

Steve Sisolak
Governor

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Director



DEPARTMENT OF
HEALTH AND HUMAN SERVICES
PATIENT PROTECTION COMMISSION

Helping people. It's who we are and what we do.



Malinda Southard, DC
Executive Director

Dr. Ikram Khan
Commission
Chairman

Addressee Name
Address
Email

September 19, 2022

Dear [Addressee]:

During its August 17th, 2022, meeting, the [Patient Protection Commission](#) (PPC) voted to solicit this item for your consideration to bring forward during the 2023 Nevada State Legislature. This item carries the full weight and support of the Patient Protection Commission. The topic is as follows:

Create a Prescription Drug Affordability Board. Expand on NRS 439B.630 and set "allowable rates" for certain high-cost drugs identified by the Board.

As noted by the Commission, a prescription drug affordability review board gives states the ability to limit how much its residents pay for certain high-cost drugs. A drug affordability review board would bring the parties together, increase transparency, and set an upper payment limit/cost sharing arrangement. In several states, there has been significant interest in legislation to further regulate drug prices, and the prescription drug affordability review board offers an opportunity for a coordinated strategy.

Further, Nevada has already taken steps to address prescription drug affordability and a prescription drug affordability review board (PDAB) is a natural step to ensure patients receive affordable healthcare. Nevada, pursuant to NRS 439B.630, requires the Department of Health and Human Services (DHHS) to compile a list of prescription drugs essential for treating diabetes (Essential Diabetic Drugs or EDDs), a list of those Essential Diabetic Drugs that had a significant price increase as well as other medications that had a significant price increase and cost more than \$40 per course of therapy in Nevada.

All manufacturers that produce medication included in Nevada's Essential Diabetes Drug List are required to submit to DHHS a report with data outlining drug production costs, profits, financial aid, and other drug-specific information and pricing data (NRS 439B.635). For drugs that experienced a recent significant price increase, manufacturers are required to submit a report that provides a justification for these price increases (NRS 439B.640).

Pharmacy Benefit Managers (PBMs) are required to submit reports regarding rebates negotiated with manufacturers for drugs on both the Diabetic Essential Drug List and the Over \$40 Drug List (NRS 439B.645). DHHS is also required to maintain a registry of pharmaceutical sales representatives that market prescription drugs in Nevada (NRS 439B.660). These representatives are required to annually submit a list of health care providers and other individuals to whom they provided drug samples and/or individual compensation events exceeding \$10 or total compensation exceeding \$100 during the previous calendar year. Along with the work the PPC has done in establishing the cost growth benchmark and all payer claims database (APCD), these measures establish a firm footing to meaningfully address rising costs associated with healthcare through the establishment of a PDAB.

Please feel free to reach out to me at the contact information below and let me know if you have any questions or would like additional information on this topic.

Thank you,

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