



# Health Partners of Western Ohio

## ADMINISTRATIVE OFFICES

329 N. West Street, Lima, Ohio 45801  
(419) 221-3072

## SERVING THESE COMMUNITIES:

### BRYAN

Bryan Community Health Center

### DEFIANCE

Defiance Community Health Center

### KENTON

Kenton Community Health Center

Wildcat Health Center

Wildcat Elementary Health Center

### LIMA

Dr. Gene Wright Community Health Center

Quick Care

North Lima Community Health Center

Spartan Health Center

### NEW CARLISLE

New Carlisle Community Health Center

### TIFFIN

Tiffin Community Health Center

### TOLEDO

East Toledo Community Health Center

Bulldog Health Center

Rams Health Center

Riverside Community Health Center

## House Health Committee Testimony on Senate Bill 263 December 8, 2020

Chairman Lipps, Ranking Member Boyd and Members of the House Health Committee, my name is Janis Sunderhaus, and I am the CEO of Health Partners of Western Ohio. Thank you for the opportunity to provide proponent testimony on Senate Bill 263.

Health Partners of Western Ohio (HPWO) was established in July of 2003 in Lima, Ohio. What started as one federally qualified community health care center has grown to 20 sites located in Lima, Kenton, Bryan, New Carlisle, Tiffin, and Toledo. Our mission is to eliminate gaps in health outcomes for all members of our communities by providing access to quality, affordable, preventive and primary health care. We currently care for 45,000 unduplicated patients in a medical-home model, meaning we use a team-based approach that is patient-centered to achieve health outcomes and enable a trusting and respectful relationship between providers, support staff, and patients. We accept all patients whether insured, uninsured or underinsured and deliver services in a cost effective and efficient manner to ensure the organization is a good steward of federal, state and local resources. We provide primary care, behavioral health, dental, pharmacy and social services.

Of the unduplicated patients HPWO cares for, 15% are uninsured and 96% are below the 200% Federal Poverty Level. The 340B Drug Pricing Program allows us to provide affordable and accessible care for these patients and by law all the 340B savings must be reinvested into patient care. Annually our Board of Director's determines how our surplus revenue will be spent.

Community Health Centers are eligible for the federal 340B Drug Pricing Program. Established in 1992 by Congress, the 340B Drug Pricing Program provides certain safety net providers, referred to as covered entities, access to prescription drugs at reduced prices. Drug Manufacturers participating in Medicaid/Medicare are required to provide outpatient drugs to 340B covered entities at significantly reduced prices. When creating the Program in 1992, Congress stated it intended eligible safety net providers to use the savings to "to stretch scarce Federal resources as far as possible, reaching eligible patients and providing more comprehensive services."

By purchasing medications at a lower cost, covered entities pass the savings along to their patients through reduced drug prices, and can then use any additional savings to support their mission to expand access to services, and improve health outcomes with their patients, and for their communities.

Health Partners of Western Ohio uses the 340B savings in a multitude of ways to fund services for our patients. Several of these items are listed below:

1. Fund delivery services from our in-house pharmacies to the patients. Transportation issues are a major concern for our patients therefore this helps alleviate the stress of how to find and finance trips to the pharmacy for medications.
2. Off-set the costs of patient accounts, another factor that has been beneficial for our patients' care and health outcomes.
3. Clinical Pharmacists positions are funded by our 340B savings. Clinical Pharmacists are key members of our health care team as they can provide more in-depth counseling to patients about their chronic disease states, drug interactions, what the medications do, when to take the medications, and other lifestyle modifications that can help attain their health goals.
4. Community Outreach Workers are another position funded by the 340B savings. These workers connect patients to various social services such as food banks, homeless shelters, employment opportunities, legal aid, transportation, and other services.
5. Specialty care programs such as Medication Assisted Treatment program (MAT) for substance abuse disorders, Hepatitis C treatments, and HIV/Aids treatments.
6. Lastly, our 340B savings are used to fund new services for our patients. Most recently, this has been to open two new health centers in high-need areas of Toledo and Lima and start telehealth services to decrease direct human contact during the Covid-19 Pandemic.

Pharmacy Benefit Managers (PBMs) are targeting 340B providers with discriminatory contracts that are essentially "pick-pocketing" the 340B savings from covered entities to enhance their profit margins. Due to the legalities of the contracts, we are not able to share specifics, but suffice it to say that PBMs are cutting reimbursement rates once they find out we are part of the 340B network. Other networks have excluded us from contracting altogether with the excuse that we are not an open-door pharmacy although we are an open-door community health center.

SB 263 prohibits the predatory practice of imposing fees and/or reducing reimbursement to Ohio 340B providers - simply because they are a 340B provider and payers know there is a margin of savings to target. The bill protects the intent of the 340B Program by ensuring these savings are directed to our most vulnerable – the patients of Health Partners of Western Ohio and all of the other Community Health Centers across Ohio serve - and not PBMs.

Thank you for your time and favorable consideration for SB 263.

Sincerely,



Janis Sunderhaus, CEO