



November 14, 2018

The Honorable Stephen Huffman, Chair  
House Health Committee  
Ohio House of Representatives  
77 South High Street, 12th Floor  
Columbus, Ohio 43215

Dear Chairman Huffman,

On behalf of the Ohio Association of Health Plans (OAHP), thank you for the opportunity to offer written testimony in opposition of HB 465, legislation which would carve pharmacy services out of Medicaid managed care and require Medicaid to cover such services through the fee-for-service program.

The Ohio Association of Health Plans (OAHP) is the state's leading trade association representing the health insurance industry. OAHP's member plans provide health benefits to more than 9 million Ohioans through employer-sponsored coverage, the individual insurance market, and public programs such as Medicare, Medicaid and the Federal Insurance Marketplace. Our members offer a broad range of health insurance products to Ohioans in the commercial marketplace and are committed partners in public programs.

OAHP concerns can be summarized as follows:

- ***HB 465 will lead to significant cost increases for Ohio's taxpayers.*** Today, Ohio's managed care plans take on the full risk of covering the health care and pharmacy costs of 2.4 million Ohioans. That budget predictability and stability would change under HB 465, as Ohio taxpayers would take on the full risk of covering the cost of prescription drugs for more than 2.4 million Ohioans. ODM estimates what that full risk will look like for taxpayers - ***carving out pharmacy from managed care will cost \$504 million over the biennium.***
- ***HB 465 will inhibit the ability of Ohio's Medicaid managed care plans to integrate and coordinate pharmacy and medical benefits and will result in unintended costs.*** This bill will inhibit the managed care plans' ability to integrate and coordinate pharmacy and medical benefits, which has implications on efforts to reduce unnecessary hospitalizations and improve overall quality of care through medication adherence, care coordination, and timely provider interventions.

Prescription drugs play a central role in health care treatment. This bill runs counter to the goals of achieving integrated, whole-person focused coverage and care coordination for the Medicaid population and will result in ***increased costs due to increased emergency room utilization, increased opioid utilization, and increased use of costly name brand drugs.***

How do we know this? Recent history. Ohio carved pharmacy out of managed care in February 2010 and quickly carved it back into managed care in October 2011 once state leaders understood the cost and care implications.

Thank you for the opportunity to share our concerns with HB 465. We appreciate the Legislature's leadership to improve the state Medicaid program on behalf of all Ohioans and OAHP stands ready to work with policymakers to achieve the shared goal of lowering pharmacy costs and improving the quality of pharmacy care for all Ohioans.

Sincerely,

A handwritten signature in black ink that reads "Miranda C. Motter". The signature is written in a cursive style with a large, prominent 'M' at the beginning.

Miranda C. Motter  
President and CEO  
Ohio Association of Health Plans