



October 14, 2026

Via Electronic Correspondence

Drug Affordability Council
New Jersey Drug Affordability Unit
PO Box 47034
Newark, NJ 07101

RE: Comments on Drug Affordability Council Recommendations

Dear Members of the New Jersey Drug Affordability Unit:

Aimed Alliance is a non-profit health policy organization that protects and enhances the rights of health care consumers and providers. We appreciate the Drug Affordability Unit's efforts to identify solutions to improve prescription drug affordability. We write in support of the following recommendations under consideration by the Drug Affordability Unit.

1. Public Transparency and Participation

Aimed Alliance supports the Council's recommendations to record meetings and make those recordings publicly available, establish an online public comment submission portal, and post public comments and stakeholder submissions online. Access to meeting recordings, comments, and stakeholder submissions would allow patients, caregivers, advocates, and other interested parties who are unable to attend meetings to stay informed on the Council's activities. By enhancing transparency and reducing barriers to participation, the Council would foster broader stakeholder engagement and help ensure that its policymaking process reflects the experiences and needs of patients in New Jersey.

2. Study of Coverage Requirements and Utilization Management

Aimed Alliance supports studying the impact of New Jersey's coverage requirements and utilization management policies on patient access to care. Prior authorization, step therapy, and other coverage restrictions can delay access to medically necessary treatment and create significant administrative burdens for both patients and providers. An assessment of existing utilization management practices could help identify opportunities to reduce unnecessary barriers. This assessment should also include an analysis of the savings derived as a result of the utilization management policy, allowing the Council and the public to have a clear understanding of the scope of these "cost-saving" initiatives.¹

Aimed Alliance further proposes using the findings of this assessment to identify ineffective or unnecessarily burdensome utilization management practices and develop recommendations for legislative reforms that improve timely access to medically necessary care. Such reforms can help ensure that prior authorization, step therapy, and other utilization

¹ See, e.g., Connecticut's Annual Consumer Report Card, which requires health plans to report savings derived from prior authorization and "other utilization management protocols, broken down on a per-month, per-beneficiary basis." Connecticut Insurance Reports, <https://portal.ct.gov/cid/departments-resources/cid-reports>.

management requirements are applied in a manner that supports evidence-based treatment while minimizing unnecessary delays and disruptions in care. Improving access to appropriate care earlier in the treatment process can help prevent disease progression, avoidable emergency department visits, hospitalizations, and other costly complications, ultimately supporting both better patient outcomes and long-term affordability. By using the assessment's findings to identify utilization management practices that place unnecessary burdens on patients, the Council can help advance legislative changes that enhance patient access and encourage more efficient use of health care resources.

3. Pharmacy Benefit Manager Reform

Aimed Alliance supports recommendations to evaluate existing pharmacy benefit manager (PBM) data collection efforts and increase transparency through public reporting. Annual reporting regarding rebates, pass-throughs, and other fees would provide patients, policymakers, and advocates with information about how prescription drug spending flows through the supply chain and how PBM practices affect affordability and access.

PBMs play a significant role in determining which medications patients can access and what they ultimately pay, yet many of their business practices remain difficult for the public and policymakers to evaluate. Greater transparency can help shed light on financial arrangements and incentives that may contribute to higher costs or create barriers to care. It can also help policymakers identify opportunities for reform and ensure that prescription drug affordability policies address key drivers of increasing prescription drug costs within the drug supply chain and are intentionally tailored to benefit patients at the pharmacy counter.

Aimed Alliance also supports the recommendation for additional PBM reforms, including eliminating spread pricing, delinking PBM compensation from drug prices, and banning the placement of a higher-cost drug in a more favorable position than a lower-cost generic or biosimilar. Together, these reforms would promote greater accountability, reduce misaligned incentives, and help ensure that prescription drug coverage decisions are driven by clinical considerations and patient needs.

4. Development of a New Jersey State PBM

Aimed Alliance supports the recommendations to consider developing a New Jersey State PBM for all state-regulated plans. Since 2017, several states' Medicaid programs have recognized the benefits of acting as their own PBM, including California, Kentucky, Missouri, North Dakota, Ohio, New York, Tennessee, Wisconsin, and West Virginia. Where states have begun to manage their own prescription drug benefits, specifically within Medicaid programs, they have seen substantial savings. For instance, North Dakota saved \$17 million in one year, and Missouri saved \$4.4 million in 2024. Some states generated even greater savings. For example, California initially projected \$150 million in annual savings, but reported approximately \$405 million in 2024. Similarly, New York estimates annual savings of over \$400 million, and more than \$2 billion

within two years.² Thus, while the current state leadership is primarily within the Medicaid market, a similar approach across state-regulated plans could also result in substantial savings.

5. Ensuring Lower-Cost Purchases Count Toward Patient Cost-Sharing Obligations

Aimed Alliance supports requiring state-regulated health plans to credit a patient's out-of-pocket payment toward deductibles and annual out-of-pocket maximums when the patient purchases a covered prescription drug at a cash price that is lower than the amount that would have been paid through insurance. Patients should not be penalized for seeking the lowest-cost option available to them, and all payments made for covered prescription drugs, regardless of whether the purchase is made through insurance or at a lower cash price, should count toward deductibles and annual out-of-pocket maximums.

Aimed Alliance also commends New Jersey for its recent enactment of legislation prohibiting copay accumulator adjustment programs, which can prevent manufacturer assistance and other patient payments from counting toward a patient's cost-sharing obligations. Together, these policies help ensure that patients receive the full benefit of cost-saving opportunities and can access prescribed treatments without facing unnecessary financial barriers.

6. Improving 340B Transparency

Aimed Alliance supports the Council's recommendation to examine opportunities to improve transparency within the 340B Drug Pricing Program. Increased reporting regarding how 340B savings are used and how eligible patients benefit from those savings can curb program abuse, strengthen public confidence in the program, and provide policymakers with information needed to assess whether the program is fulfilling its intended purpose.

The Council should also consider requiring standardized claim-level identifiers for 340B drugs to improve accountability, reduce the risk of duplicate discounts, preserve program savings, and support the long-term sustainability of both Medicaid and the 340B program. Together, these measures can help ensure that safety-net resources and associated savings are directed toward the patients the program was designed to serve, while reducing abuses and inefficiencies that can unnecessarily increase costs for New Jersey and undermine the program's effectiveness.

7. Conclusion

Aimed Alliance commends the Drug Affordability Unit for advancing recommendations to improve patient access to affordable medications. We respectfully urge the Council to include these recommendations in its final report. Should you have any questions or wish to discuss these comments further, please contact us at policy@aimedalliance.org.

Sincerely,

Olivia Backhaus
Staff Attorney

² Aimed Alliance, *International Reference Pricing: Lessons Learned from Abroad*, <https://aimedalliance.org/wp-content/uploads/2026/02/Aimed-Alliance-MFN-WhitePaper-Feb2026.pdf>.