The Deceptive Rx Ballot Issue: Risky. Costly. Unworkable.



Should Ohio's state agencies be forced to follow a deceptive and vaguely-worded ballot issue that would impose unworkable contracting requirements for state prescription drug purchases based on prices paid by the U.S. Department of Veterans Affairs (VA)?

No.

Ohio health care experts, including three former Ohio Medicaid Directors, warn it would actually increase prescription drug costs and reduce patient access to medicines. They have lined up with Ohio medical professionals, patient advocates, military veterans' organizations and business and labor groups to urge Ohioans to defeat the Deceptive Rx Ballot Issue on the November 7, 2017 statewide ballot.

Trusted policy experts from Democratic and Republican administrations at state and federal levels join Ohio organizations representing more than 30,000 doctors, nurses and pharmacists to oppose this misleading and risky proposal because:

- 1. It is unworkable and will likely lead to more bureaucracy, red tape and lawsuits.
- 2. It will do nothing to lower drug costs for the seven million Ohioans who are privately insured, have employer coverage, are on Medicare or otherwise do not obtain their medicines through state programs. They could even see their prescription drug costs go up if this ballot issue becomes law.
- 3. It won't lower drug costs for the state. The ballot issue could invalidate the many drug discount agreements Ohio already has in place with pharmaceutical companies for Medicaid and other state programs—potentially increasing state prescription drug costs by tens of millions of dollars annually.
- 4. It threatens to reduce patient access to medicines.
- 5. It puts current VA discounts at risk, and military veterans who get their prescriptions through the VA face the prospect of potential cost increases.
- 6. Another provision would give the ballot issue's four named co-sponsors an unprecedented right to intervene—at taxpayer expense—in any post-election legal challenges that may be filed against the initiative or its implementation.
- 7. It is nearly identical to a proposal that was voted down in California last year. Known as "Prop 61," the California ballot issue was opposed by every major newspaper in the state—conservative, moderate and progressive alike.
- 8. It is being proposed by a tax-exempt, billion-dollar organization that makes nearly 80 percent of its revenues from selling prescription drugs.

Get the Facts at <u>www.DeceptiveRxIssue.org</u>

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Who Opposes the Rx Ballot Issue?

Medical providers and health advocacy groups

Ohio Nurses Association

Ohio State Medical Association

Ohio Osteopathic Association

American Academy of Pediatrics, Ohio Chapter

American Congress of Obstetricians and Gynecologists, Ohio

Ohio Pharmacists Association

Ohio Foot and Ankle Medical Association

Ohio Ophthalmological Society

Ohio Psychiatric Physicians Association

National Alliance on Mental Illness of Ohio

Mental Health America of Franklin County

The Ohio Council of Behavioral Health & Family Services Providers

Drug Free Action Alliance

Ohio Sickle Cell and Health Association

Ohio Affiliate of Prevent Blindness

Equitas Health

Business and labor groups

Ohio Chamber of Commerce

Ohio Manufacturers' Association ACT Ohio – Ohio's Affiliated Construction Trades

What Others Are Saying

John McCarthy, former Ohio Medicaid Director:

"This ballot issue is bad public policy, will increase the cost of healthcare for average Ohioans, will severely disrupt the provision of healthcare services, and will cause poor children, parents, elderly, and disabled to lose access to the drugs they need to survive."

Maureen M. Corcoran, President, Vorys Health Care Advisors, former Ohio Medicaid Director:

"It is grossly misleading – ignoring smart drug purchasing strategies that currently result in better prices than those being promised, ignoring access concerns and services that people need in order to understand and take their medications safely, and likely resulting in greater cost to private businesses, individuals, public and private sector retirees."

Barbara Coulter Edwards, Principal, Health Management Associates, former Ohio Medicaid Director:

"The Ohio initiated statute is unworkable, creating unrealizable pricing targets for most state programs and disrupting existing drug purchasing strategies that have saved billions of dollars for large purchasers like Medicaid. As a result, it could actually reduce access to prescription drugs for millions of Ohioans, including state employees and retirees, individuals with disabilities, injured workers, older adults, and others who rely on state-organized pharmacy programs."

Ohio Chamber of Commerce:

We unanimously recommend a vote to OPPOSE this ill-conceived and poorly written proposal on the grounds that it could lead to cost shifting to private payers, including employers, resulting in higher health care premiums and out-of-pocket costs; runs totally counter to any model of free markets and smacks of centralized planning; and creates an unprecedented law giving exclusive rights to the proponents to litigate any provision of the proposal that is not implemented to their satisfaction – at taxpayer expense.

Terry Russell, Executive Director, National Alliance on Mental Illness of Ohio:

"The details of the ballot initiative reveal a flawed plan that will not reduce medication costs, and instead will wreak havoc in Ohio's healthcare system and lead to significant barriers for people with mental illness to get quality treatment."

Veterans groups and leaders

The American Legion, Department of Ohio

Ohio State Association of County Veterans Service Officers

Ohio State Association of County Veterans Service Commissioners

Jewish War Veterans, Department of Ohio

Catholic War Veterans, Department of Ohio

Military Order of the Purple Heart, Department of Ohio

Military Officers Association of America, Ohio Council of Chapters

Korean War Veterans Association, Department of Ohio

Ohio National Guard Association

Concerned Veterans of America

Tom Moe, Colonel, USAF, Retired

Victor Wilson, Veterans Advocate

Faith groups

The Interdenominational Ministerial Alliance of Columbus and Vicinity

Bioscience groups

BioOhio

Biotechnology Innovation Organization

Emergency management & safety groups

Ohio Fire Chiefs' Association

Jon F. Wills, Executive Director, Ohio Osteopathic Association:

"The Ohio Osteopathic Association is concerned about the rapid escalation and high cost of some prescription medications and believes the issue needs to be addressed as part of the continuing health care reform discussions; however, we do NOT believe this Ohio ballot initiative is the right way to address the problem because it is misleading, impossible to implement, and could have unintended negative consequences on the patients it seeks to help."

Interdenominational Ministerial Alliance of Columbus & Vicinity (IMA):

Members of the Interdenominational Ministerial Alliance of Columbus & Vicinity (IMA) have considered the proposed "Ohio Drug Price Relief Act," and have concluded it will not provide sound health policy for the State of Ohio. The IMA will oppose the ballot issue.

The ballot measure seeks to change how Ohio state government purchases prescription medications, to achieve lower costs. However, the proponents have failed to provide necessarily details, and operational direction for how the state can reference drug prices it pays, to the Dept. of Veterans Affairs. The proposal raises far too many questions and potential conflicts that proponents did not address.

We want our communities to have access to affordable health care, but this ballot issue will not achieve that.

Drug Free Action Alliance:

"Drug Free Action Alliance partners with community leaders, businesses, policy makers, educators and law enforcement agencies to promote healthy lives and healthy families through prevention initiatives. We share the opinion of many of those groups that this plan will not improve healthcare for Ohioans and could result in additional and potentially dangerous barriers."

Ohio Fire Chiefs' Association:

"We believe access to medicine is important. When people are compliant with medications – that can reduce emergency department visits and hospitalization. The proposed initiated statute would not improve access and it would complicate how the state is able to purchase medications for the large systems it oversees."