



November 1, 2023

Chairman P. Scott Lipps

Public Health Policy Committee
77 S. High St., 13th Floor
Columbus, Ohio 43215

Dear Chairman Lipps,

On behalf of the business community represented by the organizations identified above, we write today to offer our concerns with HB 177, which would increase health care costs for employers.

Health insurance is often the number two expense for employers. For this reason, the cost of health insurance is a priority focus for large and small businesses. In fact, the NFIB's Research Foundations latest Problems and Priorities publication had the cost of health insurance listed as the top concern of their members¹. Further, according to the Ohio Chamber of Commerce's Prosperity Pulse 2021 Quarter 1 report, the cost of health care remained a top priority for its members.²

According to the 2022 KFF Employer Health Benefits Survey, annual family premiums for employer-sponsored health insurance average \$22,463 this year. On average, workers this year are contributing \$6,106 toward the cost of family premium, with employers paying the rest. Employers and health plans share concerns about rising health care costs that are leading to increased premiums, as growth in both is unsustainable.

In addition, current inflationary trends suggest that larger increases are imminent. However, given the tight labor market, employers have fewer options - like reducing benefits or increasing cost sharing for employees - because they know that without offering a benefit as essential as affordable health insurance, they will face difficulties attracting and retaining employees.

Employers and health insurers often work together to find ways to decrease unnecessary costs. That's why tools such as copay accumulators are developed, as they allow employers to combat unnecessary spending.

Unfortunately, HB 177 moves the health care affordability needle in the wrong direction. It does so by allowing copay coupons to steer individuals to higher cost drugs and not allowing copay accumulators, currently used to combat this targeted practice, to continue in plan benefit design.

Medicare and Medicaid recipients are not allowed to use coupons as they're seen as illegal kickbacks that unnecessarily steer individuals to higher-cost drugs. Why would you pass a law that does the opposite for the privately insured and increases costs on the backs of Ohio businesses?

¹ <https://assets.nfib.com/nfibcom/NFIB-Problems-and-Priorities-2020.pdf>

² https://ohiochamberfoundation.com/wp-content/uploads/2021/05/OCCRF-Prosperity-Pulse_1Q-2021.pdf

We ask that you not pass HB 177 and instead consider legislation that would get to the root cost of health care. This is the only way to truly impact affordability and provide some much-needed relief to both employers and employees.

Sincerely,

The Ohio Business Roundtable
The Greater Cleveland Partnership
The Columbus Chamber of Commerce
The Southern Ohio Chamber Alliance
The Toledo Regional Chamber of Commerce
The Canton Regional Chamber of Commerce
The Dayton Area Chamber of Commerce
The Greater Akron Chamber
Northern Ohio Area Chambers of Commerce
Youngstown Warren Regional Chamber
Oswald Companies
McGohan Brabender
Hub Horan
The Health Plan
United Healthcare
Cigna
Anthem
Medical Mutual
CVS Health
Gallagher