



Lower Lights Health

House Insurance Committee
Testimony on House Bill 276
June 17, 2025

Chairman Lampton, Vice Chair Craig, Ranking Member Tims, and Members of the House Insurance Committee, thank you for the opportunity to testify in support of House Bill 276, the Ohio 340B Pharmacy Access Act. My name is Anton Johnson, and I serve as the Chief Executive Officer of Lower Lights Christian Health Center, a federally qualified health center also known as a Community Health Center (CHC).

Since 2002, Lower Lights has been connecting all aspects of health and wellness to provide patients with total care. We serve over 16,800 patients from 7 sites in Central Ohio. We welcome all people—insured or uninsured—with dignity and respect, regardless of income or background.

At the heart of our mission is a commitment to deliver comprehensive, high-quality, and affordable healthcare to every Ohioan—especially those in underserved communities. A critical tool that enables us to fulfill this mission is the **340B Drug Pricing Program**.

The 340B program is not just a policy—it's a life-saving resource. It enables health centers like ours to reinvest pharmacy savings directly into care for our most vulnerable neighbors. We use these savings to fund essential services that insurance doesn't cover—things like behavioral health, dental care, transportation, nutrition supports, and even help with housing and chronic disease management.

But the sustainability of this program is now at risk. Since 2020, over 35 drug manufacturers have imposed restrictions on the 340B program. Some refuse to ship medications to our contract pharmacies. Others force us to choose just one pharmacy location for all patients, even when it doesn't make geographic or clinical sense. This means patients may have to travel hours to get the medications they need—or they may simply go without.

Let me explain why this matters.

Unlike most healthcare programs, 340B savings are tied to the healthcare provider—not the patient. That means we can use 340B discounts to help all patients, even those with commercial insurance. That was by design. Congress intended 340B to help safety-net providers like us stretch scarce resources so we can offset the underpayments from Medicaid and other government programs—ultimately saving taxpayer dollars.

So when drug companies block 340B discounts for commercially insured patients, it's not just patients who suffer. Our ability to subsidize care for Medicaid and uninsured patients also erodes. This is especially damaging when it comes to specialty medications, which are among the most expensive and fastest-growing drug categories.

To give you some context:

- **54% of total drug spending is for specialty medications.**
- **61% of 340B savings come from these drugs.**
- **More than 75% of new drugs being developed are specialty medications.**

But due to pharmacy benefit manager (PBM) "lock-in" rules, nearly 100% of specialty medications for commercial patients must be filled at PBM-owned specialty pharmacies. These pharmacies used to act as contract pharmacies under 340B—but now, due to manufacturer restrictions, they often no longer qualify.

The result? Ohio is losing an estimated 30% of its 340B funding. That's funding that should be going to patients, not profits.

Let me show you what this looks like on the ground:

- **Brad**, a 54-year-old patient in rural Clarksville, takes Otezla for psoriasis. It's hard for him to access both a specialist and the medication due to his remote location and work schedule. Our clinic helps by offering mobile lab draws and no-cost nutrition support to manage drug side effects—services paid for through 340B. But because Amgen, the drug manufacturer, only allows 340B discounts through pharmacies within 40 miles of our clinic—and the PBM-mandated pharmacy is 200 miles away—we can't access the 340B discount to support Brad's care. We carry the full cost ourselves.
- **Becky**, a 47-year-old from Chillicothe, suffers from rheumatoid arthritis. When her insurance changed from Medicaid to an employer plan, our team spent unreimbursed hours working through prior authorizations to ensure she could stay on her medication, Orencia. Her new plan forces her to use Accredo Specialty Pharmacy in Tennessee—but Bristol Myers Squibb, the manufacturer, won't allow 340B pricing if the health center also operates a retail pharmacy, even one that doesn't dispense specialty meds. Once again, we lost access to the 340B discount and had to absorb the costs of her care.

These are just two examples—but they are becoming the norm. These manufacturers and PBM restrictions aren't just red tape; they directly affect real people. They strip Community Health Centers of the tools we rely on to care for patients and prevent us from using our resources as effectively as Congress intended.

House Bill 276 is essential. It will protect 340B access and ensure that patients—regardless of insurance type—can continue to benefit from medications and support services that keep them healthy, stable, and out of the emergency room.

I urge you to pass this legislation and stand with Ohio's Community Health Centers and the families who rely on us every day. Thank you for your time and consideration.

I declare under penalty of perjury under the laws of the State of Ohio that the foregoing is true and correct.

Signed on this 16th day of June 2025 at Columbus, Ohio.



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