



**OHIO**  
UNIVERSITY

**BEFORE THE HOUSE PUBLIC HEALTH POLICY COMMITTEE**

**REPRESENTATIVE P. SCOTT LIPPS  
CHAIR**

**TESTIMONY  
OF  
GREG FIALKO, SENIOR HUMAN RESOURCES DIRECTOR AND DIRECTOR OF  
BENEFITS**

**OHIO UNIVERSITY**

**NOVEMBER 15, 2023**



Chairman Lipps, Vice Chair Stewart, Ranking Member Liston, and members of the Ohio House Public Health Policy Committee, my name is Greg Fialko. I am the Senior Human Resources Director and Director of Benefits, for Ohio University. Thank you for the opportunity to provide interested party testimony on House Bill (HB) 177.

Ohio University offers self-insured health plans to its approximately 3,600 employees. The total lives covered by the health plans is approximately 7,500 individuals. As a self-insured employer the University, and not an insurance company, is responsible for funding the plan including paying claims through its third-party administrators. Self-insuring gives the university more control over its own health plans, provides flexibility, and has certain tax advantages. The University utilizes Anthem for third party administration of medical benefits, and CVS Caremark for pharmacy benefit management.

In an effort to mitigate rising health care costs for the University and its employees the University entered a specialty medicine discount program with PrudentRX starting June 1, 2021. The program was reviewed and recommended to University leadership by an employee benefits committee and AFSCME and F.O.P unions. There are approximately 120 employees/patients eligible to participate in the specialty medicine discount program. One hundred percent of eligible employees/patients participate in the opt-in program.

Prescription copays for medications included in the specialty medicine discount program are \$0 for plan participants or 30% for non-participants. The program is initiated with the first eligible prescription filled, which means employees start immediately saving money through their copay being reduced to \$0. They continue to pay \$0 for the prescription throughout the entire plan year. Again, one hundred percent of eligible employees/patients participate in the opt-in program. Under the University's health plan, prescription drug copays do not apply to the annual plan deductible, but an annual prescription copay maximum of \$2,325 for individual plans and \$4,650 for family plans is in place.

Since its inception in July, 2021 over 2,200 prescriptions were filled for the 120 employees/patients enrolled. **Those 120 employees have saved \$108,000 through the program's \$0 copay. The University's health plan saved \$2.26 million.** The fee to administer the program was \$744,000. Being self-insured, the University invests its \$2.26 million savings back into its insurance plan, resulting in lower premiums for all University employees.

I believe the University's program is a win-win for the University and its employees and achieves the intent of House Bill 177 by ensuring continuity of care and eliminating the financial burden associated with high priced specialty medications for employees by charging a \$0 copay for the first eligible prescription received and for the remainder of the entire plan year.

It is our concern that as introduced, House Bill 177 will disrupt Ohio University's ability to continue offering its plan, likely resulting in higher costs for individual employees utilizing eligible specialty

medications (ex. loss of the \$0 copay for the entire year), and higher costs for the University and all its employees due to the loss of plan savings (ex. \$2.26 million to date, which ultimately reduce premium levels.

Therefore, I am requesting that state universities be exempted from House Bill 177, so that Ohio University and other state universities can continue to offer their employees specialty medicine programs and control their healthcare costs.