EACH PIC
COALITION

**VIA EMAIL**
Governor@govmail.state.nv.us

May 30, 2025

The Honorable Guy Lombardo, Governor
Nevada State Capitol
401 S. Carson Street
Carson City, NV  89701

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

Dear Governor Lombardo,

The Ensuring Access through Collaborative Health (EACH) and Patient Inclusion Council (PIC) urges you to veto A.B. 259 legislation that would cap health plan reimbursement for selected prescription drugs at the "maximum fair price" (MFP) negotiated by the federal Medicare program.

In 2023, you vetoed nearly the same bill (A.B. 250) from the same sponsor because it "would set arbitrary price caps in Nevada based on federal decisions with no review or consideration from state stakeholders." Your veto message stressed that "caps could restrict patients' access to medicines and result in less innovative treatments for patients."

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 life-sustaining medications and agree that the voice of patients must be heard in the affordability review process. We also concur that capping prices at negotiated Medicare payment levels is **ineffective** at lowering patient drug costs and could ultimately cause harm by creating added barriers between patients and their medically necessary treatment.

Our coalition is adamant 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 drugs 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 will threaten patient access to critically-needed drug therapies. Patients with rare or chronic disorders typically endure a lifelong 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. 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 their continuity of care, which often results in adverse and significantly more costly health outcomes.

For these reasons,we ask you to continue 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, eliminate anticompetitive practices by pharmacy benefit manager (PBM) "middlemen", and ensure negotiated drug rebates and third-party copay assistance are fully-passed on to patients instead of being pocketed by PBMs.

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

Sincerely,

***Mark Hobraczk, JD, MPA***
Director of Public Policy, AiArthritis
Legislative Lead, EACH/PIC Coalition
Person living with Ankylosing Spondylitis

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