



Kim Clarke Maisch
Director, State Government Affairs

March 22, 2022

Chairman Thomas Brinkman and Members of the Ohio House Insurance Committee:

Cigna Corporation is a global health service company dedicated to improving the health, well-being and peace of mind of those they serve. Cigna delivers choice, predictability, affordability and access to quality care through integrated capabilities and connected, personalized solutions that advance whole person health. All products and services are provided exclusively by or through operating subsidiaries of Cigna Corporation, including Cigna Health and Life Insurance Company, Connecticut General Life Insurance Company, Evernorth, and Express Scripts. Such products and services include an integrated suite of health services, such as medical, dental, behavioral health, pharmacy, vision, supplemental benefits, and other related products. Cigna maintains sales capability in over 30 countries and jurisdictions, and has more than 175 million customer relationships throughout the world.

Thank you for the opportunity to provide brief, written comments regarding HB 451. As both a health insurer and pharmacy benefit manager with specialty pharmacies, Cigna brings a unique perspective to this issue and thus, we must respectfully oppose HB 451 as it would add significant cost to our customers without any demonstrable benefit.

HB 451 directly impacts one of the most expensive aspects of health care today – specialty drug costs. For context, 90% of the prescriptions filled are generic and account for 20% of total drug spend. Branded drugs are 10% of the prescriptions filled, while accounting for 80% of total drug spend. **Specialty drugs are a subset of branded drugs, accounting for 2% of the prescriptions filled but over half of our total drug spend, 51%.** These are very expensive drugs for a small patient population. HB 451 takes away a health plans' ability to form specialty pharmacy networks or use common tools to help create affordable options for patients while preserving quality care. If we are unable to negotiate prices and form these high-quality specialty networks, the total cost of care will rise at an untenable pace. Both quality networks and cost-saving tools are especially essential today given studies showing some provider groups and hospitals marking up specialty drugs as much as 250%.

Cigna strives to provide high-quality health care at an affordable price. We also are bound by law to have an adequate network to serve our patients. We need our provider groups and hospital partners to ensure access to quality care. However, like any business, we also need the ability to negotiate on price

Kim Clarke Maisch

March 22, 2022

Page 2

and set terms and conditions to protect our customers. HB 451 puts government in the middle of private, business to business contract negotiations that will ultimately hurt patients.

While proponents argue the issue at hand is one of safety, please know Cigna is absolutely committed to ensuring our patients receive their pharmaceuticals in a safe and efficient way, following our own robust internal policies as well as all state and federal laws. Our in-network specialty pharmacies have several proprietary practices in place for the benefit of our customers as well as the integrity of the medication.

As always, we appreciate the opportunity to provide comments and are always willing to sit down and further discuss this legislation. By keeping cost-containment measures intact and codifying safety guardrails, we can ensure safe, accessible, affordable prescription drugs.

Sincerely,

A handwritten signature in cursive script that reads "Kim Clarke Maisch".

Kim Clarke Maisch

Director, State Government Affairs

Cigna