



**House Finance Committees
Testimony on House Bill 96
March 12, 2025
Ohio Association of Community Health Centers**

Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and Members of the House Finance Committee, thank you for the opportunity to provide testimony on House Bill 96, Ohio's FY2026-2027 state operating budget. My name is Julie DiRossi-King, and I have the honor of serving as the President and CEO of the Ohio Association of Community Health Centers (OACHC). I am here today with two of our Health Center CEOs, Tara Bair, Stephen Roller; we greatly appreciate your time and attention to our testimonies.

As the largest primary care network in the state, Ohio's 60 Federally Qualified Health Centers (FQHCs) and FQHC Look-Alikes, more commonly referred to as Community Health Centers (CHCs), provide care to nearly one million Ohioans across 550+ sites throughout 76 of the 88 counties (although data shows we serve Ohioans from all 88). Community Health Centers are non-profit health care providers with patient-majority boards that meet the specific needs of the communities they serve. For nearly 60 years, CHCs have provided integrated whole-person care, often offering medical, dental, behavioral health, pharmacy, vision, and other needed supplemental services under one roof, regardless of insurance status.

Commendable Investments in HB 96

OACHC commends Governor Mike DeWine and his Administration for the critical investments included in HB 96. We strongly support the funding and resources allocated to:

- Ohio Primary Care Workforce Initiative (PCWI)
- School-Based Health Centers (SBHCs)
- Dental and vision initiatives for children in underserved areas

These investments align with the mission of Ohio's Community Health Centers to provide comprehensive, quality, and affordable healthcare to Ohioans. They also reinforce the Governor's commitment to workforce development, school wellness, and healthcare infrastructure. OACHC appreciates and fully supports these initiatives.

Strengthening Ohio's Healthcare Workforce

Like many industries, healthcare is facing workforce shortages—particularly in under-resourced areas. The nation as a whole is experiencing a primary care workforce shortage, and underserved communities suffer compounded barriers considering the maldistribution of providers across our state. The Primary Care Workforce Initiative (PCWI) is Ohio's only primary care workforce strategy dedicated to serving these communities. We appreciate the Governor's commitment to level funding (\$5.4M over the biennium) through Line Item 440465 at the Ohio Department of Health.

However, we respectfully request the House increase this funding to \$7M over the biennium to support more teaching and precepting of students and to allow for additional workforce initiatives.

PCWI funding provides stipends to CHCs that bring primary care students in for clinical rotations, exposing them to the comprehensive, team-based model of practice and ensuring a high-quality educational experience. PCWI has successfully operated for 10 years despite not receiving an increase in its original funding allocation. If Ohio is serious about addressing healthcare priorities such as reducing overdoses and improving maternal and infant health, primary care must be strengthened. Increasing PCWI funding to \$7M will help ensure a robust healthcare workforce and sustainable healthcare delivery.

Expanding Healthcare Access for Children

OACHC applauds the Administration for investing in children's health. The \$20M funding allocated for school-based health care, establishing the OhioSEE program providing vision care services, and launching Children's Dental Services for underserved areas is commendable. Over half of Ohio's SBHCs are operated by CHCs, focusing on prevention, early intervention, and school-based healthcare tailored to community needs. Ensuring healthcare access in schools helps students stay healthy, engaged, and positioned for success. We urge the General Assembly to support these efforts.

Threats to Progress in HB 96

While HB 96 includes commendable policies, we urge the removal of certain provisions that would significantly restrict healthcare access for Ohio's most vulnerable populations:

- Medicaid/Group VIII: If the federal medical assistance percentage for Group VIII drops below 90%, all medical assistance for Group VIII members would be immediately discontinued.
- 340B Drug Pricing Program Restrictions

HB 96 proposes changes that would disrupt the ability of CHCs to provide affordable and medically necessary medications while also maintaining their current service lines. This includes provisions that prohibit the use of 340B contract pharmacies in the Ohio Medicaid program. These proposed changes threaten the progress Ohio has made in strengthening access to health care at the right time, right location, and in the most cost-effective setting. CHCs are a key partner for Medicaid as it seeks innovative solutions to improve health while lowering costs. CHCs provide comprehensive primary and preventive care at a lower cost than other primary care providers, saving Medicaid on average \$1,400 per adult patient per year. Further, a 2024 report from the Congressional Budget Office (CBO) shows that for every dollar invested in Community Health Centers, \$2 is saved in Medicaid/Medicare spending – a 200% return on investment.

The Impact of 340B Changes

If enacted, the proposed 340B provisions in HB 96 will have devastating effects:

- Reduced access to medically necessary and affordable medications for low-income families, seniors, and rural communities.
- Significant financial losses for CHCs, weakening their ability to provide comprehensive healthcare services.

- Increased strain on independent pharmacies, further limiting healthcare options and increasing the number of pharmacy deserts in Ohio.

Some of the positive investments in workforce and Ohio's children included in HB 96 will be undercut by the 340B provisions. As stated earlier, more than half of Ohio's SBHC locations are operated by CHCs, and the 340B program helps sustain their capacity and operations. Without access to 340B, SBHCs will close.

OACHC is working in good faith with the Ohio Department of Medicaid and Governor DeWine's Office to address these concerns. We strongly urge the General Assembly to remove the proposed 340B changes included in HB 96 pertaining to grantees until a solution is found. We hope to partner with you and all parties to pursue solutions that protect Ohio's CHCs and fellow safety net providers and the patients and communities they so well serve. This not only includes striking the 340B provisions for grantees as proposed in HB 96 but also inserting language to prevent drug manufacturers from restricting CHCs' access to 340B medications – again medically necessary medications – provided through contract pharmacy partners. To say a Community Health Center who has a presence in 10 rural counties, has to choose 1 contract pharmacy partner goes against the true intent of 340B and meeting the needs of the patients served.

Conclusion

Ohio is the "Heart of It All," and to keep our state healthy, we must maintain strong investments in primary care and ensure healthcare remains cost-effective and accessible. CHCs are uniquely positioned to provide this care, and we look forward to collaborating with the General Assembly to champion Ohio's healthcare success. The 340B program is a critical piece of our puzzle, and if the proposed restrictions are left in place, they will severely cripple Ohio's largest primary care network—our Community Health Centers. On behalf of OACHC, our member health centers, and the patients and communities they so well serve, I appreciate the opportunity to provide this testimony and welcome your questions.