

Support SB 523: Protect Texas Patients from Rising Out-of-Pocket Costs

Copay Accumulators make it harder for Texans to remain healthy and productive.

For Texans with complex chronic conditions or rare diseases, affording healthcare can be daunting.

Texas has led the nation on important patient protections; however, barriers still exist, including rising out-of-pocket costs for patients. **Health insurance deductibles have skyrocketed 111% since 2010**, compared to a 19% rise in inflation.

(Source: Kaiser Family Foundation, December 2020)

To deal with these out-of-pocket increases, many patients rely on copay assistance programs, where drug manufacturers or other third parties offer copay cards or coupons that help patients at the pharmacy counter, as they work to meet their insurer's annual deductible and out-of-pocket requirements. However, a growing number of insurers and PBMs are adding Accumulator Adjustment Programs or **"Copay Accumulators"** which prevent patients who receive copay assistance from counting those funds toward their annual deductible or other out-of-pocket requirements.

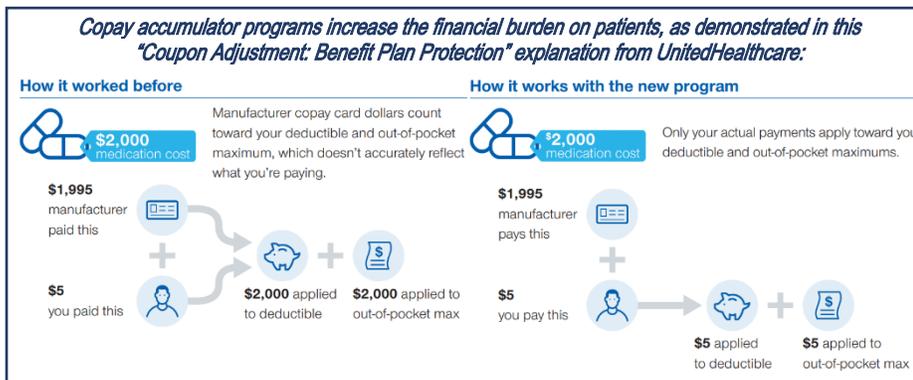
Many of these Copay Accumulator Programs were first implemented for specialty medicines, where there is often not an alternative or generic available.

Copay Accumulators make it harder for patients to meet their deductible or maximum, resulting in higher out-of-pocket costs.

While continuing to accept the third-party copay assistance, a growing number of insurers and PBMs are no longer counting those payments toward the patient's required deductible or maximum. This means patients continue to pay out of pocket throughout the year as they work toward meeting their **annual deductible or maximum, which averaged \$8,150 for individuals and \$16,300 for families with high deductible plans in 2020.**

(Source: Immune Deficiency Foundation)

Even if the patient eventually meets their deductible sometime in the plan year, the vicious cycle starts all over again each January.



Copay Accumulators make it harder for patients to afford and adhere to treatments that help them remain stable and healthy.

Rather than remaining stable and healthy, patients who can't afford to continue their treatment plan may experience unnecessary disease progression, hospitalizations or life-threatening ramifications.

Protect Texans from Rising Out-of-Pocket Healthcare Costs.

Please support SB 523 by Sen. Dawn Buckingham, MD to ensure that **all out-of-pocket payments made by patients – whether directly or on their behalf – be counted** toward their annual deductible and/or out-of-pocket maximum for prescription drug benefits.

What are Copay Accumulators?

Innovative, life-changing treatments are helping Texans with rare or complex chronic conditions stay healthier and enjoy a better quality of life.

To help with their out-of-pocket costs at the pharmacy counter, many of these patients rely on copay assistance programs from drug companies or other third parties to cover their copays and help them meet their insurer's annual deductible and out-of-pocket maximum.

Insurers and PBMs that implement Copay Accumulators get paid twice:

\$ Accepting the patient's copay assistance payments, then

+

\$ Requiring the patient to continue paying copays and other out-of-pocket costs to meet their annual deductibles and other cost-sharing requirements, while **refusing to count the already-collected copay assistance dollars toward the patient's cost-sharing requirements.**

The language insurers use to describe these policies can be ambiguous and difficult to find. Patients often unknowingly enroll in Copay Accumulator programs when accepting other benefits offered simultaneously.

Protect Texans from Rising Out-of-Pocket Healthcare Costs.

On behalf of patients, caregivers and healthcare professionals across the state, we urge support of **Senate Bill 523 by Senator Dawn Buckingham, MD** to ensure that health insurers apply any copayments – whether made by a patient or a third party on behalf of the patient – toward the patient’s deductible, copayment, cost-sharing responsibility or out-of-pocket maximum requirements under that patient’s health plan.



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