

**Stephanie Gilligan
Senior Director of Advocacy
Ohio Hospital Association**

Proponent Testimony
House Bill 451
Ohio House Insurance Committee
February 9, 2022

Chairman Brinkman, Vice-Chair Lampton, Ranking Member Miranda and members of the House Insurance Committee, my name is Stephanie Gilligan and I am part of the advocacy team at the Ohio Hospital Association. Thank you for the opportunity to provide testimony on behalf of OHA in support of House Bill 451, which prohibits a health benefit plan from imposing certain restrictions on physician-administered drugs.

Established in 1915, OHA is the nation's first state-level hospital association. OHA exists to collaborate with member hospitals and health systems to ensure a healthy Ohio. OHA currently represents 250 hospitals and 15 health systems throughout Ohio. The association is governed by a 20-member Board of Trustees with representation from small and large hospitals, teaching facilities and health care systems with a committee and task force structure.

House Bill 451 prohibits a practice known as "white bagging" and related policies. White bagging is the practice of requiring that a physician-administered drug or medication be dispensed by a health-plan preferred pharmacy as a condition of coverage. This issue is critical to patient safety and care, as clinician-administered drugs are often complex, time sensitive, and given to the most vulnerable patients.

Currently, many hospitals and health care facilities use a closed supply distribution system, which ensures the integrity of all products administered to patients. Under this system, drugs are shipped directly from the manufacturer to an authorized distributor and then directly to the practice or hospital. This ensures the total visibility of all products administered to patients and allows clinicians to make day-of dose adjustments or substitutions, if needed. It also reduces the risks posed by operational and transportation-related challenges related to white bagging, which can include delays in treatment due to not receiving the medication on time, not receiving the correct dosage, or receipt of the wrong product altogether.

The impact of white bagging on patients can also be financial. When an insurer requires white bagging, the treatment is typically switched from the patient's medical benefit to their pharmacy benefit, which often has higher cost-sharing responsibilities.

This is important legislation that will help protect patient safety and improve health outcomes. We urge the committee to support this bill.

Thank you for your time and consideration of my comments.