MINNESOTA

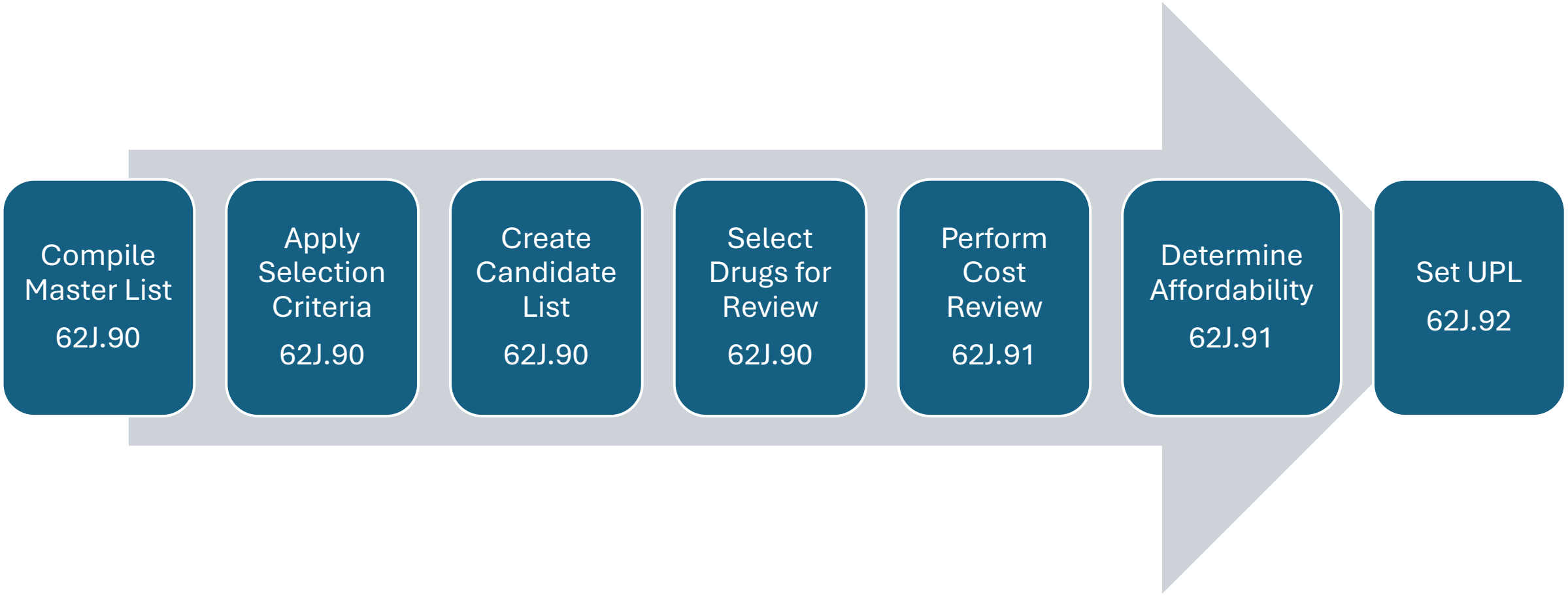
Drug Cost Review Work Group Presentation
November 10, 2026

Drug Cost Review Work Group Presentation

1.) Drug Cost Review (DCR)Outline

2.) Drug Selection Process and Timeline

Drug Cost Review, Affordability Determination, & UPL Cycle



DCR Stage 1: Scoping

Minnesota Statutes define the scope of prescription drug products to be considered with respect to affordability challenges in Minnesota.

The Board defines specific molecules and related drug product to have a drug cost review, including:

- Review of approved indications and standard uses
- Therapeutic alternatives
- Patient populations and payers affected
- The time period to be examined
- Perspectives to be assessed – patient and state healthcare system

DCR Stage 2: Notice and Request for Information

Board announces molecules and related drug products to have a drug cost review and invites submissions from:

- Manufacturers
- Wholesalers
- Payers (including commercial, as well as federal, state and local govt.)
- Pharmacy benefit managers
- Pharmacists and Pharmacies
- Providers and prescribers
- Patients
- Public (including any and all interested parties in Minnesota)

Solicitation of information indicates how proprietary and confidential information, if any, can be designated as such upon submission

Solicitation describes how policy on proprietary and confidential information will be implemented

DCR Stage 3: Data Collection

Staff and technical adviser compile price-related information (list, net, and other prices, discounts, and rebates) for each drug product

Data on utilization, prices and spending may be collected for:

- National and Minnesota markets
- Payer Type (including Medicaid, Medicare, Commercial, and Cash)
- Insurance benefit design and drug coverage
- Patient-assistance programs
- Discount and copay cards
- Rebates
- Other information designated by the Board

DCR Stage 4: Patient Level Assessment

- What do patients experience under different scenarios:
- Cost-sharing such as copayments, coinsurance, deductibles
- Premiums (patient paid, amounts paid by others)
- Cash Pay Prices
- Access from pharmacies, other providers, direct from manufacturers
- What is the timing of payments due to access the drug
- How do payments compare to personal and household resources
- Availability and terms of manufacturer and other patient assistance programs
- Evidence of affordability issues including patients delaying, rationing, or abandoning prescribed treatment because of cost
- Examples of foregone costs and opportunities due to drug spending
- Other information designated by the Board

DCR Stage 5: System Level Assessment

- **Examination of impact on the state healthcare system:**
  - Total spending in Minnesota and its change over time
  - Share of spending by:
    - State programs
    - Commercial health plans
    - Employers
    - Self-pay customers
    - Other payers and sources
- **Estimated effect on health insurance premiums**
- **Impact on statewide total cost of prescriptions per person per year**
- **How state-wide drug spending compares to state & system resources**
- **Health care or other public purposes displaced by the drug spending**
- **Other information designated by the Board**

DCR Stage 6: Drug Cost Review

- Staff and technical adviser prepare draft report presenting and summarizing drug-specific expenditures, utilization, prices and affordability measures
- Draft report is made public, except for information designated as confidential or proprietary
- Board receives public comment
- Board discusses report and public comments
- Board considers all information and findings from the Drug Cost Review
- Board may consider other information including unintended consequences
- Board votes on a determination of whether a drug molecule (or a specific drug product) constitutes an “affordability challenge”

DRUG MOLECULE SELECTION PROCESS AND TIMELINE

11/17	Candidate List of drug molecules with APCD provided to Board and public
11/17 to 12/1	Board reviews Candidate List selects 25 drug molecules and indicates their top 5
12/1	Board provides 25 drug molecule selections and top 5 to PDAB staff
12/1 to 12/4	PDAB Staff and Board Chair review responses and narrow list to approximately 10 drug molecules
12/8	Board reviews, discusses, and approves a narrow list to10 drug molecules for potential drug cost review
January 2027	Board selects 3 -5 drug molecules for Drug Cost Reviews. If selections can not be made on consensus basis a vote will be taken pursuant to MN Statute 62J.90.Subd.3.(c)