



**Daniel Atkinson, CEO
Muskingum Valley Health Centers
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 Dan Atkinson, and I serve as the Chief Executive Officer of Muskingum Valley Health Centers (MVHC), a federally qualified health center also known as a Community Health Center (CHC).

MVHC is a Federally Qualified Health Center that operates twelve (12) locations within a four-county region including Muskingum, Morgan, Guernsey, and Coshocton counties. MVHC serves over 73,000 patients annually, resulting in over 282,000 visits. MVHC offers services including primary care services, women’s health, dental health, podiatry, behavioral health, and addiction services. Additionally, MVHC operates two in-house pharmacies and one specialty pharmacy in Muskingum and Guernsey counties.

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 is a foundational support system for Community Health Centers across our state. It allows us to reinvest savings into vital services that would otherwise be out of reach for many patients. I respectfully refer to the Ohio Association of Community Health Centers’ (OACHC) testimony for a full overview of the program’s structure and history. Today I want to focus on how 340B directly impacts Muskingum Valley Health Centers and the people we serve.

When Congress created the 340B program, they made their intent clear: to allow safety-net providers to “stretch scarce federal resources as far as possible, reaching more eligible patients and providing more comprehensive services.” Community Health Centers like ours were designed to do exactly that. At MVHC, 340B savings provide vital patient programs that truly improve the lives of our patients. The 340B drug program not only ensures patients have access to life saving medications, but also supports programs such as patient transportation, comprehensive care management and numerous services that help support value-based care. I want to assure you that the money generated by this program is vital to the long-term goal of achieving greater value in our healthcare system that ultimately leads to reducing the overall cost of care.

Unfortunately, the sustainability of this essential program is now at risk. Since 2020, more than 35 drug manufacturers have imposed unilateral restrictions on the 340B program—ranging from refusing to ship medications to contract pharmacies, forcing health centers like ours to designate only a single

pharmacy for all dispensing regardless of geography or patient need, or onerous data submission requirements.

For example, at MVHC, we've faced the challenge of being forced to select a single contract pharmacy for a specific drug manufacturer that greatly limits patient access to medications through the 340B program. The MVHC service area is approximately 2,100 square miles located in southeast Ohio. Because some manufacturers require MVHC to choose one contract pharmacy, some patients could be over 40 miles away from the pharmacy that provides the 340B drug needed. As the most accessible health care provider in our area, we treat many commercially insured patients. Pharmacy choice for commercially insured patients is typically dictated by their insurance company, making it impossible to choose only one contract pharmacy that's able to service all patients. These restrictions harm our ability to serve patients efficiently and comprehensively. Patients, which often have limited transportation or income challenges, may be required to travel significant distances to access medications—or worse, may go without. This undermines both the clinical effectiveness of treatment and care our patients deserve. It also ultimately increases health care costs if patients cannot receive the drugs that will stabilize or improve their health, resulting in long-term and more expensive interventions.

One of our patients impacted by the manufacturer limitations is Cassie.

Cassie was struggling with the skin condition psoriasis, insurance coverage, access to a specialist, and tobacco use. As a result of access challenges, her psoriasis was uncontrolled, and plaques rapidly spread across her body leading to hair loss. Cassie was also afraid that her smoking habit was leading to an increase in weight gain, poor sleep and causing her symptoms to worsen.

Cassie was prescribed Skyrizi (made by AbbVie) which resolved the extreme itching and bleeding after only a few weeks. At the same time, her MVHC care team arranged for nicotine patches and flavored lozenges- products other pharmacies wouldn't order. Thanks to that support and the health coach we provided, Cassie has cut her cigarette use by 75% and is well on her way to quitting completely.

AbbVie requires contract pharmacies to submit claims data within 45 days. If claims are not submitted on-time then, AbbVie's policy is to deny shipment to the specific contract pharmacy for all of MVHC's 340B prescriptions. In reality, verifying whether a prescription is 340B-eligible or rebilling it under a new payer when coverage changes often takes longer than 45 days. As a result, AbbVie's policy has effectively stripped away the funding that covers non-insured services, which lead to decreased overall healthcare spend for patients like Cassie.

These attacks not only disrupt care—they jeopardize the financial viability of Community Health Centers. At MVHC, we have experienced a reduction in portions of our 340B savings because of these restrictive and harmful tactics by drug manufacturers. Reducing the savings generated from the 340B program is harmful to MVHC patients as it impacts our ability to provide numerous services that are uncompensated or undercompensated in the industry. As an FQHC operating in rural Ohio, I can assure you the dollars generated through this program provide critical services to some of the most vulnerable populations in our communities.

HB 276 is a concise, targeted bill that addresses this issue head-on. It prohibits manufacturers from limiting access to necessary medications simply because the provider is a 340B grantee. In doing so, it

safeguards access to care for all Ohioans across urban, rural, Appalachia, and medically underserved areas.

This legislation closes dangerous loopholes and reaffirms the original intent of the 340B program. Though narrowly focused, HB 276 will have a wide-reaching and lasting positive impact on patients, communities, and the overall health of our state.

Thank you for your time and thoughtful consideration of this important matter. I would be pleased to answer any questions you may have