



Prescription Drug Affordability Boards: Lessons from the States

2025 NCOIL Summer Meeting

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Alkermes

AMGEN

 **astellas**

AstraZeneca 

 **Boehringer
Ingelheim**

 **BAYER**

 **Biogen**

BIOMARIN

 **Bristol Myers Squibb**

CSL

 **Daiichi-Sankyo**

 **Eisai**

**EMD
SERONO**

 **Genmab**

 **GILEAD**
Creating Possible

GSK

Genentech
A Member of the Roche Group

 **Incyte**

 **IPSEN**
Innovation for patient care

Johnson & Johnson

Lilly

Lundbeck 

 **MERCK**
Be well

 **NEUROCRINE
BIOSCIENCES**

 **NOVARTIS**


novo nordisk

 **Otsuka**

 **Pfizer**

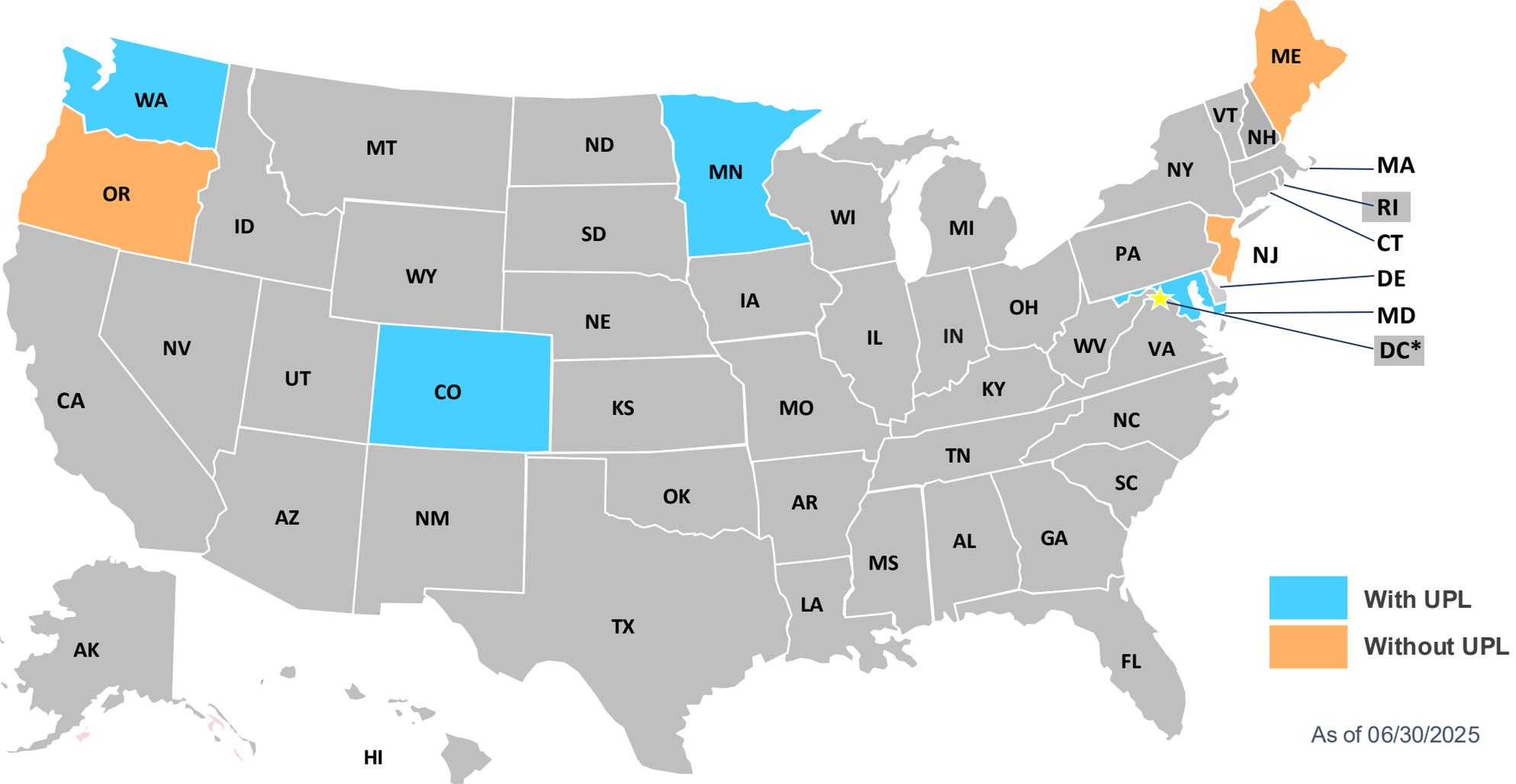
sanofi

 **Sumitomo Pharma**

 **Takeda**

 **ucb** Inspired by patients.
Driven by science.

States with Prescription Drug Affordability Boards



PDAB Implementation

Four Key Issues



**Access
Restrictions**



**Supply Chain
Impact**



**Implementation
Cost**



**Time
Delays**

Implementation Delays

No Uniform Approach: States Regulate at their own Pace



State and Year PDAB Passed		PDAB Appointed	Regulations Proposed	Eligible Drugs Identified	Drugs Selected for Affordability Reviews	Conducting Affordability Reviews	UPL Set
 MD	(2019)	~ 6 Years					
 CO	(2021)	~ 5 Years**					
 OR*	(2021)	~ 3.5 Years				N/A	
 WA	(2022)	~ 2.5 Years					
 MN	(2023)	~ 1.5 Years					

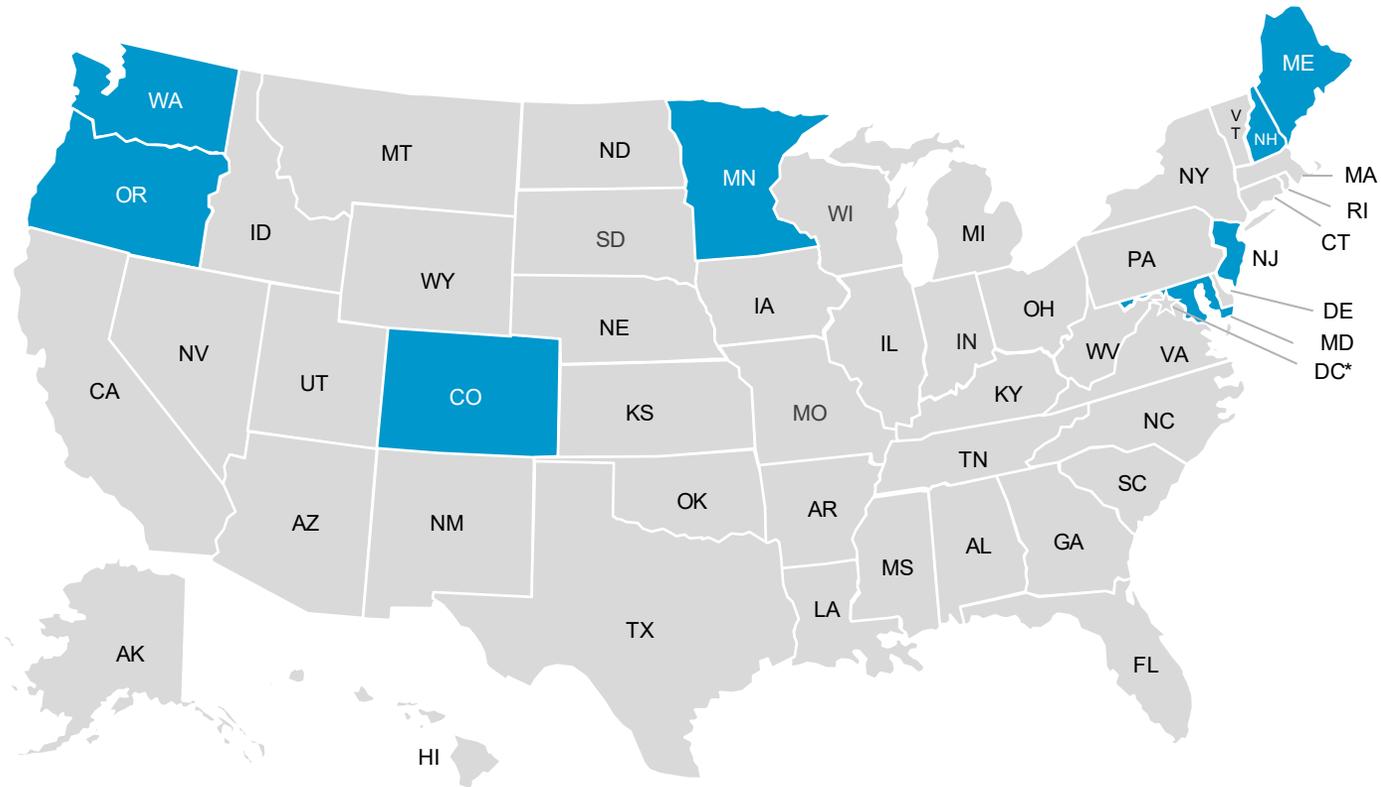
*No authority to set UPL

**February 2026 earliest UPL will be finalized, ~5 full years after bill passage

As of 7/9/2025

Cost of Implementation

PDABs Require States to Assume Significant Upfront & Ongoing Costs



8

States

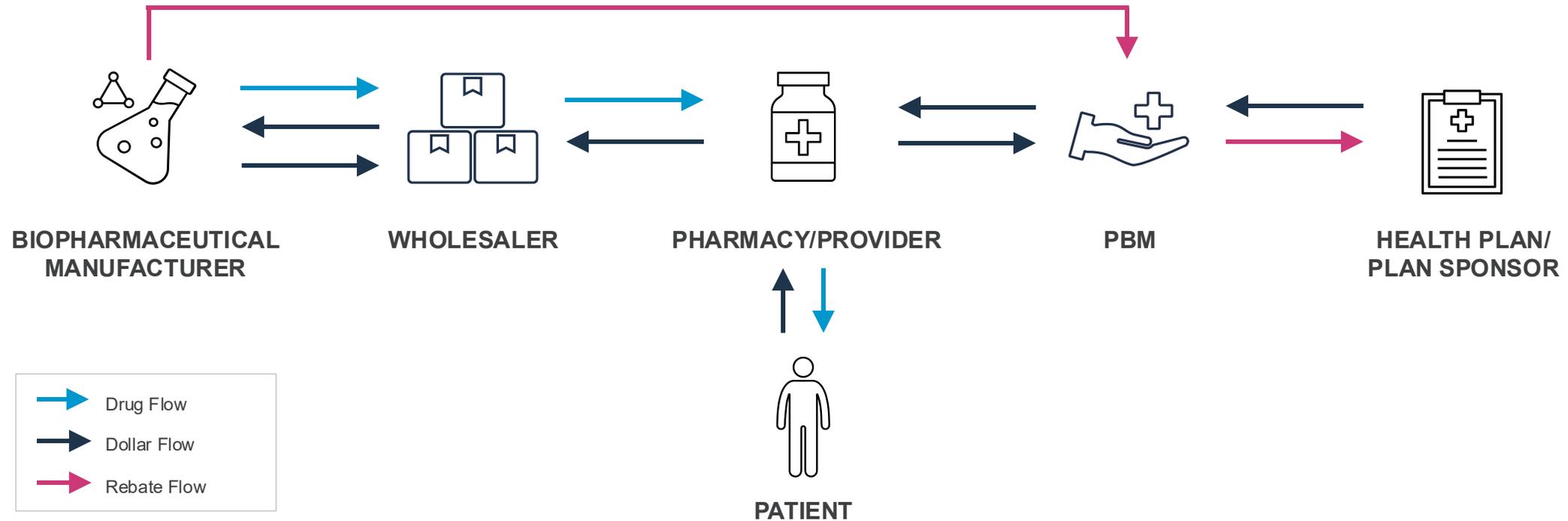
\$17,139,709

Total PDAB Funding,
2020 – October 2024

\$0

Total Patient Savings through
Implementation of PDAB UPL Policy, 8
states, 2020 – October 2024

Many Stakeholders Have a Role in the Prescription Medicine Supply Chain



Supply Chain

Stakeholder Concerns about UPL Implementation

Colorado



"...UPL methodology could ultimately limit patient's access to certain medications... **The unintended consequences of UPLs on patient care could be very dire.**"¹



"[Implementing a UPL] ... is **exceedingly difficult (if not impossible) and extremely expensive... The uncertainty and costs associated could well outweigh the potential cost savings.**"²



"Given our multi-payer system and drug patent protections in the United States, we are concerned that **upper payment limit legislation may not result in lower direct medication costs** for Coloradans as the PDAB intends."⁴

Oregon

Oregon PDAB Commissioned Research (2024)³:

Constituents overwhelmingly expressed concerns, misgivings, and requested more detailed information about a UPL plan.

79%

Expected a negative or neutral financial impact

10.5%

Expected a positive financial impact

76%

Expected a negative or neutral impact on patients' access to medicine

21%

Expected a positive impact on patients' access to medicine

¹The Colorado Pharmacists Society. Comment Letter. January 12, 2023.

²Colorado Association of Health Plans, letter to the CO PDAB, November 9, 2022.

³Myers & Stauffer. Constituent Group Engagement Report Draft. August 14, 2024.

⁴Robert Fuhlbrigge, MD, Professor of Pediatrics, University of Colorado, Section Head for Rheumatology, Children's Hospital Colorado. July 11, 2025, written testimony, page 36.

Government Price Setting Has Negative Consequences

- Puts the **discovery of new medicines at risk**, meaning fewer treatments for cancer and rare diseases;
- Guts **incentives to continue investment in research and development** after a medicine is approved;
- **Disincentivizes the development of generic and biosimilar medicines** that lower costs for patients and generate savings for the broader health care system;
- Lets **PBMs and insurers off the hook** while doing nothing to stop misaligned incentives in the health care system.

Implementation of UPLs Could Disrupt Patient Treatment, Benefit Design, and Reduce Future Options

- Patients **may not be able to access a medicine** with a UPL in their state.
 - Patients and society benefit when a variety of treatments are available; what works for one patient may not work for another.
- There **is no guarantee that a UPL will reduce a patient's costs** for medicine.
 - PDAB laws do not require a reduction of price at the point of sale.
- UPLs **could have consequences for other medicines** in a therapeutic class.

Leading Health Advocates are Engaging



Maryland Commission on LGBTQIA+ Affairs



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