

Good morning. My name is Heather Free and I am the Director of Pharmacy Services at Equitas Health. I want to thank Chairman Blessing, Vice-Chair Reineke, Ranking Member Clyde, and the members of the House Government Accountability and Oversight Committee for the opportunity to share Equitas Health's support for House Bill 479.

Equitas Health is a nonprofit, community-based health care organization serving more than 67,000 individuals across Ohio through a diverse set of services, including primary and specialized medical care, behavioral health, dental care, HIV/STI prevention, advocacy, and case management. We also operate pharmacies in Columbus and Dayton. Our mission is to be the gateway to good health for those at risk of or affected by HIV/AIDS, for the LGBTQ community, and for those seeking a welcoming health care home.

Equitas Health supports House Bill 479 because it protects the citizens of Ohio from the harmful practices of insurers and pharmacy benefit managers ("PBMs"). Without the protections included in House Bill 479, patients of Equitas Health and other patients throughout Ohio will pay more than they should at the pharmacy.

House Bill 479 proposes to do a few things. First, it will prohibit PBMs from requiring pharmacists to charge patients an amount greater than the pharmacy's cash price for a particular prescription drug. Second, it will prohibit "gag clauses" that some PBMs include in their contracts with pharmacies. These gag clauses prohibit pharmacists from disclosing to patients that they may be able to get their drugs for a price lower than the price negotiated with the PBM. Third, it will prevent PBMs from "clawing back" funds from pharmacies.

I want to acknowledge a recent announcement made by the Ohio Department of Insurance ("ODI") that supports the provisions in House Bill 479 and in fact prohibits PBMs and health insurance companies from doing two things:

1. Denying to patients information regarding less expensive ways to purchase prescription drugs, and
2. Requiring cost-sharing in an amount, or directing a pharmacy to collect cost-sharing in an amount, greater than the amount a patient would pay for the prescription drug if the drug were purchased without health insurance coverage.

These protections are incredibly important, and I applaud ODI's leadership on this matter. However, passing House Bill 479 is still necessary in order to ensure that PBMs cannot engage in the harmful "clawback" practice. Prescription drug overpayments or "clawbacks" occur when a commercially insured patient's co-payment exceeds the total cost of the drug to his or her insurer or PBM and the insurer or PBM keeps the difference. Frequently, the amount that the insurer or PBM reimburses the pharmacy for drugs is less than the amount the PBM keeps. In this scenario both the consumer and the pharmacy are victims of the PBM's practice.

I appreciate the opportunity to share with you Equitas Health's support for House Bill 479. Passage of House Bill 479 will ensure better protections for Ohioans and stop insurers and PBMs from keeping money that does not belong to them. Thank you.