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May 23, 2025

To: Senate Finance Committee

Re: Support of the Continuation of the Current 340B Model in Ohio

I am submitting written testimony to voice my concern over the potential change in the current 340B model where the State of Ohio would eliminate contract pharmacies and have those prescriptions process and be paid under the Medicaid system.

We are a community pharmacy that has served the Akron area and its surrounding communities for almost 60 years. One of our pharmacies serves as the 340B contracting pharmacy for a Federally Qualified Health Center (FQHC), Community Support Services (CSS). CSS is a Certified Behavioral Health Clinic that provides comprehensive, coordinated care for those living with severe and persistent mental illnesses in Summit Count. Last year, CSS provided life-changing services to over 5,000 patients.

The savings generated from the 340B program are integral to continuing the mission of CSS. These savings have allowed CSS to reinvest into many facets of their operations, including hiring more physicians, clinical and social services staff, reinvesting in their facility, and the expansion of holistic services that support their patients.

As a contract pharmacy, we feel very strongly in our ability to manage and oversee the 340B pharmacy program. As a single FQHC-contracted pharmacy, we are able to ensure the integrity of 340B billing.

Removing the 340B program from Medicaid would not only harm the FQHCs that are providing life-saving services, it would also directly harm many community pharmacies that provide the 340B services for FQHCs. These community pharmacies use the revenue generated from the 340B model to subsidize their non-340B retail pharmacies, which are under constant, never-mitigated, lower reimbursement pressure from the Pharmacy Benefit Mangers (PBMs) that control pharmacy reimbursement. Eliminating community pharmacies from the 340B program will undoubtedly exacerbate the current rapid rate of pharmacy closures in the State of Ohio. As such, I ask that the 340B program remain in place with no substantive changes made to the current model.

Sincerely,

Barry Klein, M.S., R.Ph.

President

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