



May 30, 2025

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

Thank you for the opportunity to provide written opposition testimony on provisions of HB 96. As an Ohio business, we are gravely concerned with the negative impact the increased dispensing fee language in the bill will have on the cost of healthcare in our state.

The LEAD Consulting Group, LLC is a small business located in Union County, that works directly with a large automotive OEM (Original Equipment Manufacturer) and its supplier base throughout the Midwest. Our goal is to ensure minimum disruption in plant assembly by strengthening the position of the automotive company's suppliers located in the region. We do this through workforce development, leadership training and recruitment/benefit consulting.

A continuing struggle we hear from suppliers in the state is the rising cost of healthcare and its impact to their bottom line. Anecdotally, annual increases of 10-20+% are unfortunately the norm that many of these suppliers are facing. Such healthcare increases are becoming *unsustainable* and seemingly *impossible* to weather without making cuts elsewhere in the business, if not cuts in the employer-sponsored healthcare they offer. Increases to healthcare jeopardize the long-term viability of suppliers in Ohio and in turn negatively impact large Ohio companies who depend on them.

HB 96 proposes a new fee, aka a "pill tax" that conservatively adds \$10.50 to the cost of every prescription filled in the state. One does not need a degree in Economics to realize that this cost, whether aimed at an insurance company or PBM, will ultimately be passed on to the employer and employees who utilize an employer-sponsored healthcare plan.

Ohio should be working to provide a business-friendly environment that not only encourages businesses to stay and expand in the state but allows businesses to properly compensate current employees while also attracting and retaining new talent through benefits like employer-sponsored healthcare.

It is no secret that Ohio's population is declining. The [Ohio Department of Development recently released projections](#), stating Ohio's population will decline by about 5.7%, or 675,000 people, from 2020 to 2050. If this is so, why is the Ohio Legislature attempting to accelerate this decline with unfriendly business policies that drive employers to more business-friendly states? A move that not only hurts the State but leaves remaining Ohioans unemployed and looking for work.

We urge you to support small businesses who employ your constituents and remove the dispensing fee provision from HB 96.

Sincerely,

Kevin Decot and Doug Chivington
Co-Founders
The LEAD Consulting Group, LLC



OHIO CHAMBER
OF COMMERCE



May 30, 2025



Dear Chairman Cirino, Vice Chair Chavez and Ranking Member Hicks-Hudson:



We are writing to voice our deep concern with a provision added to HB 96 in the House omnibus amendment. The provision institutes a mandated dispensing fee on every prescription filled in Ohio. The mandated **per prescription** fee is, **estimated to be between \$10.50-\$15.47**, and conservative estimates project the **cost to be \$6.4 billion dollars** over the next decade. Prescription drug costs are already too high for Ohio businesses and consumers. Don't further increase prescription drug costs by imposing a pill tax!



The Ohio business community came together to strongly oppose this policy when it was introduced in the 135th General Assembly as a part of HB 505. The bill had 6 hearings in House Insurance Committee but was never voted out, in part due to the large opposition from concerned employers and employees across the state. *Now, this exact policy was included in HB 96 with no hearings, notice or stakeholder input.*



A "dispensing fee" is a charge from a pharmacy for preparing and dispensing a medication, **separate** from the cost of the medication itself and goes towards a pharmacy's costs of doing business: overhead, inventory, professional services. Currently, the average dispensing fee in Ohio is \$2 and serves as a guaranteed income to pharmacies. Depending on an employer's plan, the dispensing fee is covered by the employer, the employee, or a combination. As HB 96 stands, increasing the dispensing fee will serve as a direct tax on individuals and businesses to subsidize the business income of one special interest group.



Not only does this tax interfere with the free market and discourage competition amongst pharmacies to provide the best service, but it disproportionately impacts lower income, working class and vulnerable populations in the state who have less discretionary income and will feel the pain of this increased pill tax. Data shows that 1/3 of working individuals making less than \$40,000 per year are currently struggling to afford their prescriptions. Increasing the dispensing fee by 400% will only further burden Ohioans.





Werner G. Smith, Inc.



Families and small businesses are already combating inflation, taxes and depressed wages. Unfortunately, this policy will further exacerbate these issues and present businesses with difficult choices, including raising beneficiary premiums, increasing cost-sharing requirements for prescriptions and narrowing the benefits offered to their workers. Further, data [shows](#) that when prescriptions become too costly and unattainable to the patient, medication adherence declines, long-term health consequences rise and the population becomes overall less healthy.

Many Ohioans believe that the cost of prescription drugs is too high, and we share that sentiment. In fact, the average out-of-pocket prescription drug spending is \$1,432 per [capita](#). The legislature should examine [policies](#) to make prescriptions and healthcare overall more affordable for workers and businesses. However, mandating a drastic increase in the cost of dispensing fees is not the logical answer to the question of affordability.

We urge you to consider the negative implications of subsidizing the income of one industry on the backs of working Ohioans and remove this language from HB 96.

Sincerely,

The Business Community of Ohio