

Overview of the Charge to the Minnesota Prescription Drug Affordability Board

The Minnesota Prescription Drug Affordability Board (MN PDAB) is charged with reviewing prescription drugs to determine whether the appropriate utilization of a drug has led, or will lead, to an ‘affordability challenge’ for the state health care system or for patients (Minn. Stat. 62J.91, subd. 1).

Affordability is concerned with: (1) the relationship between the payment required for obtaining a specific drug product that is needed and being appropriately used; (2) the resources of whoever is required or obligated to make that payment; (3) at the moment it is required; and (4) considering what must be given up to make that payment. In other words, affordability is about a payment obligation and amount, resources available, timing, and alternatives. There may be “affordability concerns” with many drug and biologic products and some, although not all, of those concerns may be ‘affordability challenges’ that could be appropriately addressed by establishing an upper payment limit.

The MN PDAB is charged with, and authorized by the legislature to perform, the following tasks: (1) identify drug products that meet statutory criteria; (2) select a set of drugs for cost review; (3) perform a drug cost review ; (4) determine which drug products constitute an ‘affordability challenge’ for patients or the state health care system or both; (5) establish and implement an upper payment limit for drug products with an ‘affordability challenge’; and (6) monitor the Minnesota market to determine the impact of established UPLs on both patients and the state health care system.

Consequently, drug cost reviews will be performed for identified and selected drug and biologic products meeting statutorily defined criteria. The MN PDAB will then assess and weigh the evidence from the Minnesota market on the affordability of each selected drug product. Next, based upon the collective expertise and judgement of the MN PDAB, the Board will generally assign a drug product to one of the following categories: (1) no affordability concerns at this time, (2) an affordability concern to be monitored; or (3) an affordability challenge warranting establishment of an upper payment limit (UPL). The determination for each product is subject to review and revision over time based upon changes in the status of the product’s affordability to patients or the state health care system. A product’s affordability status may be revised at the discretion of the MN PDAB.

This overview is intended to support the MN PDAB as it strives to accomplish its stated mission and vision which is to enable “a Minnesota where patients can afford and access the drugs they need and where the overall cost of prescription drugs is sustainable for the health care system as a whole.”¹

¹ Minnesota Prescription Drug Affordability Board, mission and vision statement: https://mn.gov/commerce-stat/insurance/pdab/09-09-2025/mission_vision_values_statement_draft_august_13_2025.pdf.