November 4, 2025

Chairman Wilson, Vice-Chair Lang, Ranking Member Craig and Members of the Senate Financial Institutions, Insurance and Technology Committee:

On behalf of the business community in Ohio, we are writing to share our grave concern with SB 207, a well intentioned bill with unintended consequences for employers and their hardworking employees across Ohio. According to a 2024 NFIB study, 98% of small businesses offering health insurance are concerned about their ability to even offer healthcare within the next 5 years. We hear this sentiment *daily* from our coalition members who are already combatting record inflation and growing regulatory costs.

We appreciate and respect Senator Manchester and other legislators who support this legislation and share the common goal of *reducing* prescription drug costs. However, SB 207 will have the opposite effect. SB 207 mandates employers accept drug manufacturer coupons for expensive brand name prescriptions and *steers patients away* from safe and cost-effective generics. SB 207 mandates that the employer count the value of the coupon toward the patient's cost-sharing requirement. This legislation, while well intended, may result in lower prices for a select few patients but will **ultimately result in higher prices for employers, employees and/or lower levels of coverage for employees receiving a prescription drug benefit**.

Additionally, **this practice has been deemed an illegal kickback by the federal government and is outlawed under Medicaid and Medicare** plans because they give windfall profits to pharmaceutical companies and artificially inflate the costs of prescriptions. In fact, for every $1 in "coupons" that pharmaceutical companies send out to steer patients, they receive a $20 return, making this a wildly successful marketing scheme off the backs of employers. Pharmaceutical companies alone have the power to lower the list price of their

life-saving drugs but instead, choose to charge Americans 4 times higher rates than they charge the rest of the world.

For most of the working-age population, people receive their health care benefits, including pharmacy coverage, from their employer. When legislation is introduced that places costly mandates on employers, as is the case with SB 207, the government inserts itself in the relationship between the employer and its employees and pits them against each other, putting unsustainable pressure on the employer. As a result, employers face unwelcome options including absorbing the increased costs, passing the costs on to employees, or reducing the overall coverage benefit. Additionally, intrusive government mandates under the guise of healthcare affordability lead to more hardworking people being driven to the exchange and ultimately, a *government takeover of our nation's health care system*.

Unfortunately, employers are seeing more and more bills introduced across the country and here in Ohio that drive up the cost of health care and prescription drugs, reduce access to care, and endanger patients. We hope that you will consider the perspective of employers in your districts as you weigh whether to support new mandates and restrictions on the tools those employers use to control prescription drug coverage for their employees and vote no on SB 207.

Sincerely,

The Business Community of Ohio