THE OHIO STATE UNIVERSITY
WEXNER MEDICAL CENTER

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Testimony before the Ohio House Insurance Committee
Supporting House Bill 156
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Chairman Lampton, Vice Chairman Barhorst, Ranking Member Miranda, and members of the House Insurance Committee, thank you for the opportunity to provide written proponent testimony in support of House Bill 156, which addresses the practice of "white bagging."

One of the nation's leading academic health centers, The Ohio State University Wexner Medical Center offers health care services in virtually every specialty and subspecialty in medicine. Thousands of patients come to us each month for treatments and services they can't find anywhere else, and we administer over 100,000 infusions annually. Providing access to health care information is central to our research, education and patient care mission. At the Ohio State Wexner Medical Center, we're dedicated to improving health in Ohio and across the world through innovations and transformation in research, education, and patient care and community engagement.

The bill authorizes a health benefit plan to offer to dispense physician-administered drugs or medications to covered individuals at a specific pharmacy or an affiliated pharmacy under certain specified conditions. However, the bill prohibits a health benefit plan from requiring or incentivizing this model. Under the bill, a "physician-administered drug or medication" is an outpatient drug, other than a vaccine, that cannot reasonably be self-administered by the patient or by an individual assisting the patient, and that is typically administered by a health care provider.

OSUWMC opposes requirements that jeopardize optimal, safe, and effective medication dispensing. Payer-mandated distribution models that require clinician-administered drugs to be dispensed exclusively via third-party specialty pharmacies threaten to compromise provider efforts to ensure patient safety and negatively impact pharmacists' ability to validate medication integrity and maintain oversight of storage and handling.

Most importantly, white bagging has implications for the safe care of patients requiring certain drug therapy treatments. The difficulties that white bagging policies place on cancer patients are a prime example of potential harm to a particularly vulnerable patient population. For example, many cancer patients are seen the same day as their scheduled infusion. Depending on a patient's lab results and clinical presentation, initial treatment plans may be amended or cancelled altogether. White bagging introduces unnecessary waste and financial burden on cancer patients because they have already paid for the medication that they cannot receive, and we cannot dispense that medication to another patient. In the "buy and bill" model, hospitals are the purchasers and owners of medications necessary for patient care, and we can quickly pivot to a new therapy which prevents delays in life-saving treatment while ensuring that patients do not pay for mediation that they are unable to receive.

Another concern related to white bagging delaying timely administration of care is the significant reliance these policies placed on the on-time delivery of product. In the white bagging model, these products are ordered on a patient-by-patient basis, meaning the potential for delay in care due to late or mistaken delivery of a product is high. If a patient's white bagged medication isn't received in time, they may be

forced to delay or cancel treatment. The consequences are considerable, both to the patient's health status, and related to other burdens such as travel time to an appointment, childcare arrangements, and missed work. This is particularly impactful to patients with less financial resources to support additional time off work to receive their treatment.

From a provider perspective, to ensure the highest quality of care and patient safety, we must have a clear line of sight into the acquisition, storage and administration of medications. White bagging removes providers from this process, creating sizable, avoidable challenges that directly impact patient safety protections. For example, under the buy and bill model described above, hospitals are able to manage inventory; monitor dispensing, compounding, and dosing; and ensure proper preparation and storage of drugs from purchase through administration. White bagging policies interrupt that process and require hospitals to receive and store product that is not their own with little-to-no notice. As a result, these policies have the potential to overwhelm hospital storage capacity or surprise hospital supply chain and pharmacy personnel as product is delivered, which has the potential to violate individual hospital supply acquisition guidelines. Further, because these drugs are ordered for specific patients, tracking and keeping record of each patient-specific product presents an unreasonable and resource-intensive challenge.

More concerning is the consideration of drug shortages which have had a significant impact on cancer patients in recent years. Many of the mitigation strategies utilized to navigate oncology drug shortages and ensure access to life saving therapies would not be possible under the white-bagging model. In instances of severe shortages, a white bagging model would lead to waste in the system during a time where it is imperative that health care providers extend supply to as many patients as possible.

More complex medications require increased care and attention to ensure product quality control. When hospitals control and own medications, they can guarantee the point of origin of the drug and are responsible for and can demonstrate a clear chain of custody to ensure the highest quality product. White bagging and brown bagging, however, interrupt that process, disrupting a hospital's ability to guarantee the safety of such drugs firsthand. For example, when a payer implements a white bagging policy for a specific drug, the hospital is unable to dictate where the product is manufactured or if it met storage requirements, like refrigeration, prior to delivery to the facility. In addition, certain drugs have very limited windows for use once mixed or compounded, further complicating matters and adding to concerns around excessive product waste. It is imperative that providers be able to ensure the quality of product and compounding facilities to ensure safe and effective care.

OSUWMC supports passage of House Bill 156. This legislation would represent an important step in ensuring patient safety by allowing safe and effective medication dispensing.

We appreciate your interest in this critical issue and look forward to continuing to work with you to achieve meaningful progress.