



Ohio Association of Rheumatology

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April 25, 2019

Re: HB 63 – Improve Ohioan Access to Affordable Prescription Medications

Dear Chairman Representative Merrin:

OAR encourages public understanding and awareness of the impact of rheumatic diseases on society and the importance of the subspecialty of rheumatology in altering disease outcomes. From its inception in 2003, OAR has been a non-profit, 501C3 organization composed of rheumatologists dedicated to the advancement of quality arthritis and musculoskeletal health care for all persons in the State of Ohio.

As you consider House Bill 63 in the House Health Committee, OAR wishes to convey its support for this important legislation in order to ensure patients are not paying over-inflated costs for prescription medications at pharmacy point-of-sale transactions.

Pharmacy Benefit Managers (PBMs) are forcing pharmacies to charge customers more than the pharmacy's cash price for a drug. The PBM then "claws back" the money the patient was overcharged.

While most clawbacks are relatively small, ranging from a few cents to \$5-7 in most cases, there are many transactions where patients are overcharged by more than \$20. Some of the most egregious clawbacks occur in Medicare Part D, where overinflated co-pays not only pinch patient's wallets, but also put patients into different deductible phases. HB63 would prohibit PBMs from charging patients a cost greater than the net reimbursement paid to the pharmacy for the prescription drug.

Another practice used by PBM's is gag restrictions. A contractual gag prevents pharmacy employees from discussing all prescription costs with their customer; even from informing patients that they could save money on their prescriptions if purchased outside of their health plan. Provisions in HB63 would allow pharmacies to inform patients when their prescriptions can be purchased at a lower cost by not using their health insurance coverage.

The practice of clawbacks and gag restrictions has been witnessed in every state and has resulted in more than a dozen lawsuits across the country. Patients should pay the lowest available price, rather than allowing PBMs to profit from "clawbacks" at patients' expense. Furthermore, "gag clauses" were recently federally prohibited, and the Ohio Department of Insurance has also instituted limits to their use.

OAR respectfully requests your support for HB63 in committee, and asks that you sign on as a co-sponsor to this legislation. Should you have any questions, please contact OAR Government Affairs Specialist Heather Kazmark at hkazmark@wjweiser.com or (847) 264-5930.

Sincerely,

Stephanie Ott, MD FACP, FACR
President, OAR

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