

June 4, 2025

To Members of the Senate Finance Committee

As a constituent and pharmacist with over 35 years working with health plan sponsors in the design and fiscal management of prescription drug programs, I am urging you to support the following key provisions in Ohio's final budget that protect local pharmacies, improve transparency, and reduce costs for Ohioans.

1. I have directly observed how the "List less Discount" approach to prescription drug reimbursement has been detrimental to health plan sponsors and patients and pharmacies and enriched pharmacy benefit management companies (PBMs). Application of an acquisition cost basis of reimbursement for the drug coupled with appropriate pharmacy compensation for services avoids deception and margin manipulation on the part of PBMs and diminishes the financial hardship on pharmacists/pharmacies as they seek to provide services to patients - particularly in underserved locales in Ohio. Restoring the pharmacy payment transparency and stabilization provision from the House version, which ensures pharmacies are paid at their actual cost and will help to reduce further pharmacy closures in Ohio.
2. The oligopoly that exists in drug benefit administration has been achieved by the anti-competitive practices of the PBMs (one of which is identified above). And there are others. By including House Bill 229/Senate Bill 210 to the budget will help to rein in many of the anti-competitive practices by pharmacy benefit managers (PBMs) and facilitate transparency in the prescription benefit.
3. Having previously led the Charitable Pharmacy of Central Ohio; I experienced first-hand the limits of FQHCs in meeting the needs of patients who have few resources needed to obtain their medications. Extending the reach of FQHCs in delivering necessary medicines and pharmacy services to these patients is a first step in resolving the access to medication access for these patients. Retaining contract pharmacy provisions of the 340B program added in the latest Senate version will help to ensure Federally Qualified Health Centers (FQHCs) can continue partnering with local pharmacies to serve Ohio patients, especially in rural areas.

As have others who have spoken on these issues; I believe these policies are necessary to sustain access to medications, support local businesses, and keep health care costs down. Please make these pharmacy priorities a part of the final state budget.

Respectfully Submitted,



Allan Zaenger, R.Ph., MS  
President