



**House Insurance Committee
Testimony in Opposition to House Bill 2598
Presented by Kristi Brown, Sr. Director of Government Affairs**

Wednesday, February 19, 2020

Mister Chairman and members of the committee, my name is Kristi Brown, Senior Director of Government Affairs for the Kansas Chamber of Commerce. The Kansas Chamber appreciates the opportunity to offer testimony in opposition to House Bill 2598.

The Kansas Chamber wants to ensure businesses have the best options available to them to provide free market, lower cost, high quality health care benefits, including prescription drug options for their employees. The partnerships that exist between PBMs and insurers have helped keep prescription drug prices in check. Several major drug manufacturers have announced a price increase of around 5% but insurers, working with PBM's have been able to negotiate the actual cost down so the impact to the insured is minimal. This shows the tools utilized by the insurers and PBMs are working to counteract the high price of prescription drugs.

HB 2598 would eliminate rebates and create more administrative hurdles for PBMs by restricting their ability to negotiate while adding layers of regulation and costs unnecessarily. If a PBM is not providing value and savings to the companies they work for and with, they are replaced with a PBM that can and will do their job effectively, but examples of that even being necessary are few and far between.

The Kansas Chamber respectfully asks this committee vote against HB2598 insuring companies continue to have access to the tools that are key to managing the rising cost of health care, especially prescription drug costs.

We thank you for the opportunity to offer testimony against HB2598 and I am happy to answer questions at the appropriate time.