Prescription Drug Affordability Boards (PDABs)

The Issue:
Prescription Drug Affordability Boards (PDABs) have been created in several states as a mechanism to lower drug prices. Several more states are considering similar proposals. While this is a laudable goal, the system is too interconnected to single out any one industry. Rebating of biologic medications to treat arthritis should occur between manufacturers and PBMs, and it plays a major role in the overall costs of drugs. PDABs can shed light on many factors that influence affordability of prescription drugs, but without any purview over payers, pharmacy benefit managers (PBMs), distributers, and others in the supply chain, Boards are severely limited in the impact they can make to truly affect/lower drug prices and improve affordability.

Recommendations:
The Arthritis Foundation urges states with PDABs or those considering creation of one as a means to lower costs and increase access to prioritize patient experiences by:

- **Ensuring meaningful patient engagement in PDAB processes for all stakeholders.** This includes inviting patient representatives to assist with any policy making, soliciting the patient community first for feedback on drug affordability review selection, providing ample time for feedback before action is taken incorporating focus groups, surveys and other patient outreach and consulting existing Rare Disease Advisory Councils and national and state patient coalitions.

- **Prioritizing and utilizing/requiring patient experience and preference metrics in cost-effectiveness methodologies.** This includes limiting Quality Adjusted Life Years (QALYs) from being the only core component of any methodology, employing a mix of quantitative and qualitative patient feedback opportunities and value assessments, aggregating patient reported outcomes, considering market access factors like plan structures, cost tiering and utilization management strategies such as prior authorization or step therapy protocols and analyzing post market cost and clinical outcomes data.

- **Ensuring stakeholders have transparent access to processes, methods, and utilization of value assessments.** This includes safeguarding patient privacy and intellectual property, and allowing sufficient time for feedback at each stage of the Boards process.

- **Avoiding unintentional barriers to adherence and access for people with chronic diseases by setting reimbursement levels that support products and services.**

- **Accounting for state laws and regulations affecting PDAB processes, including step therapy and prior authorization limits, accumulator adjustment program bans, and out-of-pocket cost caps.**

- **Prioritizing early intervention and prevention to improve patient outcomes and achieving disease maintenance or remission.** For example, for progressive diseases like autoimmune forms of arthritis and Crohn's Disease, which benefit from timely care and reduce long-term health costs.

- **Addressing the broader pharmaceutical supply chain and systemic economic impacts.** The supply chain, including rebating, negotiations, pharmacy benefit fees, and the cost of insufficient access to therapies are all interconnected and cannot be viewed in isolation. While relative to other products in a given therapeutic area a product may not be expensive, prohibitive cost sharing mechanisms can prompt patients to experience greater cost burden. Lastly, it is important to acknowledge the cost of not providing the therapy needed, which can greatly exceed the price of the product. In the absence of a given product, hospitals receive a greater influx of patients with acute care episodes, shifting a greater financial burden on public and commercial payors.

Additional Information:
The Arthritis Foundation has joined multiple patient organizations in submitting comments and patient data to elected officials, PDAB Executive Directors and appointed PDAB board members in numerous states to incorporate recommendations and offer resources. Contact **advocacy@arthritis.org** for more information.