



June 10, 2025

Chair Sharon Ray  
House General Government Committee  
77 S. High St., 11th Floor  
Columbus, Ohio 43215

Chair Ray, Vice Chair LaRe, Ranking Member Brent, and members of the House General Government Committee: my name is Megan Richwine, and I am the Director of Government Affairs for the Ohio Association of Health Plans (OAHP). On behalf of OAHP, thank you for the opportunity to offer written opponent testimony to House Bill 229.

OAHP is the state's leading trade association representing the health insurance industry. Our member plans provide health benefits to nearly 9 million Ohioans through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare, Medicaid, and the Federal Insurance Marketplace. In short, our members offer a broad range of health insurance products to Ohioans in the commercial marketplace and are committed partners in public programs.

OAHP is opposed to HB 229, as it seeks to require any insurer that enters into an agreement with a PBM, by which the PBM will perform services related to prescription drug benefits, to ensure that the PBM acts as the insurer's agent under the agreement. Additionally, the insurer must ensure that the PBM owes a fiduciary duty to the insurer in the PBM's performance of services related to prescription drug benefits. This could potentially be costly and harmful to plan participants as it could result in inflated drug prices, undisclosed rebates, and other cost inefficiencies.

As purchasers of health care services, health plans rely on PBMs to manage prescription drug benefits. Our contracts with PBMs are tailored to meet the specific clinical and financial needs of our members. We retain full control over the scope and structure of our pharmacy benefits. The fiduciary proposal in this bill would fundamentally disrupt that model and produce significant unintended consequences.

No other service providers, claims processors, third-party administrators, or utilization review vendors, are subjected to mandatory fiduciary standards. Health plans are sophisticated entities capable of negotiating and enforcing contracts with PBMs and other vendors. Creating a new fiduciary requirement where it is not warranted is an inappropriate mandate on private businesses that risks doing more harm than good by curtailing a PBMs ability, and by extension our ability, to use prior authorization, step therapy and formulary management tools effectively on behalf of plan sponsors (businesses, governments, unions).

OAHP believes HB 229 needs more work and more discussion with stakeholders. We urge the committee to consider our concerns for HB 229 in its current form.