

May 5, 2025

The Honorable Mark Romanchuk
Chair, Senate Medicaid Committee
Senate Building, Room 132
1 Capitol Square
Columbus, Ohio 43215

Dear Chair Romanchuk and Members of the Senate Medicaid Committee:

The National Community Pharmacists Association is writing to provide proponent testimony for the pharmacy related provisions of HB 96, which would help control drug costs in Ohio, provide greater protections for patients regarding their prescription drug benefits programs, and establish greater oversight of the pharmacy benefit managers (PBMs) that administer those benefits.

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 383 independent community pharmacies in Ohio. These pharmacies employed more than 4,100 Ohio residents and they filled almost 23 million prescriptions in 2023.

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 strongly supports the bill's provisions related to pharmacy reimbursement. We support the assurance that pharmacies not owned or affiliated with a PBM will be paid equally. This will have added the benefit of disincentivizing patient steering. It is not uncommon for a PBM to require patients to utilize a PBM-owned or affiliated pharmacy, often a mail-order pharmacy. The PBM is then free to reimburse its pharmacy at higher rates, thereby forcing patients and plan sponsors to pay higher costs to the PBM.

We also strongly support the sensible alternative reimbursement provision that a pharmacy should not be reimbursed below their cost to acquire the drug, plus a professional dispensing fee based on a cost-based survey used by the Medicaid program. We commend the bill language for recognizing the need to perform regular surveys and to ensure pharmacy reimbursement is transparent and reflective of a pharmacy's cost to dispense.

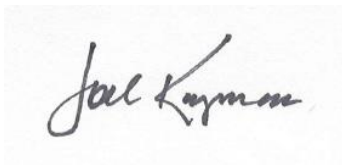
¹ https://ncpa.org/sites/default/files/2025-05/VerticalBusiness_2024_041525.pdf

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

NCPA is also supportive of state policy that provides broad enforcement authority to the Office of the Insurance Commissioner. Almost every state has enacted measures to reform PBMs, yet many laws have not achieved their desired effect. We appreciate HB 96's language pertaining to enforcement and, should these provisions become law, we encourage robust rulemaking to implement. NCPA offers its Best Practices for Enforcement of PBM Regulation as a resource to stakeholders in Ohio.³

We 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, flowing style.

Joel Kurzman
Director, State Government Affairs

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