



Interested Party Testimony
Am. Sub. House Bill 166: International Pricing Index
Senate Finance Committee, The Honorable Matt Dolan, Chair
June 4, 2019

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes and members of the Senate Finance Committee, on behalf of the Ohio Manufacturers' Association, we offer comment limited to a House-added provision of the bill that imposes state price controls on a manufactured product.

The OMA believes that if passed, the added government regulation would fail to achieve the goal of lowering prescription drug prices and would instead create expensive red tape and prolonged litigation that will be costly to Ohio taxpayers.

As manufacturers, we are concerned with any plan to impose artificial price controls on products. The OMA is concerned that price controls would not stop with medication but would apply to other products purchased by government.

As such, we urge senators to please remove 'International Pricing Index' (IPI) language from the state operating budget.

If the State of Ohio adopts price setting based on the policies of foreign governments, there are likely to be negative consequences for Ohioans who depend not only on their current medication, but those who are awaiting new treatments or cures.

While we all wish that prices for medicine were lower, policies that lead to limiting drug prices subjectively can discourage investment in innovation.

We appreciate your efforts to address cost in our system of healthcare, but we believe that this approach will be counter-productive to Ohio's economic competitiveness.

Thank you for your interest in this perspective.