



OHIO PHARMACISTS ASSOCIATION

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Chairman Cirino, Vice-Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee,

I am David Burke, and I serve as the Executive Director of the Ohio Pharmacists Association. One of the key House provisions inserted into the state budget was the payment methodology which required pharmacies to be paid at drug cost and receive a dispensing fee based on surveyed cost to dispense. This provision would reverse the trend of Ohio losing patient access to pharmacies and produce hundreds of millions in savings to the market as shown by Ohio Medicaid, which uses the same methodology.

This ties closely to much needed PBM regulatory reform. Tucked in the Third Party Administrator section of Ohio insurance law, PBMs have matured their business monopoly way beyond the processing of claims and into the world of risk mitigation and management. They should be regulated differently than your vision or dental benefit. Giving employers and payers transparency starts with this reform.

The Federal 340B program provides much needed medications to fellow Ohioans by allowing access to contracted community pharmacies. Federally Qualified Health Centers (FQHCs) cannot meet this demand alone. Allowing the continuation of FQHCs to contract with community pharmacies maintains patient access and avoids high-cost settings, especially in rural Ohio.

Finally, allowing Ohio Medicaid to continue its single PBM rather than surrender the program back to the PBM monopoly that cost Ohio taxpayers tens of millions of dollars in overcharges just makes sense. Having produced \$140M in savings in the first two years, Medicaid has at least stopped the bleeding and started down the path of value.

Since Ohio's last budget, Ohio has lost hundreds and hundreds of community pharmacy locations due to monopolistic market behavior by PBMs. I wish I could stand before you to request innovative ways to drive patient value, but instead I must come hat-in-hand simply trying to maintain access through a breakeven cost-based payment proposal. Your support for these items will reverse a trend that I fear by the next budget will be beyond repair.

Respectfully,

David E. Burke, R.Ph. MBA
Executive Director
Ohio Pharmacists Association