



November 10, 2020

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to offer proponent testimony on SB 263.

UC Health's UC Medical Center is one of the nation's premier teaching hospitals. Since opening in 1823 as the country's first teaching hospital, UC Medical Center has served the region as the only *essential* hospital by:

- Delivering comprehensive, coordinated care across large ambulatory networks and integrated teams to bring services to where patients live and work.
- Filling a public health role by improving population health, and by preparing for and responding to natural disasters and other community crises.
- Providing all of these services and more to everyone, regardless of their ability to pay.

The 340B program is an incredibly valuable resource in helping us achieve our purpose to *Advance Healing and Reduce Suffering*. With low operating margins, high pharmacy expenses and an unstable payer environment, including inadequate reimbursement rates from Medicaid and Medicare to cover the cost of providing our essential services, our patients and families would not be able to access the affordable health care services and prescriptions we provide without our 340B savings. We strongly support SB 263 in order to protect 340B covered entities from discriminatory reimbursement. Pharmacy benefit managers (PBMs) are attempting to set lower payment rates for drugs provided by 340B hospitals. Such policies reduce or even eliminate the savings that 340B providers need to stretch their scarce resources to care for more patients and offer more comprehensive services.

Establishing discriminatory reimbursement rates for essential hospitals simply because they are enrolled in 340B violates both the letter and the spirit of the 340B program. They also lead to for-profit entities claiming those savings for themselves, a clear violation of the intent of the 340B statute. Thus far, 340B anti-discrimination legislation has been enacted by five states, Minnesota, Montana, Oregon, South Dakota, and West Virginia. Ohio SB 263 will be in alignment with other states' efforts.

UC Health supports for SB 263 and strongly encourages this committee to favorably report the bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Dusing Wiest'.

Michelle Dusing Wiest, PharmD, BCPS, FASHP
Vice President
Pharmacy Services
UC Health