# COMMUNITY ACCESS NATIONAL NETWORK

## Prescription Drug Advisory Boards (PDABs)

Response Project for People Living with HIV

## Prescription Drug Affordability Boards: A Threat to Ending the HIV Epidemic?

**State AIDS Drug Assistance Programs, or ADAPs, are largely dependent on savings and revenues from the 340B Drug Pricing Program to *"stretch scarce Federal resources as far as possible reaching more eligible patients and providing more comprehensive services."***

Prescription Drug Affordability Boards, or PDABs, are considering "**price controls**" to set the cost of prescription drugs by setting an "**upper payment limit**" (**UPL**).

**But here are some facts on why UPL price controls are bad for providers…and patients:**

- 340B's value is found in the "spread" between the reimbursement rates and a reduced acquisition cost by way of drug manufacturer 340B rebates
- Reducing reimbursement rates by way of an "upper payment limit" will reduce the value realized by 340B rebates
- Providers end up with less money, which means they can afford to fund less services
- That's only *IF* a pharmacy can still afford to fill the medication
- Will your copay change? NO

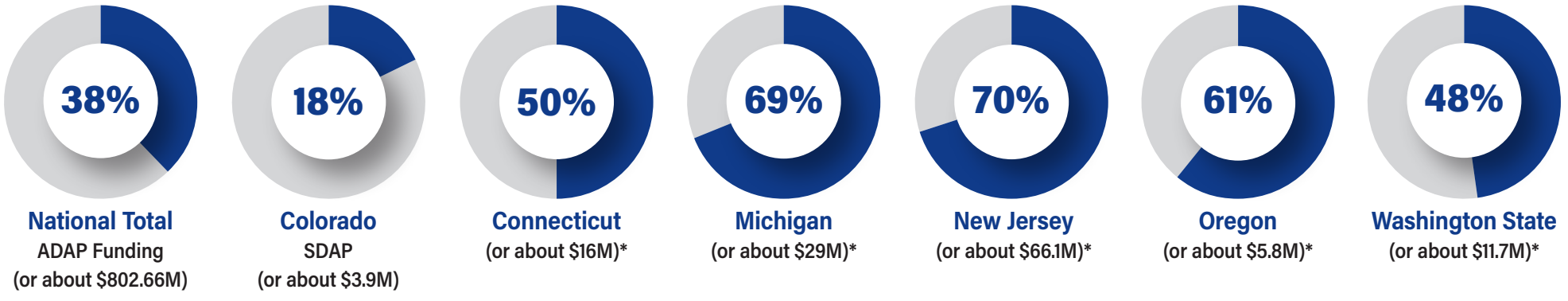
**Ex.**
Antiviral B Hypo:
- Normal reimbursement: $550
- 340B Price: $50
- Value of rebate: $500 – to be reinvested in HIV programming/providing medications

**Under a UPL:**
- UPL reimbursement: $350
- 340B Price: $50
- Value of rebate: $300 – to be reinvested in HIV programming/providing medications

**What happens if the UPL is set below the cost of the medication?**

**Will your pharmacy be able to fill it?**

This is particularly striking when we think about State ADAP Budgets, and NASTAD's 2023 RWHAP Part B **ADAP Monitoring Report provides insights. Take a look:**




According to NASTAD, for most states, **a majority of ADAP clients live at or below 300% of the Federal Poverty Level**, meaning even when they're Medicaid Qualified, they still need help. Taking dollars out of ADAP by reducing the value of the rebates is a **DISINVESTMENT from HIV-related funding**.

For more information, visit our website at www.tiicann.org/pdab-project.html