



HB 33 Proponent Testimony
Matt Hamlin, Vice President and General Manager
Quest Diagnostics
Senate Medicaid Committee
Chairman Mark Romanchuk
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Chairman Romanchuk, Vice Chairman Wilson, Ranking Member Ingram, and members of the Senate Medicaid Committee, my name is Matt Hamlin, and I am Vice President and General Manager of the Great MidWest Region with Quest Diagnostics. Quest Diagnostics is a clinical laboratory providing diagnostic insights to improve health and quality outcomes and has over 1,000 employees and multiple labs within the State of Ohio, including our Cleveland HeartLab Cardiometabolic Center of Excellence. Laboratories are at the forefront of diagnosing our most complex diseases, supporting early intervention and preventive care while helping to manage chronic conditions.

Quest Diagnostics is a proponent of HB 33 as we are appreciative of the DeWine Administration and Department of Medicaid's efforts to provide a 5% increase of laboratory rates. The DeWine Administration has worked with the General Assembly to provide targeted relief for various provider types in recent years. However, as an industry, laboratories historically have operated quietly in the background and are not as visible as other critical provider types, and as a result have often been overlooked. The Department of Medicaid issued a White Paper titled *Pharmacy and Other Non-Institutional Medicaid Providers* which states the Administration's intent to increase laboratory rates by 5% for FY24-25. We appreciate this long overdue proposal supporting laboratory rates as clinical laboratory testing informs approximately 70% of all medical decisions that empowers health and makes a difference in Ohioans' lives.

An increase in Medicaid to laboratory rates by 5% for FY24-25 would provide critical support to our industry and would help ensure access to affordable healthcare which helps solve inequities and find ways to make communities healthier. Without adequate reimbursement rates, clinical laboratories would struggle to provide essential services and jobs as a result of rising costs. The COVID-19 public health emergency has taught us how critical frontline workers are and how important diagnostic testing is to a return to healthcare and a pre-pandemic recovery.

As you know, Ohio Medicaid reimbursement rates for lab testing have fallen behind the actual cost of providing care in recent years. This gap was further exacerbated by the rising costs of the workforce crisis and inflation. The COVID-19 pandemic intensified a health care workforce shortage that hit clinical laboratories especially hard. Now, state and federal aid meant to sustain providers during the pandemic has dried up and inflation has taken off. Inflation is especially difficult since clinical lab reimbursement is often contractually fixed for extended periods.

In short, we strongly support the Administration's intent to increase laboratory rates by 5% which would offer stability to an industry which is so vital to the healthcare delivery ecosystem.

Chairman Romanchuk and members of the Senate Medicaid Committee, thank you for the opportunity to testify today. We encourage your support of this important investment in laboratories and the clinical diagnostics insights they provide for Ohioans.