



The Maryland All Copays Count Coalition

February 27, 2024

Senate Finance Committee

SB 595 – Health Benefit Plans - Calculation of Cost Sharing Contribution - Requirements and Prohibitions

Position: SUPPORT

Dear Chair Beidle, Vice Chair Klausmeier and Honorable Committee Members,

The Maryland All Copays Count Coalition which includes the undersigned organizations write to you in support of SB 595. **This legislation would ensure that copay assistance programs, a vital source of assistance for Maryland patients to afford their medication, will count towards deductibles and out-of-pocket maximums.**

Our Coalition represents Marylanders living with chronic and rare conditions who rely on high-cost specialty drugs. The high-cost specialty medications required to manage these complex conditions are consistently placed on the highest cost-sharing tier of health plan formularies resulting in high out-of-pocket costs. To offset high out-of-pocket costs, patients will apply for and receive copay assistance.

In recent years, health insurers and pharmacy benefit managers (PBMs) have begun implementing new programs that prevent any copay assistance funds from counting toward patients' deductibles and out-of-pocket maximums. These programs are often referred to as copay accumulators or copay maximizers. These programs eliminate any benefit from copay assistance and result in a significant financial barrier to accessing treatment. When facing high out-of-pocket costs, patients do not use their medications appropriately, skipping doses to save money or abandoning treatment altogether.

Health insurers and PBMs will say that these programs help reduce health care costs by making patients try cheaper alternatives; however, data shows that for all commercial market claims for specialty medications where copay assistance was used, only 3.4% of those claims were for a product that may have a generic alternative available.¹ Furthermore, instead of refusing to accept copay assistance, insurers and PBMs pocket the assistance funds, and then “double dip” by again collecting the full out-of-pocket costs from the patient.

To date, nineteen other states (including neighbors Virginia, West Virginia, and Delaware), the District of Columbia, and Puerto Rico have passed similar legislation to

¹ <https://www.iqvia.com/locations/united-states/library/fact-sheets/evaluation-of-co-pay-card-utilization>

ensure copay assistance counts towards insurance deductibles and out-of-pocket maximums. We respectfully request your support for SB 595 to ensure Marylanders can fully access the lifeline that copay assistance provides.

Sincerely,

American Cancer Society Cancer Action Network
Arthritis Foundation
Crohn's & Colitis Foundation
Hemophilia Foundation of Maryland
Hemophilia Federation of America
Immune Deficiency Foundation
MedChi, The Maryland State Medical Society
National Bleeding Disorders Foundation
National Psoriasis Foundation
Spondylitis Association of America
Susan G. Komen
The AIDS Institute

Supporting Patients with Rising Out-of-Pocket Costs



Copay accumulators are a barrier to effective, affordable treatments in Maryland

Senate Bill 595 / House Bill 879 would require all payments made by patients—directly or on their behalf—be counted toward their deductibles and out-of-pocket maximums. Requiring health insurance carriers to count all payments will protect Marylanders from surprise bills and treatment delays as well as allowing individuals to utilize the full benefit of copay assistance programs. Urge Maryland Lawmakers to join 19 other states, D.C., and Puerto Rico to ensure all copays count.

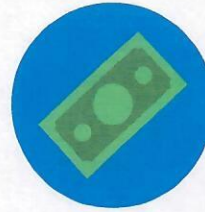
MARYLANDERS CAN'T AFFORD TO WAIT

The COVID-19 pandemic has only exacerbated the financial strain that high-cost treatments put on patients and their families. Marylanders should not be punished for using copay assistance to help afford their treatments.



INSURANCE BILLS SHOULDN'T HAVE TO BE PAID TWICE

Insurers are getting paid twice; once from copay assistance programs and then a second time from the patient's pocket. This eliminates any long-term patient benefit from copay assistance programs.



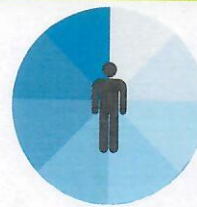
CONTINUITY OF TREATMENT & PATIENT WELL BEING SUFFERS

Many individuals are unaware of these programs until it's too late, leaving their treatment held hostage without additional payment. If copay assistance is not counted, otherwise stable patients might have no other option except discontinuing a lifesaving therapy.



THOSE ON HIGH DEDUCTIBLE HEALTH PLANS (HDHP) ARE MOST AT RISK

Patients will experience increased out-of-pocket costs and take longer to reach required deductibles.



WHAT ARE COPAY ACCUMULATORS?

To temper high prescription costs, many individuals living with rare or chronic conditions receive copay assistance.

These individuals rely on copay assistance programs offered by charities or drug manufacturers to cover the cost of their copays, which can be as high as 20-50% of their medication's cost.

Insurers are increasingly implementing copay accumulator programs. These programs are a health insurance benefit design that stipulate that payment from copay assistance programs may not be counted toward an individual's deductible or out-of-pocket maximum.



THE AIDS INSTITUTE

