



April 13, 2023

Via Electronic Communication

Representative Dan Ruby
North Dakota House of Representatives
druby@ndlegis.gov

Senator Sean Cleary
North Dakota Senate
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Representative Mitch Ostlie
North Dakota House of Representatives
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Senator Kristin Roers
North Dakota Senate
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Representative Scott Wagner
North Dakota House of Representatives
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Senator Kent Weston
North Dakota Senate
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Re: Statement in Support of North Dakota Legislation to Reform Copay Accumulator Programs

Dear Members of the North Dakota Legislative Assembly,

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 HB 1413 and urge you to take immediate action to pass this important piece of legislation which would protect North Dakota consumers by limiting insurers' and pharmacy benefit managers' use of copay accumulator programs.

Traditionally, when patients have been unable to afford their prescription medications, they have been able to receive copay assistance from manufacturers and third parties to help offset the cost of their medications. The value of this assistance has traditionally counted toward the individual's deductible and annual out-of-pocket limit. However, health plans are increasingly implementing copay accumulator programs, which are health insurance policies that allow the plan to accept the third-party assistance for the cost of the prescription but exclude this assistance from counting towards the individual's deductible and annual out-of-pocket maximum. These programs can result in a lack of medication adherence as patients may be forced to switch or stop their medications once their financial assistance has been exhausted and their copays are once again unaffordable.

A 2023 survey found that one-third of North Dakota health plans are currently using a copay accumulator program.¹ The United States Congress Joint Economic Committee reported that in March 2022 North Dakotans were experiencing an 8.5 percent inflation increase.² While this number has slowly been decreasing, North Dakotans are still seeing increased costs for

¹ The Aids Institute, *Discriminatory Copay Policies Undermine Coverage for People with Chronic Illness* (2023), <https://aidsinstitute.net/documents/TAI-Report-Copay-Accumulator-Adjustment-Programs-2023.pdf>.

² US Congress Joint Economic Committee, *North Dakota April 2023*, <https://www.jec.senate.gov/cards/nd/>.



staples such as milk and bread.³ Thus, North Dakota patients and families with chronic conditions need their third-party financial assistance to count towards their annual limit on cost-sharing, as originally intended, to ensure they can continue to access their medically necessary treatments and afford every day goods like milk and bread.

The North Dakota Legislative Assembly can take action to adopt a copay accumulator law that would require health plans to count third-party assistance towards the individual's annual out-of-pocket maximum. Over fifteen states and Puerto Rico have already taken steps to protect consumers by passing legislation that limits copay accumulator programs. North Dakota can be next. Aimed Alliance supports HB 1413 and urges you to take immediate action to pass this important piece of legislation.

Sincerely,

Ashira Vantrees
Counsel

³ US Congress Joint Economic Committee, *North Dakota April 2023*, <https://www.jec.senate.gov/cards/nd/>; Katie Adams, *60% of patients say they couldn't afford their meds without copay assistance* (May 20, 20210, <https://www.beckershospitalreview.com/pharmacy/60-of-patients-say-they-couldn-t-afford-their-meds-without-copay-assistance.html>).