Immune Deficiency Foundation

Fostering a community empowered by advocacy, education, and research

February 25, 2025

House Health and Government Operations Committee

HB 1246 – Health Benefit Plans - Calculation of Cost Sharing Contribution - Requirements

Position: SUPPORT

Dear Chair Pena-Melnyk, Vice Chair Cullison, and Honorable Committee Members,

The Immune Deficiency Foundation (IDF) supports HB1246. **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.**

IDF is dedicated to improving the diagnosis, treatment, and quality of life of people affected by primary immunodeficiency (PI) through fostering a community empowered by advocacy, education, and research.

Individuals with PI have one of the over 550 rare disorders in which a person's immune system fails to function properly because of genetic or intrinsic defects. They are highly susceptible to recurrent, persistent, and severe infections, which, without treatment, can lead to organ damage and often require significant interventions and hospitalization. Fortunately, most people with PI can live healthy, productive lives if they receive lifelong immunoglobulin replacement therapy, an innovative and lifesaving therapy derived from donated plasma.

To help temper high out-of-pocket costs, many individuals living with PI receive copay assistance for their specialty medication. Individuals will enroll in the copay assistance programs offered by the manufacturer that produces their medication or apply to receive financial assistance from nonprofit organizations. The amount covered by these programs is intended to be counted toward the individual's deductible or out-of-pocket maximum, decreasing the amount of money one must spend towards meeting their deductible.

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 referred to as copay accumulator adjustment programs, or simply copay accumulators. 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, less than 1% of those claims were for a product that may have a generic alternative available.[1]

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

HB 1246 addresses the concept of a copay accumulator and ensures that copay assistance counts in these instances. SB 773, introduced by Senator Hershey, also addresses this issue. However, SB 773 differs from HB 1246 in one key area. **HB 1246 does not contain important language that prohibits insurance carriers and PBMs from altering an individual's health benefit based on the availability of financial assistance that is available.** The goal of this legislation is to prevent emerging threats to copay assistance and patient access. These include programs known as "copay maximizers" and "alternative funding programs". We want stress the importance of this language in protecting patients from both current and future threats to copay assistance.

To date, 21 other states (including neighbors Virginia, West Virginia, and Delaware), the District of Columbia, and Puerto Rico have passed similar legislation to ensure copay assistance counts towards insurance deductibles and out-of-pocket maximums. We respectfully request your support for HB 1246 to ensure Marylanders can fully access the lifeline that copay assistance provides.

Sincerely,

Matthew Prentice
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