

November 28, 2022

RE: Testimony in support of HB 135

Dear Chairman Huffman, Vice Chairman Antani, Ranking Member Antonio, and Members of the Senate Health Committee -

My name is Keith Hostetler and I am the CEO and Founder of PACE Healthcare, a private infusion center in Wooster, Ohio. We work with patients from across our region who receive long-term infusion therapy treatments for chronic conditions including rheumatoid arthritis, multiple sclerosis, Crohn's disease, ulcerative colitis, and others.

We support HB 135, legislation that will protect Ohio patients from copay accumulator adjustment policies. When a patient comes to our infusion center for high-cost biologic drugs, one of the biggest barriers to care is the out-of-pocket expense that they might have. These patients have attempted to lower their insurance costs by selecting high deductible plans. Sometimes the medications can cost tens of thousands of dollars.

Because the medications are so expensive, and the patient's out-of-pocket expenses including their deductible, copays and coinsurance are cost-prohibitive, the pharmaceutical companies have developed programs to help the patients access their medication. These copay programs cover a portion of the patient's share. Much like a patient going to friends and family to get help paying for the medication, the copay program helps them to cover the out-of-pocket share.

Some insurance companies are suggesting that a patient obtaining funds (from copay programs) means that the patient has not met their deductible. So they inform the patient that not only did the drug company pay for part of their medication, the patient AGAIN needs to meet that deductible. While in theory this sounds reasonable, it really is no different than the insurance company saying, "your father paid your copay so you really didn't pay it".

There is a perverse incentive to this insurance approach. If the insurance company can get the drug manufacturer or other third-party to pay the deductible and the patient ALSO pay the deductible, the insurance company has just experienced a windfall of free money (two deductibles) that they don't need to pay. We have seen patients stop or delay treatment because of the high cost of the deductibles which can result in hospitalization or in the case of Rheumatoid Arthritis and GI diseases like Crohn's and Ulcerative Colitis, patient quality of life and ability to work is severely affected.

Please support HB 135 and prevent these claw-back patient accumulator programs. Our independent Infusion Care office in Wooster treats many patients from Holmes, Ashland and Wayne Counties and we have seen sad decisions made to avoid the high costs of medication. Your support of this legislation is greatly appreciated.

Keith

Keith Hostetler, RPh, MHA
Pace Healthcare LLC
Wooster, Ohio