

Prescription Drug Affordability Boards: Fact Sheet

Value is best defined by those on the front lines of health care.

But state government-run organizations that make recommendations about a drug's value don't always listen to patients and providers. These groups, known as **prescription drug affordability boards**, are being implemented in states across the country.

Prescription drug affordability boards:



Consist of state-appointed economists and health care executives



Target medications that treat debilitating medical conditions



Are not accountable to the patients taking the drugs they assess



Rely more on health economics data than on input from patients and providers



Analyze the cost of prescription drugs with a focus on price, not patient care



Cannot ensure that any potential savings reach patients



Make recommendations that apply to commercial, state and Medicaid health plans



Do not take a holistic look at the true factors that determine patient costs for medication



Implement policies that may limit access to necessary treatments



Have no track record of success




How do they impact patient access?

- **Reduce access.** While the goal is to limit drug spending, prescription drug affordability board actions could cause health plans to change their formularies in ways that limit patients' access.
- **Decrease innovation.** Price setting with upper payment limits could discourage drug companies from producing new, innovative treatments.
- **Limit choice.** As upper payment limits restrict reimbursement, health care providers may choose not to administer certain treatments, giving patients fewer options for care.
- **Perpetuate discrimination.** These boards rely on one-size fits all metrics like the QALY, which violates the Americans with Disabilities Act and diminishes the value of health for older Americans.



How can lawmakers protect patients?

- **Consider consequences.** The risks posed by prescription drug affordability boards to patient access to necessary treatments are high and the realization of savings at the pharmacy counter is not guaranteed.
- **Include patients and providers.** Value means something different to every patient. Lawmakers should implement policies that respect the physician-patient relationship and ensure patients have access to the treatments their doctors prescribe.
- **Look at all cost drivers in the health care system.** A drug's cost is just one factor. If lawmakers want to improve affordability and access, they also must consider other factors that drive up drug prices, like utilization management protocols that delay care and health plan benefit designs that increasingly shift costs to patients.

 By focusing on patient-centered policies, lawmakers can bring down costs and promote better health outcomes.