



HB 110 Interested Party Testimony
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Senate Finance Committee
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Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes and Members of the Senate Finance Committee, my name is David Reiner and I am the Senior Director of State Government Affairs for Quest Diagnostics. Thank you for the opportunity to provide interested party testimony on HB 110, and specifically regarding our opposition to language added in Sec. 5167.15 in the Substitute Bill. Quest Diagnostics is the world's leading provider of diagnostic information services and serves one in three adult Americans and half the physicians and hospitals in the United States annually.

In regard to Sec. 5167.15, Quest Diagnostics understands the goal to have robust laboratory service offerings and laboratory provider networks based on access and availability to high-quality diagnostic testing; however, we strongly caution against competitive bidding preference that is based on the contractor's principle place of business over the principle of Network Adequacy and Service Availability which only value access to high quality that meets patient medical needs. Although our national corporate headquarters is in New Jersey, we are proud of the broad health care access we create for Ohioans through our approximately 1,100 front-line employees, six labs, and over 40 community-based patient service centers located in Ohio. With our robust infrastructure and access capacity in Ohio, we service nearly 18,000 physicians and 73 hospitals, and we have over 600,000 patient encounters annually.

Ohio is also home to Quest's Cleveland Heart Lab, which serves as our national Cardiometabolic Center of Excellence. This lab represents a significant investment in the future of healthcare in Ohio and performs cardiometabolic testing for patients from across the country. In addition to the rest of our substantial footprint in Ohio, the Cleveland Heart Lab exemplifies our commitment to the state and serves to showcase Ohio as a center for medical expertise and innovative healthcare.

Quest's commitment to Ohio has only strengthened in response to the COVID-19 pandemic. To date, we have already conducted over 881,000 viral COVID-19 tests and approximately 47,000 serology tests to detect COVID-19 antibodies in Ohio. We are particularly proud to be providing testing for many of Ohio's long-term care facilities.

In light of our strong commitment to the citizens of Ohio, we are concerned about any legislation or policy that would potentially impact our ability to continue to provide the high level of patient-centered service that Ohio's Medicaid recipients have come to rely upon, merely because our corporate headquarters is located in another state. We have a long history of focusing on consumer interests for a convenient and personalized experience that is relevant to the individual's specific needs. For example, Quest was the first laboratory to offer on-line appointment scheduling and patient registration for specimen collection at community-based patient service centers. Individuals can now schedule convenient venipuncture 24/7 using a smartphone, computer or toll-free automatic phone system with automatic reminders, and we have worked with many partners to ensure that there is ample access to collections for COVID-19 testing.



Additionally, we are concerned that provisions in this bill will unnecessarily increase red tape and costs. While we are confident in Quest Diagnostics laboratory services and offerings to be competitive in any RFP process, it is not typical for Managed Medicaid organizations to engage in an RFP process to select laboratory service providers. Although we fully support Managed Medicaid including multiple labs in their network for the benefit of consumer choice, an RFP process is cumbersome and time-consuming. In fact, the Centers for Medicare and Medicaid Services (CMS) and the Medicaid and CHIP Payment Access Commission (MACPAC) develop guidelines for Network Adequacy. Neither of these institutions require nor even promote network development through a rigid procurement process. Further, although Quest Diagnostics offers the widest range of testing menu options in the country, many labs only focus on specific test offerings – this would make an RFP process for the lab industry particularly challenging.

In short, Quest Diagnostics is concerned the language in Sec. 5167.15 increases red tape, does not provide clarity on the types of laboratory services to be offered, and unfairly disadvantages laboratories based on the location of their corporate headquarters despite the fact of having a significant presence in the state. The COVID-19 pandemic has highlighted the critical need of laboratory testing services in Ohio and around the country. It is critical that the focus should be on access to laboratory services and ensuring that labs perform high-quality, responsible, and medically appropriate levels of testing. Quest Diagnostics is committed to Ohio as much as, if not more, than any other clinical laboratory, and we have proven that through our ongoing investment in the State.

Once again, Chairman Dolan and members of the Senate Committee, thank you for the opportunity to provide comments on HB 110 and we urge the Senate to remove Sec. 5167.15 from the bill. Please feel free to reach out with any questions.