



VIA EMAIL

SenFIN@sen.state.nv.us

May 29, 2025

The Honorable Marilyn Dondero Loop, Chair
Senate Finance Committee
Nevada State Capitol
401 S. Carson Street
Carson City, NV 89701

RE: Oppose A.B. 259 setting maximum fair price for selected prescription drugs

Dear Chairperson Dondero Loop,

The Ensuring Access through Collaborative Health (EACH) and Patient Inclusion Council (PIC) submit the following comments in opposition to A.B. 259, legislation pending in your committee that would cap health plan reimbursement for selected prescription drugs to the “maximum fair price” (MFP) negotiated by the federal Medicare program.

EACH/PIC is a two-part coalition that unites patient organizations and allied groups (EACH), as well as patients and caregivers (PIC), to advocate for drug affordability policies that benefit patients. We share with you the goals of lowering patient out-of-pocket (OOP) costs and ensuring all Nevadans can access the medications they need to maintain their health. However, we believe that capping prices at negotiated Medicare payment levels is **ineffective** at lowering patient costs for prescription drugs and could ultimately cause more harm by creating added barriers between patients and their medically necessary treatment. Therefore, we urge you to oppose this legislation.

Our coalition believes that medical determinations regarding which medications are right for each patient should be made solely by the patient and their healthcare providers, not federal and state bureaucrats. We have strongly opposed upper payment limits (UPLs) or “price controls” being set by Prescription Drug Affordability Boards (PDABs) in four states as they create a new incentive structure for payers that is likely to compromise patient access to selected medications as those drugs are consequently removed from drug formularies or shifted to higher cost-sharing tiers.

A.B 259 effectively allows Nevada insurance regulators to impose the same UPLs or price controls for certain drugs by simply defaulting to the Medicare MFP. However, MFPs were determined based on costs under the Medicare program, which are not reflective of the very different and diverse patient populations served by commercial and state health plans in Nevada.

Furthermore, applying the Medicare MFP does not guarantee patients will realize any or all of the savings from the lower list price. There is no mechanism for the Nevada Division of Insurance to ensure that state-regulated plans alter their cost-sharing designs for drug products



with MFPs nor does the Division have the authority to regulate large-group and self-funded plans governed by federal ERISA law (as A.B. 259 was amended to clarify).

Instead, the price caps could threaten patient access to critically needed drug therapies. Patients with rare or chronic disorders typically endure a life-long journey to identify treatments that work best for their specific condition and these treatments often consist of multiple medications to successfully manage symptoms and/or prevent disease progression. These treatment plans are complicated, personalized, and cannot be easily altered. Forcing patients to change or substitute specific drug products based on cost considerations instead of medical need disrupts the continuity of care and could result in adverse and significantly more costly health outcomes.

For these reasons, we respectfully urge your committee to reject ineffective and counterproductive proposals like A.B. 259 and focus instead on *patient-driven* reforms that remove barriers to care and drive-up costs for patients and providers. More effective reforms include measures to make monthly drug costs more predictable for patients and ensuring that negotiated drug rebates and third-party copay assistance are fully-passed on to patients instead of being pocketed by pharmacy benefit managers (PBMs).

Thank you for considering the input of patients. Please feel free to contact me at mark@aiarthritis.org with any questions or additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Hobraczk".

Mark Hobraczk, JD, MPA

Director of Public Policy, AiArthritis
Legislative Lead, EACH/PIC Coalition
Person living with Ankylosing Spondylitis

cc: Members of the Senate Finance Committee