

March 2, 2026

The Honorable Steve Wilson
Chair, Senate Financial Institutions, Institutions, Insurance and Technology Committee
Senate Building
1 Capitol Square, Second Floor 222
Columbus, Ohio 43215

Dear Chair Wilson and Members of the Committee:

The National Community Pharmacists Association is writing to support HB 229, which provides a critical regulatory framework for overseeing Pharmacy Benefit Management (PBM) companies. Necessary but not sufficient, the bill can help control drug costs in Ohio when applied in conjunction with the other PBM reform measures. We urge passage of HB 229 as a foundation for further PBM reform.

NCPA represents the interest of America's community pharmacists, including the owners of more than 21,000 independent community pharmacies across the United States and about 390 independent community pharmacies in Ohio. These pharmacies employed more than 4,800 Ohio residents and they filled more than 26 million prescriptions in 2024.

Community pharmacists have long known that opaque PBM practices not only hamper patients' ability to obtain pharmacy services from their trusted community pharmacists, but those practices can also lead to higher drug costs for both patients and plan sponsors. Due to the massive consolidation and vertical integration in the health insurance market¹, the three largest PBM's control 80% of the prescription drug market² giving them the power to engage in abusive practices which limit patient access, increase drug costs and threaten the viability of small business pharmacies.

NCPA supports state policy that provides broad oversight authority to the Office of the Insurance Commissioner, including through licensure. Ohio is one of only a handful of states without PBM licensure or registration. We also advocate that oversight agencies be granted strong authority to enforce laws. Almost every state has enacted measures to reform PBMs, yet many laws have not achieved their desired effect. NCPA offers its Best Practices for Enforcement of PBM Regulation as a resource to stakeholders in Ohio.³

NCPA supports the bill's requirement that pharmacies and pharmacists not be reimbursed less than the amount a PBM reimburses its owned or affiliated pharmacies in the state. PBMs regularly require patients to utilize a PBM-owned or affiliated mail-order pharmacy. The PBM is then free to reimburse its pharmacy

¹ https://ncpa.org/sites/default/files/2025-05/VerticalBusiness_2024_041525.pdf

² [Drug Channels: The Top Pharmacy Benefit Managers of 2021: The Big Get Even Bigger](#)

³ <https://ncpa.org/sites/default/files/2024-07/ncpa-best-practices-pbm-enforcement.pdf>

at higher rates, thereby forcing patients and plan sponsors to pay higher costs to the PBM. One study from Washington State found mail order was three times more expensive than brick and mortar pharmacies for generic drugs and an astonishing 35 times higher for brand name drugs relative to an independent pharmacy.⁴

One concern about the bill relates to Section 3957.15. This provision would remove many plans, PBMs, pharmacies, and patients from the benefit of this critical regulatory framework. Per the clear outcome of *Rutledge vs. PCMA* and its follow-on *Wehbi* case, it is clearly within the state's prerogative to oversee and enforce regulation of all PBMs serving all plans. We urge the committee to strike this section.

We wish to thank Representative Kellie Deeter for her leadership and the bill's many cosponsors. Thank you for receiving our perspective. If you have any questions, please do not hesitate to contact me at (703) 600-1186 or joel.kurzman@ncpa.org.

Sincerely,

A handwritten signature in black ink that reads "Joel Kurzman". The signature is written in a cursive style and is centered within a light gray rectangular box.

Joel Kurzman
Director, State Government Affairs

⁴ <https://www.3axisadvisors.com/projects/2024/6/25/understanding-drug-pricing-from-divergent-perspectives-state-of-washington-prescription-drug-pricing-analysis-jh92>