

Senate Government Oversight and Reform Committee
House Bill 96 | May 30, 2025
Joe Craft Testimony

Chair Cirino, Vice Chair Chavez, and members of the Senate Finance Committee: Thank you for the opportunity to provide proponent testimony today on House Bill 96, the state operating budget.

My name is Joe Craft. I am a pharmacist.

I support the fair pharmacy reimbursement provisions in the operating budget, as well as keeping the single PBM model for Medicaid. I would also ask that HB 229 be added in to provide PBM transparency.

These fair reimbursement provisions will help slow pharmacy closures and maintain access to pharmacists and pharmacies that Ohio citizens depend on. The provisions will also help slow the spread of pharmacy deserts, ensuring Ohioans have adequate access to healthcare no matter their zip code.

I'd like to tell you some of my story.

My wife, Robin, who is also a pharmacist, and I were the owners of four pharmacies within central Ohio, including Plain City Druggist in Plain City, until we closed all 4 locations in February 2024.

I've been a pharmacist for 30 years and was a pharmacy owner for 25 years.

We didn't close in 2024 because all of a sudden, we forgot how to run a successful small business after 25 years in business.

To put it simply, Pharmacy Benefit Manager (PBM) Abuses, which there are many, put us out of business.

Let me say that again: **PBM Abuses put us out of business.**

Sadly, rural pharmacies may be the only healthcare in some areas of the state.

This dependence on our pharmacies became apparent after we closed.

After we closed, we had people calling us with their health issues, because they could not get the help they needed.

My in-laws have had several life-threatening events since we closed. They live right across the street from where Plain City Druggist once stood. They now drive over ten miles in Dublin traffic multiple times a month to go to the pharmacy. Their medications used to be on **SYNC** fill so they could get them all at once and not make multiple trips even though they were one minute from the store. They are in their late seventies/early eighties and they used to use our delivery service even though they lived nearby. Many of our customers relied upon our delivery service.

Because he was on **SYNC** fill, which filled his medicines automatically once a month and our pharmacist manager took care of him, my father-in-law never had to question if he was getting all of his prescriptions. After going to the new pharmacy, he didn't realize he wasn't taking his metoprolol, because he

missed filling it. One day, he was feeling really terrible with a crazy heart rate and called me. It was at that point when he could have had a hospitalization or worse, that we figured out he had not been taking his heart medication needed to prevent an irregular heart beat or stroke.

My mother-in-law had trouble getting her insulin because her dose had to be adjusted as her sugar levels changed. As the doctor modified her dose, she used more insulin and when she ran out, the pharmacy told her it was too soon to fill. She made several trips to the pharmacy and they kept saying it was too soon. Additionally, the pharmacy took 3 days to fill an antibiotic for a urinary tract infection for my mother-in-law. Urinary tract infections can be very dangerous for the elderly.

These are just a few examples of medication problems that could have caused severe health issues if my in-laws had not had a family member working on her behalf.

These are only some of the troublesome medication stories I know.

215 Community pharmacies, including our 4 stores, closed in 2024 according to the Ohio Board of Pharmacy. Each of those stores has stories just like mine where lives were impacted or even perhaps lost, because the local pharmacist was no longer involved in the healthcare of that community.

Those 215 stores represent more than 10% of all community pharmacies in Ohio and they closed in **just one year**. These stores employed an estimated 2,000 employees and took care of about 800,000 Ohioans.

At our four stores, our community supported us and we had more business in 2023 than ever before. The problem is that this was not a fair playing field. The **PBM**s dictated what we were paid and stole from us, so that we could not succeed. **No matter how busy we were.**

Our pharmacies were financially ruined by the greed of the **PBM**s. Our patients lost vital access to our pharmacists and pharmacies in their communities. In three of the rural locations, there are no other pharmacies in the zip code. The PBM's have created pharmacy deserts where we closed.

All Community pharmacies like ours are also struggling with these issues.

Unfortunately, it's too late for our pharmacies and communities. We must do something before others are forced to face the same impossible decision we did ----**to close for good.**

I support the fair pharmacy reimbursement provisions in the operating budget.

Much more needs to be done to reign in the PBM's, but this is a start.

The reimbursement provisions will help slow pharmacy closures and help maintain access to pharmacists and pharmacies that Ohio citizens depend on. These provisions will help slow the spread of pharmacy deserts, ensuring Ohioans have adequate access to healthcare no matter their zip code.

Please let me know if I can answer any questions.

Respectfully,

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OHIO APOTHECARIES

PLAIN CITY DRUGGIST, HAPPY DRUGGIST: COLUMBUS, WEST JEFFERSON, MECHANICSBURG



25 YEARS AS
PHARMACY OWNERS
JOE & ROBIN CRAFT



4 LOCATIONS THROUGHOUT
CENTRAL OHIO
3 RURAL AND 1 URBAN



10,000
UNIQUE PATIENTS
SERVED



170,000
PRESCRIPTIONS
FILLED



93 HOURS OF
DELIVERY DRIVER
HOURS PER WEEK



750
PRESCRIPTIONS
DELIVERED PER WEEK



\$12 MILLION
IN ANNUAL
SALES



50
PHARMACY
EMPLOYEES



\$1.3 MILLION
ANNUAL
PAYROLL



8,000+
VACCINES
GIVEN



10
OFFSITE FLU/COVID
CLINICS



EXPENSES
BELOW INDUSTRY
AVERAGES



2016-2023
OVER \$2 MILLION IN DIR FEE
CLAWED BACK



LOST
\$311,000
IN 2023

CLOSED IN 2024



WE
APPRECIATE
YOUR
BUSINESS!





PHARMACY

HAPPY

DRUGGIST

937-834

-2270

Happy Druggist We deliver
Mechanicsburg 937-834-2270
HAPPYDRUGGIST.COM



























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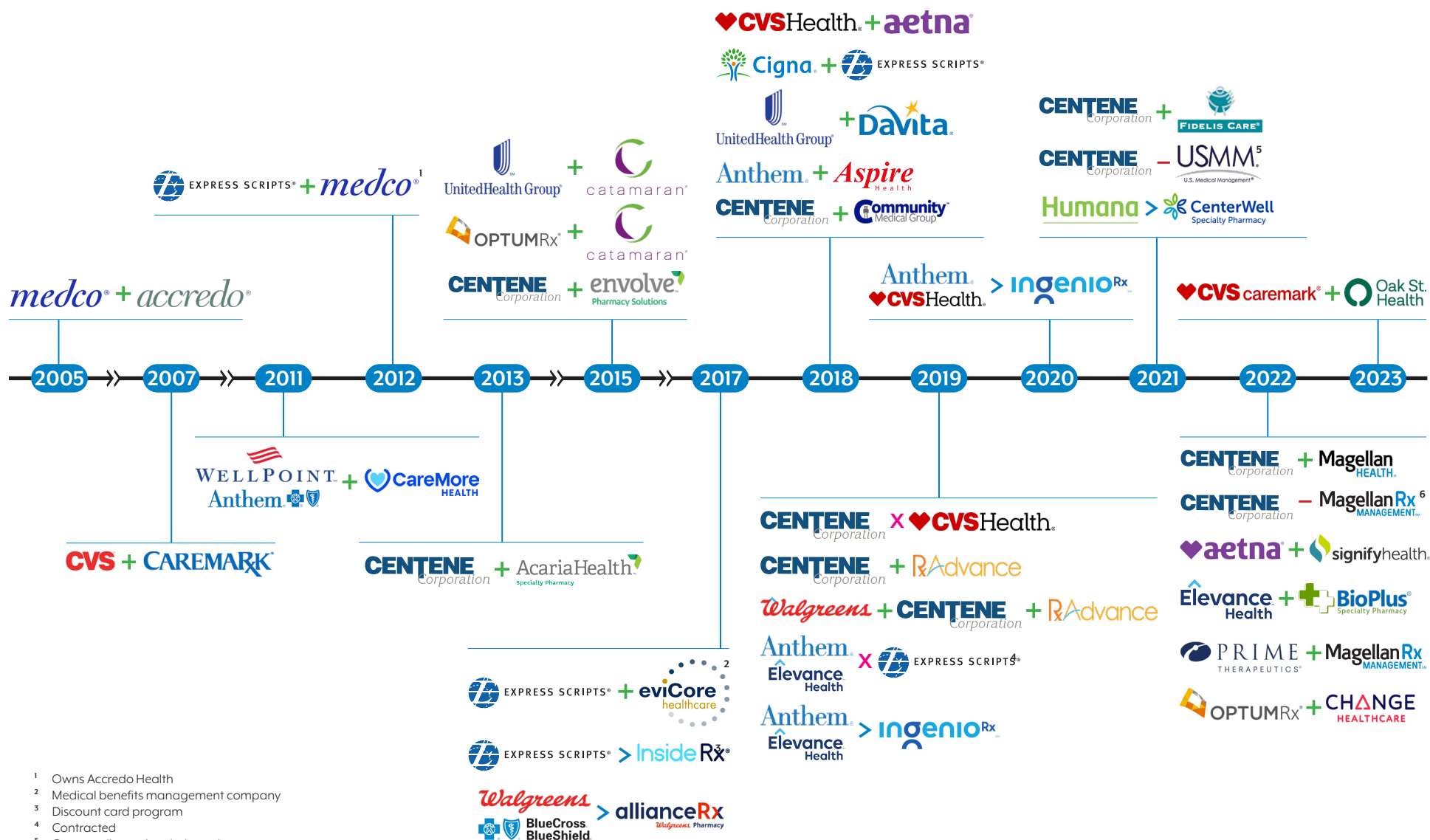


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\$311,000
IN 2023

CLOSED IN 2024

PBM Mergers – Acquisitions – Contracts Timeline

KEY: + ACQUISITION/MERGER | - DIVEST | > LAUNCH | X SPLIT



¹ Owns Accredo Health

² Medical benefits management company

³ Discount card program

⁴ Contracted

⁵ Centene divested majority stake

⁶ PBM

Vertical Business Relationships Among Insurers, PBMs, Specialty Pharmacies, Retail Pharmacies, Mail-Order Pharmacies and Providers, 2022

INSURERS							
PBMs (GPO)	 			 ³	  ⁵		 
SPECIALTY PHARMACIES			  ²				
PREFERRED RETAIL PHARMACIES					 		
MAIL-ORDER PHARMACIES							
PROVIDER SERVICES	   ¹ 	 		 ⁴ 	  ⁶	   ⁷	

¹ In September 2022, CVS Health announced its acquisition of Signify Health. The transaction is expected to close in 2023.

² Since January 2021, Prime's Blue Cross and Blue Shield plans have had the option to use Express Scripts or AllianceRx Walgreens Prime for mail and specialty pharmacy services. On Dec. 31, 2021, Walgreens purchased Prime Therapeutics' 45% interest in AllianceRx Walgreens Prime, so this business has no PBM ownership in 2022. Effective June 2022, the company has been known as AllianceRx Walgreens Pharmacy.

³ In 2021, Centene has announced its intention to consolidate all PBM operations onto a single platform and outsource its PBM operations to an external company.

⁴ In 2021, Centene sold a majority stake in its U.S. Medical Management to a group of private equity firms.

⁵ Since 2020, Prime has sourced formulary rebates via Ascent Health Services. In 2021, Humana began sourcing formulary rebates via Ascent Health Services for its commercial plans.

⁶ Cigna also partners with providers via its Cigna Collaborative Care program.

⁷ In 2022, Humana announced an agreement to divest its majority interest in Kindred at Home's Hospice and Personal Care Divisions to Clayton, Dubilier & Rice. In 2022, Kindred at Home was rebranded as CenterWell Home Health.

Sources: Drug Channels Institute research and Nephron; Companies are listed alphabetically by insurer name.

* CVS Pharmacy is owned by CVS/Caremark.