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Copay Accumulators & Their Impact on Drug Access

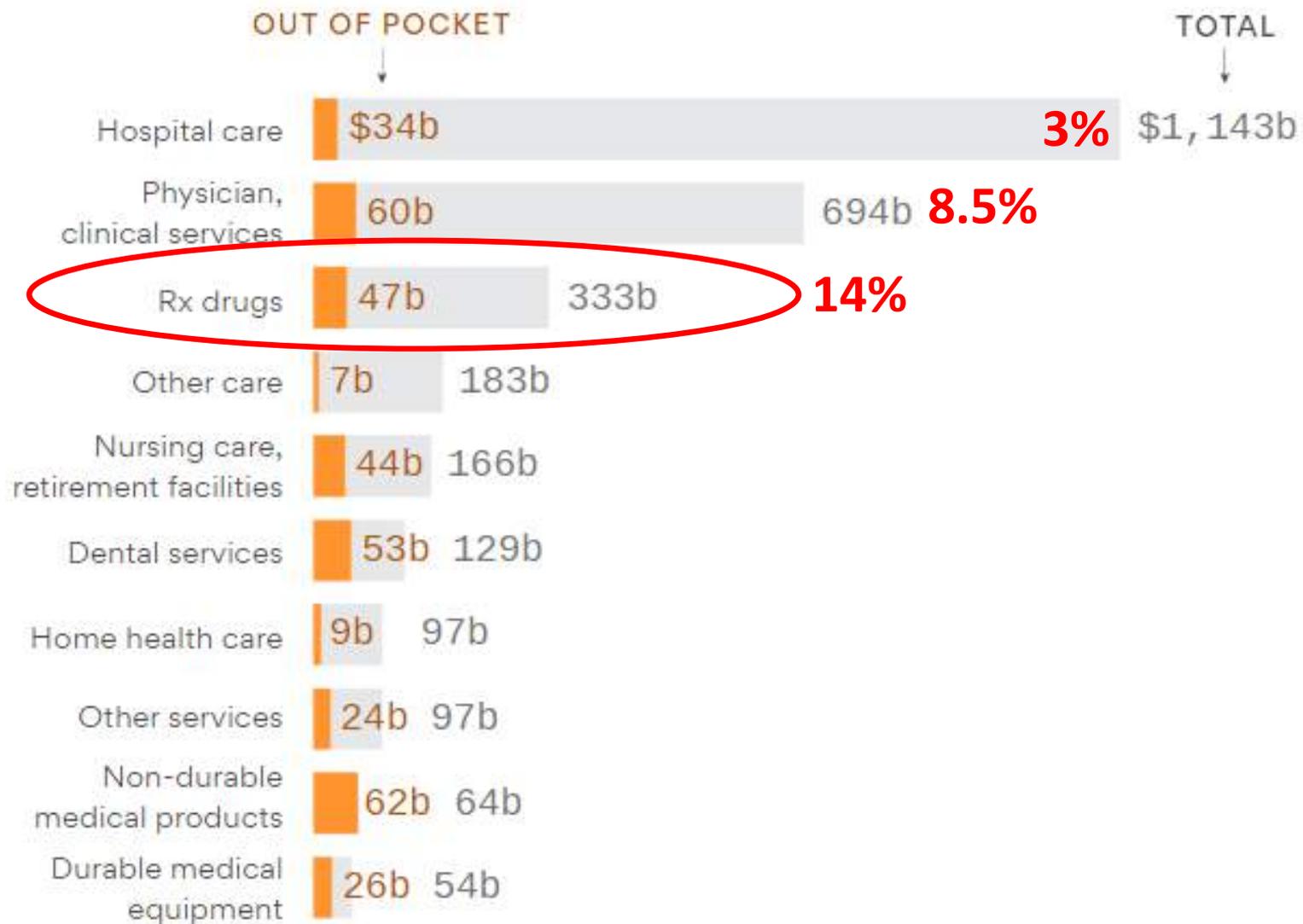
Carl Schmid
The AIDS Institute
Washington DC

Hep B United Summit
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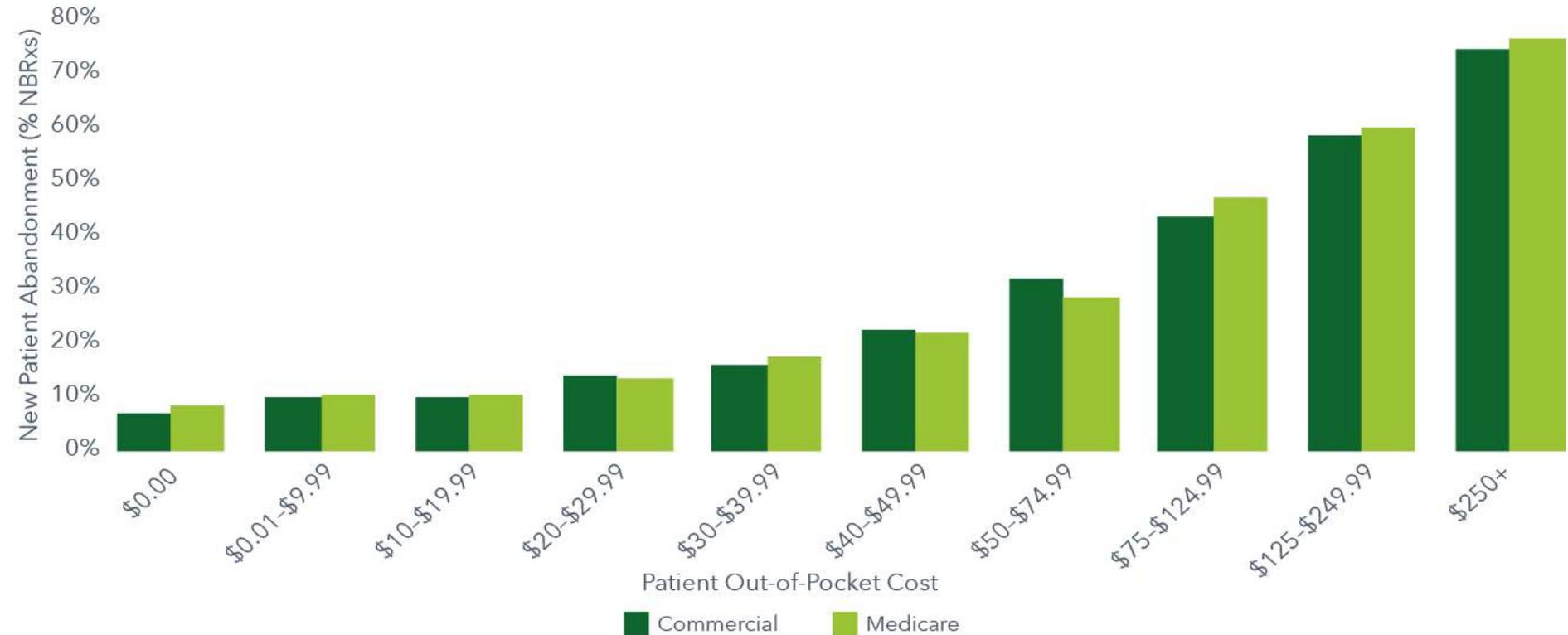
Personal health care spending, 2017



Adapted from [Ezra Golberstein](#) using [NHEA](#) data; Chart: Axios Visuals

Cost-Sharing and Rx Abandonment

30-Day New-to-Brand Abandonment by Patient Out-of-Pocket Cost in 2018 (Top Brands)



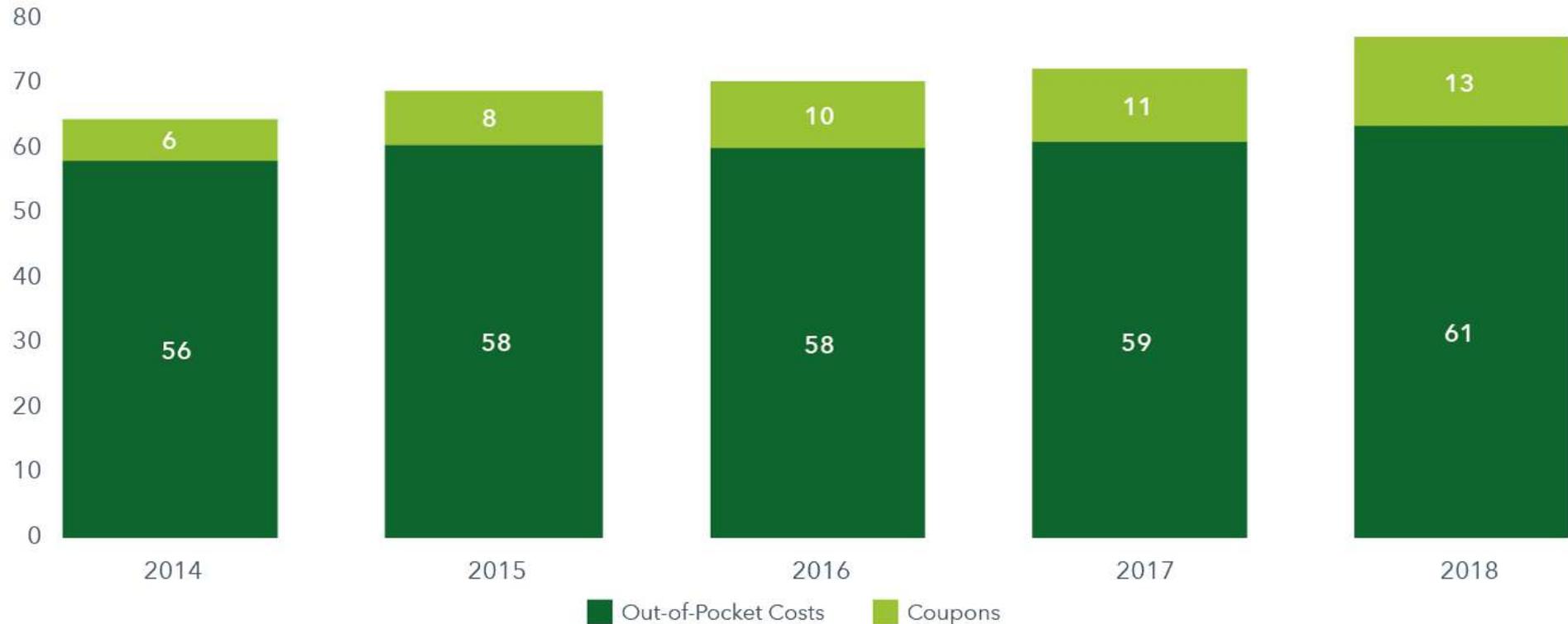
Source: IQVIA Formulary Impact Analyzer; IQVIA Analysis, Dec 2018

Chart notes: Analysis for sample of branded products representing 55% of branded prescription claims. 30-Day New-to-Brand abandonment for Commercial and Medicare Part D patients was measured from Jan 2015 to Mar 2018 and estimated for April to December 2018. Patients did not pick up relevant prescription or switch to another product during the 30 days after the initial prescription was abandoned. Patients were also analyzed to determine how many filled another prescription in the month following initial claim approval, which was abandoned.

Report: Medicine Use and Spending in the U.S. – A Review of 2018 and Outlook to 2023. IQVIA Institute for Human Data Science, May 2019

Role of Copay Assistance

Patient Out-of-Pocket Cost for Prescriptions in Aggregate and Value Offset by Coupons, \$Bn



Source: IQVIA National Prescription Audit, Formulary Impact Analyzer, Jan 2019

Chart notes: OOP (out-of-pocket) costs estimated based on prescription volumes and observed OOP costs. OOP costs projected from sample in FIA to a national estimate using national adjusted prescriptions which were backprojected to estimate the trend prior to the trend break after 2016 due to restatement of NPA volumes (see Methodology section for more details).

Report: Medicine Use and Spending in the U.S. – A Review of 2018 and Outlook to 2023. IQVIA Institute for Human Data Science, May 2019

Copay Accumulator Programs

Instituted by insurers and pharmacy benefit managers (PBMs) that prevent manufacturer copay assistance contributions from counting towards a beneficiary's deductible and maximum out-of-pocket spending limits.

District of Columbia 2019 QHPs

Plan	Copay Accumulator Language	Source
Care First	<p>The following amounts may not be used to satisfy the Benefit Period Deductible:</p> <ul style="list-style-type: none"> Discounts, coupons, or other amounts from third parties, including manufacturer coupons and discount prescription card programs. <p>The following amounts may not be used to satisfy the Benefit Period Out-of-Pocket Maximum:</p> <ul style="list-style-type: none"> Discounts, coupons, or other amounts from third parties, including manufacturer coupons and discount prescription card programs. 	<p><u>CareFirst Summary of Benefits and Coverage</u> (page 111 and 112 of 163 pages)</p>

Kaiser Permanente, is participating in the 2019 DC marketplace and is not implementing copay accumulators.



Copay Accumulator Case Study for HIV Single Tablet Regimen (STR)

- Plan annual OOP maximum: \$6,000
- Drug cost sharing for preferred brand: \$50 after deductible
- WAC monthly drug price: \$3,090
- Deductible (combined medical and Rx): \$3,000
- Manufacturer co-pay assistance program (CAP) annual maximum: \$6,000

Medication Costs <i>without</i> Co-pay Accumulator			Medication Costs <i>with</i> Co-pay Accumulator		
	Consumer	Manufacturer Co-pay Card		Consumer	Manufacturer Co-pay Card
January	\$0	\$3,050	January	\$0	\$3,090
February	\$0	\$50	February	\$180	\$2,910
March	\$0	\$50	March	\$2,870	\$0
April - December	\$0	\$450	April - December	\$450	\$0
Total	\$0	\$3,600	Total	\$3,500	\$6,000
Total collected by Insurance Plan	\$3,600		Total collected by Insurance Plan	\$9,500	

Patient Community Reaction

- **HIV Community letter to State Insurance Commissioners**
- **Patient Community Coalition formed – All Copays Count**
 - Sent letter to State Insurance Commissioners
 - Raise Public Awareness thru Media
 - Meetings with HHS and others
 - Respond to Public Comment Letters

2020 Notice of Benefit and Payment Parameters

- HHS Proposed copay assistance *not* count for brand name drugs with a generic equivalent
 - Does that mean will count for other instances?
- **Final Rule requires copay assistance to count in most situations!**
 - For brand name drugs with no generic
 - When access brand drug that has a generic through exceptions or appeals process
 - *May* limit for brand name Rx when generic exists
- **Applies to private individual and group plans, plus most employer plans**

2020 Notice of Benefit and Payment Parameters

- **Now we must ensure plans comply with new regulation**
 - **All Copays Count sent letter to HHS**
 - Seek clarification, what about non-profit financial assistance?
 - **Sent letter to all Insurance Commissioners**
- **Several states pass legislation requiring copay assistance to count**
 - **AZ, IL, VA and WV**
 - **Others pending**

Thank you!

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