



November 4, 2025

Senator Steve Wilson
Chair, Financial Institutions, Insurance, and Technology Committee
Ohio Senate
1 Capitol Square
Columbus, OH 43215

Chair Wilson,

On behalf of NFIB's nearly 21,000 members in Ohio, thank you for the opportunity to support Substitute House Bill 229. This legislation is a crucial transparency measure that seeks to update Ohio's laws around licensing and reporting for pharmacy-benefit managers (PBMs). PBMs play a major role when it comes to availability and pricing of prescription drugs. However, the PBM market is highly concentrated. According to the Federal Trade Commission, the top three PBM's control 80% of the market, thus leading to less competition and higher prices for Ohio's small businesses¹.

This legislation will require a separate, new licensure with the Department of Insurance for all PBM's operating in the state, ensuring these entities are accountable for their practices separate from other third-party administrators. A written agreement with a plan sponsor will be required under the bill that states the terms, services performed, methods of computing payment, etc. Furthermore, HB 229 will also mandate disclosure of any discount pricing, rebates, fees and other financial metrics adopted by PBMs.

Most small businesses want to provide health insurance to their employees, as it is an attractive benefit that can provide a competitive advantage when hiring or retaining employees. However, the key reason many small employers don't offer health insurance is that it's simply too expensive. In fact, the cost of health insurance has consistently ranked as the number one issue impacting our members' business operations since 1986, according to our quadrennial Problems and Priorities survey².

While prescriptions drug prices are just one part of the skyrocketing costs of healthcare, greater transparency in this space will help consumers and policy makers better understand cost drivers to the system, thus allowing for proper reform measures to be implemented. PBMs have a role to play in our healthcare system, however, it is vital these entities are performing services in a fair and transparent manner to not overly burden consumers with unnecessary costs.

¹ <https://www.ftc.gov/reports/pharmacy-benefit-managers-report>

² <https://www.nfib.com/small-business-problems-and-priorities/?tab=Select%20State%20Problems%20and%20Priorities>



On behalf of Ohio's small business community, thank you for the opportunity to support House Bill 229. If you have any questions or would like additional information, please don't hesitate to contact me at (614) 221-4107 or via email at Jared.Weiser@NFIB.org.

Respectfully,

A handwritten signature in black ink on a light yellow background. The signature is cursive and appears to read "Jared Weiser".

Jared K. Weiser
Ohio State Director