

## Co-Pay Accumulator Programs

### Co-Pay Accumulator programs unfairly shift higher drug costs to patients

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In recent years, health insurance companies and pharmacy benefit managers (PBMs) have increasingly shifted an ever-greater share of the costs for specialty prescription medicines to their patients and beneficiaries. The cost-sharing requirements set by insurers for prescription medicines are often uniquely burdensome relative to other types of health care. For example, most patients are required to pay on average nearly five times more out of pocket for drugs than for hospital stays.

To offset these costs, many pharmaceutical companies offer programs that assist patients with their out of pocket costs, including deductibles and co-pays, for their prescriptions. Recently, insurance plans and PBMs have been implementing so-called “copay accumulator” programs, which prevent funds provided by these assistance programs from applying to a patient’s out of pocket maximum or deductible. This can leave patients with steep costs to meet their deductible or out of pocket maximum when the value of patient assistance is exhausted.

As David Lazarus, a columnist for the Los Angeles Times, recently noted, “Co-pay accumulators allow insurers to double dip: They get their full co-pay and they get to extend the duration of patients’ deductibles.” Others have also raised concerns about the impact on patients’ drug costs. In a May 2018 letter to state insurance commissioners on accumulator programs, a group of 60 HIV/AIDS advocacy groups noted that:

*“Plans are implementing these policies with no consumer notice, leaving consumers to find out that this policy is in place after they incur steep prescription drug cost sharing mid-year. These policies are unfair to the consumer and will have significant individual and public health consequences.”*

### Policy Position

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BIO and its members believe that insurance coverage policies should provide all patients access to appropriate treatments in a timely manner. Even seemingly small changes to cost-sharing requirements can have detrimental impacts on patient adherence and can lead to higher health care costs when a disease is not managed appropriately. Whether or not a patient can access treatments recommended by their health care provider should not depend on the structure of that patient’s health benefit plan.

BIO opposes any measure that would shift greater drug costs to patients – including the adoption of rules or requirements by health plans that restrict or limit the ability of individuals to utilize the full benefit of manufacturer patient assistance programs.

### Key Points

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- ✓ By making medicines less affordable, co-pay accumulator programs may lead some individuals to not take their medicines as prescribed, leading to poorer health outcomes and increased overall medical spending.
- ✓ Co-pay accumulator programs are particularly problematic for the millions of Americans in high-deductible health plans, who can face deductibles of more than \$7,000 before their coverage takes effect.
- ✓ In a 2017 report, the Kaiser Family Foundation found that up to 28 percent of employees were enrolled in high deductible plans, up from 19 percent compared to five years ago.
- ✓ Insurers are implementing co-pay accumulator programs with little-to-no disclosure to patients, potentially causing financial shock and surprise at the pharmacy counter when patients attempt to fill prescriptions and find that they owe hundreds or even thousands of dollars for their medicine when they may have paid just a few dollars the previous month.