Copay Accumulators

What Patients Need to Know in 2020

Rachel Klein
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What is a copay accumulator?

• An insurance company/PBM policy that the plan will not count copay assistance toward the enrollee’s deductible or OOP limit.
• Not allowed in Medicaid, CHIP, or Medicare
• Increasing rapidly among private insurance plans nationwide
**What Does Accumulator Language Look Like?**

Copay accumulator policies are usually in an insurer’s plan documents such as an Evidence of Coverage, Certificate of Coverage, or Summary of Benefits document. It is hard to find the language!

<table>
<thead>
<tr>
<th>The following amounts may not be used to satisfy the Benefit Period Deductible:</th>
<th>Please note, cost-sharing reduction for any prescription drugs obtained by You through the use of a discount card or coupon provided by a prescription drug manufacturer will not apply toward any Deductible, or the Annual Out-of-Pocket maximum under Your Plan.</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Discounts, coupons, or other amounts from third parties, including manufacturer coupons and discount prescription card programs</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Some specialty medications may qualify for third-party copayment assistance programs which could lower your out-of-pocket costs for those products, subject to prior approval. For any such specialty medication where third-party copayment assistance is used, You will not receive credit toward Your maximum Out-of-Pocket or Deductible for any Copayment or Coinsurance amounts that are applied to a manufacturer coupon or rebate.
How Does it Work?

Example:
- Patient has $1000 deductible
- Has $500 copay assistance

<table>
<thead>
<tr>
<th>No copay accumulator</th>
<th>Copay accumulator</th>
</tr>
</thead>
<tbody>
<tr>
<td>The $500 <strong>will</strong> count towards their deductible.</td>
<td>The $500 <strong>will not</strong> count towards their deductible.</td>
</tr>
<tr>
<td>$1000 - $500 = The consumer only has $500 remaining to reach their deductible.</td>
<td>$1000 - $0 = The consumer has $1000 remaining to reach their deductible.</td>
</tr>
</tbody>
</table>
How Does it Work?

**Deductible:** $4,400  
**Cost sharing for medicine:** 50% after deductible is met  
**Monthly medication cost:** $1,675  

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consumer Pays</strong></td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$550</td>
<td>$150</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$700</td>
</tr>
<tr>
<td><strong>Copay Assistance</strong></td>
<td>$1675</td>
<td>$1675</td>
<td>$1050*</td>
<td>$837.50</td>
<td>$837.50</td>
<td>$837.50</td>
<td>$287.50**</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$7,200</td>
</tr>
<tr>
<td><strong>Remaining Deductible</strong></td>
<td>$2,725</td>
<td>$1,050</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* Deductible is met  
**Copay assistance limit is met  
^Out-of-Pocket maximum is met
### How Does it Work?

**Deductible:** $4,400  
**Cost sharing for medicine:** 50% after deductible is met  
**Monthly medication cost:** $1,675  

**Annual OOP maximum:** $7,900  
**Manufacturer copay assistance maximum:** $7,200

<table>
<thead>
<tr>
<th>Total Costs with Accumulator</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Pays</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$1,175</td>
<td>$1,675</td>
<td>$1,550*</td>
<td>$837.50</td>
<td>$837.50</td>
<td>$837.50</td>
<td>$837.50</td>
<td>$150*</td>
<td>$7,900</td>
</tr>
<tr>
<td>Copay Assistance</td>
<td>$1,675</td>
<td>$1,675</td>
<td>$1,675</td>
<td>$500**</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$7,200</td>
</tr>
<tr>
<td>Remaining Deductible</td>
<td>$4,400</td>
<td>$4,400</td>
<td>$4,400</td>
<td>$3,225</td>
<td>$1,550</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* Deductible is met  
**Copay assistance limit is met  
^Out-of-Pocket maximum is met
Exacerbates Affordability Problem

Cumulative Increases in Family Coverage Premiums, General Annual Deductibles, Inflation, and Workers’ Earnings, 2009-2019

Deductibles and premiums have increased 2-7 times faster than earnings and inflation since 2009.

NOTE: Average general annual deductibles are for single coverage and are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.

Cost-Sharing Matters for Patients

Percent who say they or a family member have done the following in the past year

<table>
<thead>
<tr>
<th></th>
<th>No Chronic Condition in Family</th>
<th>With Chronic Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All</td>
<td>Highest deductible</td>
</tr>
<tr>
<td>Postponed or put off care</td>
<td>23%</td>
<td>42%</td>
</tr>
<tr>
<td>Treated at home instead of seeing doctor</td>
<td>28</td>
<td>41</td>
</tr>
<tr>
<td>Avoided doctor-recommended test or treatment</td>
<td>15</td>
<td>31</td>
</tr>
<tr>
<td>Not filled a prescription or skipped doses</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>Yes to any</td>
<td>40</td>
<td>60</td>
</tr>
</tbody>
</table>

Data: Kaiser Family Foundation; Chart: Axios Visuals
Federal Rulemaking

• 2020 Notice of Benefit and Payment Parameters (NBPP) restricted copay accumulators.
  • Must be available generic
  • Cannot be used if patient has gained access to the Rx via appeal or exception
• HHS announced non-enforcement for 2020; updated policy expected in 2021 NBPP.
States have acted to protect patients by enacting legislation that requires plans to count all payments made toward deductibles and OOP limits, regardless of the original source of funding.

- Arizona
- Illinois
- West Virginia
- Virginia

On the agenda in more state legislatures in 2020 – stay tuned!
- Pennsylvania, Ohio, North Carolina, Florida
- More likely to come soon!
How to Help Patients

• Does the patient rely on specialty medications?
  → If yes, do they use copay assistance?
  → If yes, have they read their plan documents to check for an accumulator policy?
  → Always best to double-check by calling the plan’s customer service line.

• If the patient has experienced a copay accumulator policy, help them file a complaint with their state insurance commissioner.

• Contact their state Senator/Reps
Questions?

Thank you!

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