



## Prescription Drug Affordability Board Act - HB 51

New Mexicans are struggling to afford prescription drugs they need, often having to choose between their medication and other necessities, like rent and groceries. Ninety percent of New Mexicans indicate they are very or somewhat concerned about the cost of prescription drugs. Nearly half of New Mexicans have skipped taking medication or have not filled a prescription because of costs.

Meanwhile, prices for 460 prescription drugs increased by an average of 5.2 percent in 2020 - more than triple the rate of inflation - and 35 big drug companies brought in \$8.6 trillion in profits between 2000 and 2018. It's time to hold the industry accountable and improve outcomes for New Mexican in need of life-saving medications.

**The New Mexico Consumers for Affordable Prescriptions Coalition has brought together a variety of organizations and individuals with the goal of establishing a Prescription Drug Affordability Board (PDAB) in our state.**

Many states are turning to the concept of a PDAB as the most comprehensive state-level solution on the table. A PDAB, a board of appointed experts with the authority to negotiate with the industry on behalf of consumers and implement market-based strategies to incentivize lower prices, is urgently needed in New Mexico.

As a small state, New Mexico has the unique ability through a PDAB to bring all stakeholders to the table for deeper collaboration, consensus, and creativity on this issue. Our state needs the expertise and full-time dedication of a PDAB to explore and implement a variety of strategies that will help patients in our state access the medications they need to lead healthier lives.

A problem this severe requires a bold solution. PDAB provides a permanent structure to house expertise and attack this issue systematically and thoroughly. New Mexicans overwhelmingly favor the creation of a PDAB (78 percent in favor), and support holds across ethnicity, gender, and party.

**Passing HB51 in the 2023 session to enact PDAB will save New Mexican lives.**

**For more information, please contact:**

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## Common Questions

### **Won't this be solved at the federal level? Why does our state need to take action?**

For years the big drug companies and their lobbyists have been successful in protecting Pharma profits and stopping reforms to make medications more affordable for consumers at the federal and state level. Enough is enough. New Mexico has a chance to fight back with a PDAB. Not only will this directly help New Mexicans, but state action will add to pressure on federal policymakers to act boldly on this issue.

### **Is PDAB necessary? Why not just transparency or Pharmacy Benefit Manager (PBM) regulation?**

Our coalition completely supports other necessary policies such as price transparency and PBM reform. However, PDAB provides a critical infrastructure for successfully implementing any reforms. We've seen good policies fail in New Mexico because there is no one to implement them. PDAB provides the expertise and dedicated staff time needed to make a meaningful impact on prescription drug prices in New Mexico.

### **What kind of cost-saving policies and programs would the PDAB implement?**

The board would explore a variety of approaches, including bold market-based solutions that introduce competition and incentivize lower prices. For instance, when a generic version of a drug becomes available, the PDAB could facilitate a competitive bidding process to award business to the company that offers the lower-cost product. They will also promote existing cost-saving programs such as discount cards. No single policy will fix the problem; PDAB is our best chance at identifying innovative solutions to ensure access to affordable medications.

### **Which other states are implementing PDABs, and how is our approach different?**

Prescription Drug Affordability Boards are in effect in Colorado, Maryland, Maine, Oregon, Washington, New York, and New Hampshire, and seven other states are actively pursuing PDAB through legislation. New Mexico's approach is different because our market is different; while other state PDABs are using Upper Payment Limits to regulate prices in the commercial market, we are bringing together experts to identify the most effective market-based solutions that will have a wider impact for our state.