



State Senator
TINA MAHARATH

3rd District

Sponsor Testimony
Senator Tina Maharath
Senate Bill 14
Insurance and Financial Institutions Committee
Wednesday, April 3, 2019

Good morning, Chairman Hackett, Ranking Member Craig, Vice Chair Hottinger and members of the Insurance and Financial Institutions Committee. Thank you for the opportunity to present Senate Bill 14, legislation that is intended to increase transparency and reduce costs of prescription drugs for Ohioans.

Under this legislation, insurers and PBMs would no longer be allowed to restrict pharmacists from disclosing drug price information to patients, which may be lower than the patient's out-of-pocket costs through their insurance provider. It prohibits gag clauses and requires that any amount paid by the insured under this section is attributable toward any out-of-pocket maximums under their health benefit plan. The bill also defines cost sharing and prohibits PBMs from requiring payment for drugs in excess of available drug price choices.

As we are aware, there have been multiple investigations in Ohio that have resulted in sudden and unexpected rule changes at the Department of Medicaid and Department of Insurance. This piece of legislation codifies those recent department policy changes. Ohio citizens deserve to know the lowest price available for a prescription drug and shouldn't be restricted of choice or penalized by increased cost because they have insurance. In effect, this legislation will help to increase transparency in drug pricing and serve to make drug pricing fairer for patients. Consumers shouldn't be priced out of their health care, especially when cheaper options are available. This legislation seeks to make sure we are putting the health of patients first by preventing pharmaceutical companies from continuing secretive practices. I have overpaid for prescription drugs and know how squeezed and helpless you feel when you have to choose between buying medicines and food for your child.

I understand this is an issue that many of my colleagues share expertise. I welcome the opportunity to amend this legislation to make it stronger for those most in need. I look forward to a thoughtful legislative process and appreciate your attention to this important issue. I respectfully request your favorable consideration of Senate Bill 14. Thank you and I am happy to respond to questions from the committee.