

April 9, 2025

Chairman Bill Roemer

House Ways & Means Committee

77 S. High St., 11th Floor

Columbus, Ohio 43215

Chairman Roemer, Vice Chair Thomas, Ranking Member Troy, and members of the House Ways & Means 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 proponent testimony to House Bill 133.

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.

Individual coverage Health Reimbursement Accounts (IHRAs) are a way for employers – including small businesses – to put tax-free dollars directly into a special healthcare account for an employee. Working with a broker and/or an IHRA Administrator, the employee is then empowered to choose their own health plan in the individual marketplace based upon their personal financial needs and health factors.

IHRAs encourage innovation by individual market carriers as they are incentivized to design a robust suite of products to compete for and serve these consumers. Consumers are empowered to directly shop, compare, and choose a health plan based on their needs while preserving the ability for employers to support employees.

HB 133 creates awareness of an affordable health insurance option for small employers in the state that are not currently offering coverage. The bill does this by creating a tax incentive for small employers. The credit will equal \$400, multiplied by the number of employees who were provided benefits under an IHRA, cumulatively and regardless of any employee's length of tenure, during the taxable year.

OAHP urges the committee to support HB 133 to help provide some relief to small employers and bring more awareness to the benefit of IHRAs.