



April 9, 2025

The Honorable Fabian Doñate
Chair, Senate Health and Human Services
401 South Carson Street
Carson City, NV 89701-4747

SB 389: Revises provisions relating to the administration of pharmacy benefits under Medicaid and certain other health plans – SUPPORT

Dear Chair Doñate, Vice Chair Taylor, and members of the Senate Health and Human Services Committee:

The American Pharmacists Association (APhA) supports [Senate Bill \(SB\) 389](#) (Sen. Scheible & Sen. Stone), which will protect Nevadans' access to their medications and their trusted health care professional, the pharmacist. By preserving pharmacists' crucial role in ensuring patients' access to their medications, Nevada can ensure our communities receive the best possible health care.

As a result of the predatory practices of pharmacy benefit managers (PBMs), patients' access to medications from their local pharmacist across the country has declined¹, taxpayer dollars have been funneled into corporate profits², and generationally owned community pharmacies have been driven out of business.³ A study found that PBM tactics forced Oregon Medicaid to overpay \$1.9M on a single drug, where PBMs marked up the drug by 800 percent.⁴ Appropriate government oversight is necessary to address the misaligned incentives in the PBM industry that prioritizes profits over patients. By requiring the Nevada Department of Health and Human Services to contract with a single state PBM, SB 389 will ensure fairness, accountability, and cost savings for the state while protecting patient access to necessary medications.

SB 389 provides a necessary framework to prevent PBM abuses, ensuring that taxpayer dollars are used efficiently while prioritizing patient health. By mandating that Medicaid managed care organizations contract with the state PBM, the bill fosters a more transparent and sustainable approach to administering pharmacy benefits. Comparable programs have been established in Ohio and Kentucky, with the latter reporting \$200 million in savings in the first year of implementation.⁵

¹ Rose J, Krishnamoorth R. Why your neighborhood community pharmacy may close. *The Hill*. Available at <https://thehill.com/blogs/congress-blog/healthcare/530477-why-your-neighborhood-community-pharmacy-may-close>

² 3 Axis Advisors. Analysis of PBM Spread Pricing in New York Medicaid Managed Care. Available at <http://www.ncpa.co/pdf/state-advoc/new-york-report.pdf>

³ Callahan C. Mom-and-pop pharmacies struggle to hang on. *Times Union*. Available at <https://www.timesunion.com/hudsonvalley/news/article/Mom-and-pop-pharmacies-struggle-to-hang-on-16187714.php>

⁴ <https://oregonpharmacy.org/2022/10/27/oregon-report/>

⁵ Milliman. Evaluation of Senate Bill 50 on the Kentucky Medicaid Managed Care Pharmacy Benefit – Report Brief. Published September 12, 2023.

Another critical focus of SB 389 is maintaining patient access to their life-saving medications and preserving the pharmacist-patient relationship. Increasing PBM transparency, prohibiting spread pricing where PBMs charge more to the state than they pay the pharmacy and ensuring sustainable reimbursement to pharmacies will help keep local community pharmacy doors open and protect access to care, particularly for populations in rural and underserved Nevadan communities.

For these reasons, APhA strongly supports SB 389 and respectfully requests your “AYE” vote. If you have any questions or require additional information, please do not hesitate to contact E. Michael Murphy, PharmD, MBA, APhA Senior Advisor for State Government Affairs, by email at mmurphy@aphanet.org.

Sincerely,

A handwritten signature in black ink that reads "Michael Baxter". The script is cursive and fluid.

Michael Baxter
Vice President, Government Affairs

cc: Senator Angela D. Taylor, Vice Chair
Senator Roberta Lange
Senator Robin L. Titus
Senator Jeff Stone
Ken Kunke, PharmD, Executive Director, Nevada Pharmacy Alliance

About APhA: APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care and enhance public health. **In Nevada, with 2,520 licensed pharmacists and 4,480 pharmacy technicians, APhA represents the pharmacists and student pharmacists that practice in numerous settings and provide care to many of your constituents.** As the voice of pharmacy, APhA leads the profession and equips members for their role as the medication expert in team-based, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.