

RetireSafe

Standing Up For America's Seniors!

Dear Nevada Senators,

April 10th, 2017

RetireSafe, a nationwide seniors advocacy organization with over 200,000 members, 2,866 in Nevada, is against SB 265. This bill sets a dangerous precedent for the older Americans in Nevada. It is another instance where the government is inserting itself into the marketplace with predictably negative results. This bill:

- 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. This sudden increase in demand may cause shortages as the manufacturer works to respond to the sudden increase in demand. The manufacturer will then experience a sudden decrease in demand after the 90 days. These sudden highs and lows in demand will only add more costs to the medicines as the manufacturer responds to these sudden changes.
- Could add reporting burdens to nonprofits. Nonprofits must already report contributions to the IRS on their yearly 990s which are publicly available. Reporting to Nevada and every other state that chooses to follow this intrusive requirement will add even more burden to the already strapped budgets of non-profits.
- 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.
- Institutes price controls, an approach that has shown historically to never result in a good long-term solution.
- Requires private businesses to open up their books to the public. As companies compete, trade secrets, manufacturing techniques, pricing decisions are all key to a company staying competitive. Revealing this information can only hurt competition and seems to encourage price collusion.

SB 265 inserts the government into many aspects of Nevada's health care with no discernable benefit to its patients. It's requirements and regulations seem to push Nevada's health care system toward limiting patient access and creating an environment that is not conducive to the benefits of free market competition.

This knee jerk reaction to drug prices, a small part of the total cost of health care, does a disservice to the very people Nevada's legislators have sworn to protect. SB 265 does not benefit Nevadans.



Thair Phillips
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