaid Total Payments.
  - Drugs with expenditure decreases reduced Medicaid Total Payments by $57,514,200.
  - Medicaid's 2018-2022 net increase in Total Payments was the difference, $80,238,437, reported above.

NH Prescription Drug Affordability Board

In-person / Remote Hybrid Meeting

August 28, 2023, 2:00 P.M.

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)

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

ATTENDING: In person: Representative Gary Merchant, Robert Woodward, Jason Aziz. Virtually: Senator Cindy Rosenwald, Representative James Murphy.

ABSENT: Senator Sharon Carson, Todd Fahey, William Marsh, Tom Sherman.

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

AGENDA REVIEW: Representative Gary Merchant reviewed the agenda with the Board and moved up Rob Berry's discussions to the beginning.

BOARD MEMBER REVIEW: Representative Merchant discussed the letter regarding the status of the current Board members.

APPROVE JUNE MEETING MINUTES: Bob Woodward made a motion to accept the June meeting minutes, seconded by Jason Aziz. Motion passed via roll call.

MOU UPDATE: Rob Berry updated the Board as to the status of the MOU. He stated that is has been fully executed as of June 23 and that there was no Governor and Council approval needed, due to the fact that there was no monetary aspect. Rob stated he believes the Board will need to revisit the MOU prior to its expiration in two years, in order to revise the cost allocation. He also told the Board that there is now an accounting unit in place for which to draw funds.

EXECUTIVE DIRECTOR UPDATE: Rob Berry talked to the Board about the status of the Executive Director position. Since it is now posted, Rob is listed as the hiring manager, which means he will keep track of the applications and forward to the Board for review. He told the Board the job posting is also up on Indeed and LinkedIn. Bob Woodward commented he could also fin d further publications for it, within the academic arena.

ANNUAL REPORT UPDATE: Representative Merchant, Bob Woodward and Jason Aziz discussed each of their intended contributions to the upcoming Board annual report. Bob stated he has hit a bit of a roadblock in retrieving statistical data from DHHS, and is hoping for a resolution.

PRESENTATION: Jay Gupta and Mark Steitz presented a dual perspective, mainly centered around issues with PBMs and the causes of pharmaceutical waste. Finer details of the presentation can be found both in the video of the meeting and in the Powerpoint presentation posted on the Board website listed above.

LEGISLATION UPDATE: Representative Gary Merchant spoke briefly about the 2 bills that are currently retained in House Commerce. The main one involves the redundancy report that is expected to be presented by the Board. It is due on October 2024.

NEXT MEETINGS: The original posted date of September 25 for the next meeting needed to be changed to the 26th, due to Yom Kippur.

PUBLIC COMMENTS: Representative Jess Edwards spoke about the redundancy report. He questioned why it appeared that it had been reduced to redundancy between the Board and the Insurance Department. He feels it should be expanded to any redundancies that may exist between the Board and other reporting agencies.
Curtis Barry and Heidi Kroll discussed their opposition to the perspectives presented by Jay Gupta and Mark Steitz. Curtis mentioned he would appreciate time be afforded him in the future to discuss at length with the Board. Heidi spoke mainly about her perspective on the white and brown bagging issue discussed in the presentation. She stated it came about as a response to the buy and bag and price gouging. She feels it brings process down as opposed to the markup found at the hospital level. A short discussion followed, in regards to the difference between cost and waste.

ADJOURNMENT: Undebatable motion to adjourn the meeting made by Representative Gary Merchant.

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

Nancy T. Plourde, Recording Secretary

NH Medicaid 5 Year Report Outline 8-23 V03

1. Executive Summary *(Merchant)*
2. Table of Contents
3. Introduction *(From previous publications)*
    1. Tasks assigned by Legislation
    2. NH CHIS Medicaid data
4. NH Medicaid expenditures on prescription drugs in context (w charts if possible) *(Woodward)*
    1. 5 Year history of national Medicaid expenditures
    2. 5 Year history of national Medicaid prescription expenditures (gross and net of rebates)
    3. 5 Year history of NH Medicaid expenditures
    4. 5 Year history of NH Medicaid prescription expenditures (gross and net of rebates if possible)
    5. Observations
5. NH CHIS Medicaid pharmaceutical prescription expenditures in 2018 and 2022 *(Woodward)*
    1. Aggregated (and average) NH Medicaid statistics
        1. Expenditures, patients, dose volume, price per dose
    2. Examining the 50 generic drug classes with the highest expenditures
        1. Breakdown by patients, dose volume, price per dose
        2. Greater detail on the 5 generic drug classes with the highest expenditures
    3. 50 generic drug classes with the greatest expenditure increase between 2018 and 2022
        1. Overall averages
        2. Greater detail on drug classes with the top 5 expenditure increases
    4. 50 generic drug classes with the greatest expenditure decreases between 2018 and 2022.
6. *NH pharmaceutical expenditures categorized as Medical Expenditures (Aziz)*
7. Summary, conclusions, recommendations *(Merchant)*

August 28, 2023

Presentation prepared for the

New Hampshire Prescription Drug Affordability Board

by

Jay Gupta, Director of Pharmacy and Integrative Health, Harbor Care
Mark Steltz, RPh, Co-founder and CFO, Stellar Rx

Harbor Care Health and Wellness Center, Nashua, NH

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- Harbor Care Pharmacy's goal is to provide medication to the most vulnerable people of our community before they leave the clinic.
- Several barriers to care
  - Cost of medications
  - Vertically integrated PBMs insisting on using their own pharmacies
  - Mail order/specialty pharmacies
  - Limited distribution

Harbor Care

Causes of Pharmaceutical Waste

- White bagging
  - Usually specialty (i.e. expensive) drugs
  - Treatment delays impacting patient experience, adherence and clinical outcomes
  - Denial of PAs/PBM trolling
  - Vivitrol and Sublocade abandonment at HC
    - Out of space ($500k)
    - Only two prescribing providers (~50k X-waivered nationally ~$12.5 billion)
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  - Drugs shipped for discontinued Rxs
  - "Documented" waste of 8,650 tons (19 million pounds) in 12 years
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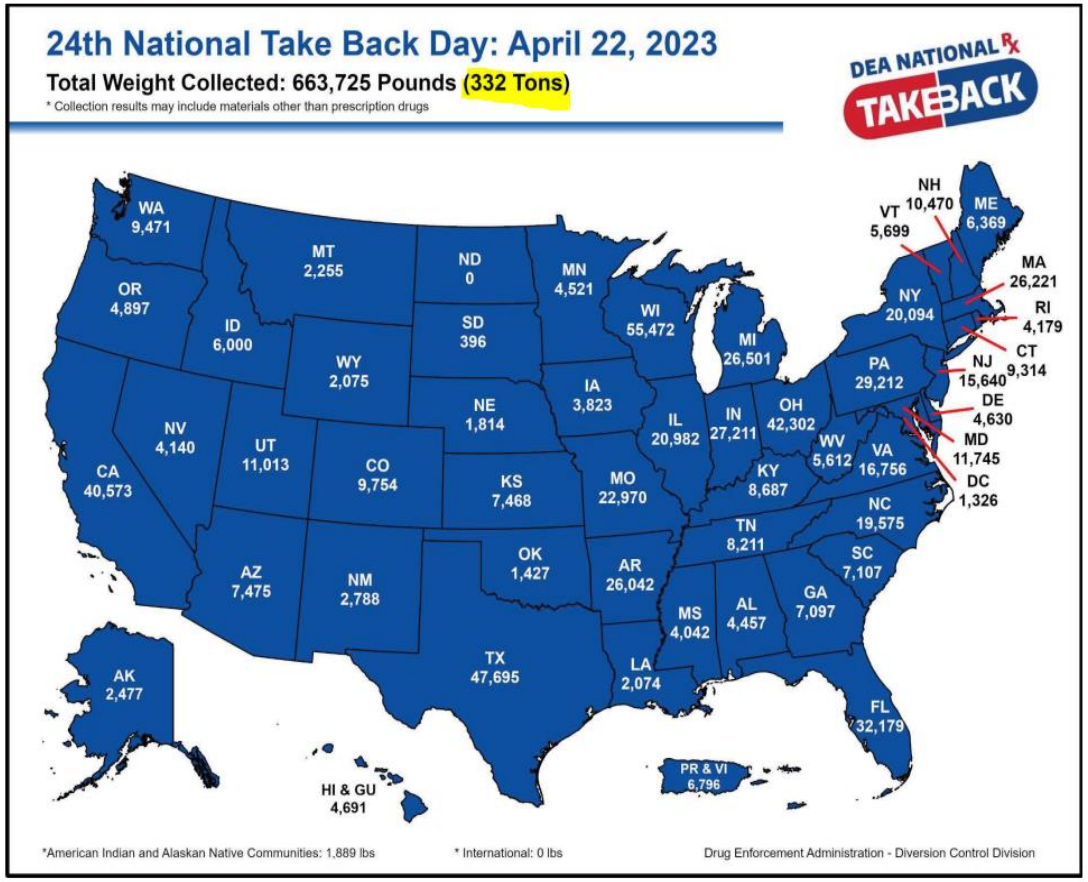

Harbor Care

Consequences of White Bagging

Operational Challenges

Increased Operating Cost / Uncompensated Services

Provider must

- Receive drug
- Store drug
- Compound drug
- Coordinate patient visit
- Prepare drug for administration
- "Redispense" drug
- Manage medication waste
- Conduct drug monitoring

...all without any compensation

"Imagine a restaurant where everyone with a reservation has sent bags and boxes of raw food and ingredients from numerous vendors for the restaurant's staff to prepare and cook for each specific client."

– Rita Shane, PharmD, FASHP, FCSHP

Pharmacy Provider National Survey

Survey on the Patient Care Impact and Additional Expense Associated with White and Brown Bagging – 268 Respondents

Top issues respondents reported experiencing

- 83% – Product did not arrive in time for patient administration
- 66% – Product received was no longer correct due to updated patient treatment course or dose being changed
- 42% – Product delivered as inappropriate / wrong dose
- 43% – Product not built in computer system
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Consequences of White and Brown Bagging

- Quality, Safety and Regulatory Concerns
  - Pharmacy medication storage 59 to 86 degrees F
  - UPS/FedEx trucks above 100
  - Medications left at front door or in mailboxes - temperature?
  - **Risk of sub-potent medications… possibly harmful… leading to more healthcare costs?**
  - Reshipping when cold chain fails?
- Increased cost???

UPS Drivers Are Furious Over Dangerous Heat Inside Trucks

Visit

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- **Unique** Specialty & Wholesale closed door pharmacy located in Avondale, PA

- In Business for 10 Years

- Narrowly focused on Asthma & Long-Acting Reversible Contraceptives
  - Increase medication **Access, Adherence, Medication Waste Reduction**
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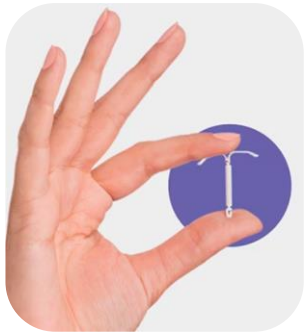
- Partner with Managed Medicaid Plans, FFS Medicaid & Advocacy groups to implement statewide programs

Long-Acting Reversible Contraceptives (LARCs)

- LARCs include 5 IUDs and the sub-dermal Implant
- LARCs are Physician Administered, safe and highly effective. They are administered by a trained provider during an office visit in roughly 10 minutes.
- WAC ranges from $800-$1,200 per device and work for 3-10 years
- LARCs are an important option for women in many life stages, but access barriers have persisted for decades causing downstream effects including waste

Paragard CU IUD



Kyleena

Mirena

Liletta

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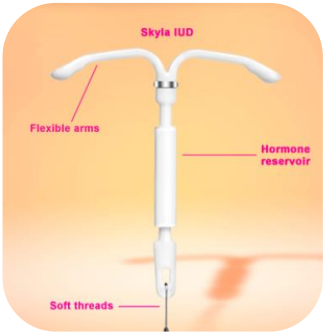

Skyla

Two Distribution Channels to Acquire LARCS

Buy & Bill

- Provider cash up front-significant financial burden $1,000 per LARC X 5 products
- Reimbursement not guaranteed-Medical Benefit
- Billing process is long and complex-45-60 days

Specialty Pharmacy/Mail Order

- Delivery takes weeks and requires patient to return for insertion
- Up to 55% no shows- Device is patient specific and cannot be used for another patient [1]
- Waste created by abandonment of device ie. LARC Graveyards

1. https://www.acog.org/Clinical-Guidance-and-Publications/Practice-Bulletins/Committee-on-Practice-Bulletins-Gynecology/Long-Acting-Reversible-Contraception-Implants-and-Intrauterine-Devices

Traditional Speciality Pharmacy LARC Procurement Leads to Costly Abandonment

~$200K	~$40K	~$30K
		

End result of Practices using Traditional Specialty Pharmacy Benefit but Patient not returning.

Magnitude of Waste

- LARC Market 1.7 b/2020 [1]
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- Medicaid paying for ~ 41% of births [4]

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3. https://www.kff.org/other/state-indicator/total-population/?dataView=1&currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D
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Down Stream Effects of Unused Contraceptives Is Consequential

- ❑Financial loss to our Health Care system
- ❑Financial loss to payers
- ❑Payers/Providers quietly walking away from LARC coverage
- ❑States eliminating Specialty & Mail channel due to loss of $
- ❑Increased Unplanned pregnancy
- ❑Increased Maternal morbidity/mortality
- ❑Increased Health Disparities
- ❑Women losing access to highly effective contraception

Solution

- ❑ Maintain a complete inventory of LARCs at the point of care
- ❑ Increase single visit insertion / eliminate 2nd visit
  - ❑ Average cost of Single visit insertion $2,000 [1]
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2. https://healthcostinstitute.org/hcci-research/the-price-of-childbirth-in-the-u-s-tops-13-000-in-2020

XpeDose™ Units are "*Smart, Fast & Secure*"

- XpeDose Dispensing cabinet for stocking Physician Administered Devices (LARCS)
- **Free of charge** to providers & patients
- XpeDose is secure & automated
- Meets all Federal / State Pharmacy regulations for medications and devices
- Automated daily **monitoring of inventory levels** with alerts to Stellar headquarters
- Tracking system prompts **automatic restocking** of cabinet at no charge to the Provider

Table-Top
21.5"D x 23"W x 37"H

Stand Alone
25"D x 28.5"W x 58"H

Mini
19.8"D x 12.9"W x 15.6"H

STELLAR
PHARMACY SERVICES INC.

Please Contact Us

STELLAR Pharmacy Services, Inc.
302 Industrial Drive
Avondale, PA 19311-9769
Phone: 610-910-9580
Fax: 610-537-5055
www.stlrrx.com

Heather Ruszin, CEO
Stellar Pharmacy Services
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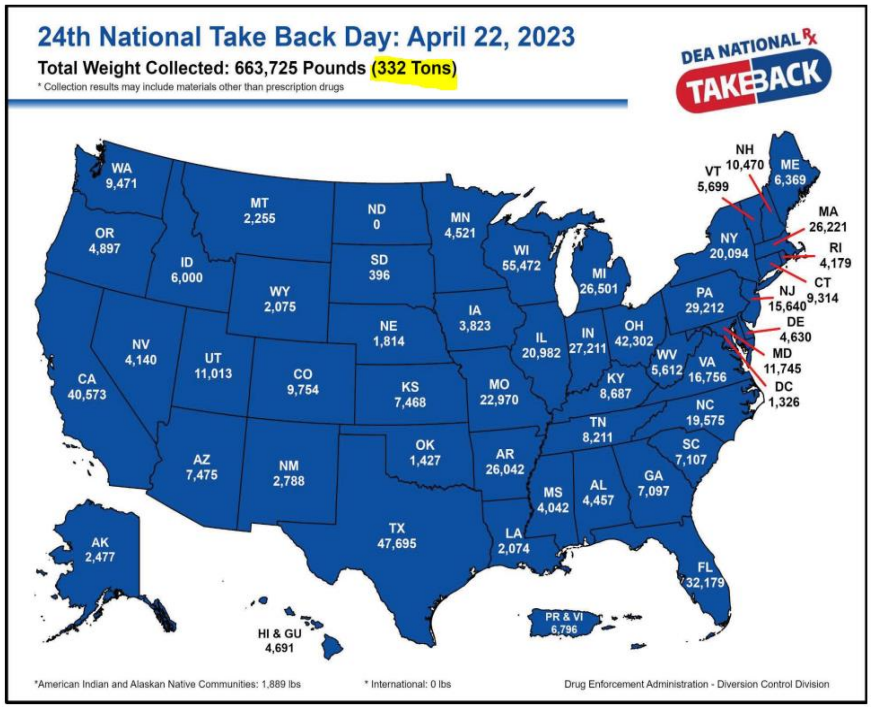

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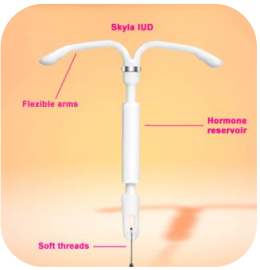

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- ❑ Savings realized for averting one unplanned pregnancy = $13,000 [2]

1.https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6739899/#:~:text=At%20baseline%2C%20the%20overall%20cost,LARC%20on%20the%20day%20requested.
2. https://healthcostinstitute.org/hcci-research/the-price-of-childbirth-in-the-u-s-tops-13-000-in-2020

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TITLE X
PUBLIC HEALTH

Chapter 126-BB
NEW HAMPSHIRE PRESCRIPTION DRUG AFFORDABILITY BOARD

Section 126-BB:1

126-BB:1 Definitions. –
In this chapter:
I. "Board" means the New Hampshire prescription drug affordability board.
II. "Brand-name drug" means a prescription drug marketed under a proprietary name or registered trademark name, including a biological product.
III. "Generic drug" means a prescription drug, whether identified by its chemical, proprietary, or nonproprietary name, that is not a brand-name drug and is therapeutically equivalent to a brand-name drug in dosage, safety, strength, method of consumption, quality, performance, and intended use. "Generic drug" includes a biosimilar product.
IV. "Manufacturer" means a manufacturer of prescription drugs that are distributed in the state. A manufacturer excludes a packager, repackager, labeler, and relabeler unless the packager, repackager, labeler, or relabeler sets the price or controls the price of a prescription drug.
V. "Pricing unit" means the smallest available package that can be used to dispense the smallest amount of a prescription drug.
VI. "Public payor" means any division of state, county, or municipal government that administers a health plan for its employees or an association of state, county, or municipal employers that administers a health plan for its employees.
VII. "Wholesale acquisition cost" means a manufacturer's listed price for sale to a wholesale drug distributor or other entity that purchases a prescription drug directly from the manufacturer, not including any price concessions.

Source. 2020, 13:5, eff. July 1, 2020. 2022, 244:1, eff. July 1, 2022.

Section 126-BB:2

126-BB:2 New Hampshire Prescription Drug Affordability Board Established. –
There is established the New Hampshire prescription drug affordability board to carry out the purposes of this chapter.
I. The board shall consist of 5 members with expertise in health care economics or clinical medicine, who shall not be, or be directly related to, anyone affiliated with, employed by, or representing the interests of a public payor, pharmaceutical or pharmacy company, pharmacy benefits management company, or health insurance provider and who have completed a conflict of interest statement. A member may be a legislator but is not required to be a legislator. They shall be appointed as follows:
(a) Two members by the president of the senate. The president of the senate shall also appoint 2 alternate board members who will participate in deliberations of the board in the event a member appointed by the president of the senate elects to be recused as provided in RSA 126-BB:3 or is absent.
(b) Two members by the speaker of the house of representatives. The speaker of the house of representatives shall also appoint 2 alternate board members who will participate in deliberations of the board in the event a member appointed by the speaker of the house of representatives elects to be recused as provided in RSA 126-BB:3 or is absent.

(c) One member by the governor. The governor shall also appoint 2 alternate board members who shall participate in deliberations of the board in the event the member appointed by the governor elects to be recused as provided in RSA 126-BB:3 or is absent.
II. Members shall be appointed to 5-year terms. Of the initial appointees, the member appointed by the governor shall serve an initial term of 5 years, one member appointed by the president of the senate and one member appointed by the speaker of the house of representatives shall serve an initial term of 4 years and one member appointed by the president of the senate and one member appointed by the speaker of the house of representatives shall serve an initial term of 3 years.
III. A majority of board members shall constitute a quorum.
IV. The chair of the board shall be elected by an affirmative vote of at least 4 of the 5 members of the board.
V. Beginning no later than March 1, 2021, the board shall meet in public session at least every 12 weeks to review prescription drug information and to make recommendations pursuant to RSA 126-BB:5. The first meeting shall be called by the first-named appointee of the senate president.
(a) Each public meeting shall be announced 2 weeks in advance, and materials for the meeting shall be made public at least one week in advance.
(b) Each public meeting shall provide opportunity for comment from the public in attendance at the meeting, and the board shall provide the opportunity for the public to submit written comments on pending decisions.
(c) The board may allow expert testimony at public meetings and any meeting conducted in executive session as permitted by subparagraph (d).
(d) Notwithstanding requirements of RSA 91-A, the board may meet in executive session, except that any decision of the board shall be made in public.
VI. The board shall be administratively attached to the department of health and human services. For a limited time, the board may employ an executive director, who shall be an unclassified employee. The executive director shall be appointed by and serve at the pleasure of the board. Said position shall be effective for no more than 2 years following the date of hire of the individual first selected to fill the position. The board may also employ one contracted employee or more, dependent on the availability of funds.

Source. 2020, 13:5, eff. July 1, 2020. 2022, 244:2, 3, eff. July 1, 2022. 2023, 79:397, eff. July 1, 2023.

Section 126-BB:3

126-BB:3 Conflicts of Interest. –
The following provisions govern any conflict of interest for a member of the board, a member of the advisory council established in RSA 126-BB:4 or any staff member or contractor of the board.
I. When appointing a member of the board or the advisory council, the appointing authority shall consider any conflict of interest disclosed by the prospective member. A member shall elect to be recused from any board activity in the case in which the member or an immediate family member of the member has a conflict of interest. For the purposes of this paragraph, "conflict of interest" means an association, including a financial or personal association, that has the potential to bias or have the appearance of biasing an individual's decisions in matters related to the board or the conduct of the board's activities.
II. A board member or staff or contractor of the board with a conflict of interest shall elect to be recused. For purposes of this paragraph, "conflict of interest" means any instance in which a member of the board or an immediate family member of the member has received or could receive either of the following:
(a) A direct financial benefit of any amount deriving from the results or findings of a study or determination by or for the board; or
(b) A financial benefit from individuals or companies that own or manufacture prescription drugs, services, or items to be studied by the board that in the aggregate exceeds $5,000 per year. For purposes of this subparagraph, "financial benefit" includes honoraria, fees, stock, or other financial benefit and the current value of the member's or immediate family member's already existing stock holdings, in addition to any direct financial benefit deriving from the results or findings conducted under this section.
(c) A conflict of interest shall be disclosed in the following manner:
(1) By the board in the employment of board senior staff.
(2) By the governor, president of the senate, or speaker of the house of representatives when appointing members to the board and advisory council.

(3) By the board in describing any recusals as part of any final decision relating to a prescription drug.
(4) By the 5th day after a conflict is identified or, if a public meeting of the board will occur within that 5-day period, in advance of the public meeting.
(d) Conflicts of interest shall be publicly posted on the website of the board. The information disclosed shall include the type, nature, and magnitude of the interests of the individual involved, except to the extent that the individual elects to be recused from participation in any activity with respect to which the potential conflict exists.
(e) The board, the advisory council, a member of the board or staff, or a contractor of the board may not accept gifts, bequests, or donations of services or property that suggest a conflict of interest or have the appearance of creating bias in the work of the board or advisory council.
(f) A member of the advisory council who accepts a gift, bequest, or donation of services or property that suggests a conflict of interest or has the appearance of creating bias in the work of the advisory council shall disclose the gift, bequest, or donation publicly.
(g) Notwithstanding the prohibition in RSA 21-G:25, I, any person whose employer cannot and will not directly benefit from action taken or not taken by the board may be appointed to, and serve as a member of, the board.

Source. 2020, 13:5, eff. July 1, 2020. 2022, 244:5, eff. July 1, 2022.

Section 126-BB:4

126-BB:4 Advisory Council. –
A 12-member advisory council is established to advise the board on establishing annual spending targets pursuant to RSA 126-BB:5, I and determining methods for meeting those spending targets pursuant to RSA 126-BB:5, III. The advisory council shall consist of the following members:
I. The governor, or designee.
II. The commissioner of the department of administrative services, or designee.
III. The commissioner of the department of corrections, or designee.
IV. The commissioner of department of health and human services, or designee.
V. The attorney general, or designee.
VI. The director of the division of risk and benefits, department of administrative services, or designee.
VII. The president of the New Hampshire State Employees Association, or designee.
VIII. The president of the New Hampshire Education Association, or designee.
IX. The executive director of the New Hampshire Municipal Association or designee.
X. The chancellor of the university system of New Hampshire, or designee.
XI. The chancellor of the New Hampshire community college system, or designee.
XII. A representative of consumer interests, appointed by the governor, who shall serve a 3-year term.

Source. 2020, 13:5, eff. July 1, 2020.

Section 126-BB:5

126-BB:5 Powers and Duties of the Board. –
The board has the following powers and duties:
I. (a) Beginning with the year 2022 and in consultation with the advisory council, the board shall identify strategies that optimize spending by public payors for pharmaceutical products while reasonably ensuring subscriber access to needed pharmaceutical products. To achieve this goal, the board shall determine annual spending targets for prescription drugs purchased by public payors based upon a 10-year rolling average of the medical care services component of the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index, medical care services index, plus a reasonable percentage for inflation and minus a spending target for pharmacy savings as determined by the board.
(b) The board shall determine spending targets on specific prescription drugs that may cause affordability challenges to enrollees in a public payor health plan. Such targets shall consider any medical cost offsets achieved by utilization of the drug.
(c) The board shall determine which public payors are likely to exceed the spending targets determined under

subparagraph (a).
II. The board may consider the following data to accomplish its duties under this section:
(a) A public payor's prescription drug spending data, which the 3rd-party administrator or insurer for the public payor's health plan shall provide to the board on behalf of the public payor upon request notwithstanding any provision of law to the contrary, including:
(1) Expenditures and utilization data for prescription drugs for each plan offered by a public payor.
(2) The formulary for each plan offered by a public payor and prescription drugs common to each formulary.
(3) Pharmacy benefit management services and other administrative expenses of the prescription drug benefit for each plan offered by a public payor.
(4) Enrollee cost sharing for each plan offered by a public payor.
(5) Aggregate net spending on the prescription drug benefit.
(b) Data compiled by the department of health and human services. Prescription drug spending data provided to the board under this subparagraph is confidential to the same extent it is confidential while in the custody of the entity that provided the data to the board.
III. Based upon the prescription drug spending data received under paragraph II, the board, in consultation with a representative of each public payor shall determine methods for the public payor to meet the spending targets established under paragraph I. While continuing to ensure adequate access by subscribers to needed prescribed pharmaceutical products, the board shall determine whether the following methods reduce costs to individuals purchasing prescription drugs through a public payor and allow public payors to meet the spending targets established under paragraph I:
(a) Negotiating specific rebate amounts on the prescription drugs that contribute most to spending that exceeds the spending targets.
(b) Changing a formulary when sufficient rebates cannot be secured under subparagraph (a).
(c) Establishing a common prescription drug formulary for all public payors.
(d) Prohibiting health insurance carriers in the state administering benefits for a public payor from offering on their formularies prescription drugs when the method described in subparagraph (b) is implemented.
(e) Purchasing prescription drugs in bulk or through a single purchasing agreement for use among public payors.
(f) Collaborating with other states and state prescription drug purchasing consortia to purchase prescription drugs in bulk or to jointly negotiate rebates.
(g) Allowing health insurance carriers providing coverage to small businesses and individuals in the state to participate in the public payor prescription drug benefit for a fee.
(h) Procuring common expert services for public payor, including but not limited to pharmacy benefit management services and actuarial services.
IV. By November 1, 2020 and annually thereafter, the board shall report its recommendations, including prescription drug spending targets, their strategies for optimization of affordability of prescription drugs for the state and all of its residents, the progress of implementing those recommendations, as well as the annual net spending by public payors on prescription pharmaceutical products as a measure of the efficacy of implementation of those recommendations to date, to the standing committees of the general court with jurisdiction over health coverage and insurance matters and to the governor. This report shall also contain the following information about prescription drugs, both brand name and generic:
(a) The 25 most frequently prescribed drugs in the state;
(b) The 25 costliest drugs as determined by the total amount spent on those drugs in the state; and
(c) The 25 drugs with the highest year-over-year cost increases as determined by the total amount spent on those drugs in the state.
V. The board may apply for and receive funds, grants, or contracts from public and private sources.

Source. 2020, 13:5, eff. July 1, 2020.

Section 126-BB:6

126-BB:6 Rulemaking. –
The board shall adopt rules under RSA 541-A for the following:
I. Procedures for drug price transparency as required under RSA 126-BB:7.
II. The adoption of all fees under RSA 126-BB:8.

III. Proceedings for assessing civil fines under RSA 126-BB:10.
IV. The appeals process for assessments issued by the board under RSA 126-BB:8.
V. Any other matter required to implement this chapter.

Source. 2020, 13:5, eff. July 1, 2020. 2022, 244:8, eff. July 1, 2022.

Section 126-BB:7

126-BB:7 Drug Price Transparency; Non-disclosure Requirements. –
I. The board shall develop and implement policies and procedures for its collection, processing, storage, and analysis of clinical, financial, quality restructuring and prescription drug price data for the following purposes:
(a) To use, build, and improve upon and coordinate existing data sources and measurement efforts through the integration of data systems and standardization of concepts.
(b) To coordinate the development of a linked public and private sector information system.
(c) To emphasize data that is useful, relevant, and not duplicative of existing data.
(d) To minimize the burden on those providing data.
(e) To preserve the reliability, accuracy, and integrity of collected data.
II. The board shall adopt rules to ensure that:
(a) Payors, providers, prescription drug manufacturers, wholesale drug distributors, and pharmacy benefits managers file data as required by RSA 126-BB:9.
(b) Users that obtain health data and information from the board safeguard the identification of patients and health care practitioners.
(c) Payors, providers, prescription drug manufacturers, wholesale drug distributors, and pharmacy benefits managers pay all assessments as required by RSA 126-BB:8.
(d)(1) Only the board and employees assigned to the board may access the information received pursuant to this chapter and only for purpose of effectuating the powers and duties granted the board by this chapter. The board shall limit access to any information that it receives pursuant to this chapter to the smallest number of employees and other personnel possible; and all such individuals shall, as a condition of employment, be required to execute non-disclosure agreements under which they are restricted from disclosing any information they may receive in connection with this chapter during their employment term and in perpetuity post-employment.
(2) If the board, its members, employees, or personnel willfully shares or discloses for unauthorized purposes information that is trade secret information, confidential, commercial or proprietary information, or information designated as "confidential" by the owner of the information, the board or the individual who made the unauthorized disclosure may be subject to any penalties available under federal and state laws, including trade secret misappropriation laws, to the extent permitted by law.

Source. 2020, 13:5, eff. July 1, 2020.

Section 126-BB:8

126-BB:8 Funding; General Funds and Voluntary Contributions. –
I. The expenses and cost of operation of the board shall be funded by general funds or by voluntary contributions deposited in the board's dedicated fund.
II. There is established a nonlapsing fund to be known as the New Hampshire prescription drug affordability board administration fund, which shall be kept distinct and separate from all other funds. The fund shall be appropriated to and administered by the board. Voluntary contributions under this section shall be deposited in the fund. The board shall use the fund, consistent with the provisions of this chapter, to receive funds and to reimburse costs incurred by the board. The fund may be used to pay administrative, technical, legal support, or other costs incurred by the board under this chapter. The state treasurer may invest moneys in the fund as provided by law, and all interest received on such investment shall be credited to the fund. The dedicated fund shall be subject to the provisions of RSA 6:12-j.

Source. 2020, 13:5, eff. July 1, 2020. 2022, 244:6, 7, 9 and 12, eff. July 1, 2022. 2023, 79:394, eff. July 1, 2023.

Section 126-BB:9

[RSA 126-BB:9 suspended for the biennium ending June 30, 2025 pursuant to 2023, 79:395, effective July 1, 2023.]

126-BB:9 Drug Price Notifications and Disclosures; Confidentiality; Registration. –

I. No later than January 30, 2021 and annually thereafter, a manufacturer shall notify the board when the manufacturer has during the prior calendar year:

(a) Increased the wholesale acquisition cost of a brand-name drug by more than 20 percent per pricing unit;

(b) Increased the wholesale acquisition cost of a generic drug that costs at least $10 per pricing unit by more than 20 percent per pricing unit; or

(c) Introduced a new drug for distribution in this state when the wholesale acquisition cost is greater than the amount that would cause the drug to be considered a specialty drug under the Medicare Part D program. For the purposes of this section, "Medicare Part D" means prescription drug benefit in accordance with the requirements of the federal Medicare Prescription Drug Improvement and Modernization Act of 2003.

II. (a) To develop the report under paragraph VIII, the board shall first assess public information that is readily available. To the extent there is no public information or not enough public information readily available to the board to produce its report, the board may request information from:

(1) The manufacturer that provided notice to the board pursuant to paragraph I;

(2) A pharmacy benefit manager or health insurance carrier providing services involving the drug that is the subject of the notification provided pursuant to paragraph I.

(b) Once the board requests information of a manufacturer, pharmacy benefit manager, or health insurance carrier, the entity shall have 60 days to produce the requested information regarding the prescription drug that is the subject of the request. If, after a complete review of all information and data available to the board or as received from the entities, the board makes a determination that additional data is required for a particular prescription drug to produce the report under paragraph VIII, the board may request that additional information from wholesale drug distributors that distribute the prescription drug that is the subject of the report. Once the board requests information of a wholesale drug distributer, it shall have 60 days to produce information regarding the prescription drug that is the subject of the request.

III. (a) Upon receipt of a request from the board relating to a specific prescription drug for which notice was provided pursuant to paragraphs I and II, a manufacturer shall provide to the board, in a form and manner specified by the board, (i) a written, narrative description, suitable for public release, of all factors that caused the increase in the wholesale acquisition cost of the listed outpatient prescription drug, and (ii) aggregate, company-level research and development costs and such other capital expenditures that the board, in its discretion, deems relevant for the most recent year for which final audited data are available.

(b) The data that a pharmaceutical manufacturer submits to the board under this section may be limited to the information and data that the pharmaceutical manufacturer includes in such pharmaceutical manufacturer's annual consolidated report on Securities and Exchange Commission Form 10-K, or any other public disclosure.

(c) The board shall establish a standardized form for reporting information and data pursuant to this section after consulting with pharmaceutical manufacturers. The form shall be designed to minimize the administrative burden and cost of reporting on the office and pharmaceutical manufacturers.

(d) Upon a request from the board relating to a specific prescription drug for which notice was provided pursuant to paragraphs I and II, a pharmacy benefit manager or wholesaler shall provide:

(1) The dollar amount of all rebates or fees concerning the drug collected from the manufacturer that were covered by such health carriers during such calendar year; and

(2) The dollar amount of all rebates and fees, excluding any portion of the rebates or fees received by health carriers, concerning the drug collected from the manufacturer.

(3) Fees referenced in subparagraphs (1) and (2) shall exclude those that are determined to be bona fide service fees as defined by the United States Department of Health and Human Services and codified in 42 C.F.R. 414.803.

(e) The board shall establish a standardized form for reporting information pursuant to subparagraph (d) after consultation with pharmacy benefits managers and wholesalers. The form shall be designed to minimize the administrative burden and cost of reporting on pharmacy benefits managers and wholesalers.

IV. Information provided to the board as required by this section by a manufacturer, wholesale drug distributor,

or pharmacy benefits manager that has not been publicly reported is confidential and not a public record under RSA 91-A, except that the board may share information:
(a) With the insurance department, to the extent necessary for the department to enforce insurance laws, as long as any information shared is kept confidential; and
(b) As long as it is not released in a manner that represents a breach of confidential information provided by a manufacturer, wholesale drug distributor, or pharmacy benefits manager.
V. Beginning January 1, 2021, a manufacturer, pharmacy benefits manager, and wholesale drug distributor subject to this section shall register annually with the board in a manner prescribed by the board.
VI. A manufacturer, wholesale drug distributor, or pharmacy benefits manager that submits a notification or report to the board pursuant to this section shall submit with the notification or report a signed written certification of the notification's or report's accuracy. Any confidential or proprietary information contained within such notification or report shall be clearly identified as such. Any breach of confidential information not so identified shall not be subject to RSA 126-BB:7, II(d).
VII. (a) The board may audit the data submitted by a manufacturer, wholesale drug distributor, or pharmacy benefits manager pursuant to this section. The audits shall only be conducted when the state has reasonable cause to believe information received is inaccurate. The board shall notify the entity to be audited with sufficient notice before conducting the audit. The costs of the audit shall be paid for by the manufacturer, wholesale drug distributor, or pharmacy benefits manager.
(b) The board may require a manufacturer, wholesale drug distributor, or pharmacy benefits manager subject to this section to develop a corrective action plan to correct any deficiencies the board finds with the manufacturer's, wholesale drug distributor's, or pharmacy benefits manager's compliance with this section.
VIII. Beginning November 1, 2021 and annually thereafter, the board shall produce and post on its publicly accessible website an annual report, including information developed from the notifications and disclosures received pursuant to this section on trends in the cost of prescription drugs, analysis of manufacturer prices and price increases, the major components of prescription drug pricing along the supply chain and the impacts on insurance premiums and cost sharing, and any other information the board determines is relevant to providing greater consumer awareness of the factors contributing to the cost of prescription drugs in the state. The report may not disclose information attributable to any particular manufacturer, wholesale drug distributor, or pharmacy benefits manager subject to this section and may not make public any information that is confidential. The board shall submit the report required by this section to the standing committees of the general court with jurisdiction over health data reporting and prescription drug matters and the governor.

Source. 2020, 13:5, eff. July 1, 2020.

Section 126-BB:9-a

126-BB:9-a Criminal Penalty. – Any person who knowingly uses confidential information obtained pursuant to this chapter or knowingly discloses confidential information obtained pursuant to this chapter to any person not authorized to review such information shall be guilty of a misdemeanor.

Source. 2022, 244:10, eff. July 1, 2022.

Section 126-BB:10

126-BB:10 Repealed by 2023, 79:396, eff. July 1, 2023. –

Section 126-BB:11

126-BB:11 Competitive Bid Required. – The contracts entered into by the board, including those for consulting services or personal contract services, shall be subject to the competitive bid process. Such contracts shall also be approved by the fiscal committee of the general court, the governor, and the executive council.

Source. 2023, 79:398, eff. July 1, 2023.

Section 126-BB:12

126-BB:12 Financial Report. – The board shall annually report on any moneys spent by the board, the source of such funds, the purpose of spending such funds, and the progress of any project on which the funds were spent. Such report shall be submitted to the fiscal committee of the general court, the committees having jurisdiction over the board in both the house of representatives and the senate, the president of the senate, the speaker of the house of representatives, the senate clerk, the house clerk, the governor, and the state library.

Source. 2023, 79:398, eff. July 1, 2023.