

April 11, 2017

## Members of the Nevada Senate 401 South Carson Street Carson City, NV 89701

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## **Dear Honorable Nevada State Senators:**

## **RE:** NV SB 265 – Letter of Concern

On behalf of the International Pain Foundation (iPain) and the 950,000 Nevadans who live with a medical condition involving chronic pain, we are writing to urge you to carefully evaluate the proposals in SB265. This bill is intended to create a greater transparency but instead may stifle biomedical innovation and participation within the pain patient community when it comes to the important conversation on the value of healthcare and proper and timely access to that care. The iPain is dedicated to improving access to quality, timely, affordable and equitable healthcare. There are undoubtedly some good provisions in SB 265 that we support, however, we also have many concerns.

A few of our concerns include:

- NV SB 265 may inadvertently threaten patient's access to medications. If advance notices on price increases lead to stockpiling by wholesalers. These shortages can lead to disruptions in access to medications which may threaten the health of those living with chronic conditions.
- NV SB 265 could threaten access to medications caused by stockpiling in response to the 90-day price increase notice required by SB 265. Almost always, when the government inserts itself into a marketplace unintended consequences result. A notification of a price increase will cause a sudden demand by the wholesalers as they move to stockpile the medicines at the lower price. These sudden highs and lows in demand will only add more costs to the medicines as the manufacturer responds to these sudden changes.
- NV SB 265 very likely will not save the patient any money. The convoluted subsidies and pricing will benefit the PBMs and Insurance companies but will not save the patient any money.



- NV SB 265 does not consider the value medication plays in the lives of the thousands of Nevadans living with a chronic condition. Medications are only one component of a much larger, much more complicated healthcare network.
  - For example, SB 265 completely ignores the impact of central players in medicine spending, such as pharmacy benefit managers (PBM). While one of the main purposes of PBMs is to leverage the number of people they represent for lower prices from drug makers, it is unclear whether they save insurance carriers and ultimately patients any money at all. Even if they do, whether they pass on those savings to patients.
- NV SB 265 institutes price controls, an approach that has shown historically to never result in a good long-term solution.

The patient voice is critical in the conversation on the value of health care and we hope you will consider the impact on meaningful access to care and biomedical innovation as you move forward with NV SB 265. Thank you for considering our concerns. Please contact me if you have any questions.

Sincerely,

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