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March 9, 2023

The Honorable Lindsey Daugherty, Chair  
House Health & Insurance Committee  
State Capitol, 200 E Colfax  
Denver, CO 80203

Dear Representative Daugherty and Members of the Committee:

The Biotechnology Innovation Organization (BIO) respectfully opposes HB23-1225, which would make various modifications and expansions to the Prescription Drug Affordability Board (PDAB) within the Division of Insurance (DOI). Extending the sunset and expanding the scope of this program, which has not yet been implemented, is premature and inappropriate.

The PDAB was enacted two years ago and has just completed its initial rulemaking. According to the Board's timeline, at the end of this month, the PDAB will continue to deliberate its selection criteria for choosing the specific prescription drugs on which the Board will conduct an affordability review, and will finalize these criteria and select its first round of products for affordability reviews on or after its June meeting. The first upper payment limits could be in force later this year.

While the PDAB has made progress in its initial planning and administrative tasks, it has not yet implemented the law. Yet HB23-1225 proposes to remove limitations set on the PDAB by the General Assembly and expand the scope of products eligible for review, even though no one can know through experience whether many of these changes are necessary or appropriate. This bill also proposes to extend the sunset date of an unproven program, even though the sunset is still more than three years away. The price-setting authorities provided to the PDAB are unprecedented and unproven; limitations and oversight were enacted in the PDAB law to prevent the unintended consequences this pricing experiment could have on patient access to innovative medicines. There should be no rush to enact the substantive changes in this bill or provide the PDAB with a five-year sunset extension because we simply do not know that any of these are justified.

For these reasons, we ask for your "no" vote on HB23-1225. If you have any questions, please do not hesitate to contact me at [bwarren@bio.org](mailto:bwarren@bio.org).

Sincerely,

Brian Warren  
Senior Director, State Government Affairs