



September 20, 2022

Via Electronic Communication

Chairman Vincent C. Gray
Committee on Health
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, D.C. 20004

Re: Letter in Support of B24-0557, the Copay Accumulator Amendment Act

Dear Chairman Gray and Council Members:

Aimed Alliance is a 501(c)(3) non-profit health policy organization that seeks to protect and enhance the rights of health care consumers and providers. We support the passage of B24-0557, as this important legislation would limit the use of copay accumulator programs by health insurers and pharmacy benefit managers, and ensure that financial assistance made by or on behalf of a patient counts toward his or her deductible and out-of-pocket maximum.

When privately insured patients are unable to afford their medications, they may rely on copay assistance from third parties to help meet their cost-sharing requirements. Traditionally, the value of this assistance is counted towards the individual's deductible and annual out-of-pocket limit. However, health plans are increasingly implementing copay accumulator programs, which allow health plans to accept, for their own benefit, such third-party assistance while prohibiting the value of the assistance from counting towards the individual's deductible and annual out-of-pocket maximum.

Ultimately, copay accumulator programs require patients to pay more out of pocket annually to meet their cost-sharing requirements. Further, these programs can result in patients experiencing a "copay surprise" because their copay assistance can be exhausted before the end of the plan year. A copay surprise occurs when a patient tries to pick up their medication at the pharmacy counter and are unexpectedly told that they must pay a high-copay because their copay assistance has been exhausted and their plan's cost-sharing limits have not been met.

Such extra costs and financial pressures make it harder for many to afford their treatments, which can lead to patients unsafely rationing or abandoning their treatments altogether for financial reasons. This can result in patients experiencing relapses in symptoms.¹ Treatment nonadherence not only threatens patients' health, but also increases overall health care costs. For example, one systematic review found that the annual adjusted disease-specific economic costs of treatment nonadherence ranged from \$949 to \$44,190.²

¹ National Infusion Center Association, *Understanding Copay Accumulators Who Really Benefits*, <https://infusioncenter.org/understanding-copay-accumulators-who-really-benefits/>.

² Rachele Louise Cutler, et al., *Economic impact of medication non-adherence by disease groups: a systematic review* (2017), <https://bmjopen.bmj.com/content/8/1/e016982>.



Ultimately, limiting the use of copay accumulator programs by health plans and pharmacy benefit managers will protect consumers who rely on financial assistance to access their medically necessary treatments by ensuring their copay assistance will count towards their cost-sharing obligations. By passing B24-0557, the District of Columbia would join over a dozen states that have passed similar legislation, including Connecticut, Maryland, Delaware, and Virginia. Therefore, Aired Alliance urges the Council of the District of Columbia to take immediate action to pass this legislation and address these potentially dangerous copay accumulator policies.

Sincerely,

Ashira Vantrees
Counsel