From: Annette Logan-Parker

To: Assembly Commerce and Labor Exhibits

Cc: <u>Venicia Considine Assemblymember</u>; <u>Amber Williams</u>

Subject: Concerns Regarding AB259 and Its Impact on Pediatric Cancer Care

Date: Friday, March 7, 2025 5:51:42 PM

Attachments: C2 signature c4klogo 84b56284-dbf4-4704-917f-f6abaec29a3e.png

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AB259 C4K Letter of Concern .pdf

Some people who received this message don't often get email from alogan@cure4thekids.org. Learn why this is important

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am reaching out on behalf of Cure 4 The Kids Foundation (C4K) to express concerns regarding AB259 and its potential impact on pediatric cancer care in Nevada.

Attached is a formal letter detailing our concerns about how this bill, if passed without modification, will have devastating financial consequences for specialty providers like C4K, which do not qualify for federal drug discount programs and already face below-cost reimbursement for many life-saving medications.

We strongly urge the committee to review this issue carefully and consider the unintended consequences AB259 could have on Nevada's only dedicated pediatric cancer center.

I would welcome the opportunity to discuss this further and work together on a solution that ensures cost control efforts do not come at the expense of vulnerable children needing life-saving treatment.

Please let me know if you have any questions or if there is an opportunity to provide additional input.

Thank you,

Annette



Annette Logan-Parker

Founder and Chief Advocacy and Innovation Officer

P: (702) 732-1493 **F**: (702) 732-1080 **M**: (702) 481-3179

Cure 4 The Kids Foundation

1 Breakthrough Way Las Vegas, NV 89135 https://cure4thekids.org



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Assembly Committee: Commerce and Labor Exhibit: N Page 1 of 116 Date: 03/12/2025 Submitted by: Various Individuals



March 7, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Subject: Concerns Regarding AB259 and Its Impact on Pediatric Cancer Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

On behalf of Cure 4 The Kids Foundation (C4K), Nevada's only nonprofit pediatric cancer and rare disease treatment center, I am writing to express our concerns regarding Assembly Bill 259 (AB259) and the devastating impact it will have on pediatric specialty care. While we recognize and support efforts to reduce prescription drug costs for Nevada families, AB259 applies to all payers in the state—including Medicaid, private insurance, and employer-sponsored health plans. Without an exemption for pediatric specialty care providers, this legislation could severely limit our ability to administer high-cost infusion therapies like chemotherapy, immunotherapy, and biologics, potentially forcing families to seek care out of state.

Why AB259 Poses a Serious Risk to Pediatric Cancer Patients in Nevada

- 1. Medicaid Already Reimburses Below Cost for Many Cancer Treatments
 - C4K already provides numerous life-saving medications at a financial loss because Medicaid reimburses below the actual acquisition cost for many cancer drugs we administer every day.
 - If AB259 further reduces reimbursement across all payers, it will deepen these losses and force us to reevaluate how and if we can continue to offer certain critical therapies.
 - Unlike large hospitals that have multiple revenue streams, pediatric specialty providers like C4K rely almost entirely on drug reimbursement to cover the cost of care.
- 2. Maximum Fair Price (MFP) Often Falls Below Drug Acquisition Costs
 - Federal Medicare drug price negotiations have already resulted in Maximum Fair Prices (MFPs) that are lower than what providers pay to acquire essential medications.

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- If AB259 requires all payers in Nevada to align reimbursement with MFP pricing, it could make it financially unsustainable to continue offering certain life-saving therapies.
- Pediatric cancer centers cannot absorb continuous financial losses on chemotherapy, biologics, and gene therapies, which cost hundreds of thousands of dollars per patient per year.
- 3. Pediatric Cancer Patients Cannot Afford Treatment Delays or Restrictions
 - Pediatric cancer treatment is time-sensitive. Any disruption in care caused by drug access limitations or financial instability could have life-threatening consequences.
 - If AB259 limits access to critical therapies, children in Nevada may face:
 - o Delays in receiving essential treatment
 - Restricted access to high-cost medications
 - The need to travel out-of-state for care, increasing financial and emotional burdens on families

Children fighting cancer do not have time to wait for policy adjustments or pricing disputes—they need immediate access to uninterrupted, high-quality care.

- 4. Devastating Impact on Providers That Keep Patients Out of the Hospital
 - C4K's outpatient model is designed to keep pediatric cancer patients out of hospitals, where the cost of care is significantly higher.
 - If outpatient providers like C4K cannot afford to administer high-cost drugs, more children will be forced into hospital settings, leading to:
 - o Higher costs for Medicaid and insurers due to inpatient stays.
 - o Increased strain on Nevada's already limited pediatric hospital capacity.
 - Reduced quality of life for children and families who will experience greater disruptions in care.
 - Preventing cost-effective, community-based providers from offering high-cost infusion therapies will not save money—it will increase overall healthcare expenditures while making access to care more difficult.

AB259 Must Not Jeopardize Pediatric Cancer Care

C4K fully supports efforts to control excessive drug pricing and improve affordability. However, applying broad reimbursement caps to pediatric specialty care providers will jeopardize access to critical therapies for children with cancer and other rare diseases.

We strongly urge the committee to examine the unintended consequences of AB259 on pediatric cancer care and work toward a solution that ensures children in Nevada continue receiving the world-class treatment they need without disruption.

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Thank you for your time and consideration. We look forward to working with you to ensure that AB259 achieves its intended cost-saving goals without jeopardizing access to life-saving treatments for Nevada's most vulnerable children.

Thank you for your time and consideration.

Sincerely,

Annette Logan Parker

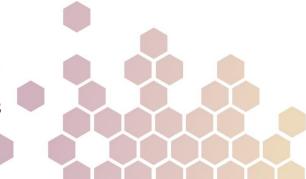
aunette Rogan Parken

Founder, Cure 4 The Kids Foundation

alogan@cure4thekids.org

CC: Assemblymember Venicia Considine

1 Breakthrough Way Las Vegas, NV 89135 (702) 732-1493 Cure4theKids.org





March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Subject: Strong Opposition to AB 259

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

On behalf of Cure 4 The Kids Foundation (C4K)—Nevada's only nonprofit pediatric cancer and rare disease treatment center—I am writing to express our strong opposition to Assembly Bill 259 (AB 259) due to its devastating impact on pediatric specialty care in our state.

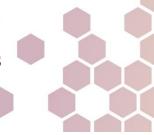
While we support efforts to reduce prescription drug costs, AB 259 does not achieve this goal for patients. Instead, it places price limitations on insurers with no guarantee that these savings will be passed on to consumers. Worse, if medications are not available at the state-prescribed price, this bill could reduce the availability of critical drugs, directly jeopardizing access to life-saving treatments for children battling cancer and rare diseases.

The decision to apply these pricing restrictions to all payers—not just Medicaid, which already reimburses below cost—would cripple providers' ability to remain in practice. Pediatric specialty centers like C4K, which rely heavily on drug reimbursement to sustain operations, would be forced to scale back services or even eliminate access to high-cost infusion therapies like chemotherapy, immunotherapy, and biologics.

Why AB 259 Poses a Dire Threat to Pediatric Cancer Patients

1. Medicaid Already Reimburses Below Cost for Many Cancer Treatments

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- C4K administers numerous life-saving medications at a financial loss because Medicaid reimburses below the actual acquisition cost for many cancer drugs.
- If AB 259 further reduces reimbursement across all payers, these financial losses will become unsustainable, forcing us to reevaluate whether we can continue offering certain critical therapies.
- Outpatient oncology and pediatric specialty centers like C4K rely heavily on drug reimbursement to cover the cost of care.

2. Maximum Fair Price (MFP) Often Falls Below Drug Acquisition Costs

- Federal Medicare drug price negotiations have already resulted in Maximum Fair Prices (MFPs) that are lower than what providers pay to acquire many essential medications.
- If AB 259 requires all payers in Nevada to align reimbursement with federally negotiated MFP pricing, it will make it financially unsustainable for C4K to continue administering high-cost cancer therapies.
- Pediatric cancer treatment is not profitable as it is. We cannot absorb continued financial losses on chemotherapy, biologics, and gene therapies—many of which cost hundreds of thousands of dollars per patient per year.

3. Pediatric Cancer Patients Cannot Afford Delays or Restrictions

- Childhood cancer is aggressive and time-sensitive. Any disruption in care caused by drug access limitations or financial instability would have life-threatening consequences.
- If AB 259 limits access to critical therapies, thousands of children in Nevada will face:
 - o Delays in receiving essential treatment, increasing the risk of relapse.
 - o Restricted access to high-cost medications, limiting treatment options.
 - o The need to travel out of state for care, placing an enormous financial and emotional burden on families- as well as costing the system hirer rates.
- Children fighting cancer do not have time to wait for policy adjustments or pricing disputes. They need immediate, uninterrupted access to medications.

4. AB 259 Will Force More Children Into Hospital Settings, Increasing Costs for Everyone

- C4K's outpatient model is designed to keep pediatric cancer patients out of hospitals, where care is significantly more expensive.
- If outpatient providers like C4K can no longer afford to administer high-cost infusion drugs, more children will be forced into hospital settings, leading to:
 - o Higher costs for Medicaid and private insurers due to unnecessary inpatient stays.

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- Increased strain on Nevada's already limited pediatric hospital capacity, creating delays for all children needing care.
- Reduced quality of life for families, who will experience greater disruptions in their child's treatment.
- Preventing cost-effective, community-based providers from offering high-cost infusion therapies will not save money—it will increase overall healthcare expenditures while making access to care more difficult.

AB 259 Must Not Jeopardize Pediatric Cancer Care

C4K fully supports efforts to lower excessive drug pricing and improve affordability. However, AB 259 does not achieve this goal—instead, it creates dangerous unintended consequences for children battling cancer and rare diseases.

We strongly urge the committee to reject AB 259.

AB 259 will force Nevada families to leave the state for care, disrupt access to life-saving treatments, and increase long-term healthcare costs—outcomes that directly contradict the intent of this bill.

We appreciate your time and consideration on this urgent matter. We welcome the opportunity to discuss solutions that would preserve access to pediatric specialty care while still achieving the cost-containment goals of AB 259.

For the sake of Nevada's children, this bill cannot move forward in its current form.

Sincerely,

Annette Logan Parker

anuthe Rogan Parker

Founder, Cure 4 The Kids Foundation

alogan@cure4thekids.org

CC: Assemblymember Venicia Considine

1 Breakthrough Way Las Vegas, NV 89135 (702) 732-1493





March 10, 2025

The Honorable Elaine Marzola Chair, Assembly Commerce and Labor Committee Nevada State Legislature Carson City, Nevada

Re: AB 259 (Oppose)

Dear Chair and Members of the Assembly Commerce and Labor Committee,

The Neuropathy Action Foundation (NAF), which is dedicated to ensuring neuropathy patients obtain the necessary resources and tools to access individualized treatment to improve their quality of life opposes AB 259. AB 259 seeks to set price controls on medications based on Medicare's Maximum Fair Price which will restrict patients' access to medicines and insert the State of Nevada into medical decision making that should be between the healthcare provider and the patient.

We know that when we set price controls on medications it threatens the research and development of new treatments and therapies that patients need to live healthy and productive lives. While we appreciate the intent of the legislation to lower costs of medications for patients, the State needs to be addressing reform measures that will help lower the cost that Nevadans pay for their medicines at the pharmacy counter such as:

- Making costs more predictable (deductibles, copays, coinsurance)
- Making copay assistance programs count toward a plan's out of pocket spending requirements
- Sharing negotiated savings that PBMs receive with patients
- Help patients understand how insurance companies and PBM's limit access to
 prescription medicines such as formulary and utilization management practices like prior
 authorization, step therapy, and non-medical switching to name a few.

AB 259 does none of these things to help reduce patient's out of pocket costs and instead imports government price setting that could actually reduce treatment options for patients with rare and chronic diseases.

We hope you will put patients first and reject AB 259. Should you have any questions please contact me at 877-512-7262.

Regards,

James D. Lee Public Affairs Chair





March 10, 2025

Chair Marzola and Members of the Assembly Committee on Commerce and Labor Nevada State Legislature Carson City, Nevada

My name is Lorren Sandt, Executive Director of the Caring Ambassadors Program. The Caring Ambassadors Program is a national nonprofit advocacy organization based in Oregon City, Oregon. Caring Ambassadors has empowered patients to be advocates for their health since 1997. We provide education, support, and advocacy for people living with chronic diseases, focusing on lung cancer and hepatitis C. We appreciate your intent to lower the prescription drug costs for patients in Nevada, but we oppose AB259.

There are many unknowns about how states will operationalize MFP/UPLs once established. These laws, which limit 'payment' rather than drug prices, raise challenges and unanswered questions that may lead to unanticipated impacts on plan benefit design and patient out-of-pocket costs across health insurance markets. A recent study by Avalere found, 'All payers interviewed noted that UPL drugs and competitors in the therapeutic class are likely to see increased utilization management (e.g., step therapy, prior authorization) should the UPL restructure new benefit designs.' Your support of an MFP/UPL may result in increased patient costs for prescription drugs, contrary to your intent.

Moreover, AB259 fails to consider the potential repercussions on local pharmacies and patients if they are unable to obtain the drugs at the MFP price. In fact, a January 2025 report from the National Community Pharmacists Association revealed that most independent pharmacists are contemplating not stocking one or more of the first 10 drugs listed in the Medicare Drug Price Negotiation Program. The report found that 32.8 percent of independent pharmacists "have already decided not to stock one or more of the drugs listed in the Medicare Drug Price Negotiation Program," an alarming 60.4 percent of independent pharmacists are 'considering not stocking one or more of those drugs. This high percentage underscores the widespread concern about the potential impact of AB259 on local pharmacies and patients.²

We believe AB259 is premature, considering we have yet to see the impact at the federal level on Medicare and patient access to critical medications. We urge you not to pass this legislation.

Thank you for your hard work protecting the citizens of Nevada.

Sincerely,

Lorren Sandt, Executive Director

 $^{1.\} https://avalere.com/insights/upper-payment-limits-on-drugs-could-alter-patient-access$

^{2.} https://www.3axisadvisors.com/projects/2025/1/30/unpacking-the-financial-impacts-of-medicare-drug-price-negotiation-analysis-on-pharmacy-cash-flows

From: Ellen Bordinhao

To: Assembly Commerce and Labor Exhibits

Subject: Oppose AB259

Date: Monday, March 10, 2025 6:37:30 PM

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March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Subject: Strong Opposition to AB 259 – A Threat to Pediatric Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a parent of a child who received treatment at Cure 4 The Kids Foundation, I strongly oppose AB 259 due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada.

This bill claims to lower drug costs, but instead, it only reduces what insurers pay, leaving providers to absorb the financial loss. Drug manufacturers will not lower their prices, meaning clinics may be forced to limit services, delay treatments, or stop offering critical therapies altogether.

Cure 4 The Kids is a nonprofit, not a large hospital system, and already relies on philanthropy to cover Medicaid's below-cost reimbursements. AB 259 extends these price caps to all payers, including private insurers who profit far more than any single provider. This would widen the financial gap, making it even harder to sustain life-saving treatments for children.

How AB 259 Puts Our Children at Risk:

- Treatment delays or discontinued therapies—Pediatric cancer is aggressive, and even small delays can cost lives.
- Families forced to seek care out of state—AB 259 will push specialty care out of Nevada
- No guaranteed savings for families—This bill benefits insurance companies, not patients.

AB 259 is the Wrong Solution

This bill does not control drug prices but instead shifts financial burdens onto providers, threatening access to life-saving care. I urge you to reject AB 259 and protect pediatric cancer treatment in Nevada. Thank you for your time.

Sincerely,

Ellen Bordinhao

Las Vegas, NV 89113

From: Suzanne Vincze

To: Assembly Commerce and Labor Exhibits

Subject: Strong opposition to AB 259

Date: Monday, March 10, 2025 9:06:58 PM

Attachments: Screen Shot 2022-10-03 at 11.02.12 AM.png

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March 10, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

As the founder of a non-profit supporting rare cancer research and as someone whose family has experienced both treating and losing a child to adolescent and young adult (AYA) cancer, I understand firsthand how crucial medication access is for all families in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers—specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like
 chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of
 access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.

• Fail to lower the actual cost of medications. The bill does nothing to regulate or reduce drug prices set by manufacturers—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

Having witnessed the challenges of accessing specialized cancer treatment for our child, I can attest to the critical importance of maintaining local access to these life-saving therapies. Further restricting provider reimbursement will only create additional barriers for families already facing the unimaginable stress of a serious illness.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada. The well-being of our most vulnerable citizens depends on your decision.

Sincerely,

Suzanne Vincze
Vice President
Max Vincze Foundation



MAXVFOUND.ORG

suzanne@maxvfound.org

From: <u>Doyne Pickett</u>

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 7:58:08 AM

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Doyne Pickett

Las Vegas, NV 89149

March 11, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor.

I am writing to express my strong opposition to AB 259, as it will have serious consequences for patients, healthcare providers, and access to essential medications across Nevada.

Rather than addressing the true cost of medications, this bill will make it even more difficult for patients to receive life-saving treatments such as chemotherapy, immunotherapy, and biologics. Nevada Medicaid already reimburses below the actual cost for many IV-administered drugs, and expanding these price limitations to all payers would create an unsustainable financial burden on providers—particularly outpatient oncology and rare disease centers.

If AB 259 is enacted, it will:

- Restrict access to life-saving treatments. Patients who rely on specialized medications could face delays, treatment denials, or even complete loss of access as providers struggle to afford offering these therapies under reduced reimbursements.
- Force providers to cut services or discontinue essential therapies. Many healthcare facilities already operate on narrow margins, and this bill would make it financially impossible for some to continue providing high-cost, critical treatments. Oncology and rare disease centers, in particular, may be forced to limit or eliminate key services.
- Create additional financial and logistical challenges for patients and their families. When local providers can no longer offer these treatments, patients will be forced to travel out of state for care—an added burden that increases costs, stress, and time away from work and school.

• Fail to lower actual drug costs. AB 259 does not regulate drug prices set by manufacturers
it simply reduces what insurers are required to pay. This shifts the financial burden onto
providers, forcing them to either absorb losses, cut services, or discontinue treatment option
—ultimately hurting the very patients this bill should be protecting.

For these reasons, I urge you to vote against AB 259 and prioritize policies that ensure continued access to critical care for Nevada patients.

Thank you for your time and consideration.

Sincerely,

Doyne Pickett

From: Joseph Garin

Sent: Monday, March 10, 2025 8:39 PM

To: Assembly Commerce and Labor Exhibits

Subject: Opposition to AB259

[You don't often get email from _____. Learn why this is important at https://protect.checkpoint.com/v2/r01/___https://aka.ms/LearnAboutSenderIdentification____.YzJ1Om5ldmFkYWxlZ2lzb GF0aXZlY291bnNlbGJ1cmVhdTpjOm86NjNjNmQ3M2I5ODg0NGRiOGVlNzA0MDU2YTRhODcxM2I6Nzo1NmJhOmQwODlj MzY4ZTBkODdiNGM1YWZmOTdlOTg4ZDUwNmVlZmNhZDE0MmJhZWUyYTEwYWU4MDRiMzUyZDNlMGYxZjE6cDpUOk4]

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

My child was diagnosed with cancer when she was 5. This journey as a parent with a child diagnosed with cancer is not something anyone signs up for. It's never expected and no child should ever have to suffer.

With prayer, a great spouse who gave up so much to provide constant care, great doctors and medicine, our daughter is in remission and has been for 7+ years. She's an amazing beautiful child and I count blessings every day.

Of course, a child with cancer suffers the most. For parents and family, in addition to the financial burden, there is an emotional burden which is indescribable.

The last thing a child with cancer and their family needs are struggling with choices between paying the rent or paying for medicine. Bankruptcy should never be the solution to buying unaffordable medicine to save your child.

Our child was treated at Cure 4 The Kids Foundation. I've learned about and I strongly oppose Assembly Bill 259 (AB 259) due to its harmful impact on pediatric cancer and rare disease care in Nevada. This bill jeopardizes access to life-saving medications by making it financially unsustainable for providers to offer them. While it claims to lower drug costs, it only reduces insurer payments, forcing providers to absorb losses. Clinics like Cure 4 The Kids, already reliant on philanthropy, cannot sustain this burden. Do you really need to put MORE money into the pockets of health insurers?

AB 259 risks making medications unavailable, delaying treatments, and forcing families to seek care out of state. It benefits insurers while leaving providers unable to maintain vital services, without lowering out-of-pocket costs for families. This bill threatens Nevada's specialty care infrastructure and the lives of vulnerable children.

You have to pick a side. Do you support kids and families or do you support health insurance companies. Do what's right. I urge you to reject AB 259 to protect access to pediatric cancer treatment in Nevada.

Thank you for your time and consideration.

Sincerely, Joseph Garin

Las Vegas, NV 89107

From: GinaGlass

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Monday, March 10, 2025 8:39:40 PM

Attachments: <u>image003.png</u>

Importance: High

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Georgene' Glass Las Vegas, NV 89156 ginaglass@dreamsicklekids.org 702-723-2286

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose **AB 259** due to the harm it will cause to patients like my daughter who lives with Sickle Cell Disease, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers
 already operate on thin margins, especially those treating cancer and rare diseases. If AB
 259 expands below-cost reimbursement across all payers, many providers will be unable
 to continue offering high-cost, life-sustaining treatments, leaving patients with fewer
 options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the

- outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.
- Fail to lower the actual cost of medications. The bill does not nothing to regulate or reduce drug prices set by manufacturers—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely, Georgene' Glass Las Vegas, NV

Georgene' Glass (She/her/hers)

Executive Director, Dreamsickle Kids Foundation, Inc

Phone: 702-SCD-2286 Email:

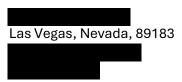
gin ag lass@dueams ickle kids .org 6895 E. Lake Me ad Blvd Suite 6

www.dremsicklekids.org





Holli Wilson



March 10, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Subject: Strong Opposition to AB 259 – A Threat to Access for Children with Rare Diseases

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a parent of a child with a rare disease and a resident of Nevada, I am writing to strongly oppose AB 259 due to its devastating impact on children with rare diseases, including my own child.

My son has been diagnosed with an extremely rare autoimmune disease that caused his immune system to attack his brain. Due to the rarity of his condition, he was misdiagnosed for several months, which led to a significant delay in receiving the proper treatment. Without the critical support of Cure 4 the Kids, a nonprofit organization specializing in rare diseases and other childhood illnesses, my son may have gone much longer without a correct diagnosis or access to the necessary therapies. He now relies on lifelong treatments like intravenous immunoglobulin (IVIG) therapy and ofatumumab to maintain a baseline of health and prevent life-threatening complications and relapses. Without these treatments, even a common cold could trigger the immune dysfunction, potentially leading to severe neurological damage or other life-threatening symptoms. The support from nonprofits has been invaluable in ensuring my son receives the care he needs, and without it, his health and survival would be at constant risk.

AB 259 Threatens My Child's Ability to Receive Essential Care

Everyone knows that Medicaid already reimburses providers at rates lower than the actual cost for many essential medications. Expanding these price caps to all payers—including private insurance—would make an already unsustainable situation even worse.

This bill claims to lower drug costs, but in reality, it only reduces what insurers pay, leaving healthcare providers to absorb the financial loss. Drug manufacturers are not lowering their prices, meaning clinics that administer high-cost infusions like IVIG, chemotherapies medications and

biological treatments may be forced to limit services, delay treatments, or stop offering these therapies altogether.

How AB 259 Puts Children Like Mine at Risk:

- Autoimmune disorders require consistent, uninterrupted treatment. If my child's infusions
 are delayed or denied, he is at high risk for relapses, hospitalizations, severe pain and
 permanent health complications.
- This bill does not lower out-of-pocket costs for families. Instead, it benefits insurance companies while making it harder for children with rare diseases to receive care.
- If Nevada providers can't afford to administer these treatments, families will have to travel out of state, placing huge financial and emotional burdens on parents already struggling to care for a medically fragile child.
- Hospitalizations will rise for children like mine whose treatments are interrupted. I would go
 as far as saying the cure and survival rates of some cancers and diseases will fall in Nevada
 due to lack of access to treatments and treatment centers.

AB 259 is the Wrong Solution

This bill does not regulate the actual price of medications, nor does it ensure that patients will see lower drug costs. It in no way solves the true problem which is the astronomical cost of life saving medications. Instead, it shifts the financial burden onto the very providers working to keep children like mine alive. It is a slap in the face to those that have dedicated their lives to helping children like mine find a way to have a wonderful life as a child living with a rare disease.

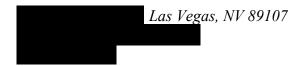
Expanding Medicaid-style price caps to all payers in Nevada would be a catastrophically devastating decision. Insurance companies will profit, while specialty providers that care for medically fragile children will be left to shoulder the cost—forcing reductions in services, delays in treatment, and the closure of specialty care programs that families depend on. Families like mine.

I urge you to reject AB 259 and protect access to essential treatments for children with autoimmune disorders, cancers and other rare diseases in Nevada. Our children's lives depend on it.

Thank you for your time and consideration.

Sincerely, Holli Wilson Las Vegas, Nevada, 89183

Monica L. Garin



March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Subject: Strong Opposition to AB 259 – A Threat to Our Children's Access to Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor:

As a parent of a child who received treatment at Cure 4 The Kids Foundation, I strongly oppose AB 259 due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada. I am writing to express my strong opposition to Assembly Bill 259 (AB 259) due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada.

Our daughter was diagnosed with kidney cancer (Wilms tumor) at the age of 5. Thanks to the prompt actions of her medical team and the life-saving medications she received, she is with us today. If any of her essential medications had been delayed, the cancer could have advanced further, heightening her already significant risk of long-term developmental issues and, tragically, potential death.

Our child, like many others, depended on *specialized, life-saving* medication, medications that AB 259 will jeopardize by making it financially impossible for providers to continue offering them. The bill claims to lower drug costs, but in reality, it only reduces what insurers have to pay, leaving providers absorbing the financial loss. Drug manufacturers are not suddenly going to lower their prices, which means clinics like Cure 4 The Kids will be forced to limit services, delay treatments, or stop offering certain therapies altogether.

C4K Already Relies on Philanthropy to Cover the Cost of Care

Cure 4 The Kids Foundation is not a large hospital system. C4K is a nonprofit solely dedicated to treating children with cancer and rare diseases. Unlike private insurance companies, which generate significant profits, C4K operates on thin margins and must rely heavily on philanthropy and donor support to cover the gap created by Medicaid's below-cost reimbursements.

AB 259 does not just apply to Medicaid—it seeks to extend these price restrictions to all payers, including private insurers that already profit far more than any single provider ever could. If implemented, this bill will further widen the financial gap for providers like C4K, making it even harder to sustain life-saving care for vulnerable children. Charitable funding is not limitless, and forcing a nonprofit pediatric provider to absorb financial losses, while private insurers continue to profit, is not a sustainable or ethical solution. This bill would cripple Nevada's specialty care infrastructure, leaving families with nowhere to turn for treatment.

How AB 259 Puts Our Children at Risk:

- Medications may become unavailable if providers cannot afford to administer them at state-mandated prices. Children with cancer cannot afford to wait for insurers and providers to resolve reimbursement disputes.
- Treatment delays could mean the difference between life and death. Pediatric cancer is aggressive and fast-moving, even small delays can drastically reduce survival rates.
- Hospitals will be overwhelmed, and families will be forced to seek care out of state. The
 very goal of Cure 4 The Kids Foundation is to provide specialized care in Nevada so
 families don't have to uproot their lives for treatment. AB 259 undermines that mission
 and will force families to travel to other states for care.
- This bill does nothing to lower out-of-pocket costs for families. Instead, it benefits insurance companies and payers while leaving healthcare providers unable to sustain vital services.

AB 259 is the Wrong Solution

This bill does not control the actual price of medications, nor does it ensure that patients will see lower drug costs. Instead, it shifts the financial burden to the very providers working tirelessly to keep our children alive.

I urge you to reject AB 259 and protect access to pediatric cancer treatment in Nevada. Our children's lives depend on it.

Thank you for your time and consideration.

Sincerely,

Monica L. Garin

M - C

Las Vegas, NV 89107



Applied Pharmacy Solutions

Strategies to Improve Pharmacy Systems and Enhance Patient Care

Dear Chairperson Marzola and Members of the Assembly Commerce and Labor Committee,

Applied Pharmacy Solutions(APS) respectfully opposes AB 259. While we acknowledge Assemblymember Considine's intention to reduce prescription costs in the state by introducing AB 259, we believe this legislation would have serious implications for medication access for Nevadans.

When an insured patient requires a prescription, their out-of-pocket cost is determined by their insurance company. Pharmacies neither set drug prices nor influence the reimbursement rates they receive from insurers. In fact, many times the insurance company establishes policies that actually FORBID pharmacy staff from discussing lower cost therapeutic options or even processing prescriptions for cheaper generic drugs where the patient/consumer would pay less than the actual copay assigned by the insurance company. AB 259 proposes to cap the maximum cost a Nevada resident pays for their medication, irrespective of the pharmacy's acquisition cost or the insurer's reimbursement rate. This price ceiling does not address the deleterious practices of the insurance industry who have monopoly power over community pharmacies who would ultimately have to eat the costs of higher drugs.

While insurance companies and pharmacy benefit managers (PBMs) negotiate with drug manufacturers, they are not required to pass on any savings to consumers. Implementing a state-imposed lower price would benefit insurers and PBMs, while pharmacies would bear the cost of the medication, even if it does not cover the actual cost of the drug due to the state's Maximum Fair Price. This could force pharmacies to discontinue carrying these drugs to avoid financial losses, thereby restricting or eliminating patients' access to essential medications and ultimately leading to poorer health outcomes. Poorer health outcomes are not only obviously undesired for patients, but ultimately leads to higher costs for health care down the road.

Smaller, locally owned pharmacies could face staff layoffs or even closure if they are reimbursed at rates lower than the cost of acquiring medication. This would render them unable to compete with larger chain pharmacies. Many rural areas in Nevada rely on locally owned pharmacies for their medications, making these closures particularly impactful on vulnerable communities. These sorts of things have been well documented in the scientific literature, i.e., in peer-reviewed literature/journals in pharmacy, business, and health policy.

While we understand the intent of this legislation is to lower drug costs for consumers, we believe it will inadvertently harm Nevadans rather than help them.

We urge you to vote NO on AB 259!

Sincerely,

Shane P. Desselle, RPh, PhD, FAPhA

Shape Denelle

President, Applied Pharmacy Solutions; Associate Dean for Research, Touro University

WEB SITE appliedpharmsolutions.com

March 10, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Subject: Strong Opposition to AB 259

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a former patient at Comprehensive Cancer Centers of Nevada, where I received a high-cost infusible enzyme drug that gave me back my mobility, and a Nevada resident, I am writing to express my strong opposition to Assembly Bill 259 (AB 259) due to the devastating impact it will have on infusion centers and cancer care across the state.

Fighting cancer or other rare condition is already one of the hardest battles a person can face. The last thing any patient should have to worry about is whether they will have access to life-saving treatments like chemotherapy, immunotherapy, or targeted therapies. AB 259 claims to lower drug costs, but instead, it imposes reimbursement caps on insurers, not drug manufacturers, with no guarantee that cost savings will be passed on to patients. Worse, if medications cannot be obtained at the state-mandated price, this bill could reduce availability, delay access to care, or force patients like me to seek treatment out of state.

When I needed an expensive medication, I was fortunate to receive the care I needed here in Nevada. But not every patient will have that opportunity if AB 259 passes. This bill puts infusion and oncology centers, including Comprehensive Cancer Centers of Nevada and other specialty providers, at risk of shutting down or reducing services—especially those that rely on fair drug reimbursement to sustain operations.

Why AB 259 Puts Patients at Risk:

- Oncology and infustion centers already struggle with low reimbursements for cancer treatments. If AB 259 further reduces reimbursement across Medicaid, private insurance, and employer-sponsored plans, it will force clinics to cut services or stop offering certain life-saving therapies entirely.
- If drug prices are set too low, pharmaceutical companies may pull medications from the market, leading to shortages and delays.

- Hospitals will be overwhelmed with patients who could have been treated in outpatient settings. AB 259 will drive up healthcare costs by shifting patients from cost-effective community clinics to expensive inpatient hospital care.
- Many patients will be forced to seek treatment out of state, putting enormous financial and emotional burdens on families who are already facing a devastating diagnosis.

AB 259 Must Not Jeopardize Care in Nevada

As a former patient, I know firsthand how critical it is to receive timely, uninterrupted care. AB 259, as written, will disrupt access to cancer treatments, increase costs, and force patients to seek care elsewhere.

I urge you to reject AB 259.

Thank you for your time and consideration. Please do not let this bill stand in the way of life-saving treatment for cancer patients in Nevada.

Sincerely,

John Henry Parker

From: <u>Cathy Boutsikakis</u>

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 8:24:21 AM

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Learn why this is important

Catherine Boutsikakis

Las Vegas, NV 89128

March 11, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications
 like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or
 complete loss of access as providers struggle to afford offering these treatments under
 reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare

diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.

- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.
- Fail to lower the actual cost of medications. The bill does nothing to regulate or reduce
 drug prices set by manufacturers—it only reduces what insurers are required to pay,
 forcing providers to absorb the financial loss. Providers will have to either cover the
 gap, cut services, or stop offering treatments altogether, making access to care even
 more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,

Catherine Boutsikakis

From: Ofelia G

To: Assembly Commerce and Labor Exhibits
Subject: STRONG OPPOSITION TO AB 259
Date: Tuesday, March 11, 2025 8:21:38 AM

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Learn why this is important

Reno, NV 89557

March 11, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

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Reduce access to life-saving treatments. Patients who rely on specialized medications
like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or
complete loss of access as providers struggle to afford offering these treatments under
reduced reimbursements.

- Force providers to limit services or stop offering essential therapies. Healthcare
 providers already operate on thin margins, especially those treating cancer and rare
 diseases. If AB 259 expands below-cost reimbursement across all payers, many
 providers will be unable to continue offering high-cost, life-sustaining treatments,
 leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.
- Fail to lower the actual cost of medications. The bill does not nothing to regulate or reduce drug prices set by manufacturers—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,
Ofelia Gentscheff, MA, MRC, CRC
[Reno, NV]

From: Mitch Truswell

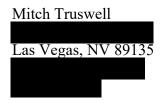
To: Assembly Commerce and Labor Exhibits

Subject: Strongly Oppose AB259

Date: Tuesday, March 11, 2025 8:32:17 AM

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The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to **strongly** oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada. Please consider how damaging this bill will be.

***This bill does not address the true cost of medications as intended *** and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare

diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.

- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.
- Fail to lower the actual cost of medications. **The bill does not nothing to regulate or reduce drug prices set by manufacturers**—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,

Mitch Truswell

Las Vegas, NV



State Advocates
Working Together
to Bridge the Gaps
in Chronic Care

March 11, 2025

Assembly Committee on Commerce and Labor
Legislative Building
401 S. Carson Street
Carson City, NV 89701
Submitted electronically via email: AsmCL@asm.state.nv.us

Letter of Opposition to Assembly Bill 259

Chair Marzola, Vice-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor:

Resulting from the Inflation Reduction Act of 2022 – the IRA – Medicare has negotiated with manufacturers the Maximum Fair Price (MFP) of the first 10 Part D drugs effective in 2026. Another fifteen are going through a similar process this year and in subsequent years more Part D drugs will carry the MFP designation.

AB 259 would mandate the MFP to sales of the price negotiated Part D drugs to the non-Medicare markets throughout Nevada. However, there is uncertainty that this price control effort will result in lowering out-of-pocket costs to non-Medicare Nevadans. Health Plans-PBMs set what a patient must pay at the counter and that is determined by a percentage of a drug's higher list price. The MFP does not lower the list price. Critically important to Nevada patients with chronic conditions or diseases is the certainty of medication access. Providers pay the price for a drug based on national figures, yet any reimbursement would reflect the reduced, price control figure. There is uncertainty that providers could afford to stock and sell drugs that cost them more to obtain than they would get paid. AB 259 fails to address these uncertainties.

Tom McCoy

Executive Director/State Government Affairs

Nevada Chronic Care Collaborative

10580 N. McCarran Blvd., 115-368

775-232-0194 tommccoy@nvchroniccare.org



The Nation's Advocacy Voice for In-Office Infusion

3307 Northland Dr, Ste 160 • Austin, TX 78731 www.infusioncenter.org • info@infusioncenter.org

Nevada Legislature
Assembly Commerce and Labor Committee
401 S. Carson Street, Room 4100
Carson City, NV 89701

March 12, 2025

Re: Concerns with AB 259

Dear Committee Members:

On behalf of the infusion providers we represent in your state, thank you for your service and commitment to the people of Nevada. As a nonprofit trade association that provides a national voice for non-hospital, community-based infusion providers, we ask you to please amend AB 259.

The National Infusion Center Association (NICA) is a nonprofit organization formed to support non-hospital, community-based infusion centers caring for patients in need of infused and injectable medications. To improve access to medical benefit drugs that treat complex, rare, and chronic diseases, we work to ensure that patients can access these drugs in high-quality, non-hospital care settings. NICA supports policies that improve drug affordability for beneficiaries, increase price transparency, reduce disparities in quality of care and safety across care settings, and enable care delivery in the highest-quality, lowest-cost setting.

Our organization writes to express concerns with AB 259, which would set reimbursement for certain drugs at Medicare's Maximum Fair Price (MFP). We applaud Nevada lawmakers for attempting to address drug costs for patients. However, we believe that not only would the MFP proposal of AB 259 fail to achieve this goal, it would also harm the very vulnerable groups it intends to serve, unless certain measures are taken to amend the law.

In practice, we believe this legislation would hinder patient access to life-saving medications by disrupting the delicate economics of medical benefit drug delivery and putting smaller, community providers that represent the lowest-cost care setting for these expensive medications out of business. Infusion providers typically acquire, administer, and bill for drugs



The Nation's Advocacy Voice for In-Office Infusion

3307 Northland Dr, Ste 160 • Austin, TX 78731 www.infusioncenter.org • info@infusioncenter.org

through a buy-and-bill model. Providers are reimbursed for the drug and provided a small payment for professional services that does not begin to cover the overhead of their business. To remain in business, infusion centers must rely on their drug payments to offset the incredible cost-reimbursement disparity on the professional services side. Drug payments are the economic lynchpin to offset practice expenses, including inventory management, staff salaries, and office space. AB 259's plan to disrupt drug reimbursement for infusion providers would force most of the state's community-based infusion centers to shutter their doors, forcing patients into more expensive hospital care settings or potentially ending their treatments.

AB 259 would establish a ceiling on the reimbursement for certain drugs in the state. The legislation would limit how much insurers in the state pay for a drug, but it would not change the actual cost of drug acquisition and administration. Though well-intended, this bill would harm infusion providers and their patients, leading to closures across the state.

NICA suggests that Nevada lawmakers explore other options or an amendment that would exempt infusion providers from the impact of this bill, essentially a provider carve-out. This would avoid disruptions to community-based care delivery and keep Nevada infusion centers in business. Thank you for your consideration. If I can provide any additional information, please do not hesitate to contact me.

Sincerely,

Brian Nyquist, MPH

President & CEO

National Infusion Center Association



Nevada Legislature Assembly Commerce and Labor Committee 401 S. Carson Street, Room 4100 Carson City, NV 89701

March 11th, 2025

Re: Concerns with AB 259

Dear Committee Members,

On behalf of the Infusion Access Foundation, I want to express our sincere gratitude for your ongoing service and dedication to the people of Nevada. As an organization committed to ensuring patients have access to the treatments they need, we are reaching out to ask for your support in amending AB 259 to protect patient access to affordable, life-saving infusion therapies.

The Infusion Access Foundation is a nonprofit advocacy organization dedicated to protecting access to infusions and injections. We support patients across all disease states and advocate for expanding access to the therapies that help patients live their best, healthiest lives. In conjunction with our grassroots advocacy work, we advocate for individual patients who face significant barriers to care.

We appreciate Nevada lawmakers' commitment to addressing the high cost of prescription drugs. However, as currently written, AB 259 would unintentionally create barriers for patients by disrupting the availability of infusion services across the state. Specifically, setting reimbursement rates for certain medications at Medicare's Maximum Fair Price (MFP) without considering the actual costs of acquiring and administering these drugs could force many community infusion centers to close, leaving patients with fewer options for care. Patients with conditions such as multiple sclerosis, rheumatoid arthritis, Crohn's disease, and primary immunodeficiencies require ongoing infusion treatments to manage their health. If community-based infusion centers are forced to close due to inadequate reimbursement, these patients will be left with no choice but to seek care in hospital settings, which are often less accessible and significantly more expensive. For many, this shift could lead to treatment delays, increased out-of-pocket costs, and even lapses in care, threatening their health and quality of life.



The reality is that this legislation does not lower the actual cost of acquiring and delivering infusion medications. Instead, it limits how much insurers will pay for them, which could render it financially unsustainable for providers to continue offering these treatments. The patients who rely on these therapies cannot afford to lose access due to unintended consequences of well-meaning policies. To protect patient access to infusion care, we respectfully urge lawmakers to amend AB 259 to include a carve-out for infusion providers. This adjustment would ensure that community-based infusion centers remain viable and continue serving Nevada patients who depend on them for their essential treatments.

We appreciate your dedication to improving healthcare in Nevada and urge you to consider the impact this bill could have on vulnerable patient populations. We welcome the opportunity to collaborate on solutions that reduce drug costs while preserving patient access to life-saving care. Please do not hesitate to reach out if we can provide additional information.

Sincerely.

Alicia Barron, LGSW

Executive Director

Infusion Access Foundation

From: Sophia Renteria

To: Assembly Commerce and Labor Exhibits

Subject: Help Protect Specialty Cancer Care – Oppose AB 259

Date: Tuesday, March 11, 2025 9:24:53 AM

Attachments: <u>image001.pnq</u>

image002.png image003.png image004.png image005.png image006.png AB259 Opposition.docx

You don't often get email from srenteria@cure4thekids.org. Learn why this is important

Good morning,

I am reaching out to ask for your urgent help in opposing Assembly Bill 259 (AB 259), a bill that poses a serious threat to pediatric cancer and rare disease care in Nevada.

AB 259 claims to lower drug costs, but in reality, it only reduces what insurers pay—leaving providers to absorb the financial loss. If this bill passes, critical treatments like chemotherapy, immunotherapy, and biologics could become unavailable because clinics like Cure 4 The Kids Foundation (C4K) will no longer be able to afford to administer them.

Please read my letter and I implore you to oppose AB259.

Thank you,



Sophia Renteria

Development and Special Events Coordinator

P: (702) 732-1493

M: +17028624801

Cure 4 The Kids Foundation

1 Breakthrough Way Las Vegas, NV 89135 https://cure4thekids.org



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Sophia Renteria

Henderson, NV 89012 srenteria@cure4thekids.org

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Subject: Strong Opposition to AB 259 – A Threat to Pediatric Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a dutiful employee and believer in the mission of Cure 4 The Kids Foundation, I strongly oppose AB 259 due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada.

This bill claims to lower drug costs, but instead, it only reduces what insurers pay, leaving providers to absorb the financial loss. Drug manufacturers will not lower their prices, meaning clinics may be forced to limit services, delay treatments, or stop offering critical therapies altogether.

Cure 4 The Kids is a nonprofit, not a large hospital system, and already relies on philanthropy to cover Medicaid's below-cost reimbursements. AB 259 extends these price caps to all payers, including private insurers who profit far more than any single provider. This would widen the financial gap, making it even harder to sustain life-saving treatments for children.

How AB 259 Puts Our Children at Risk:

- Treatment delays or discontinued therapies—Pediatric cancer is aggressive, and even small delays can cost lives.
- Families forced to seek care out of state—AB 259 will push specialty care out of Nevada.
- No guaranteed savings for families—This bill benefits insurance companies, not patients.

AB 259 is the Wrong Solution

This bill does not control drug prices but instead shifts financial burdens onto providers, threatening access to life-saving care. I urge you to reject AB 259 and protect pediatric cancer treatment in Nevada.

Sincerely,

Sophia Renteria

Henderson, NV 89012 srenteria@cure4thekids.org



March 11, 2025

Assembly Commerce and Labor Committee Chair, Assemblymember Elaine Marzola

RE: Opposition to AB259

The Nevada Society of Health-System Pharmacists represents the pharmacist and pharmacy technicians working in our hospitals and health-systems in Nevada. We are writing in opposition of AB259.

Although we appreciate and share Assemblymember Considine's desire to lower drug costs to our patients, we have concerns that this particular legislation will conversely lead to a decrease in access to medications to Nevada patients.

AB259 attempts to extend Maximum Fair Price (MFP) negotiated by Medicare to all patients in our State. It sounds like a simple solution to drug pricing. Unfortunately, the language of the bill does not consider the complexities of the pharmaceutical supply chain. All of the large pharmaceutical wholesalers are outside of the borders of our State and are unlikely to offer price reduction on their products in warehouses in California, for example. Pharmacies would be forced to buy drugs at Wholesale Acquisition Cost (WAC) and sell them for MFP plus a dispensing fee. This would put pharmacies in a position to lose money on every transaction for these drugs or simply not offer them for sale. Either way, this unintended consequence of the proposed legislation is bad for Nevada pharmacies and bad for our patients.

Unlike the federal legislation and rules around Medicare Price Negotiation, AB259 is silent on how to treat prescription transactions that would be eligible for the 340B Drug Pricing Program. Extending MFP to all Nevada patients undercuts the benefits of this program to all of the safety net providers in our State and threatens to decrease access to care to our most vulnerable patients.

While well intentioned, AB259 is bad policy and will only lead to negative outcomes if passed. NVSHP would urge the Committee to vote NO on AB259.

Regards,

Adam Porath, PharmD, BCACP, BCPS, CPEL, FASHP

Director at Large, Legislation

Nevada Society of Health-System Pharmacists



March 11, 2025

Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted electronically to AsmCL@asm.state.nv.us

Dear Chair Marzola, Vice Chair Jauregui, and Members of the Committee:

I write to you today as the Executive Director of A+J Patient Advocacy in opposition of Assembly Bill 259. As a Board Certified Patient Advocate, and also the mother of two teenagers with lifelong conditions, I am keenly aware of the financial burdens Nevadans are facing in accessing medical and pharmaceutical care. While actions are absolutely needed to address the rising costs of prescription drugs, I believe AB259 does not address the root cause of high costs and widens the access gap for all patients.

At present, Nevada Medicaid reimburses below the actual cost for many IV-administered medications, like chemotherapy, immunotherapy, and biologics. Expanding price limits to all payers will create an unsustainable situation for providers, ultimately limiting access for patients. Although likely unintended, AB259 creates grave consequences for children and adolescents going through cancer and rare disease treatment.

AB259 does not regulate or reduce drug prices set by manufacturers, it only reduces what insurers are required to pay. Providers will have to either cover the difference, cut services, or stop offering treatments altogether. When local providers can no longer afford to offer essential therapies, patients will be forced to travel out of state, increasing their financial burden, emotional stress, and time away from school, work, and family.

I urge you to oppose AB259 for the benefit of all Nevadans and especially our most vulnerable children. Thank you for your consideration.

Sincerely,

Rebeka Gcosta

Rebeka Acosta, BCPA, CCHW Executive Director

2345 Via Inspirada #100-299 • Henderson NV 89044 • 702-425-1503 • heart4advocacy.org

Mrs. Summer Webb

Las Vega, NV 89148 summer@aetrust.com

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Subject: Strong Opposition to AB 259 – A Threat to Access for Children with Rare Diseases

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a parent of a child with Pompe diseases and a resident of Nevada, I am writing to strongly oppose AB 259 due to its devastating impact on access to life-saving treatments for children with rare diseases.

My child has Pompe disease, a progressive, life-threatening condition that requires enzyme replacement therapy (ERT) to manage symptoms and slow disease progression. Without this treatment, my child faces severe muscle weakness, respiratory failure, and a drastically shortened life expectancy. Regular infusions are essential for survival, and any delay or disruption in access could have life-altering consequences.

AB 259 Threatens My Child's Ability to Receive Essential Care

This bill claims to lower drug costs, but instead, it only reduces what insurers pay, leaving healthcare providers to absorb the financial loss. Drug manufacturers are not going to lower their prices, meaning clinics that administer high-cost infusions like ERT may be forced to limit services, delay treatments, or stop offering these therapies altogether.

How AB 259 Puts Children Like Mine at Risk:

- Pompe disease is progressive—delays in treatment mean irreversible damage. If AB 259 makes it harder for providers to offer ERT, children like mine will face permanent loss of mobility, organ failure, and a shorter life expectancy.
- This bill does nothing to lower out-of-pocket costs for families. Instead, it benefits insurance companies, while making it harder for children with rare diseases to receive care.
- Families may have to leave Nevada to find care. This bill will push rare disease specialty care out of the state, forcing families to bear the emotional and financial burden of traveling long distances for life-saving treatment.

AB 259 is the Wrong Solution

This bill does not control the actual price of medications, nor does it ensure that patients will see lower drug costs. Instead, it shifts the financial burden onto the providers who are fighting to keep children like mine alive.

I urge you to reject AB 259 and protect access to essential treatments for children with rare diseases in Nevada. Our children's lives depend on it.

Thank you for your time and consideration.

Sincerely, Mrs. Summer Webb

Las Vegas, NV 89148 summer@aetrust.com

Sue Waltermeyer, MA, CCLS

Las Vegas, NV. 89149

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Subject: Strong Opposition to AB 259 – A Threat to Our Children's Access to Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a concerned parent of a child receiving treatment at Cure 4 The Kids Foundation, I am writing to express my strong opposition to Assembly Bill 259 (AB 259) due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada.

My child, like many others, depends on specialized, life-saving medications—medications that AB 259 will jeopardize by making it financially impossible for providers to continue offering them. The bill claims to lower drug costs, but it only reduces what insurers have to pay, leaving providers absorbing the financial loss. Drug manufacturers are not suddenly going to lower their prices, which means clinics like Cure 4 The Kids will be forced to limit services, delay treatments, or stop offering certain therapies altogether.

C4K Already Relies on Philanthropy to Cover the Cost of Care

Cure 4 The Kids Foundation is not a large hospital system—it is a nonprofit solely dedicated to treating children with cancer and rare diseases. Unlike private insurance companies, which generate significant profits, C4K operates on thin margins and must rely heavily on philanthropy and donor support to cover the gap created by Medicaid's below-cost reimbursements.

AB 259 does not just apply to Medicaid—it seeks to extend these price restrictions to all payers, including private insurers that already profit far more than any single provider ever could. If

implemented, this bill will further widen the financial gap for providers like C4K, making it even harder to sustain life-saving care for vulnerable children. Charitable funding is not limitless, and forcing a nonprofit pediatric provider to absorb financial losses—while private insurers continue to profit—is not a sustainable or ethical solution. This bill would cripple Nevada's specialty care infrastructure, leaving families with nowhere to turn for treatment.

How AB 259 Puts Our Children at Risk:

- Medications may become unavailable if providers cannot afford to administer them at state-mandated prices. Children with cancer cannot afford to wait for insurers and providers to resolve reimbursement disputes.
- Treatment delays could mean the difference between life and death. Pediatric cancer is aggressive and fast-moving—even small delays can drastically reduce survival rates.
- Hospitals will be overwhelmed, and families will be forced to seek care out of state. The
 very goal of Cure 4 The Kids is to provide specialized care in Nevada so families don't
 have to uproot their lives for treatment. AB 259 undermines that mission and will force
 families to travel to other states for care.
- This bill does nothing to lower out-of-pocket costs for families. Instead, it benefits insurance companies and payers while leaving healthcare providers unable to sustain vital services.

AB 259 is the Wrong Solution

This bill does not control the actual price of medications, nor does it ensure that patients will see lower drug costs. Instead, it shifts the financial burden to the very providers working tirelessly to keep our children alive.

I urge you to reject AB 259 and protect access to pediatric cancer treatment in Nevada. Our children's lives depend on it.

Thank you for your time and consideration.

Sincerely,

Sue Waltermeyer, MA, CCLS

SWalterny_

Las Vegas, NV. 89149

Bruce Waltermeyer

Las Vegas, NV. 89149

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Subject: Strong Opposition to AB 259 – A Threat to Pediatric Care

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a parent of a child who received treatment at Cure 4 The Kids Foundation, I strongly oppose AB 259 due to the devastating impact it will have on pediatric cancer and rare disease care in Nevada.

This bill claims to lower drug costs, but instead, it only reduces what insurers pay, leaving providers to absorb the financial loss. Drug manufacturers will not lower their prices, meaning clinics may be forced to limit services, delay treatments, or stop offering critical therapies altogether.

Cure 4 The Kids is a nonprofit, not a large hospital system, and already relies on philanthropy to cover Medicaid's below-cost reimbursements. AB 259 extends these price caps to all payers, including private insurers who profit far more than any single provider. This would widen the financial gap, making it even harder to sustain life-saving treatments for children.

How AB 259 Puts Our Children at Risk:

• Treatment delays or discontinued therapies—Pediatric cancer is aggressive, and even small delays can cost lives.

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- Families forced to seek care out of state—AB 259 will push specialty care out of Nevada.
- No guaranteed savings for families—This bill benefits insurance companies, not patients.

AB 259 is the Wrong Solution

This bill does not control drug prices but instead shifts financial burdens onto providers, threatening access to life-saving care. I urge you to reject AB 259 and protect pediatric cancer treatment in Nevada.

Sincerely,

ower

Bruce Waltermeyer

Las Vegas, NV. 89149

From: Abra Yeh

To: Assembly Commerce and Labor Exhibits

Cc: <u>team@ferrarireeder.com</u>

Subject: Nevada AB259

Date: Tuesday, March 11, 2025 9:59:32 AM

Attachments: 2025 Gilead Letter Opposing NV AB259 March 11.pdf

You don't often get email from abra.yeh@gilead.com. Learn why this is important

Dear Assemblymember Marzola,

Thank you for the opportunity to provide input on AB259.

Gilead Sciences, Inc. (Gilead) is submitting the attached letter opposing AB259, which prohibits purchases or reimbursement for a drug at a price higher than the "maximum fair price" (MFP) set by the U.S. Secretary of Health and Human Services. Gilead is a research-based biopharmaceutical company that discovers, develops, and commercializes innovative medicines in areas of unmet medical need. Our medicines include pre-exposure prophylaxis (PrEP) and treatments for HIV/AIDS, liver diseases, cancer, and inflammatory diseases. Gilead is committed to ensuring that people have affordable access to our medicines.

Please see our attached letter for further detail. If you have any questions about our feedback, please do not hesitate to contact us.

Sincerely,

Abra Yeh | Government Affairs | www.gilead.com



SUBMITTED ELECTRONICALLY

March 11, 2025

Assemblymember Elaine H. Marzola Assembly Committee on Commerce and Labor Nevada Legislature 401 S. Carson Street Carson City, NV 89701

Re: NV AB259

Dear Assemblymember Marzola:

Gilead Sciences, Inc. (Gilead) is submitting this letter opposing AB259, which prohibits purchases or reimbursement for a drug at a price higher than the "maximum fair price" (MFP) set by the U.S. Secretary of Health and Human Services. We understand that this bill may be further amended to include other price setting proposals. Gilead is concerned that government price setting will increase barriers to patient access, reduce incentives for future innovation, and may lead to greater taxpayer costs for Nevadans. Gilead is a research-based biopharmaceutical company that discovers, develops, and commercializes innovative medicines in areas of unmet medical need. Our medicines include pre-exposure prophylaxis (PrEP) and treatments for HIV/AIDS, liver diseases, cancer, and inflammatory diseases. Gilead is committed to ensuring that people have affordable access to our medicines.

While the state intends to improve patient access to drugs by referencing the federal MFP, the opposite is likely to happen. Government price setting has been shown to adversely impact patient access to lifesaving medicines.¹ One reason is the impact that price setting can have on the pharmaceutical distribution system. By reducing reimbursement for products subject to an MFP in the state, AB259 may create insurmountable access barriers for patients as pharmacies may not stock the drug or close altogether.² Patient access to their treatment also relies on insurance plans that offer affordable cost-sharing requirements and formularies that include the patient's medicine, neither of which are addressed in AB259.³ In response to government price setting, insurance plans

www.gilead.com

¹ U.S. Chamber of Commerce, Global Innovation Policy Center. 2024 Patient Access Report.

² National Community Pharmacists Association. Independent Pharmacies Reluctant to Stock Drugs in Medicare Negotiation Program. October 2024.

³ Avalere and the Partnership to Fight Chronic Disease. Health Plans Predict: Implementing Upper Payment Limits May Alter Formularies and Benefit Design but Won't Reduce Patient Costs.

may restrict or deny formulary coverage of drugs subject to a ceiling price like MFN, further reducing choice for patients.

By referencing the MFP set by CMS, AB259 would exacerbate the disincentives created by CMS's program for developing innovative medicines, particularly small molecule treatments that are first subject to federal price setting. For example, extending the MFP from Medicare to other payers could disincentivize research to develop novel HIV treatment, prevention, and curative medicines, all of which could especially benefit communities in Nevada. As of 2022, there were 11,750 Nevadans living with HIV, with a new diagnosis rate of 20 cases per 100,000 people, which far exceeds the United States' overall rate of 13 per 100,000 people. As 2021 study projected that from 2021-2035, price setting policies for HIV/AIDS medicines would lead to an estimated 22.0% decline in HIV R&D investment and 537 to 551 fewer HIV/AIDS clinical trials. The goal of HIV R&D is to address critical unmet patient needs, which will ultimately contribute to ending the HIV epidemic. However, by extending MFP prices in the state, Nevada could harm this type of innovation as well as other discoveries that are important steps on the path toward an ultimate cure for HIV.

Finally, in the five years that several states have pursued government price setting in the form of upper payment limits, an approach akin to AB259, they have spent millions of taxpayer dollars on bureaucracy yet have failed to achieve any savings or identify how such price setting would relieve patients' cost burdens. Instead, independent analysis shows that price setting could increase costs to the state by as much as 1%, 7 in addition to harming patient access to their medications. 8

* * *

If you have any questions about our feedback, please do not hesitate to contact us.

Sincerely,

India P Valentine
India P Valentine (Mar 11, 2025 12:43 EDT)

India Valentine Vice President, State Government Affairs Government Affairs Gilead Sciences, Inc. KIN

Rekha Ramesh Vice President, U.S. Policy Government Affairs Gilead Sciences, Inc.

www.gilead.com

⁴ AIDSVu Location Profiles, Nevada Overview, 2022.

⁵ Cencora. The Inflation Reduction Act and its implications for intellectual property incentives to develop drugs for select populations. February 2025.

⁶ Charles River Associates. Assessing the Implications of Centralized Drug Price Setting to Investment in Clinical Development for HIV Treatments. December 2021.

⁷ ●regon Health Authority analysis, Presented ●ctober 2024.

⁸ Constituent Group Engagement Report, Prepared by Myers and Stauffer LC to the State of ●regon Dept. of Consumer and Business Services, Division of Financial Regulation, August 2024.

From: Scott Rosenzweig

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 10:37:53 AM

Attachments: <u>image001.pnq</u>

image002.pnq image003.pnq image004.pnq image005.pnq image006.pnq image007.pnq image008.pnq

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March 11, 2025
The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare
 providers already operate on thin margins, especially those treating cancer and rare
 diseases. If AB 259 expands below-cost reimbursement across all payers, many
 providers will be unable to continue offering high-cost, life-sustaining treatments,
 leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment,

- increasing financial strain, emotional stress, and time away from work and school.
- Fail to lower the actual cost of medications. The bill does not nothing to regulate or reduce drug prices set by manufacturers—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely, Scott Rosenzweig Las Vegas, NV



Scott Rosenzweig (he/him)

President & CEO

Office: 702.212.9474 | Direct: 702-479-2998

Mobile: 702-466-0830 scottr@nv.wish.org Make-A-Wish® Nevada 9950 Covington Cross Drive Las Vegas, NV 89144















March 11, 2025

Assemblywoman Elaine Marzola, Chair Assembly Committee on Commerce and Labor Room 4108, Legislative Building 401 South Carson Street Carson City, NV 89101

Dear Chair Marzola and Members of the Assembly Committee on Commerce and Labor,

The Nevada Oncology Society (NOS) and the Association for Clinical Oncology (ASCO) are committed to supporting policies that reduce cost while preserving access to quality cancer care. However, we are concerned that AB 259, if passed as written, would jeopardize access to necessary care for Nevada patients with cancer. We appreciate your commitment to lowering costs and would like to work with you on the best path forward for patients who face this lifethreatening disease.

NOS is a powerful community of oncologists, nurse practitioners, physician assistants, and other allied health professionals who provide a voice for multidisciplinary cancer care teams and the patients they serve. NOS' mission is to identify and improve oncology practice issues that adversely affect patient access to cancer care. ASCO is an organization representing physicians who care for people with cancer. With more than 50,000 members, our core mission is to ensure that cancer patients have meaningful access to high quality cancer care.

Life-saving treatments for cancer often include use of high-cost drugs, the very ones targeted by AB 259. Oncologists do not set or control drug prices; they offer their patients the most appropriate, evidence-based treatment that will ensure the best outcome for an individual cancer patient and their specific disease.

We are concerned that over time, a maximum fair price as proposed could impact access to care. It is our understanding that under this legislation, physician practices will be reimbursed the maximum fair price of the drug, with no reimbursement to cover the significant costs associated with drug treatments in physicians' offices, including the cost of procuring, storing, preparing, and handling the drugs. We recommend that the bill include an add on payment to help offset the actual costs incurred for procuring, storing, preparing, and handling highly toxic agents. This would be in line with the Medicare add on payment for Part B drugs. We urge you to consider including this provision in AB 259.

ASCO and NOS are concerned that the maximum fair price language as written in AB 259 will have a harmful impact on cancer practices in Nevada and the patients they treat, and we urge to you amend the bill to include the same protections for practices that exist for Medicare Part B drugs. For a more detailed understanding of our recommendations on this issue, we invite you to read the <u>ASCO Position Statement on Addressing the Affordability of Cancer Drugs</u>. If you have questions or would like assistance on any issue involving the care of individuals with cancer, please contact Sarah Lanford at <u>Sarah.Lanford@asco.org</u>.

Sincerely,

Max J. Coppes, MD, PhD, MBA President Nevada Oncology Society Eric P. Winer, MD, FASCO Chair of the Board Association for Clinical Oncology 27 West Morten Avenue Phoenix, AZ 85021-7246

phone (602) 618-0183 · fax (602) 926-8109 programs@askican.org · askican.org

3944 Pine Avenue Long Beach, CA 90807 phone (562) 427-5561

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March 11, 2025

The Honorable Elaine Marzola Chair Commerce and Labor Committee Nevada State Assembly, Office 4108 401 S. Carson Street Carson City, Nevada, 89701

Re: Urging Opposition to AB 259—Establishes Provisions Governing Prescription Drugs

Dear Chair Marzola and Members of the Commerce and Labor Committee,

We are writing in strong opposition to AB 259 that would effectively establish price controls on prescription drugs.

We wish to provide input from a critically important perspective: that of the thousands of patients we serve who deal with these issues every day, and for whom this is not a matter of profits or politics, but a matter of life and death.

Founded in 1996, ICAN, International Cancer Advocacy Network, is a Phoenix-based 501(c)(3) non-profit that has helped more than 19,000 Stage IV metastatic cancer patients in all 50 states—including many in Nevada—and in 82 countries to date. We work every day to secure the most effective drugs and treatments for our patients.

Our patients span the racial and ethnic spectrum from each and every community across the country and around the world. They also span the political spectrum from far left to far right, the economic spectrum from generational poverty to considerable affluence, the geographic spectrum from rural isolation to urban congestion, and the social spectrum from facing Stage IV cancer entirely alone to being supported by an extensive network of family and friends.

Despite these differences, there is remarkable unity among all Stage IV patients on the need to preserve, protect, and enhance our drug discovery pipeline. The key with cancer, as with so many other diseases, is to stay one step ahead of the disease. When a drug begins to lose its effectiveness on a patient, a new drug becomes available. Then another, and another. We have hundreds of patients who have died of old age, rather than cancer, because the science stayed ahead of their disease for 10 to 20 years, all while allowing them a high quality of life.

All of this progress is due to the advances in the drug discovery pipeline over the 29 years that we have been serving Stage IV cancer patients. Treatments today are more effective, more targeted to the cancer subtype, better tolerated, and sooner prescribed due to advances in testing. Each year the situation for Stage IV cancer patients improves.

We therefore assess each public policy issue with two standards in mind—the present and the future:

- 1) <u>The Present</u>: does the proposed policy increase or decrease access to life-extending and life-saving treatments that are available now?
- 2) <u>The Future</u>: will the proposed policy increase or decrease the drug discovery pipeline and thus increase or decrease choices available to patients down the road? This applies both to patients currently battling cancer—who will still be alive thanks to the drug discovery pipeline—as well as the millions of patients who will be diagnosed and fight cancer in the years to come.

Although we work closely with biopharmaceutical companies to secure drugs for our patients, enroll patients in clinical trials, and get compassionate use requests approved, our loyalty is to our patients and only to our patients. Thus, we support biosimilars if biosimilars will increase access and choice for patients, even if the manufacturers of the original biologics might be hurt by the introduction of a biosimilar. We support generics. We support increases in research funding even though it is likely that the success of new drugs will have negative and disruptive effects on one or more companies.

In short, we support competition and policies that protect and develop the drug discovery pipeline as that pipeline is the key to the survival of Stage IV cancer patients.

To answer the first question above, will AB 259 increase or decrease access to life-extending and life-saving treatments that are available now? The answer is clear: it is almost certain to reduce access based on the experience that other countries have had after setting price controls on prescription drugs.

To answer the second question, will price controls increase or decrease the drug discovery pipeline and thus increase or decrease choices available to future patients? The answer is also clear: it will reduce the drug discovery pipeline and thus reduce the choices available to future patients—a category that is likely to include many of those considering AB 259, and a category that is certain to include the families and friends of those considering AB 259.

ICAN has direct experience helping patients in Canada and almost every European country. Although the healthcare systems in many of these countries have admirable features, Canadians and their European counterparts wait longer to have access to new life-extending and life-saving drugs, and they have fewer choices because so many drugs are simply not approved (or approved in such a restricted manner as to be unavailable to many of the patients who need the drug).

Additionally, the Canadian pricing system, and that of many European countries, is ultimately based (whether this is explicitly admitted, or not) on using the concept of "Quality-Adjusted-Life-Years" (QALY). QALYs have been found to discriminate against cancer patients, those fighting other lethal diseases, people with disabilities in general, and senior citizens. *QALYs simply regard the lives of some people as being worth less than those of other people.*

There are several excellent ways to reduce the drug prices that American patients currently pay. We wish to briefly emphasize the following reforms because they meet our two standards when we assess policy: each of these reforms will increase access and affordability for patients now and in the future without negatively affecting the drug discovery pipeline.

1) <u>PBM Reform</u>: Everyone knows the statistics about Pharmacy Benefit Managers (PBMs). Today, three PBMs – CVS Caremark, Express Scripts, and OptumRx – control more than 80% of the prescription drug marketplace. They negatively affect patient care in the prices charged, and interfere with the physician-patient relationship. There is a clear, deep, bipartisan consensus on the need for PBM reform.

To lower drug prices for American patients, PBM reform needs to be passed into law.

2) <u>340B Reform</u>: The *New York Times* expose, "How a Hospital Chain Used a Poor Neighborhood to Turn Huge Profits" (https://www.nytimes.com/2022/09/24/health/bon-secours-mercy-health-profit-poor-neighborhood.html), illustrates what is wrong and what desperately needs to be reformed in the 340B program. Here is a perfect example of where abuse and misuse of the 340B program is not only raising drug prices for everyone, but where the intended beneficiaries of the program—uninsured and low income patients—are not receiving the discounts on drugs that they are entitled to, and where others who are not entitled are receiving those benefits.

To lower drug prices for American patients, 340B reform needs to be passed into law.

3) <u>Transparency</u>: As with PBM and 340B reform, a key issue is transparency throughout the drug supply chain. Transparency will highlight where the problems are, and where cost-sharing is being off-loaded from insurers, PBMs, and others, to patients.

To lower drug prices for American patients, more needs to be done to ensure transparency throughout the drug supply chain.

In addition to the immediate, tangible cost-savings from the three measures above (as well as many others that could be mentioned such as better use of generics), <u>drug discovery ultimately lowers costs</u> for the overall healthcare system. <u>It does this through lessening of symptoms, avoiding expensive procedures or surgery, reducing or eliminating hospitalizations, and by curing disease</u>.

Chair Marzola, we urge you and the members of the Assembly Commerce and Labor Committee to work on these and other measures to lower the cost of drugs while preserving the current drug discovery pipeline. Then, once implemented, the issue of drug prices should be considered both in context, and with the fundamental goal of preserving and accelerating the future drug discovery pipeline.

Please do not hesitate to contact me at marcia@askican.org or (602) 513-9217 if you need any additional information.

Thank you for your consideration.

Respectfully submitted,

Marcia K. Horn

Marcia K. Horn, JD President and CEO ICAN, International Cancer Advocacy Network 27 West Morten Avenue Phoenix, AZ 85021-7246

(602) 618-0183 marcia@askican.org https://askican.org From: Amber Williams

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 12:04:47 PM

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March 10, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a Nevada resident and concerned constituent, I am writing to strongly oppose AB 259, a bill that claims to lower drug costs but in reality, will only reduce expenses for insurance companies and payers—leaving providers holding the bag and forcing patients to bear the consequences.

While I support efforts to make prescription drugs more affordable, AB 259 does not guarantee cost savings for patients. Instead, it imposes reimbursement caps on insurers, reducing what they pay for medications, without requiring these savings to be passed down to the individuals who need them most. Meanwhile, providers are forced to absorb the financial loss, which will make it impossible for specialty clinics and cancer centers to afford the life-saving therapies that patients rely on.

How AB 259 Hurts Patients and Providers While Protecting Insurance Companies

- This bill does nothing to control the actual price of medications—it only limits what insurers have to pay. If drug manufacturers do not lower their prices, providers will be forced to choose between offering essential treatments at a financial loss or discontinuing them altogether.
- If Nevada imposes price caps that fall below actual drug acquisition costs, many medications will become unavailable. Patients will face delays, treatment disruptions, and fewer options for care.
- Hospitals will become overwhelmed as patients who could have been treated in outpatient settings are pushed into emergency rooms and inpatient care, driving up costs for the entire healthcare system.
- Families may be forced to travel out of state for treatment, placing an enormous emotional and financial burden on those already dealing with serious medical

conditions.

• Ultimately, this bill will lower costs for insurance companies while shifting the financial burden onto doctors, cancer centers, and specialty providers—many of whom will not be able to absorb the loss and continue to operate.

AB 259 is the Wrong Approach to Drug Pricing Reform

Instead of reducing out-of-pocket costs for patients, AB 259 primarily benefits insurance companies and payers while making it financially unsustainable for providers to continue offering chemotherapy, immunotherapy, biologics, and other high-cost treatments. Drug manufacturers are not suddenly going to lower their prices, meaning the financial burden will fall entirely on providers, forcing many to limit services or stop offering certain treatments altogether. The result? Reduced access to care, treatment delays, and an even greater strain on Nevada's already overburdened healthcare system—ultimately harming the very patients this bill is intended to help.

I urge you to reject AB 259 and consider alternative solutions that target pharmaceutical pricing at the manufacturer level, rather than placing the financial burden on the providers who are saving lives every day.

Thank you for your time and consideration. As a Nevada resident, I strongly urge you to oppose AB 259 to protect patients, preserve specialty care providers, and ensure that all Nevadans continue to have access to life-saving treatments.

Sincerely,

Amber Williams

Las Vegas, NV 89183

From: <u>James Felsing</u>

To: Assembly Commerce and Labor Exhibits
Subject: Strong Oppositions to AB 259
Date: Tuesday, March 11, 2025 12:39:36 PM

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James Felsing

Las Vegas NV, 89149

3/11/2025

The Honorable Members of the Nevada State Assembly

Legislative Building 401 S. Carson Street Carson City, NV 89701

Subject: Strong Opposition to Assembly Bill No. 259

Dear Assembly Member Considine and Members of the Nevada Legislature,

I am writing to express my strong opposition to Assembly Bill No. 259, a misguided piece of legislation that will ultimately benefit large commercial pharmaceutical corporations while harming Nevada's independent healthcare providers and patients. Rather than ensuring fair drug pricing, this bill will consolidate power among a handful of massive pharmaceutical companies, eliminate competition, and make it increasingly difficult for some doctors to continue practicing in our state.

AB 259 creates an artificial price ceiling that, rather than helping patients, will allow major pharmaceutical companies to dictate availability and access to critical medications. Large corporations with massive resources will absorb any financial impact and use their market power to dominate the industry, while smaller drug manufacturers and independent providers will be forced out. This will decrease competition, limit treatment options for Nevadans, and ultimately drive up costs elsewhere in the healthcare system.

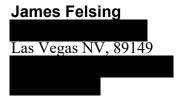
Furthermore, this bill places an unfair and unnecessary burden on physicians, particularly those in specialized fields, who rely on access to a full range of treatments for their patients. By imposing restrictive pricing and reimbursement policies, AB 259 will make it financially unfeasible for some doctors to practice in Nevada. This will lead to a dangerous exodus of skilled physicians, forcing patients to seek care out of state or, worse, go without necessary treatment. In a time when Nevada is already facing a shortage of healthcare providers, we cannot afford to push more doctors away.

It is clear that AB 259 is not designed to help patients—it is designed to further entrench the power of the largest pharmaceutical corporations while restricting access to care. If the goal is truly to lower drug prices and make healthcare more affordable, the legislature should focus on promoting market competition, increasing transparency in drug pricing, and expanding patient assistance programs rather than implementing a rigid policy that

will do more harm than good.

For these reasons, I strongly urge you to **oppose Assembly Bill No. 259** and instead pursue policies that ensure fair pricing while protecting Nevada's doctors, patients, and independent healthcare providers. I appreciate your time and consideration and hope that you will make the right decision for the people of Nevada.

Sincerely,



From: Olivia Canie

To: Assembly Commerce and Labor Exhibits
Cc: team@ferrarireeder.com; Michiel Peters

Subject: Concerns About the Impact of AB259 on Nevadans' Access to Medicines and Healthy Aging

Date: Tuesday, March 11, 2025 1:15:49 PM

Attachments: Comment Letter - Concerns Regarding AB259 in Nevada (3.11.25).pdf

You don't often get email from ocanie@globalcoalitiononaging.com. Learn why this is important

Sent on behalf of Michiel Peters, Head of Advocacy Initiatives, Global Coalition on Aging

Honorable Members of the Nevada Legislature,

The Alliance for Health Innovation (Alliance) represents diverse stakeholders, including patients, providers, caregivers, biopharmaceutical innovators, and business communities, all committed to promoting healthy aging and fostering innovation in healthcare. Led by the Global Coalition on Aging (GCOA), the Alliance advocates for policies that support a thriving healthcare sector, enabling Nevadans and others to live longer and healthier lives.

Ahead of tomorrow's committee hearing at 1:30pm PT, we are writing to express our serious concerns about the impact of state legislation (AB259) on the ability of patients to access vital treatments and the opportunity to age healthily, due to potential consequences to the supply chain and local pharmacies.

We appreciate the Assembly for its efforts to explore solutions to address prescription drug affordability, especially for older adults and those facing chronic or complex conditions. However, we are concerned that setting reimbursement limits on prescription medicines based on the prices that the Centers for Medicare & Medicaid Services (CMS) establishes through their Maximum Fair Price (MFP) process within Medicare will create significant barriers to access within Nevada, especially for innovative and often more expensive medicines. Limiting reimbursement rates for prescription medicines based on these federal MFPs stands to negatively impact the supply chain, independent and community pharmacies, and Nevadans' ability to access care.

The attached letter outlines our concerns about this legislation in more detail. We appreciate your commitment to improving healthcare access for Nevadans and invite you to engage with us further on these important issues.

Thank you for your time and consideration. We would be happy to have a follow-up conversation to discuss these concerns.

Best.

Michiel

Michiel Peters Head of Advocacy Initiatives Global Coalition on Aging

Phone: +13473375181



March 11, 2025

Assembly Committee on Commerce and Labor Nevada State Legislature 401 S Carson Street Carson City, NV 89701

RE: Concerns Regarding the Impact of AB259 on Patient Access and Local Pharmacies

Honorable Members of the Nevada State Assembly,

The Alliance for Health Innovation (Alliance) represents a diverse group of stakeholders including patients, providers, caregivers, biopharmaceutical innovators, and business communities, all committed to promoting healthy aging and fostering innovation in healthcare. Led by the Global Coalition on Aging (GCOA), the Alliance advocates for policies that support a thriving healthcare sector, enabling Nevadans and others to live longer and healthier lives.

On behalf of the Alliance, we write to you to raise our concerns about Assembly Bill 259 (AB259) which will set reimbursement limits on prescription medicines based on the Maximum Fair Prices (MFPs) that the Centers for Medicare & Medicaid Services (CMS) establishes through the Medicare Drug Price Negotiation Program (MDPNP). While we appreciate the Assembly for its efforts to explore solutions to address health care affordability challenges in the state, we have concerns that the proposed legislation will significantly impact patients' ability to access vital treatments, due to potential consequences on the supply chain and local pharmacies.

Aligned with concerns around other state policies that seek to contain costs by limiting reimbursement rates – such as prescription drug affordability boards (PDABs) – referencing the federally-set MFPs as a maximum price could lower reimbursements to providers, hospitals, and clinics. Such actions threaten the ability of local Nevada businesses to stock and store treatments and provide high-quality care to patients.

A 2024 <u>survey</u> conducted by the National Community Pharmacists Association (NCPA) found that more than 90% of independent pharmacies may not sell prescription drugs subject to federal price negotiations. Thus far, under the MDPNP, CMS has directly negotiated prices of ten prescription drugs and is in the process of negotiating prices for an additional fifteen prescription drugs, including treatments for chronic disease and other conditions that are hard to treat. As CMS continues to expand the scope of drugs that will be subject to a MFP, AB259 will increase the burden on pharmacies, other providers, and the patients who rely on them to access care.

Ultimately, if small businesses – including the <u>83 independent community pharmacies</u> that many Nevadans rely on to access treatments – cannot afford to provide critical medications, they may be



forced to choose between not stocking a medicine and closing their doors due to loss of revenue. As a result, patients may be forced to travel further and incur greater costs to access their treatments. Loss of access to these facilities would be particularly detrimental to the many patients who rely on community pharmacists as a trusted and reliable resource for care and support. Moreover, pausing or deferring treatment as a result of these barriers could prove dangerous for patients who rely on a consistent treatment regimen and result in higher overall health system costs and a greater strain on taxpayers in the long run.

Given these concerns, we urge the Committee on Labor and Commerce to oppose AB259 and find alternative solutions to address the affordability issues of Nevadans, safeguard access to critical treatments, and preserve the viability of community pharmacies.

On behalf of the Alliance and the broader healthcare community, we thank you for your leadership and urgent attention to this issue. We are happy to discuss our concerns further or answer any questions you may have.

Sincerely,

Michiel Peters

Head of Advocacy Initiatives, Global Coalition on Aging

From: <u>Lizzie Wittig</u>

To: Assembly Commerce and Labor Exhibits
Cc: team@ferrarireeder.com; Maimah Karmo

Subject: Negative Impacts of A.B. 259 on Nevadans Living with Cancer

Date: Tuesday, March 11, 2025 1:25:07 PM

Attachments: <u>image001.png</u>

Negative Impacts of A.B. 259.pdf

You don't often get email from lizzie@tigerlilyfoundation.org. Learn why this is important

To Honorable Members of the Nevada Assembly Commerce and Labor Committee:

Tigerlily Foundation is a national women's health and oncology organization dedicated to education, advocacy, and hands-on support for young women before, during, and after cancer, with a focus on eradicating disparities based on age, stage, and race. I write to you today to express our organization's concerns regarding A.B. 259, legislation that would establish a maximum fair price (MFP) reference system for prescription drugs in Nevada. While we understand the intent to address drug affordability, and we agree that affordable medicine is a top priority for patients, we are concerned that this legislation will create barriers to accessing essential medicines for Nevadans living with cancer and other chronic conditions, exacerbating existing gaps in health outcomes rather than advancing patient access.

A.B. 259 references the Centers for Medicare & Medicaid Services (CMS) maximum fair price (MFP) process, which sets reimbursement caps for medications. While the goal of reducing drug costs is one we share, this approach fails to consider the unintended consequences for patients, particularly those who rely on life-saving medications. By setting reimbursement caps based on MFP, A.B. 259 risks limiting access to innovative treatments, especially for patients with complex conditions like cancer, who depend on timely access to medications prescribed by their physicians.

One of our primary concerns is the lack of patient engagement in the MFP process. Unlike other drug pricing models, the MFP framework does not provide opportunities for patient feedback or input. This exclusion of patient voices is particularly troubling for communities already facing disproportionate barriers to care, including Black and Brown communities, who are more likely to be diagnosed with aggressive cancers like triple-negative breast cancer (TNBC) at younger ages and later stages. For these patients, access to cutting-edge treatments is not just a matter of affordability but of survival.

Additionally, we are concerned about the potential impact of A.B. 259 on pharmacies, particularly independent and community pharmacies. A recent report by the National Community Pharmacists Association (NCPA) highlights the challenges pharmacies face under the federal Inflation Reduction Act's MFP process. Pharmacists are required to front the costs of carrying medications until third parties reimburse them, a financial burden that many pharmacies, especially smaller ones, cannot sustain. As a result, some pharmacies may choose not to stock certain medications, further limiting patient access. While this issue stems from federal policy, state legislation like A.B. 259 will compound these challenges, creating additional barriers for patients in Nevada.

This is particularly concerning given the critical role that community pharmacies play in Nevada, especially in rural areas where access to healthcare is already limited. Nevada faces significant challenges with **medical deserts**, where residents in rural and underserved areas often have to

travel long distances to access healthcare services. According to data from the Nevada Primary Care Office, over **70% of Nevada's rural counties are designated as Health Professional Shortage Areas (HPSAs)**, meaning they lack adequate access to primary care providers. In these areas, community pharmacies often serve as the first point of contact for patients, providing not only medications but also essential health services such as immunizations, chronic disease management, and health screenings.

For many Nevadans, particularly those in rural communities, community pharmacies are lifelines. They ensure that patients have access to the medications they need without having to travel long distances to urban centers. However, if A.B. 259 leads to pharmacies reducing their stock of certain medications due to financial pressures, it will disproportionately affect rural residents who rely on these pharmacies for their healthcare needs. This could exacerbate existing medical deserts, leaving patients with even fewer options for accessing life-saving treatments.

Policies that restrict access to innovative treatments or delay their availability can have devastating consequences for patients, leading to worse health outcomes and higher long-term medical costs.

While we commend the Nevada Assembly for seeking solutions to address the high cost of prescription drugs, we urge you to consider the unintended consequences of A.B. 259. Any policy aimed at reducing drug costs must prioritize patient access and ensure that vulnerable communities are not further harmed. We recommend that any drug pricing legislation include mechanisms for patient engagement and feedback, as well as safeguards to protect access to innovative treatments for those who need them most.

On behalf of the communities that Tigerlily Foundation serves, we thank you for your leadership in addressing the challenges of healthcare access and affordability that Nevada patients continue to face. Please do not hesitate to contact me directly at <a href="mailto:

Sent on behalf of Maimah Karmo and Tigerlily.

Lizzie Wittig

Director, HEAL Policy Center of Excellence & National Programs **Tigerlily Foundation**

www.tigerlilyfoundation.org

1-888-580-6253

Cell: (760) 212-7760

Educating, Advocating for, Empowering and Supporting Young Women - Before, During and After Cancer & Working to end Disparities of Age, Stage and Color in our Lifetime.



RE: Negative Impacts of A.B. 259 on Nevadans Living with Cancer

To Honorable Members of the Nevada Assembly Commerce and Labor Committee:

<u>Tigerlily Foundation</u> is a national women's health and oncology organization dedicated to education, advocacy, and hands-on support for young women before, during, and after cancer, with a focus on eradicating disparities based on age, stage, and race. I write to you today to express our organization's concerns regarding A.B. 259, legislation that would establish a maximum fair price (MFP) reference system for prescription drugs in Nevada. While we understand the intent to address drug affordability, and we agree that affordable medicine is a top priority for patients, we are concerned that this legislation will create barriers to accessing essential medicines for Nevadans living with cancer and other chronic conditions, exacerbating existing gaps in health outcomes rather than advancing patient access.

A.B. 259 references the Centers for Medicare & Medicaid Services (CMS) maximum fair price (MFP) process, which sets reimbursement caps for medications. While the goal of reducing drug costs is one we share, this approach fails to consider the unintended consequences for patients, particularly those who rely on life-saving medications. By setting reimbursement caps based on MFP, A.B. 259 risks limiting access to innovative treatments, especially for patients with complex conditions like cancer, who depend on timely access to medications prescribed by their physicians.

One of our primary concerns is the lack of patient engagement in the MFP process. Unlike other drug pricing models, the MFP framework does not provide opportunities for patient feedback or input. This exclusion of patient voices is particularly troubling for communities already facing disproportionate barriers to care, including Black and Brown communities, who are more likely to be diagnosed with aggressive cancers like triple-negative breast cancer (TNBC) at younger ages and later stages. For these patients, access to cutting-edge treatments is not just a matter of affordability but of survival.

Additionally, we are concerned about the potential impact of A.B. 259 on pharmacies, particularly independent and community pharmacies. A recent report by the National Community Pharmacists Association (NCPA) highlights the challenges pharmacies face under the federal Inflation Reduction Act's MFP process. Pharmacists are required to front the costs of carrying medications until third parties reimburse them, a financial burden that many pharmacies, especially smaller ones, cannot sustain. As a result, some pharmacies may choose not to stock certain medications, further limiting patient access. While this issue stems from federal policy, state legislation like A.B. 259 will compound these challenges, creating additional barriers for patients in Nevada.

This is particularly concerning given the critical role that community pharmacies play in Nevada, especially in rural areas where access to healthcare is already limited. Nevada faces significant challenges with **medical deserts**, where residents in rural and underserved areas often have to travel long distances to access healthcare services. According to data from the Nevada Primary Care Office,

over **70%** of Nevada's rural counties are designated as Health Professional Shortage Areas (HPSAs), meaning they lack adequate access to primary care providers. In these areas, community pharmacies often serve as the first point of contact for patients, providing not only medications but also essential health services such as immunizations, chronic disease management, and health screenings.

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Policies that restrict access to innovative treatments or delay their availability can have devastating consequences for patients, leading to worse health outcomes and higher long-term medical costs.

While we commend the Nevada Assembly for seeking solutions to address the high cost of prescription drugs, we urge you to consider the unintended consequences of A.B. 259. Any policy aimed at reducing drug costs must prioritize patient access and ensure that vulnerable communities are not further harmed. We recommend that any drug pricing legislation include mechanisms for patient engagement and feedback, as well as safeguards to protect access to innovative treatments for those who need them most.

On behalf of the communities that Tigerlily Foundation serves, we thank you for your leadership in addressing the challenges of healthcare access and affordability that Nevada patients continue to face. Please do not hesitate to contact me directly at <a href="mailto:

Sincerely,

Maimah Karmo Founder & CEO

Tigerlily Foundation

Hamal Starmo



Biotechnology Innovation Organization 1201 New York Avenue, NW, Suite #1300 Washington, DC, 20005 202-962-9200

March 11, 2025

The Honorable Elaine Marzola, Chair Assembly Commerce & Labor Committee State Capitol, 401 S Carson St. Carson City, NV 89701

Dear Assemblymember and Members of the Committee:

The Biotechnology Innovation Organization (BIO) respectfully **opposes AB 259**, which would set caps on the price paid for prescription drugs in Nevada based on the "maximum fair price," as determined pursuant to the Inflation Reduction Act of 2022. This bill's imposition of a maximum fair price would not have the effect the proponents of this bill intend and would instead risk access to medicines that many Nevadans depend on.

AB 259 does not reflect the nature of the existing prescription drug supply chain. Many pharmacies and hospitals purchase medicines through national or regional buying groups or national contracts based on national pricing indexes in transactions that occur out-of-state. As a result, those transactions would not be subject to the price limits in this bill, but the price in-state providers charge patients would be subject to the limits. Many providers would be forced to charge less for products than they pay for those products, placing the providers in an untenable position of having to take a loss in order to provide medicines or stop purchasing some medicines altogether. This scenario will put access to common prescription drugs at risk.

This bill will not lower prescription drug costs for patients because it does not address out-of-pocket costs. Roughly 92% of patients pay¹ a given price when they visit a pharmacy based on what their *health insurer determines*, not based on what the pharmacy charges. And pharmacies bill patients' insurers for the cost of a drug—which is predetermined based on a formula—only charging patients the cost sharing amount determined by the insurer.

Out-of-pocket costs have been rising for patients because of decisions made by health insurers. Net of rebates and other price concessions, medicine spending grew by only 0.8% in 2020.² Despite this fact, many insurers require more and more patients to pay for their drug costs through deductibles and cost-sharing rather than an established copayment, increasing their out-of-pocket costs. A May 2021 Congressional Research Service report found that insurers are imposing higher levels of cost sharing and forcing some patients, i.e., the chronically ill, to pay a greater financial burden than others.³ In fact, *insurers require patients to pay almost five times more out of pocket for prescription drugs than for hospital care.*⁴ In addition, despite receiving significant rebates from manufacturers, "commercially-insured patients pay undiscounted list prices on one in five prescription brand name drugs, accounting for more than half of out-of-pocket spending on brand medicines."⁵

¹ US Department of Health and Human Services. Accessed: March 7, 2023. https://www.hhs.gov/about/news/2022/08/02/new-hhs-reportshows-national-uninsured-rate-reached-all-time-low-in-2022.html

² "The Use of Medicines in the U.S.: Spending and Usage Trends and Outlook to 2025, IQVIA, June 2021.

³ "Frequently Asked Questions About Prescription Drug Pricing and Policy," Congressional Research Service Report, Updated May 6, 2021.

⁴ "BIO Analysis of Historical National Health Expenditure Data, Centers for Medicare & Medicaid Services. December 2020

⁵ "Commercially-Insured Patients Pay Undiscounted List Prices for One in Five Brand Prescriptions, Accounting for Half of Out-of-Pocket Spending on Brand Medicines," Analysis from Amundsen Consulting, a division of QuintilesIMS, 2017.

Price controls will dampen investment and would not allow companies to adequately establish prices that will provide a return on investment. While many believe the establishment of the maximum fair price is a "negotiation," it is anything but. The government is directed to consider a number of factors about a given drug, and then to establish a maximum fair price. That is an outright price control. The average biopharmaceutical costs \$2.6 billion to bring from research and development to market. Small and mid-sized innovative, therapeutic biotechnology companies which make up most of BIO's membership are responsible for more than 72% of all "late-stage" pipeline activity. The overall probability that a drug or compound that enters clinical testing will be approved is estimated to be less than 12%. Only five out of 5,000 compounds become viable marketed products. Pricing must also account for the 4,995 failures before the company discovers that successful drug compound.

According to a study conducted by Vital transformation, the Medicare price control policies included in the Inflation Reduction Act means billions of dollars in lost investment for future R&D, which will stall drug innovation and mean that the next generation of groundbreaking therapies will remain out of reach for American patients. The study found that if the drug price controls included in the Inflation Reduction Act had been in place over the previous decade, just six of the 110 currently authorized medicines would have reached patients.⁹

These proposed price controls disregard, and may even interfere with, the market-based ecosystem of the U.S. healthcare sector. The maximum fair price approach does not provide adequate context for the complex issue of pricing, which is based not just on manufacturers' costs, but also on market forces and an assessment of value that cannot simply be reduced to a line on a balance sheet. The market-based environment in which pricing decisions are made, including negotiations between manufacturers and payers, include various factors which ultimately determine how a therapy is covered and reimbursed by an insurance plan. It is this same market-based system that, while not perfect, underlies the successful Medicare Part D program, which has expended access to prescription drugs for Medicare beneficiaries, with a satisfaction rate of 90 percent.

For these reasons, we ask for your "no" vote on AB 259. If you have any questions, please do not hesitate to contact me at bwarren@bio.org.

Sincerely,

Brian Warren

Vice President, State Government Relations

⁶ DiMasi, JA, et al., Innovation in the pharmaceutical industry: New estimates of R&D costs. Journal of Health Economics. February 12, 2016.

^{7 &}quot;The Changing Landscape of Research and Development: Innovation, Drivers of Change, and Evolution of Clinical Trial Productivity," IQVIA Report, April 2019.
8 Biopharmaceutical Research and Development, The Process Behind New Medicines. PhRMA, 2015. http://phrma-

docs.phrma.org/sites/default/files/pdf/rd_brochure_022307.pdf

9 "Build Back Better Act: Total market impact of price controls in Medicare Parts D and B," Vital Transformation. July 28, 2022. https://vitaltransformation.com/2022/07/build-back-better-act-total-market-impact-of-price-controls-in-medicare-parts-d-and-b/?mkt_tok=NDkwLUVIWi05OTkAAAGF5BkQ86liHGS4ES7yHG83Ehw03QBhYB-

sanofi

March 12, 2025

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Assemblymember Elaine H. Marzola Chair, Committee on Commerce and Labor State Legislative Building, Room 4108 401 S. Carson Street Carson City, NV 89701

•

Re: Opposition to AB259

Dear Chair Marzola and Members of the Committee on Commerce and Labor,

We appreciate the opportunity to provide comments on AB259. Sanofi opposes AB259, because it sets a government-mandated price on drugs sold and reimbursed in the state. Extending the Inflation Reduction Act's price setting provision will have a chilling effect on innovation, leading to fewer treatment options for patients. More importantly, price setting fails to address the inherent benefit design issues that lead to high out of pocket costs for patients.

Sanofi brings together world-class research and development in pursuit of leading health care solutions that serve several major therapeutic areas including vaccines, diabetes, multiple sclerosis, cardiovascular disease, oncology, rare diseases, immunology, and hemophilia products. We are committed to discovering, developing, and making available to patients and their treating physicians innovative, effective, well-tolerated, and high-quality treatments that fulfill vital health care needs.

AB259 does not address the misaligned incentives in the healthcare system and will not ensure that all patients ultimately pay less for their drugs. Sanofi fully understands that the price and affordability of our products is important for patients. Our responsible approach to pricing reflects our medicines' value, and our commitment to patient access and to minimizing our contribution to health care inflation. We have suggested policy solutions that seek to achieve these goals at the state and federal level:

 Requiring that the manufacturer rebates and discounts given to PBMs and insurers are reflected in the price patients pay at the pharmacy counter. Delivering rebates directly to consumers or requiring patient cost sharing be based on the net price paid by their insurance will lower patient spending on medicine and improve adherence and outcomes.

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¹ Sanofi 2025 Pricing Principles Report- https://www.sanofi.us/assets/dot-us/pages/images/our-company/Social-impact/responsible-business-values/pricing-principles/Sanofi-2025-Pricing-Principles-Report.pdf.

sanofi

• Preventing PBMs from capturing manufacturer copay assistance by diverting funds intended to reduce patient cost sharing or denying coverage for their medicine. Over the past few years, insurance plans have adopted new policies that force patients into programs where the manufacturer copay assistance for their medication is taken by the plan without applying to their deductible or cost-sharing requirements, or where the plan denies coverage for their medicine by claiming it is not an "essential health benefit." These types of policies are solely designed to shift costs for otherwise covered and essential health care services away from the insurance company and expose patients to more complexity and higher costs. Requiring plans and PBMs to apply all manufacturer assistance payments toward patient deductibles or cost-sharing requirements, and to cover all "essential health benefits" will ensure that all manufacturer assistance goes toward reducing patient financial burden.

To facilitate affordable access to innovative treatments, states should enact policies that encourage competition and promote the risk-taking necessary to discover and develop life-saving medicines.

For these reasons, we oppose AB259 and would welcome the opportunity to work with the committee on policy alternatives. If there are any questions, please don't hesitate to contact me at stephanie.simpson@sanofi.com or (512)-638-9316, or Sanofi's Nevada counsel Jessica Ferrato at jessica@ferratoco.com or (775)-742-4836.

Stephanie Simpson

Senior Director, State Government Relations

Sanofi

Date March 11, 2025 **Page** 01 | 02



March 11, 2025

State Capitol Building 101 N. Carson Street Carson City, NV 89701

Dear Assemblymember Considine,

On behalf of Boehringer Ingelheim Pharmaceuticals, Inc., we are writing in respectful opposition to AB 259, which would cap prices paid for medicines in Nevada based on Medicare's maximum fair price (MFP), as determined under the Inflation Reduction Act of 2022.

For more than 140 years, Boehringer Ingelheim has been committed to the research and development of innovative medicines that improve the lives of patients and their families. While Boehringer supports the goal of ensuring patient access to affordable, life-enhancing medicines, we have significant concerns relating to aspects of AB 259, including concerns that the bill imposes impracticable processes that could substantially and negatively impact patients.

This bill ignores complexity of the supply chain. Due to the nature of the national drug supply chain, health care providers, including hospitals and pharmacies, may be challenged to acquire necessary medicines for patients. AB 259 prohibits Nevada's health care providers from acquiring drugs with a Medicare MFP for a price greater than the MFP amount. However, it is likely that the entities selling these drugs to providers may be located outside the state and therefore, not required to sell the drugs at or below the MFP for non-Medicare patients. If the provider chooses to purchase the drug outside the state for a rate higher than the MFP, they will be forced to sell the medicine at a loss. This dynamic could encourage providers to recoup costs in other segments of the health care system, or even decide not to purchase the drug. Failure to make these purchases could have impacts on the ability of patients to access their lifesaving medicines.

This bill may not lower prescription drug costs for patients because it does not address out-of-pocket costs. When visiting the pharmacy counter, many patients pay a given price for medication based on determinations made by their health insurer and benefit design; not based on what the pharmacy charges.

Life forward

Date March 11, 2025 **Page** 2 | 02

The pharmacy bills the patient's insurer for the cost of the drug based on a formulameaning that the patient pays a cost sharing (co-insurance or copay) determined by the insurer. This cost sharing may already be lower than the MFP. Not only does this bill not impact out-of-pocket costs, but it does nothing to ensure that any cost savings achieved by the insurer will be passed on to the patient.

As reported in a February 2025 report by PRI Cetner for Medical Economics and Innovation "Not only would this policy further disincentivize future innovation, but it would also impose additional costs on in-state residents without reducing out-of-pocket obligations for most residents. These costs include additional expenditures by the state to implement the proposal for non-Medicare markets, decreased access to medicines, potential losses on healthcare clinics and hospitals, and reduced health outcomes."1

Unfortunately, AB 259 falls short of implementing meaningful, cost saving reforms for patients, and could instead result in restricted access. Alternatively, we encourage the Legislature to consider solutions that directly increase the affordability of medicines, like requiring health plans and PBMs to share with patients at the pharmacy counter the rebates and discounts they receive from drug manufacturers.

Sincerely,

Margo Parks

Director, State Government Affairs

Boehringer Ingelheim

Mangrata facts

¹ "Maximum Fair Price Folly; States That Adopt Medicare Drug Price Controls Will Increase the Policy's Adverse Consequences." 1 Feb. 2025, www.pacificresearch.org/new-brief-maximum-fair-price-policy-would-bring-new-costs-to-nevada-taxpayers-put-patient-access-to-health-care-at-risk/. Accessed 5 Mar. 2025.

From: <u>Leean Hernandez</u>

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 1:27:59 PM

You don't often get email from leean@savealifeclub.com. Learn why this is important

8575 Longmire Ave Las Vegas, NV 89143 leean@savealifeclub.com 702-508-6493

March 11, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare

diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.

- Put additional financial and logistical burdens on families who are already struggling
 to access care. When local providers can no longer afford to offer essential therapies
 in the outpatient environment, patients will be forced to travel out of state for
 treatment, increasing financial strain, emotional stress, and time away from work and
 school.
- Fail to lower the actual cost of medications. **The bill does not nothing to regulate or reduce drug prices set by manufacturers**—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely, Leean Hernandez Las Vegas, NV



Leean Hernandez, MBA Chief Financial Officer

Women's Resource Medical Center of Southern Nevada (WRMCSN)

P: 702.508.6493

E: leean@savealifeclub.com

A: 1701 W Charleston Blvd Ste 130 Las Vegas, NV 89102

W: www.SAVEALiFECLUB.com







From: David L

To: Assembly Commerce and Labor Exhibits

Subject: AB 259 Concerns

Date: Tuesday, March 11, 2025 1:49:05 PM

You don't often get email from

Learn why this is important

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

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- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling
 to access care. When local providers can no longer afford to offer essential therapies
 in the outpatient environment, patients will be forced to travel out of state for
 treatment, increasing financial strain, emotional stress, and time away from work and
 school.
- Fail to lower the actual cost of medications. The bill does not nothing to regulate or
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 to pay, forcing providers to absorb the financial loss. Providers will have to either
 cover the gap, cut services, or stop offering treatments altogether, making access to
 care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely, David Leake Las Vegas, NV From: <u>Stephen McMillan</u>

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 1:38:35 PM

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Stephen McMillan, MS, RPH

Las Vegas, NV 89134

March 11, 2025

The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

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 more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada. Until there is reform leading to a decrease in the cost of medications used to treat patients, there should not be reform to lower reimbursement to the facilities that administer these medications.

Sincerely,

Stephen McMillan



Aaron Broadwell, MD

President

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EXECUTIVE OFFICE

Leslie Del Ponte

Executive Director

555 E. Wells Street, Suite 1100 Milwaukee, WI 53202-3823 Phone: 414.918.9825 Email: info@csro.info Website: www.csro.info March 11, 2025

Assembly Commerce and Labor Committee 401 S. Carson St., Room 4100 Carson City, NV 89701 AsmCL@asm.state.nv.us

Concerns re: AB 259 – State Application of Medicare Maximum Fair Price

Chair Marzola, Vice Chair Jauregui and members of the Assembly Commerce and Labor Committee:

The Coalition of State Rheumatology Organizations (CSRO) would like to express concerns regarding AB 259, which would apply the Medicare maximum fair price to physician reimbursements for provider administered medications. CSRO serves the practicing rheumatologist and is comprised of over 40 state rheumatology societies nationwide with a mission of advocating for excellence in the field of rheumatology and ensuring access to the highest quality of care for the management of rheumatologic and musculoskeletal disease.

Rheumatologic diseases, such as rheumatoid arthritis, psoriatic arthritis and lupus, are systemic and incurable, but innovations in medicine over the last several decades have enabled rheumatologists to better manage these conditions. With access to the right treatment early in the disease, patients can generally delay or even avoid damage to their bones and joints, as well as reduce reliance on pain medications and other ancillary services, thus improving their quality of life.

This legislation would apply the Medicare maximum fair price to medications administered to patients throughout Nevada, thus capping physician reimbursement for selected provider administered medications. We fear this proposal may actually limit patient access to these medications, as the out- of -state acquisition cost for the provider may be much higher than the in-state reimbursement for these medications. This would cause a significant financial strain on physician practices throughout Nevada, and physicians would no longer be able to provide these drugs to their patients. Instead, patients would need to go to a more costly site of care, such as a hospital setting, or lose access to the medication altogether.

Physician Administered Medications

As currently drafted, the Medicare maximum fair price (MFP) caps provider reimbursement for a prescription drug selected by the Centers for Medicare & Medicaid services through the Medicare Drug Negotiation Program. While the legislation clearly exempts physician dispensing fees from the MFP, it does not address physician add-on fees for provider administered medications. It also fails to require that providers acquire the medication at a rate sufficiently below the MFP to account for acquisition costs to the provider. This is highly problematic for healthcare providers who administer medications directly to patients in outpatient settings, including rheumatologists across the state.

Rheumatologists and other healthcare practices that directly administer medications on an outpatient basis are typically engaged in "buy and bill," whereby the medical practice pre-purchases drugs and bills the health plan for reimbursement once the medication is administered to a patient. Margins for practices engaged in buy and bill are thin. To maintain the viability of administering drugs in outpatient settings – which are often more cost-effective settings for the payer and safer for immunocompromised patients – reimbursement must account for acquisition costs, such as intake and storage, equipment and preparation, staff, facilities, and spoilage insurance.

Currently, most health plans reimburse providers for the cost of the medication plus an add-on payment at a bundled rate to cover the acquisition costs, making office-based administration economically viable. Unfortunately, the MFP outlined in the legislation would prevent healthcare providers from collecting this add-on payment, making it untenable for healthcare providers in outpatient settings to administer medications that are subject to the MFP. Reimbursement rates that do not sufficiently compensate for these costs put healthcare practices at risk. If patients are unable to receive their medications in outpatient settings, they will be forced to receive provider administered care in hospital settings, which are more expensive to the payer.

Acquiring Medications Below the MFP

CSRO is also concerned that providers will be unable to source drug products below the MFP. Contracting between providers, their group purchasing organizations, wholesalers, and manufacturers is not geographically isolated and is often national in scope. The purchase of a drug product by a wholesaler from a manufacturer likely occurs out of state and would be outside of Nevada's ability to regulate. As a result, it is very likely that the price offered by the wholesaler to the medical practice would be significantly higher than the MFP that a physician could bill for that medication. This will impede providers from acquiring these products, resulting in medication access shortages and limited patient access to these essential medications.

PBM Formulary Manipulation

While the legislation has placed a strong emphasis on prices and costs associated with the initial steps in the pharmaceutical supply chain, it is important to note that many pharmacy benefit plans utilize a variety of tactics that undermine the effectiveness of programs created to keep patient costs down, such as manufacturer copay assistance cards. These policies, such as accumulator programs and maximizers, organized by pharmacy benefit managers (PBMs), contribute significantly to patient out-of-pocket costs, driving unaffordability.

We encourage the legislature to consider the role PBMs play in driving up the cost of prescription medications. If the legislature chooses to apply the MFP without any guardrails in place for PBMs, it is likely that these middlemen will manipulate the formularies so that these newly priced drugs are placed on a much higher tier, or dropped from the formular altogether, and therefore less accessible to patients. PBM business practices favor higher priced drugs because they have the potential to profit more off those medications. We strongly encourage the legislature to consider mechanisms that will ensure that the MFP drugs are placed with parity to the non-MFP drugs on the formulary if MFP is applied to state administered medications.

Actual Out-of-Pocket Costs

CSRO believes it is important for the legislature to consider typical out-of-pocket expenses for patients when considering whether to advance this legislation. Copay assistance programs, such as manufacturer copay cards, are designed to defray cost-sharing amounts charged to the patient by the health plan for their prescription drug. These programs cover most or all of the patient's cost-sharing responsibility through a direct payment at the point of sale to improve patient affordability.

We recognize that high priced drugs that do not offer copay assistance are a real financial threat to patient access, which has become more prevalent among some generic medications. However, when copay assistance programs are offered, the patient typically pays between \$0 to \$25 at the pharmacy counter for their medication. Copay assistance programs also help defray costs associated with administration for the provider administered formulation, making the copay assistance program particularly generous. While a drug's cost in a vacuum may induce sticker shock, these costs are almost never what a patient actually pays for their medication. We encourage the legislature to consider actual patient out-of-pocket costs as they review this legislation.

On behalf of practicing rheumatologists throughout Nevada, we request that you do not advance AB 259 as many of the unintended consequences mentioned would reduce patient access to these drugs and cost the patient and the system more in the long run. We thank you for your consideration and are happy to further detail our comments to the Committee upon request.

Respectfully,

Aaron Broadwell, MD, FACR

President

Board of Directors

Madelaine A. Feldman, MD, FACR VP, Advocacy & Government Affairs

Board of Directors



VIA EMAIL

AsmCL@asm.state.nv.us

The Honorable Elaine Marzola, Chair Assembly Commerce and Labor 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 Marzola,

The Ensuring Access through Collaborative Health (EACH) and Patient Inclusion Council (PIC) submit the following comments in opposition to A.B. 259, legislation 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 fails 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,

Mark Hobraczk, JD, MPA

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

cc: Members of the Assembly Commerce and Labor Committee





From: Beth

To: <u>Assembly Commerce and Labor Exhibits</u>

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 3:08:40 PM

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March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

As a Nevada resident and concerned constituent, I am writing to strongly oppose AB 259, a bill that claims to lower drug costs but in reality, will only reduce expenses for insurance companies and payers—leaving providers holding the bag and forcing patients to bear the consequences.

While I support efforts to make prescription drugs more affordable, AB 259 does not guarantee cost savings for patients. Instead, it imposes reimbursement caps on insurers, reducing what they pay for medications, without requiring these savings to be passed down to the individuals who need them most. Meanwhile, providers are forced to absorb the financial loss, which will make it impossible for specialty clinics and cancer centers to afford the life-saving therapies that patients rely on.

How AB 259 Hurts Patients and Providers While Protecting Insurance Companies

- This bill does nothing to control the actual price of medications—it only limits
 what insurers have to pay. If drug manufacturers do not lower their prices,
 providers will be forced to choose between offering essential treatments at a
 financial loss or discontinuing them altogether.
- If Nevada imposes price caps that fall below actual drug acquisition costs, many medications will become unavailable. Patients will face delays, treatment disruptions, and fewer options for care.
- Hospitals will become overwhelmed as patients who could have been treated in outpatient settings are pushed into emergency rooms and inpatient care, driving up costs for the entire healthcare system.
- Families may be forced to travel out of state for treatment, placing an enormous emotional and financial burden on those already dealing with serious medical conditions.
- Ultimately, this bill will lower costs for insurance companies while shifting the financial burden onto doctors, cancer centers, and specialty providers—many of whom will not be able to absorb the loss and continue to operate.

AB 259 is the Wrong Approach to Drug Pricing Reform

Instead of reducing out-of-pocket costs for patients, AB 259 primarily benefits insurance companies and payers while making it financially unsustainable for providers to continue offering chemotherapy, immunotherapy, biologics, and other high-cost treatments. Drug manufacturers are not suddenly going to lower their prices, meaning the financial burden will fall entirely on providers, forcing many to limit services or stop offering certain treatments altogether. The result? Reduced access to care, treatment delays, and an even greater strain on Nevada's already overburdened healthcare system—ultimately harming the very patients this bill is intended to help.

I urge you to reject AB 259 consider alternative solutions that target pharmaceutical pricing at the manufacturer level, rather than placing the financial burden on the providers who are saving lives every day.

Thank you for your time and consideration. As a Nevada resident, I strongly urge you to oppose AB 259 to protect patients, preserve specialty care providers, and ensure that all Nevadans continue to have access to life-saving treatments.

Sincerely,

Beth Auten

Las Vegas 89120

From: <u>Cathy Poochigian</u>

To: <u>Assembly Commerce and Labor Exhibits</u>

Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 2:55:47 PM

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March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

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Sincerely,

Cathy Poochigian-Pratt

Las Vegas NV 89141

From: Gabriella Ciaglo

To: Assembly Commerce and Labor Exhibits

Subject: Strong Opposition to AB 259.

Date: Tuesday, March 11, 2025 2:10:38 PM

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Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor.

As a Nevada resident and concerned constituent, I am writing to strongly oppose AB 259, a bill that claims to lower drug costs but in reality, will only reduce expenses for insurance companies and payers—leaving providers holding the bag and forcing patients to bear the consequences.

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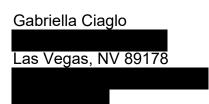
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Thank you for your time and consideration. As a Nevada resident, I strongly urge you to oppose AB 259 to protect patients, preserve specialty care providers, and ensure that all Nevadans continue to have access to life-saving treatments.

Sincerely,



From: Angela Lee

To: Assembly Commerce and Labor Exhibits

Subject: Strong Objection to AB 259

Date: Tuesday, March 11, 2025 9:36:39 PM

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Angela Lee

Las Vegas, NV 89148

March 11, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

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This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers-specifically for outpatient oncology and rare disease centers.

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I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,

Angela Lee

From: Connor Fudge

To: <u>Assembly Commerce and Labor Exhibits</u>
Subject: Strong Opposition to AB 259

Date: Tuesday, March 11, 2025 5:28:03 PM

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The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

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I urge you to reject AB 259 and consider alternative solutions that target pharmaceutical pricing at the manufacturer level, rather than placing the financial burden on the providers who are saving lives every day.

Thank you for your time and consideration. As a Nevada resident, I strongly urge you to oppose AB 259 to protect patients, preserve specialty care providers, and ensure that all Nevadans continue to have access to life-saving treatments.

Sincerely,

Connor Fudge

Las Vegas, NV 89117

From: <u>Jacob Murdock</u>

To: Assembly Commerce and Labor Exhibits

Subject: Opposition to AB 259

Date: Tuesday, March 11, 2025 4:55:25 PM

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As a Nevada resident, I oppose AB 259.

I very much appreciate Assemblymember Considine's attempt to help lower prescription prices for Nevadans. However, my concern is that this legislation will only serve to limit what medications are available to consumers.

Setting price caps on prescription medications would mean that the government will be involved in what medications health care providers prescribe for patients, including those I work with in my capacity at the Nevada Chapter of the National Bleeding Disorders Foundation. Members of my community require very specific medications to treat bleeding disorders. If the prices are set by this bill, pharmacies may decide not to carry the very specific and expensive medication that is required, preventing members of Nevada bleeding disorders community from accessing appropriate medication.

The legislation may provide a price break for insurance companies, but it is not guaranteed that lower prices will be passed on to consumers like me or the members of the Nevada Bleeding Disorders community.

I urge you to vote NO on AB 259.

Sincerely,

Jacob Murdock Las Vegas, NV 89117 From: <u>Vickie Buenger</u>

To: Assembly Commerce and Labor Exhibits

Subject: Writing in Opposition to AB 259

Date: Wednesday, March 12, 2025 7:12:11 AM

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The Honorable Elaine Marzola, Chair
The Honorable Sandra Jauregui, Co-Chair
Assembly Committee on Commerce and Labor
Nevada State Legislature
401 S. Carson Street
Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

Good Morning. I would like to call your attention to the harm that AB 259 will cause to patients, providers, and access to critical medications in Nevada.

First, I am not a resident of Nevada, so my weighing in may not make a difference to you. However, I have been a childhood cancer advocate for almost 25 years. My daughter, who died in 2009, was in treatment for seven years and depended on affordable medicines to stay alive.

Second, I write on behalf of the members of the Coalition Against Childhood Cancer (CAC2) who reside in your state and who will be harmed by the passage of this bill.

I wish that AB259 addressed the true cost of medications as intended, but it does not. Instead, it will make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

Passage of this legislation will lead to

- reduced access to life-saving treatments. Patients who rely on specialized
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 treatment, increasing financial strain, emotional stress, and time away from work and
 school.
- little change to the actual cost of medications. **The bill does not nothing to regulate or reduce drug prices set by manufacturers**—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

With appreciation,

Vickie Buenger

President Emeritus, Coalition Against Childhood Cancer

Bryan, TX





In Opposition to Nevada AB 259 February 28, 2025

The Pharmaceutical Research and Manufacturers of America (PhRMA) opposes Nevada AB 259, which prevents insurers and pharmacies from purchasing certain medicines that exceed a government set price. This could limit access to needed medicines, discriminate against patients, disincentivize the innovation of new medicines, and raises constitutional concerns.

Price controls can limit access to needed medicines.

AB 259 would set an arbitrary price cap in Nevada based on federal decisions, without any state-level review or consideration. Allowing Nevada to set prices at the Maximum Fair Price (MFP) could restrict patients' access to medicines and result in fewer new treatments for patients. Specifically, if a pharmacy or provider cannot obtain a medicine at the government price, the medicine will not be available to Nevada residents. This inserts the State into decision making between the health care provider and patient.

This legislation ignores that there are meaningful policies for addressing affordability without utilizing government price setting that could reduce treatment options.

PhRMA is increasingly concerned that the substantial rebates and discounts paid by pharmaceutical manufacturers, approximately \$334 billion in 2023ⁱ, do not make their way to offsetting patient costs at the pharmacy counter. Patients need concrete reforms that will help lower the price they pay for medicines at the pharmacy, such as making monthly costs more predictable, making cost-sharing assistance count toward a plan's out-of-pocket spending requirements, and sharing negotiated savings on medicines with patients. These policies can be done without utilizing government price setting, which can reduce the options available to treat patients.

This legislation does not account for insurance benefit design issues that prevent discounts from flowing to patients, and AB 259 assumes incorrectly that the price a patient pays is determined solely by drug manufacturers.

This legislation singles out the biopharmaceutical industry and ignores the variety of stakeholders involved in determining what consumers ultimately pay for a medicine, including insurers, pharmacy benefit managers (PBMs), wholesalers, and the government. The important role that these entities play in determining drug coverage and patient out-of-pocket costs is overlooked by the requirements of this legislation. For example, PBMs and payers—which dictate the terms of coverage for medicines and the amount a patient ultimately pays—negotiate substantial rebates and discounts.

According to research from the Berkeley Research Group (BRG), rebates, discounts, and fees account for an increasing share of spending for brand medicines each year, while the share received by manufacturers has decreased over time. In 2023 manufacturers retained only 49.9% of brand medicine spending while members of the supply chain retained 50.1%. Increased rebates and discounts have largely offset the modest increases in list prices and reflect the competitive market for brand medicines.

The growth of net price prices, which reflects rebates and discounts, has been in line with or below inflation for the past five years. Specifically, brand medicine net prices increased 1.0% in 2021.ⁱⁱⁱ This, of course, does not necessarily reconcile with what patients are feeling at the pharmacy counter, which is why looking at the whole system is so important. For example, despite manufacturers' rebates and discounts negotiated by health plans,





nearly half of commercially insured patients' out-of-pocket spending for brand medicines is based on the medicine's list price rather than the negotiated price that health plans receive.^{iv}

AB 259 raises several significant legal concerns.

This bill would cap payment for purchases and reimbursement for claims at the Maximum Fair Price (MFP), raising federal preemption concerns. Application of this price control to patented medicines raises constitutional concerns under the Supremacy Clause because it would restrict the goal of federal patent law, which is to provide pharmaceutical patent holders with the economic value of exclusivity during the life of a patent. Congress determined that this economic reward provides appropriate incentive for invention and Nevada is not free to diminish the value of that economic reward. Specifically, in the case of *BIO v. District of Columbia*, 496 F.3d 1362 (2007), the U.S. Court of Appeals for the Federal Circuit overturned a District of Columbia law imposing price controls on brand drugs, reasoning that the D.C. law conflicted with the underlying objectives of the federal patent framework by undercutting a company's ability to set prices for its patented products. The court's decision stated that "[t]he underlying determination about the proper balance between innovators' profits and consumer access to medication ... is exclusively one for Congress."

The use of Medicare's Maximum Fair Price (MFP) as a price cap is premature as the federal government is still in the stages of implementation.

AB 259 sets a price cap in Nevada for any drug subject to the Medicare MFP, thus locking the state into a yet to be determined price control developed for Medicare participants. Medicare's MFP is a price-setting mechanism recently enacted as part of the federal Inflation Reduction Act ("IRA"). Implementation of the IRA statute and the complex framework of its MFP provisions is at an early stage, and many operational and legal issues remain to be sorted out. PhRMA believes it is premature to apply the MFP to the commercial market because the price is not effective until 2026. In light of the work that still needs to be done at the federal level to shape the IRA's MFP provisions, the MFP should not be relied upon for state decision-making before the federal methodology has been set.

PhRMA is committed to promoting policies that protect Nevada patients and enable them to better afford their medicines. PhRMA respectfully **opposes AB 259** which would arbitrarily cap pharmaceutical prices and fails to recognize the complexity of the pharmaceutical supply chain.

PhRMA urges your NO vote on AB 259

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ⁱ Fein, A. "The 2024 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers," Drug Channels Institute. March 2024.

ii BRG: The Pharmaceutical Supply Chain 2013-2023. January 2025.

iii IQVIA Institute for Human Data Science. The Use of Medicines in the U.S. 2022. Published April 2022. Accessed January 2023. https://www.iqvia.com/insights/the-iqvia-institute/reports/the-use-of-medicines-in-the-us-2022

iv IQVIA Institute for Human Data Science. Medicine spending and affordability in the United States. Published August 2020. Accessed August 2020. https://www.iqvia.com/insights/theiqvia-institute/reports/medicine-spending-and-affordabilityin-the-us

See Establishment of the Medicare Drug Rebate and Negotiations Group Within the Center for Medicare (CM), 87 Fed. Reg. 62433, 62433 (Oct. 14, 2022) ("The work required to implement and administer these new programs will be novel and differ significantly from the Medicare functions that CMS performs today ... Moreover, the scope and complexity of these new programs ... require that a new, dedicated organization be established to ensure that CMS is able to implement these programs successfully and on time.").

March 10, 2025

Lilly

The Honorable Venicia Considine Nevada State Capitol, 101 N Carson St Carson City, NV 89701

Subject: Nevada Assembly Bill 259

Dear Assemblymember Considine,

Lilly USA, LLC

Lilly Corporate Center Indianapolis, Indiana 46285 U.S.A. +1.317.276.2000 www.lilly.com

Eli Lilly and Company (Lilly) respectfully urges you to oppose Nevada Assembly Bill 259 (AB 259)¹, which prohibits purchasing or seeking reimbursement for a drug at a price higher than the Medicare Maximum Fair Price (MFP).² AB 259 is likely to limit patient access to life-saving medicines. The bill also raises significant constitutional problems and is vulnerable to legal challenges on multiple grounds. We urge you to consider policies that would more directly benefit patients.

Arbitrary price and reimbursement caps harm patients

State-imposed price controls can create immediate drug access challenges for patients. Importantly, and as illustrated in Attachment A, many manufacturers only sell their products to wholesalers, none of which may be located in Nevada. These wholesalers then sell the products to retail pharmacies, specialty pharmacies, physician offices, or hospitals that may or may not be located within the state.

AB 259 would set a maximum price for certain drugs that are purchased or reimbursed *in the state*. This means that if manufacturers continue selling products to wholesalers at the nationwide Wholesale Acquisition Cost (WAC)³ in out-of-state transactions, wholesalers or their out-of-state customers may have to either sell the product at a financial loss or stop selling it in Nevada altogether. This would lead to medicine access problems and significant harm to patients.

Price controls could slow biopharmaceutical innovation, affecting patient access to new medicines

Using the MFP as a reference price in non-Medicare markets could hinder pharmaceutical innovation and reduce the number of new drugs. Research has shown that government price controls will damage pharmaceutical innovation and opportunities for future cures.⁴ Price controls in other countries have led to fewer treatment options for patients. For example, the U.S. has access to nearly 85% of all medicines launched between 2012 and 2021, while just 61% are available in Germany, 59% in the U.K., 51% in Japan, 52% in France, 45% in Canada, and 34% in Australia.⁵

Congress did not intend for the MFP to apply to non-Medicare Markets

The MFP was intended for Medicare beneficiaries as established by the Inflation Reduction Act (IRA). AB 259 inappropriately relies on the MFP which could deter manufacturers from participating in federal healthcare programs. MFPs are not reference prices or objective external benchmarks; they are prices that manufacturers, based on forced disclosure of highly sensitive data, are compelled to make available with respect to Medicare beneficiaries because failure to do so will result in a financial penalty (styled as an excise tax) and/or effective exclusion from doing business with Medicare and Medicaid. State reliance on the MFP would upend the balance that Congress carefully struck when it determined the scope and breadth of transactions subject to an MFP. The more that states or commercial entities seek to treat the MFP as a "benchmark" price, the less likely manufacturers are to continue to participate in federal healthcare

¹https://www.leg.state.nv.us/App/NELIS/REL/83rd2025/Bill/12296/Text

² AB 259 Sec. 1. 7(a) defines "Maximum fair price" as the "maximum fair price for a drug published by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 1320f-4." See also 42 U.S.C. § 1320f(c)(3) (defining maximum fair price).

³ See 42 U.S.C. § 1395w-3a (c)(6)(B).

⁴ J. Kennedy, *The Link Between Drug Prices and Research on the Next Generation of Cures*, Information Technology & Innovation Foundation (Sept. 9, 2019), *available at* https://itif.org/publications/2019/09/09/link-between-drug-prices-and-research-next-generation-cures.

⁵ PhRMA analysis of IQVIA Analytics Link and U.S. Food and Drug Administration, European Medicines Agency, Japan Pharmaceuticals and Medical Devices Administration, Health Canada and Australia Therapeutic Goods Administration data. Note: Sample includes new active substances launched globally from January 1, 2012 to December 31, 2021. Updated June 2022.

Nevada AB 259 Lilly Opposition Letter Page **2** of **3**

programs or to continue marketing a product at all, which is why Congress limited the MFP to Medicare.

Attempts to regulate a drug's price raise concerns under the United States Constitution

AB 259 implicates several constitutional principles, including the Takings Clause, the Due Process Clause, the Supremacy Clause, and the Commerce Clause of the United States Constitution. This bill would force entities to give away products at under-market prices in violation of the Takings and Due Process Clauses in the Fifth and Fourteenth Amendments of the United States Constitution. States simply lack the constitutional authority to force private parties to directly fund or subsidize other private parties. This financial transfer also violates the Supremacy Clause because state price controls on branded drugs conflict with federal patent laws.⁶ Additionally, it violates the Commerce Clause by attempting to regulate a manufacturer's nationwide selling price that insurers, including Medicare and Medicaid, use to set reimbursement rates. A state cannot dictate a company's nationwide selling price or regulate transactions outside its borders.

States should implement policies that directly benefit patients

To more directly affect what patients pay for medicines, we encourage you to pursue policies that:

- Require health plans and PBMs to share manufacturer rebates with patients at the pharmacy counter to lower outof-pocket costs.
- Exempt medicines particularly those that treat chronic diseases from a health plan's deductible to ensure patients have reasonable out-of-pocket costs starting day one of their plan year.
- Ensure patients can get out-of-pocket cost relief via manufacturer copay assistance programs.

* * * * * * *

We appreciate the opportunity to express our views on this bill which does not advance patient drug affordability goals and raises serious concerns under the United States Constitution. For these reasons, we respectfully urge you to oppose AB259.

Sincerely,

William S. Reid

Vice President, State Government Affairs

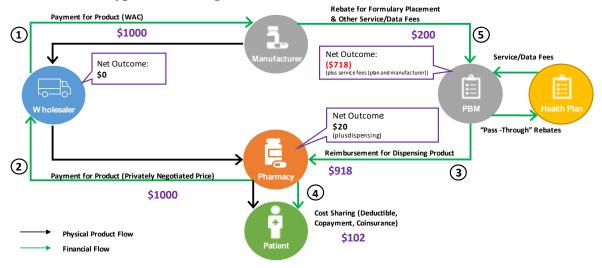
ill. S. Reil

CC: Members of the Nevada State Assembly
Diane Hilligoss, Assistant General Counsel – Eli Lilly and Company
Derek Asay, Senior Vice President, Government Strategy – Lilly USA

⁶ In in *BIO v. District of Columbia*, 496 F.3d 1362 (Fed. Cir. 1997), a court overturned a law imposing price controls on innovator drugs because it conflicted with the federal patent framework and undercut the inventor's ability to set prices for its patented product.

ATTACHMENT A – POTENTIAL IMPACT OF PRICE CONTROL WITHIN DRUG SUPPLY CHAIN

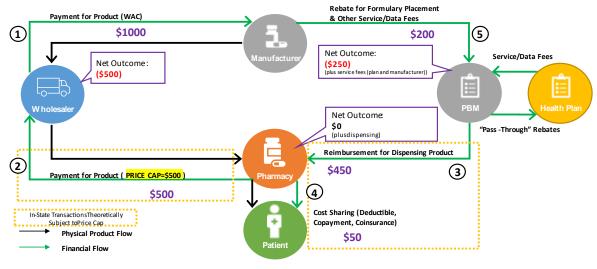
Hypothetical Drug X: Product & Financial Flows in Retail Channel (Before Price Control)



Hypothetical Assumptions:

- 1. Manufacturer sells to wholesaler at WAC (\$1000).
- 2. Wholesaler sells to in-state pharmacy at WAC (\$1000).
- 3. PBM and pharmacy negotiate a reimbursement rate of 2% above WAC (\$1020), 90% of which is owed by PBM (\$918).
- 4. Given patient's benefit design, patient owes 10% of negotiated rate (\$102).
- 5. Manufacturer pays PBM a rebate of 20% of WAC for covered status (\$200).

Hypothetical Drug X: Product & Financial Flows in Retail Channel (After Price Control)



Hypothetical Assumptions:

- 1. Manufacturer sells to wholesaler at WAC (\$1000).
- 2. Wholesaler sells to in-state pharmacy at UPL (\$500).
- 3. Pharmacy reimbursed at UPL (\$500), 90% of which is owed by PBM (\$450).
- 4. Given patient's benefit design, patient owes 10% (\$50).
- 5. Manufacturer pays PBM a rebate of 20% of WAC for covered status (\$200).

Christine Tonn Las Vegas, NV 89138

March 12, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: AsmCL@asm.state.nv.us

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers- specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.

• Fail to lower the actual cost of medications. **The bill does nothing to regulate or reduce drug prices set by manufacturers** it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,

Christine Tonn

Otom



March 12, 2025

VIA ELECTONIC SUBMISSION

The Honorable Elaine Marzola, Chair Assembly Committee on Commerce and Labor

CC: The Assembly Committee on Commerce and Trade

Re: Opposition to Nevada AB259

Dear Chairwoman Marzola:

Bristol Myers Squibb ("BMS") strongly opposes AB259 and requests you likewise oppose this legislation and consider the negative impacts that could result from it. AB259 would seek to establish an arbitrary price cap on prescription drugs in Nevada-based on a federally established, Medicare-specific "Maximum Fair Price" (MFP) provided under the Inflation Reduction Act of 2022 (IRA)—without any independent state-level review or meaningful consideration of the value of such drug for Nevada patients. Requiring a Nevada government agency to set prescription drug prices at MFP, which was designed to be used solely for federal Medicare purposes, would present serious legal questions and, above all, threaten critical access to innovative medicines and risk fewer new treatments for patients. At BMS, we are inspired by a single vision—transforming patients' lives through science. We are in the business of breakthroughs—the kind that transform patients' lives through life-saving, innovative medicines. Our talented employees come to work every day dedicated to the mission of discovering, developing, and delivering innovative medicines that help patients prevail over serious diseases. We combine the agility of a biotech with the reach and resources of an established pharmaceutical company to create a leading global biopharma company. In oncology, hematology, immunology, neuroscience, and cardiovascular disease—with one of the most diverse and promising pipelines in the industry—we focus on innovations that drive meaningful change.

AB259 sets a price cap in Nevada for any drug subject to the Medicare MFP, thus locking the state into federal price designed exclusively for Medicare participants. At a threshold level, the IRA's drug pricing framework is problematic in many respects. BMS does not support the IRA's Medicare price-setting ("negotiation") program and is extremely concerned by the vast ramifications that government price-setting has on investment in clinical research and future innovation for patients. AB259 would only serve to enhance that harm, but in an even more arbitrary and expansive manner targeted toward Nevada citizens, including the patients BMS aims to help in prevailing over serious disease. Nevada should recognize the importance of protecting incentives for innovation by not expanding the MFP beyond the Medicare market—which was never the intent of the US Congress in enacting the IRA. It would also be unwise and ultimately harmful to patients for Nevada to rely on the federally established MFP for state decision-making when the federal government has yet to determine how it will effectuate the MFP in the Medicare market.

BMS is committed to promoting policies that protect Nevada patients and enable them to better afford their medicines. To this end, BMS has committed substantial resources in the state of Nevada. For

example, BMS has conducted over 80 clinical trials in the state. We encourage meaningful reforms that will help lower the price patients pay for medicines at the pharmacy, such as making monthly costs more predictable, making cost-sharing assistance count toward a plan's out-of-pocket spending requirements, and sharing negotiated savings on medicines with patients. BMS opposes *AB* 259 because it would significantly impede patient access and fails to adequately address patient affordability.

Please oppose government price-setting policies in AB259 that put patients and innovation at risk.

Sincerely,

/s/ John Marchant

John Marchant Executive Director, State & Local Government Affairs Bristol Myers Squibb



From: <u>Christian Gitersonke</u>

To: <u>Assembly Commerce and Labor Exhibits</u>

Subject: AB 259

Date: Thursday, March 13, 2025 10:23:26 AM

You don't often get email from christian@arrescue.net. Learn why this is important

2251 N Rampart Blvd Las Vegas, Nevada 89129 <u>christian@arrescue.net</u> 702-613-6249

March 10, 2025

The Honorable Elaine Marzola, Chair The Honorable Sandra Jauregui, Co-Chair Assembly Committee on Commerce and Labor Nevada State Legislature 401 S. Carson Street Carson City, NV 89701

Submitted Electronically to: <u>AsmCL@asm.state.nv.us</u>

Dear Chair Marzola, Co-Chair Jauregui, and Members of the Assembly Committee on Commerce and Labor,

I am writing to strongly oppose AB 259 due to the harm it will cause to patients, providers, and access to critical medications in Nevada.

This bill does not address the true cost of medications as intended and will instead make it harder for patients to receive essential life-saving treatments like chemotherapy, immunotherapy, and biologics. NV Medicaid already reimburses below the actual cost for many IV administered medications, and expanding these price limits to all payers will create an unsustainable situation for providers-specifically for outpatient oncology and rare disease centers.

If AB 259 Passes, It Will:

- Reduce access to life-saving treatments. Patients who rely on specialized medications like chemotherapy, immunotherapy, and biologics may face delays, restrictions, or complete loss of access as providers struggle to afford offering these treatments under reduced reimbursements.
- Force providers to limit services or stop offering essential therapies. Healthcare providers already operate on thin margins, especially those treating cancer and rare diseases. If AB 259 expands below-cost reimbursement across all payers, many providers will be unable to continue offering high-cost, life-sustaining treatments, leaving patients with fewer options for care.
- Put additional financial and logistical burdens on families who are already struggling to access care. When local providers can no longer afford to offer essential therapies in the outpatient environment, patients will be forced to

travel out of state for treatment, increasing financial strain, emotional stress, and time away from work and school.

• Fail to lower the actual cost of medications. The bill does not nothing to regulate or reduce drug prices set by manufacturers—it only reduces what insurers are required to pay, forcing providers to absorb the financial loss. Providers will have to either cover the gap, cut services, or stop offering treatments altogether, making access to care even more difficult for patients in need.

I urge you to reject AB 259 and protect access to critical treatments for patients in Nevada.

Sincerely,

Christian Gitersonke

Chief Executive Officer

P: 702.660.1240 C: 702.613.6249 F: 702.297.6537 christian@arrescue.net www.arrescue.net



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March 24, 2025

The Honorable Elanie Marzola Assembly Commerce and Labor Committee 401 South Carson Street Carson City, Nevada 89701

Dear Chair Marzola:

On behalf of GSK, we are writing in opposition of AB 259, a bill that prevents insurers and pharmacies from purchasing certain medicines that exceed a government set price. This legislation could limit access to needed medicines and fails to address patients' true costs at the pharmacy counter.

GSK is a science-led global healthcare company with a special purpose to unite science, technology, and talent to get ahead of disease together. We focus on science of the immune system, human genetics, and advanced technologies to impact health at scale. We prevent and treat disease with vaccines, as well as specialty and general medicines. GSK supports policy solutions that transform our healthcare system into one that improves patient outcomes, rewards innovation, and achieves higher value care.

AB 259 requires commercial insurance plans and pharmacies to cap the amount they pay for prescription medicines at a federal government set price, known as the Maximum Fair Price (MFP). Medicare MFP is a price-setting mechanism recently enacted as part of the federal Inflation Reduction Act (IRA). The IRA's drug pricing provisions are still being implemented, and there are ongoing legal and regulatory challenges.¹ Extending this framework to the commercial sector, where pricing structures differ significantly will distort the market and create disruptions in patient access.

For example, if a pharmacy or dispensing provider is unable to afford stocking a drug at the state-imposed rate, patients may lose access to critical treatments. Unfortunately, this is not just a theoretical concern. A January 2025 survey from the National Community Pharmacists Association found that 93 percent of independent pharmacists surveyed are considering or have already decided not to stock one or more of the first 10 drugs listed in the Medicare Drug Price Negotiation Program, underscoring the real risks of price control policies on drug availability to patients.² Extending MFP to the commercial market will only exacerbate this access challenge.

While lawmakers may intend for the MFP to reduce patients' costs, it's important to note that the vast majority of patients do not pay the list prices set by manufacturers. Instead, they typically pay fixed copayments or coinsurance set by their insurance plan who negotiate drug prices with manufacturers. AB 259 fails to account for this nuance, as it does not address the role of insurance benefit design in patients' out-of-pocket costs. Manufacturers do not control health plan benefit design. Adopting a mandatory MFP could reduce costs for insurance companies, but it does not necessarily guarantee savings for patients.

¹ Federal Register. Establishment of the Medicare Drug Rebate and Negotiations Group Within the Center for Medicare. https://www.federalregister.gov/documents/2022/10/14/2022-22296/establishment-of-the-medicare-drug-rebate-and-negotiations-group-within-the-center-for-medicare-cm.

1

² NCPA. Report for January 2025 Survey of Independent Pharmacy Owners/Managers. https://ncpa.org/sites/default/files/2025-01/1.27.2025-FinalExecSummary.NCPA_.MemberSurvey.pdf.



GSK is committed to advancing policies that protect innovation and most importantly, Nevada patients. GSK respectfully opposes AB 259 which could arbitrarily cap pharmaceutical prices without adequately addressing patients' costs, and instead advance other solutions that will make medicines more affordable for patients through systemic changes in the supply chain. Policies that can positively impact patients include:

- Requiring PBMs to pass full manufacturer rebates to patients at the pharmacy counter;
- Requiring PBMs to be paid a flat fee based on the value of the services they provide, rather than a
 percentage of a drug's list price; and
- Closing policy loopholes in health insurer coverage that allow copay accumulator adjustment programs, copay maximizer programs, and alternative funding programs to interfere with patient cost savings.

Please feel free to contact me anytime, as GSK wants to be a trusted partner to assist improving healthcare for all Nevada residents with your leadership.

Sincerely,

Christian Omar Cruz Director, State Policy

GSK

202-770-7223

Christian.O.Cruz@gsk.com

Christian (ruz



March 26, 2025

Assembly Committee on Commerce and Labor Legislative Building, Room 4108 401 S. Carson St. Carson City, NV 89701

Re: Opposition to AB 259: Maximum Fair Price

Dear Chair Elaine Marzola and members of the Committee on Commerce and Labor,

Takeda respectfully requests that you **oppose AB 290, which would apply the Medicare Maximum Fair Price (MFP) to prescription drugs for Nevada residents.**

As a global, values-based, R&D-driven biopharmaceutical company with more than 21,000 employees in the U.S.—over 160 of whom live and work in Nevada—Takeda is committed to creating better health for people and a brighter future for the world. Our vision is to discover life-transforming treatments and deliver them to patients, including patients in Nevada. Takeda puts patients at the center of our work, and we are dedicated to ensuring patients have access to effective and affordable medications. We are concerned that AB 259, if enacted into law, will harm Nevadans by impeding access to their prescribed medicines, without lowering their out-of-pocket costs.

Price controls can create challenges for patient access to needed medicines

We are supportive of meaningful policies to reduce patient out-of-pocket costs and remove barriers to access. However, we believe that AB 259 will have unintended consequences for Nevadans and may limit patient access to life-enhancing medicines. Price controls, like the proposed use of the Maximum Fair Price (MFP) under AB 259, do not impact patient out-of-pocket costs. The price patients pay for their drugs when they go to the pharmacy is determined by their benefit design. While intended to increase prescription affordability for patients, reimbursement at the MFP would instead set a cap on purchase prices and payor reimbursements within the complex drug supply chain, while not addressing the practices and entities that influence the actual prices patients pay at the pharmacy counter. Specifically, limiting payment to the MFP could place strain on patients in Nevada if hospitals, pharmacies, and dispensing providers are required to purchase a medication supply at a price greater than what will be reimbursed. There are considerable operational hurdles that CMS is currently trying to address as they prepare for the effectuation of the MFP for Medicare Part D products in 2026. Many of these issues will likely be exacerbated as the negotiation program expands to Part B products in 2028 and providers, who are responsible for prescribing the medications, feel financial impact of changes in reimbursement. Setting a cap on purchase prices and reimbursement could therefore result in a lack of availability of, and access to, critical medicines for patients in Nevada.

Patients deserve access to their prescribed medications

As we have seen with step therapy and excessive formulary management, efforts to restrict patient access can negatively impact patients through increased costs, prescription abandonment, and

March 26, 2025 Page 2

treatment delays.¹ When patients are stable on successful treatment regimens, studies reflect that their quality of life increases and their health care resource utilization and costs go down. Each patient has a unique journey and may have varying success with available treatment options at different points in their disease progression. We believe placing a cap on the purchase and reimbursement of medicines with an MFP would interfere with the clinical decision-making that occurs between a patient and their provider. Patients in Nevada should have access to clinically-appropriate treatments and be able to manage their individual condition in a manner that they and their physicians deem best.

Further, focusing on establishing a cap on drug prices ignores policies that could have a meaningful impact on affordability and what patients pay at the pharmacy counter, such as ensuring manufacturer coupons count toward deductibles and other out-of-pocket requirements so that patients get the full benefit of programs meant to help them access their prescribed medicines.

Takeda shares your commitment to Nevadans. We are eager to continue working with the Nevada legislature to help patients better afford their medicines at the pharmacy counter. However, for the reasons outlined above, **Takeda urges that you oppose AB 259**.

Please reach out if you would like to discuss this in more detail, 202.649.4000.

Sincerely,

Andrew Kaplan

Senior Vice President, U.S. Public Affairs

Takeda Pharmaceuticals USA Inc.

At h Kh

¹ Howell, S., Yin, P.T., Robinson, J.C. "Quantifying The Economic Burden Of Drug Utilization Management On Payers, Manufacturers, Physicians, And Patients." Health Affairs. August 2021.

Amgen Inc.
1 Amgen Center Drive
Thousand Oaks, CA 91320 USA
(805) 447-1000

amgen.com



April 22, 2025

Assembly Committee on Commerce and Labor Legislative Building 101 N. Carson Street Carson City, NV 89701

Re: AB 259 (As Introduced) OPPOSE

Dear Chair Marzola and Committee Members,

As a company committed to discovering, developing, manufacturing and delivering innovative human therapeutics for patients suffering from serious illnesses, we are concerned about the potential impact of this legislation on Nevada's patients and providers and, therefore, respectfully request your "NO" VOTE on AB 259 (As Introduced).

We are particularly concerned that Nevada's decision to engage in broad price-setting at a Medicare Maximum Fair Price (MFP) will limit patients' access to medications and ultimately mean fewer new treatments available to patients. Specifically, Nevadans may not have access to a medication if a pharmacy or provider is unable to purchase it at the government-set rate. We assert that there are better policy approaches to improving access and affordability at the pharmacy counter, such as ensuring the substantial discounts and rebates paid to insurers and middlemen are applied to reduce patients' out-of-pocket costs.

Furthermore, reliance on the Medicare MFP as an upper payment limit (UPL) is inappropriate due to the numerous practical and legal concerns still being addressed at the federal level, as the Centers for Medicare and Medicaid Services' (CMS) implementation of the Inflation Reduction Act is still ongoing.

Finally, Amgen is dedicated to supporting laws that safeguard Nevadans' access to healthcare and their ability to finance it. Amgen, however, has significant concerns about any approach that would cap the prices of therapies unilaterally and that does not account for the intricate nature of the pharmaceutical supply chain.

Thank you for your consideration of Amgen's perspective. We respectfully request your "NO" VOTE on AB 259. If there is any further information we can provide, please contact Jennifer Fitzgerald (jfitzger@amgen.com).

Regards,

/s/ Jennifer Fitzgerald

Jennifer Fitzgerald

Director of State Government Affairs