

## WHAT IS A COPAY?

- A copay, copayment or coinsurance is a **dollar amount set by a health plan that a patient must pay out of pocket** to access a covered medical service or prescription medication.
- Copay or coinsurance payments typically count toward the patient's annual insurance deductible and cost-sharing requirements.

## WHAT IS COPAY ASSISTANCE?

- Copay assistance is often available to insured patients who are having **trouble accessing their medicine because of a high out-of-pocket or cost-sharing requirement for covered medicines**.
- Patients or their healthcare providers may seek approval for copay assistance from a drug manufacturer, assistance foundation, church or other nonprofit organization.
- Patients who qualify for copay assistance can present their copay card at the pharmacy counter to **help cover their required copay or coinsurance payments** until their health plan's deductible or out-of-pocket (OOP) maximum is met.
- When patients use copay assistance, their pharmacy uses those payments to cover the cost of the medicine and the **health plan is not responsible for reimbursing the pharmacy for it**.

**NOTE:** Copay assistance is different from a pharmacy discount card, which changes the patient's cost for a medicine based on a rate negotiated by the discount company.

## WHY IS COPAY ASSISTANCE NEEDED?

- Annual health insurance **premiums averaged \$22,463** for family coverage in 2022, **up 43 percent in the last decade** and projected to **rise another 5.6 percent this year**.
- On top of that, Texas patients are also responsible for **paying out of pocket for a rising share** of any medical services or medications their health plan approves for coverage.
- Until patients reach their annual deductible or OOP maximum – as much as **\$9,100 for individuals and \$18,200 for families** – they may be responsible for paying for **all** amounts at the pharmacy counter before their insurance plan starts sharing the costs for the covered drugs.
- Patients managing complex or chronic conditions often face **steep out-of-pocket costs** to meet their **annual \$\$\$\$ deductible early each year** due to their need for multiple medications.
- **With deductibles rising twice as fast as wages** and far outpacing inflation, patients may lean on copay assistance to help them afford their insurer's annual cost-sharing requirements.

**NOTE:** Copay assistance programs were born out of necessity to fix a confusing health benefits design trend that makes it financially difficult for patients to afford their prescription medications due to **up-front cost-sharing requirements year after year**.

## HOW DO COPAY ACCUMULATORS AFFECT TEXAS PATIENTS?

- Copay accumulator adjustment programs implemented by health plans in recent years allow patients to utilize copay assistance but **no longer apply those dollars toward the patient's deductible** and cost-sharing requirements for their covered treatments.
- Oftentimes, patients are unaware their health plan includes a copay accumulator program, as the notification **language is often buried or misleadingly worded** in the plan's legalese.
- **Patients are surprised at the pharmacy counter** when they learn their copay assistance dollars have run out but were not applied to their deductible, so to continue on their prescribed drug, **their health plan requires them to pay out of pocket for the full cost of the medicine until they reach their deductible again**. This forces many to abandon the treatments that would keep them healthy and productive.

**NOTE:** If a patient's prescribed medicine is denied coverage by the health plan, the patient is responsible for all costs. Patients may seek to access medicines through several paths:

- a) Either the medication is on their health plan's "**preferred list**" and is approved for coverage;
- b) The health plan requires patients to go through a "**utilization review**" process, such as prior authorization and/or step therapy protocols, before being considered for coverage; or
- c) Their doctor appeals the health plan's denial on the basis that the medication is medically-necessary to improve or stabilize the patient's health and well-being. **However, health plans deny those appeals about 2/3 of the time, according to the latest data.**

The **59 members** of the [Texas All Copays Count Coalition](#) ask Texas lawmakers to **support HB 999 by Rep. Four Price** and join 16 states to **ensure all copays or coinsurance payments count** toward patients' annual health plan cost-sharing requirements.

For more information, please contact Chase Bearden of CTD at [cbearden@txdisabilities.org](mailto:cbearden@txdisabilities.org)



# Support HB 999 to Protect Texans from Rising Out-of-Pocket Costs

On behalf of patients, caregivers and healthcare professionals across the state, our 59 organizations urge passage of **HB 999 by Rep. Four Price** to ensure health insurers and PBMs count **all copays or coinsurance payments** toward a patient's deductible, out-of-pocket maximum or other cost-sharing requirements under that patient's health plan.



Acromegaly Community Inc. | Allergy & Asthma Network | Alliance for Patient Access | American Cancer Society Cancer Action Network | American Diabetes Association | American Kidney Fund | Arthritis Foundation | Association for Clinical Oncology | Breast Cancer Resource Center | Bridge SYNGAP | Casting for Recovery | Chronic Disease Coalition | Coalition of Skin Disorders | Coalition of State Rheumatology Organizations | Coalition of Texans with Disabilities | Cystic Fibrosis Research Institute | Dia de la Mujer Latina | Gaucher Community Alliance | Good Days | Hemophilia Federation of America | Immune Deficiency Foundation | Infusion Access Foundation | International Cancer Advocacy Network | International Foundation for Autoimmune & Autoinflammatory Arthritis | International Pain Foundation | KIF1A.ORG | Legacy Community Health | Little Hercules Foundation | Lone Star Bleeding Disorders Foundation | Lupus and Allied Diseases Association | Mended Hearts | Multiple Sclerosis Association of America | NAMI Texas | National Eczema Association | National Infusion Center Association | National Organization for Rare Disorders | National Psoriasis Foundation | One Rare | Patients Rising | Prism Health North Texas | Rare Village Foundation | Regarding Cancer | Pharmacists United for Truth and Transparency | Rio Grande Valley Diabetes Association | SMA United for Treatment Options | Spondylitis Association of America | State of Texas Association of Rheumatologists | Susan G. Komen | Texas Bleeding Disorders Coalition | Texas Rare Alliance | Texas Medical Association | Texas Pharmacy Association | Texas Pharmacy Business Council | Texas Central Bleeding Disorders | Texas Oncology | Texas Society of Clinical Oncology | The Jansen's Foundation | US Oncology Network | Vivent Health

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