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November 10, 2020

The Honorable Scott Lipps
Chair, Ohio House Health Committee
77 South High Street, 13th Floor
Columbus, OH 43215

Dear Chairman Lipps:

I am writing on behalf of our nearly 22,000 governing members to express concerns related to House Bill 443, legislation pending before the Ohio House Health Committee. Our association believes it is appropriate to ensure Ohio follows the requirements of the Federal Mental Health Parity Law. However, House Bill 443 goes beyond mere compliance by limiting cost-saving mechanisms that may cause health insurance premiums to rise in the fully-insured market.

By way of background, NFIB members come from all industry sectors in all 88 counties across Ohio. Our typical member employs 15 or fewer and has less than \$2 million in gross receipts. The latest issue of our quadrennial publication *Problems & Priorities*, which asks business owners to rank a list of 75 business issues on most to least impactful on their operations, was recently released. The cost of health insurance remains their top concern, exceeding even locating qualified employees! Our members are clearly concerned with any policies putting upward pressure on premiums which makes providing health insurance, a much-desired benefit, more challenging.

It seems logical that health insurance plans operating in the state and regulated by our Ohio Department of Insurance would make certain they are not running afoul of federal law. NFIB believes it is prudent to ensure Ohio's mental health parity law comports and complies with the federal law. However, House Bill 443 as introduced goes beyond just mirroring federal law.

House Bill 443, specifically lines 695-706, puts restrictions on the utilization of prior authorization, step therapy, and tiering of prescription drugs, measures that aim to balance appropriate patient care with costs. These policies do not remove the costs from the system, they simply shift who pays the costs. We believe it is the health insurance policyholder, in many instances our members, who will ultimately pay these costs through increased premiums when they renew their policies.

Additionally, the bill exempts these aforementioned provisions of the bill from Ohio Revised Code Section 3901.71. This section of code precludes any health insurance mandate from becoming law until the Department of Insurance can confirm the applicability to all insurance plans subject to the federal Employee Retirement Income Security Act (ERISA) law. As you know, these plans, self-insured plans, are exempt from state-imposed health insurance mandates. This leaves only the fully-insured plans, individual, and small and large group plans, subject to state-imposed mandates. The inclusion of this

language seems to confirm this bill is yet another health insurance mandate. We implore this committee to find creative solutions to provide access to coverage for all Ohioans if and when a public health need is identified, in lieu of just passing additional mandates on the fully-insured market.

We respectfully request the removal of the language that limits measures aimed at balancing patient care with costs. NFIB will move to a neutral party on House Bill 443 should these provisions be removed.

Thank you for your consideration.

Sincerely,



Christopher J. Ferruso
Ohio Legislative Director

cc: Ohio House Health Committee