



October 7, 2025

Dear Chair Ray & Members of the House General Government Committee,

I write today to express Meijer's support for HB 229 related to licensing and regulation of pharmacy benefit managers (PBMs). As pharmacies of all sizes continue to struggle – and even shutter – due to anti-competitive PBM business practices, HB 229 is an important first step toward protecting Ohio pharmacies and ensuring that Ohioans have access to high quality healthcare in communities throughout the state.

Over thirty states across the country currently require PBM licensure or certification. HB 229 would align Ohio with those states by requiring PBMs to be licensed through the Department of Insurance beginning July 1, 2027. Additionally, HB 229 would establish new transparency measures by granting the Superintendent of Insurance access to PBM financial information regarding rebates, itemized pharmacy payments, and transactions between PBMs and health plans. HB 229 most directly impacts pharmacies, however, by prohibiting PBMs from reimbursing pharmacies at an amount less than what the PBM would reimburse an affiliated pharmacy for providing the same service.

It is well documented that the three largest PBMs control more than 80 percent of the U.S patient population and have vertically integrated their operations to incorporate health plans and competing retail pharmacies. Over time, PBM profits have ballooned as they have taken advantage of their market dominance to squeeze pharmacies through “take-it or leave-it” contractual terms. PBMs regularly under-reimburse pharmacies for the cost of filling prescriptions, steer patients to their affiliated pharmacies, push more expensive brand name drugs over readily available generics, and constantly develop new schemes to benefit their bottom line at the expense of pharmacies and patients.

These anti-competitive practices have led to pharmacy closures across the country – devastating businesses and leaving communities without access to healthcare. According to the Ohio Board of Pharmacy, 215 Ohio pharmacies closed *in 2024 alone*. When local pharmacies close their doors, patients are forced to find a new pharmacy home. And while remaining pharmacies gladly welcome and serve those patients, an increase in prescription volume inevitably leads to increased financial losses at the hands of PBMs – compounding an already dire situation. The status quo is simply unsustainable for pharmacies and their patients.

While we support HB 229 as a positive first step, many additional reforms must be enacted to fully address the current dynamic between PBMs and retail pharmacies. Without further significant policy changes, more Ohio businesses will be forced to close, and patients will continue to lose access to healthcare in their communities.

We appreciate your consideration and ask for your support of HB 229. If you have questions, please do not hesitate to contact me at Andrew.Martin@meijer.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Martin".

Andrew Martin
Meijer Government Affairs Manager