

Administrative Office 4115 Bridge Ave., Suite 300 Cleveland, OH 44113 216.281.0872 www.nfpmedcenter.org

Domonic Hopson, MPH, FACHE Neighborhood Health Care Incorporated dba Neighborhood Family Practice 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 provide written testimony in support of House Bill 276, the Ohio 340B Pharmacy Access Act. My name is Domonic Hopson, and I serve as the Chief Executive Officer of Neighborhood Health Care Incorporated dba Neighborhood Family Practice (NFP), a federally qualified health center also known as a Community Health Center (CHC).

Founded in 1980, Neighborhood Health Care Inc., dba Neighborhood Family Practice (NFP) is a network of seven community health centers (CHC) providing high-value, integrated health care to medically and economically vulnerable west side Cleveland, Ohio neighborhoods, and adjacent communities. NFP draws patients from all City of Cleveland and Lakewood wards and all Cuyahoga County Districts. Over the past six years, NFP has experienced a 13 percent growth in patient volume from 18,931 in 2018 to 21,825 in 2023. Integrated primary care, behavioral health, midwifery, dental, HIV, and pharmacy services are provided to people of all ages, regardless of their ability to pay. Seventy-two (72) percent of our patients have incomes at or below 200% of the federal poverty level (FPL).

Our mission is to be a trusted partner building healthy communities by providing high-value health care for all. We work diligently to advance this mission by removing common barriers to health care including financial constraints and lack of transportation. 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. I would like to use my written testimony to focus on how 340B directly impacts Neighborhood Family Practice and the people we serve.

The cost of prescription medications is a common barrier for many patients. Neighborhood Family Practice opened our first in-house 340B pharmacy in 2019 and experienced a 9% increase in prescriptions sold within two years. Our second in-house pharmacy opened in June 2021. Last year, NFP sold 57,889 prescriptions, a 26% increase over the prior year. To increase access, medication home delivery was launched in July 2021, followed by mail delivery service in May 2024 in response to community need. Last year, 3,328 deliveries were completed, an increase of 179% from July 2021.

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 were designed to do exactly that.

At Neighborhood Family Practice, we use 340B savings to support sliding fee discounts for patients at or below 200% of the FPL, increasing access to timely, affordable and accessible health care services. 340B savings make it possible for NFP to employee clinical pharmacists, who play a key role as a member of a patient's health care team. Our clinical pharmacists work closely with patients who have chronic conditions including diabetes, hypertension, and asthma; helping patients better understand their medical condition through education and working with patients on self-management strategies designed to meet their unique needs.

A recent chart review showed that NFP patients who have diabetes who met with an NFP clinical pharmacist saw an average A1C decrease of 2.3% over a 13-month period of time compared to a decrease of 0.5% for patients with diabetes who were not working with a clinical pharmacist. In addition, 43% of patients seeing a clinical pharmacist achieved an A1C less than 7% compared to 22% of patients not seeing a clinical pharmacist. A1C is a measurement of a person's blood glucose control over a three-month period of time. The recommended A1C for the majority of people is less than 7% according to the American Diabetes Association's *Standards in Diabetes Care 2024*.

Another example is an NFP patient with a chronic respiratory condition who recently was unable to fill his prescription for his inhaler due to the medication costing over \$500. He shared this information with NFP's pharmacy team who was able to work with his NFP provider to change his prescribed inhaler to an inhaler with similar efficacy that cost him less than \$10. As a result, his breathing has been controlled, and his overall health outcomes have been improved. In addition, absenteeism from work, emergency department visits and potential hospitalizations were prevented. He has credited NFP with helping him in his journey to better health.

NFP also uses 340B savings to provide delivery of medications to patients' place of residenceby both NFP vehicle and mail delivery- at no charge to the patient. Without 340B, Neighborhood Family Practice would not be able to serve our patients as described in the examples above.

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 to forcing health centers like ours to designate only a single pharmacy for all dispensing, regardless of geography or patient need.

For example, at Neighborhood Family Practice, we've been impacted by 23 manufacturer restrictions through contract pharmacies. In addition to these restrictions there have been increased requests for documentation needed by manufacturers further increasing the burden on Neighborhood Family Practice with already stretched resources and is often not a feasible request. Pharmacy deserts also have further complicated our ability to care for patients. For many patients, they now have to drive even farther or worse, cannot get to a pharmacy location at all if they previously walked. According to the Ohio Board of Pharmacy, just last year there



Administrative Office 4115 Bridge Ave., Suite 300 Cleveland, OH 44113 216.281.0872 www.nfpmedcenter.org

were 214 pharmacy closures in the State of Ohio. The previous year there were 106 closures in the State. These closures are making it even more challenging. These restrictions harm our ability to serve patients efficiently and comprehensively. Patients may now be required to travel significant distances to access medications—or worse, go without. This undermines both the clinical effectiveness of treatment and care our patients deserve. The attacks on the 340B program not only disrupt care, but they also jeopardize the financial viability of Community Health Centers.

With NFP serving a large geographical area, contract pharmacies help provide additional options for patients to choose from regarding location, pharmacy hours, and access to specialty pharmacy. Forty percent of NFP patients live more than 10 miles from our health center sites. The cost savings from usage of contract pharmacies helps Neighborhood Family Practice support additional services and programs such as those listed earlier. Over the past few years, we have seen over 50% reduction in 340B savings with our contract pharmacy relationships which are utilized to stretch the resources that we have. We are reaching a situation where this is no longer sustainable. Due to the manufacturer restrictions that we have been experiencing, access to these savings has decreased over the last few years as we currently have only half of the contract pharmacy relationships compared to a few years ago. These contract pharmacy restrictions have led to an increased strain in our ability to provide the same level of services to our patients and has significant potential to impact our ability to expand services in the future. As a result, access to care for patients will decline or cease to exist. 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. For additional information, please contact me at 216.302.5252 or dhopson@nfpmedcenter.org.

Sincerely,

Domonic Hopson, MPH, FACHE

President and CEO