

Ohio Senate Government Oversight and Reform Committee
HB 96 Testimony
May 12, 2025

Jeff Neidig, RPh

Madam Chair Manchester and members of the committee,

Thank you for allowing me to provide written testimony on HB 96, the Budget Bill, currently under review in the Ohio Senate. My name is Jeff Neidig, and I am a registered pharmacist with 39 years of experience. I own an independent pharmacy in Newcomerstown, Ohio, and I am here to express my support for the pharmacy payment updates and revisions in the budget bill.

The current pharmacy reimbursement policy utilized by the Ohio Department of Medicaid and the Single Pharmacy Benefit Manager (SPBM) is fair and consistent. This policy has allowed me to remain open for business and serve my local village and surrounding communities. I previously provided testimony on this reform back in 2019 and appreciate the State of Ohio's continued support of local pharmacies.

Consumers in my town value having a local pharmacy where they can obtain prescriptions, medical services, and advice. They also rely on our free delivery service to their homes.

Unfortunately, many communities have lost their pharmacies, both chain and independent, in the past 5-10 years due to unfair reimbursements by PBMs. These reimbursements are often below our drug acquisition cost, making it unsustainable for pharmacies to operate.

While I continue to serve Ohio Medicaid consumers, I have had to stop serving many Medicare consumers due to the below-cost and unpredictable reimbursements provided by some PBMs. These tactics have led to the closure of pharmacies, with Ohio losing 10% of its pharmacies in 2024. This reduction in local pharmacies has created pharmacy deserts, making it difficult for consumers to obtain lifesaving medications.

Most consumers prefer not to rely on mail-order services or navigate complex phone or online systems to get their medicine or speak to a live pharmacist. By sharing the truth, trends, and impact on my pharmacy business and others across the state, I hope you will consider the importance of creating a highly predictable, fair, and sustainable payment system for pharmacies in Ohio.

Thank you for your time and consideration.