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# OHIO LEGISLATIVE SERVICE COMMISSION

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H.B. 156  
135<sup>th</sup> General Assembly

## Bill Analysis

**Version:** As Introduced

**Primary Sponsors:** Reps. Manning and Oelslager

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### SUMMARY

- Allows a health benefit plan to offer to dispense physician-administered drugs or medications to covered individuals at specified or affiliated pharmacies under certain conditions.
- Prohibits a health benefit plan from requiring or incentivizing dispensing of physician-administered drugs or medications by a pharmacy or affiliated pharmacy, limiting coverage when such drugs are not dispensed in that manner, or covering such drugs with higher cost-sharing if dispensed in a setting other than a pharmacy.

### DETAILED ANALYSIS

#### Physician-administered drugs

The bill authorizes a health benefit plan to offer to dispense physician-administered drugs or medications to covered individuals at a specific pharmacy or an affiliated pharmacy under certain specified conditions. However, the bill prohibits a health benefit plan from disfavoring administration of such drugs or medications in other contexts, such as a physician's office. Under the bill, a "physician-administered drug or medication" is an outpatient drug, other than a vaccine, that cannot reasonably be self-administered by the patient or by an individual assisting the patient, and that is typically administered by a health care provider.<sup>1</sup>

#### Authorization

Under the bill, a health benefit plan may offer physician-administered drugs or medications to be dispensed by a pharmacy or affiliated pharmacy under any of the following conditions:

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<sup>1</sup> R.C. 3902.63(A)(3).

- The choice of drug, strength, or dose depends on the covered person’s clinical presentation, including weight changes, lab results, or adverse event grading;
- The drug requires compounding;
- The covered person, or the covered person’s legal representative, has not consented in writing to the offered dispensing arrangement for a specified course of treatment.<sup>2</sup>

## Prohibitions

The bill prohibits a health benefit plan from doing any of the following:

- Requiring that physician-administered drugs or medications be dispensed by a pharmacy or affiliated pharmacy or incentivizing such an arrangement;
- Limiting or excluding coverage for a physician-administered drug or medication when it is not dispensed by a pharmacy or affiliated pharmacy, if the drug is otherwise covered under the health benefit plan;
- Covering the physician-administered drug or medication at a different benefits tier or with cost-sharing requirements that impose greater expense for a covered individual if it is dispensed or administered at the physician’s office, hospital outpatient infusion center, or other outpatient clinical setting rather than a pharmacy.<sup>3</sup>

## Application

The bill’s authorizations and prohibitions apply to health benefit plans issued, amended, or renewed on or after the bill’s effective date. The bill defines “health benefit plan” similarly to how the term is defined in other contexts under continuing law – an agreement offered by a health plan issuer to provide or reimburse the costs of health care services, including a limited benefit plan, except for a policy that provides only specified types of coverage (e.g., dental, vision care, or disability income). “Health benefit plan” does not include a Medicare, Medicaid, or federal employee plans. Under the bill, “health benefit plan” also includes any pharmacy or drug benefit plan managed or administered by a pharmacy benefits manager.<sup>4</sup>

## Pharmacies

The bill defines “pharmacy” as any area, room, rooms, place of business, department, or portion of any of those places where the practice of pharmacy is conducted.<sup>5</sup> An “affiliated pharmacy,” is a pharmacy that controls, is controlled by, or is under common control with a pharmacy benefit manager.<sup>6</sup>

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<sup>2</sup> R.C. 3902.63(B).

<sup>3</sup> R.C. 3902.63(B) and (C).

<sup>4</sup> R.C. 3902.50 and 3902.63(A)(2); R.C. 3922.01, not in the bill.

<sup>5</sup> R.C. 3902.50; R.C. 4729.01, not in the bill.

<sup>6</sup> R.C. 3902.63(A)(1).

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## HISTORY

Action	Date
Introduced	04-25-23

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