April 14, 2026

Maryland's **Prescription Drug Affordability Board:** Progress & Upcoming Work

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The Issue

We are all hurt by the skyrocketing cost of prescription drugs, **whether at the pharmacy counter, through our insurance premiums, or the strain on taxpayer dollars**. This problem only continues to grow: prescription drug prices routinely increase at rates higher than inflation, and there have been price hikes on over 870 drugs in 2026, alone. While drug corporations have claimed that these prices are needed to sustain innovation, we know that **they spend many times more on self-enriching activities and advertising** than on research and development.

Patients

43% have not taken a drug as prescribed due to cost

March 2026 KFF polling shows that drug costs remain a considerable issue for patients across the nation, with nearly 60% expressing worry over affording the prescription drugs they need for themselves or their families. Alarmingly, over 40% of respondents shared that they skipped, rationed, or left a prescription unfilled due to prohibitive costs.

Premiums

~25% of premium spending goes toward Rx

Nationally, approximately a quarter of all premium spending goes toward prescription drugs. In Maryland, our state Exchange reports that prescription drugs account for nearly 30% of all spending in privately insured markets in Maryland.

Government Budgets

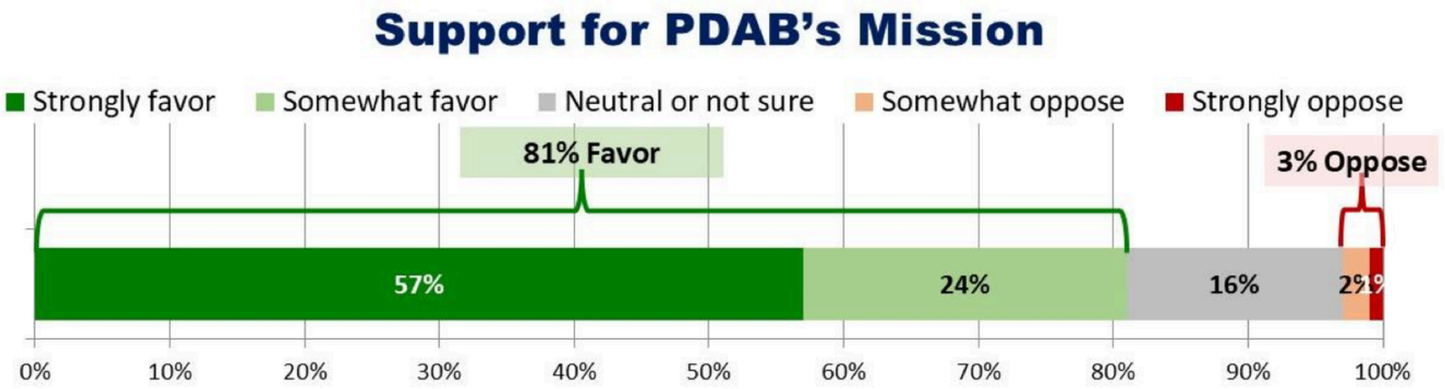
Md. county spends 2x more on Rx coverage vs. libraries

State and local government entities should not have to choose between funding public services and the health coverage of employees. Anne Arundel County, a major Baltimore suburb, reports spending *double* on prescription drug coverage for employees and retirees than on the entire library system.

Broad Public Support for PDAB

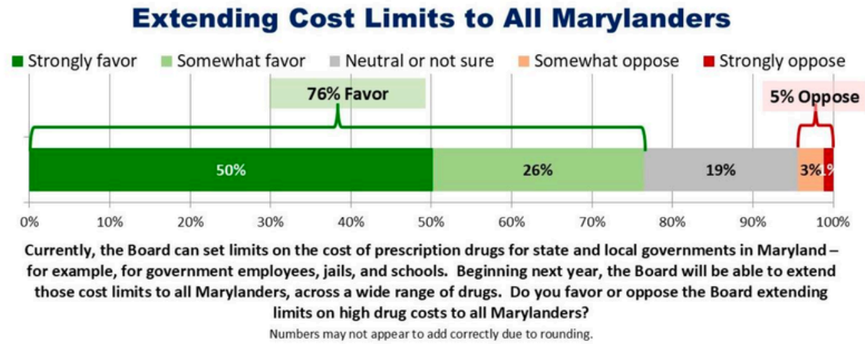
Overwhelming Support for Having a Prescription Drug Affordability Board

Once they heard that brief description of Maryland's PDAB, survey respondents overwhelmingly endorsed its existence and mission. More than four out of five (81%) said they favor having such a board "with the power to make high-cost drugs more affordable." In fact, nearly six in ten Marylanders (57%) said they "*strongly favor*" the Prescription Drug Affordability Board. Opposition is extremely small at only 3%.



Based on this description, do you favor or oppose a Maryland Prescription Drug Affordability Board with the power to make high-cost drugs more affordable?

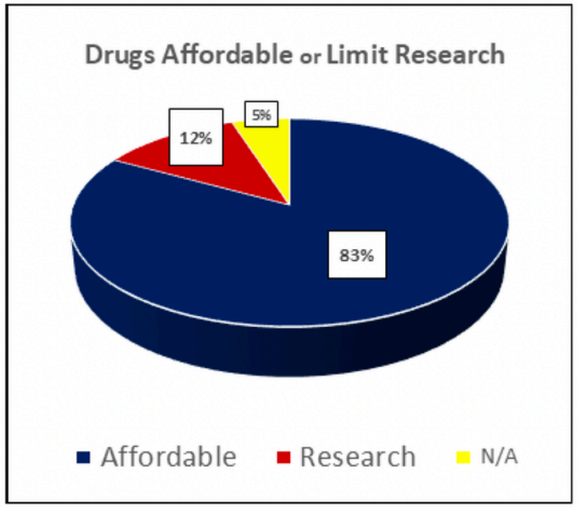
OPINIONWORKS PUBLIC SPIRITED RESEARCH



Currently, the Board can set limits on the cost of prescription drugs for state and local governments in Maryland – for example, for government employees, jails, and schools. Beginning next year, the Board will be able to extend those cost limits to all Marylanders, across a wide range of drugs. Do you favor or oppose the Board extending limits on high drug costs to all Marylanders?

Numbers may not appear to add correctly due to rounding.

Among Maryland voters, a sweeping 83% align more closely with the belief that drug companies can afford to make their drugs less expensive, given their inflated profits and exorbitant spending on advertising; while only 12% think that capping the prices drug companies can charge for prescriptions would constrain their ability to finance research for new medications, with 5% providing no opinion.



★GONZALES★ Polls, Inc.

Meet the Board

Van T. Mitchell, Chair

Van Mitchell is the Chair of the Prescription Drug Affordability Board. He previously served as the Secretary of the Maryland Department of Health from 2015 through 2016, and as the Principal Deputy Secretary from 2004 through 2007. He also served as a Member of the House of Delegates from January 1995 through September 2004, where he sat on both the Economic Matters and Appropriations Committees.

Gerard Anderson, PhD, Member

Gerard Anderson is a professor of health policy and management and professor of international health at the Johns Hopkins Bloomberg School of Public Health, professor of medicine at the Johns Hopkins University School of Medicine, and the director of the Johns Hopkins Center for Hospital Finance and Management. Prior to his arrival at Johns Hopkins, Dr. Anderson held various positions in the Office of the Secretary, U.S. Department of Health and Human Services, where he helped to develop Medicare prospective payment legislation.

Georges C. Benjamin, MD, Member

Georges C. Benjamin, MD, is a well known health policy leader, practitioner and administrator. He currently serves as the executive director of the American Public Health Association, the nation's oldest and largest organization of public health professionals. He is also a former secretary of Health for the state of Maryland. Dr. Benjamin is a graduate of the Illinois Institute of Technology and the University Of Illinois College Of Medicine. He is board-certified in internal medicine, a Master of the American College of Physicians, a fellow of the National Academy of Public Administration, a fellow emeritus of the American College of Emergency Physicians, and a member of the National Academy of Medicine.

Julia F. Slejko, PhD, Member

Dr. Julia F. Slejko is an Associate Professor in the Department of Practice, Sciences, and Health Outcomes Research (P-SHOR) at the University of Maryland School of Pharmacy and is Co-Director of the Patient-Driven Values in Healthcare Evaluation (PAVE) Center and Director of the Pharmaceutical Health Services Research Graduate Program. As a health economics and outcomes researcher, Dr. Slejko has expertise in real-world and patient-informed methods and data sources for value assessment.

Stephen Rockower, MD, FAAOS, Member

Dr. Rockower is a retired Orthopaedic Surgeon in Montgomery County. In his 40 years of practice, he has been President of the Montgomery County Medical Society, MedChi, the Maryland State Medical Society, and a Delegate to the American Medical Association. He has worked at all levels of medical and hospital organizations, and continues to see patients at a free clinic in Rockville. Dr. Rockower previously served on the PDAB Stakeholder Council representing physicians. He is also a volunteer guide at the Smithsonian National Museum of Natural History.

Maryland's PDAB: Background

Maryland's Prescription Drug Affordability Board was **established in 2019**. It is an independent body that is funded through an assessment on pharmaceutical manufacturers, insurers, and PBMs that operate in the state.

Maryland's Board members are appointed by the Governor, Attorney General, House Speaker, and Senate President, with the Chair jointly appointed by the Speaker and President.

The 2019 law granted the PDAB limited authority to address high-cost drugs for state and local government entities. **In 2025, the Maryland General Assembly expanded this authority to allow for statewide upper payment limits.** UPLs must have been in effect for state and local government for one year prior to this expansion.

Challenges & Obstacles

Maryland's first-in-the-nation PDAB is unique in that it has a "first-step" UPL approach which allows the Board to address high-cost prescription drugs for state and local government entities before establishing statewide UPLs. The 2019 law envisioned the PDAB establishing its first upper payment limits for state and local governments by 2023. Unfortunately, this progress was delayed by:

PHARMALOT

STAT+

Maryland governor vetoes funding for a prescription drug affordability board

By Ed Silverman May 8, 2020

Reprints

Former Governor Larry Hogan vetoed a critical funding mechanism for the PDAB and slow-walked key appointments.

Although the Maryland legislature overrode this veto, it caused a significant delay in the PDAB's work. Fortunately, after Governor Wes Moore took office in 2023, he made sure the PDAB had the resources and support needed to do its work.

First-in-the-nation; independent.

Unlike the majority of other PDABs, Maryland's board operates as a fully independent entity and is not housed in an existing agency. This required the PDAB to take time to develop the infrastructure required to do its work and enter iinto agreements for necessary data.

Broad scope.

Maryland's law allows for broad discretion by the Board in selecting which drugs to review.

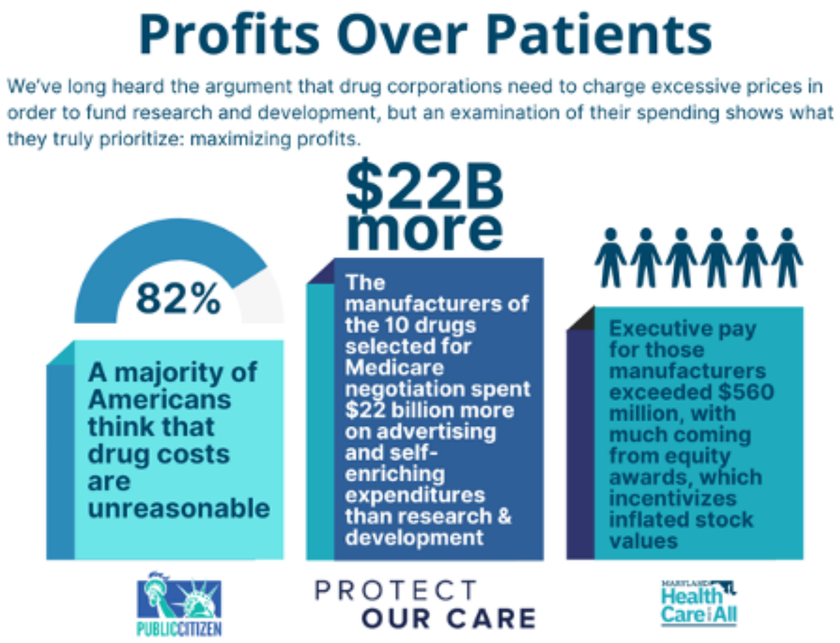
Maryland enacted its law prior to the establishment of Medicare Maximum Fair Price negotiations established in the Inflation Reduction Act. We strongly recommend that PDABs make use of these MFPs for state UPLs, as this expedites the cost review process.

For drugs that have not been selected by CMS for negotiation, we urge PDABs to establish clear parameters that identify the prescription drug products causing the largest affordability challenges in the state.

Response to Opposition Concerns

Research Demands

Pharmaceutical manufacturers claim that they need these high prices for innovation, while they actively put profits over patients



Threat to Leave State

Industry claims that regulation will discourage investment in states with PDABs; however, actual practices do not mirror this threat. In 2025, AstraZeneca announced a $2 billion investment in Maryland immediately after the PDAB voted to move forward with establishing UPLs


MANUFACTURING

AstraZeneca boosts its presence in Maryland with $2B manufacturing investment

By **Kevin Dunleavy** · Nov 21, 2025 3:58pm

Possible Patient Harm

There is no evidence that PDAB action would harm patients, additionally, many of the groups that have been the most vocal about this possibility have direct financial ties to the pharmaceutical industry


PUBLICCITIZEN

January 7, 2026

Patient Groups, Big Pharma & Medicare Price Negotiation

Overwhelming Majority of Groups Supporting Weakening Medicare Drug Price Negotiations Have Ties to Prescription Drug Corporations and the Health Industry

Steve Knievel and Rick Claypool

Cost Review Process

Maryland's PDAB was granted authority to review expensive prescription drug products that meet certain annual cost thresholds or pose an affordability challenge to Maryland patients and/or the health care system.

Drugs must undergo a multi-step process for selection, review, and UPL determination. The Board seeks to gather data from manufacturers, PBMs, insurers, pharmacies, state claims data, and patient experiences.

1. Consideration

Typical triggers for consideration include **high launch prices or rapid price increases** on existing prescription drugs. The Board is allowed to consider several other factors, like out-of-pocket costs to consumers, tier placement, costs to state and local government budgets, and patent-life.

2. Selection

Once a drug is chosen for a full cost review, the Board and its Staff **evaluate manufacturer pricing, research and development costs, rebates, supply-chain markups and costs, and therapeutic alternatives**.

3. Affordability Determination

Using this data, **the Board determines whether a prescription drug poses an affordability challenge** to the state. If the answer is yes, the Board is tasked with determining *if* they would like to implement an upper payment limit or utilize a different policy/mechanism to address the issue.

4. UPLs

The Board can **establish a maximum reimbursement/payment amount** that can be paid for the selected product. If the drug was chosen for Medicare Maximum Fair Price negotiation, the UPL cannot be lower than this amount.

In it's initial phase for state and local governments, **implementation is expected to occur mainly through existing reimbursement and rebate structures.**

Selected Drugs

Maryland's PDAB selected six drugs for initial review: **Jardiance, Farxiga, Ozempic, Trulicity, Dupixent, and Skyrizi.**

It voted to set upper payment limits on Jardiance for state and local government entities on April 13, 2023. Affordability reviews on Farxiga, Ozempic, and Trulicity have also been completed. The Board did not choose to move forward with a vote on UPLs for Farxiga.

Jardiance, Farxiga, Ozempic have an established Medicare Maximum Fair Price, while Trulicity is undergoing negotiations for 2028.

Jardiance

Estimated Savings: **at least $320,000/yr** for state and local government entities

Estimated Savings for Statewide UPL: $9 to 16 million/yr

Ozempic

Estimated Savings: **$5.8 million/yr** for state and local government entities

Estimated Savings for Statewide UPL: $113 to $165 million/yr

Estimated Savings Analysis Completed by **Steve Ports Consulting**

Other States