



NATIONWIDE CHILDREN'S®

When your child needs a hospital, everything matters.

November 5, 2020

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Chairman Dolan, Vice Chair Burke, Ranking Member Sykes, and members of the Senate Finance Committee:

Thank you for the opportunity to provide written testimony in support of SB 263. SB 263 will protect the savings that covered entities receive from the 340b program.

Nationwide Children's Hospital has been a 340b participant since 2010. This program allows us to save approximately 30% on the acquisition cost of drugs. The savings from this program is passed on to children through reduced charges and expanded services. Some of the ways we are accomplishing this include:

- Annually providing over 13,000 prescriptions at no cost to under or uninsured patients.
- Opening the Behavioral Health Pavilion, which provides comprehensive treatment for pediatric mental health issues
- Implementing an agreement to provide outpatient pharmacy services to the Franklin County Juvenile Detention Center
- Subsidizing operating expenses of the Central Ohio Poison Control Center, which center managed emergency calls for 5.8 million Ohioans and handled more than 45,000 poisoning cases in 2019. The Central Ohio Poison Center also helped manage surging call volumes at the beginning of the COVID-19 pandemic in 2020 and continues to support after hours and emergency lines for the Ohio Department of Health, Franklin County Public Health, and Columbus Pubic Health entities
- Providing outpatient medication deliveries to bedside for home-going patients to increase medication access, compliance, reduce admissions, and provide education
- Partnering with Columbus City Schools to provide healthcare services for students who do not have access to a primary care physician, including opening 11 school-based health centers, providing 6,664 patient visits with two Mobile Care Centers, and developing the School-Based Asthma Therapy (SBAT) program, which allows students to have a second inhaler located at school

Numerous insurers have proposed or begun cutting payments to 340b covered entities, exclusively based on 340b status. In many cases, these cuts result in reimbursement to covered entities barely more than the 340b acquisition cost, effectively passing on the 340b savings to the for-profit insurer or third-party administrator. Without successful passage of this bill, 340b covered entities are likely to see these discriminatory pricing practices by for-profit insurance companies flourish. This decreasing reimbursement directly affects our ability to implement innovative programs as described above and may stifle future opportunities to help children lead their fullest lives.

340b savings is best utilized by those who provide direct patient care and whose mission is to provide care for patients regardless of their ability to pay. SB 263 protects the payment we receive for 340b medications and ensures that Nationwide Children's can continue to provide optimal care to the patients in our community. Thank you for allowing us to comment on this important legislation.