



**THE AIDS INSTITUTE**

# Copay Accumulators

What Patients Need to Know in 2020

Rachel Klein

December 10, 2019

# 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!

The following amounts may not be used to satisfy the Benefit Period Deductible:

- Discounts, coupons, or other amounts from third parties, including manufacturer coupons and discount prescription card programs

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.

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

## **No copay accumulator**

The \$500 will count towards their deductible.

$\$1000 - \$500 =$  The consumer only has \$500 remaining to reach their deductible

## **Copay accumulator**

The \$500 will not count towards their deductible.

$\$1000 - \$0 =$  The consumer has \$1000 remaining to reach their deductible

# 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

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
Total Costs without accumulator	Consumer Pays	\$0	\$0	\$0	\$0	\$0	\$0	\$550	\$150 <sup>^</sup>	\$0	\$0	\$0	\$0	\$700
	Copay Assistance	\$1675	\$1675	\$1050 <sup>*</sup>	\$837.50	\$837.50	\$837.50	\$287.50 <sup>**</sup>	\$0	\$0	\$0	\$0	\$0	\$7,200
	Remaining Deductible	\$2,725	\$1,050	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

<sup>\*</sup> Deductible is met   <sup>\*\*</sup>Copay assistance limit is met   <sup>^</sup>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

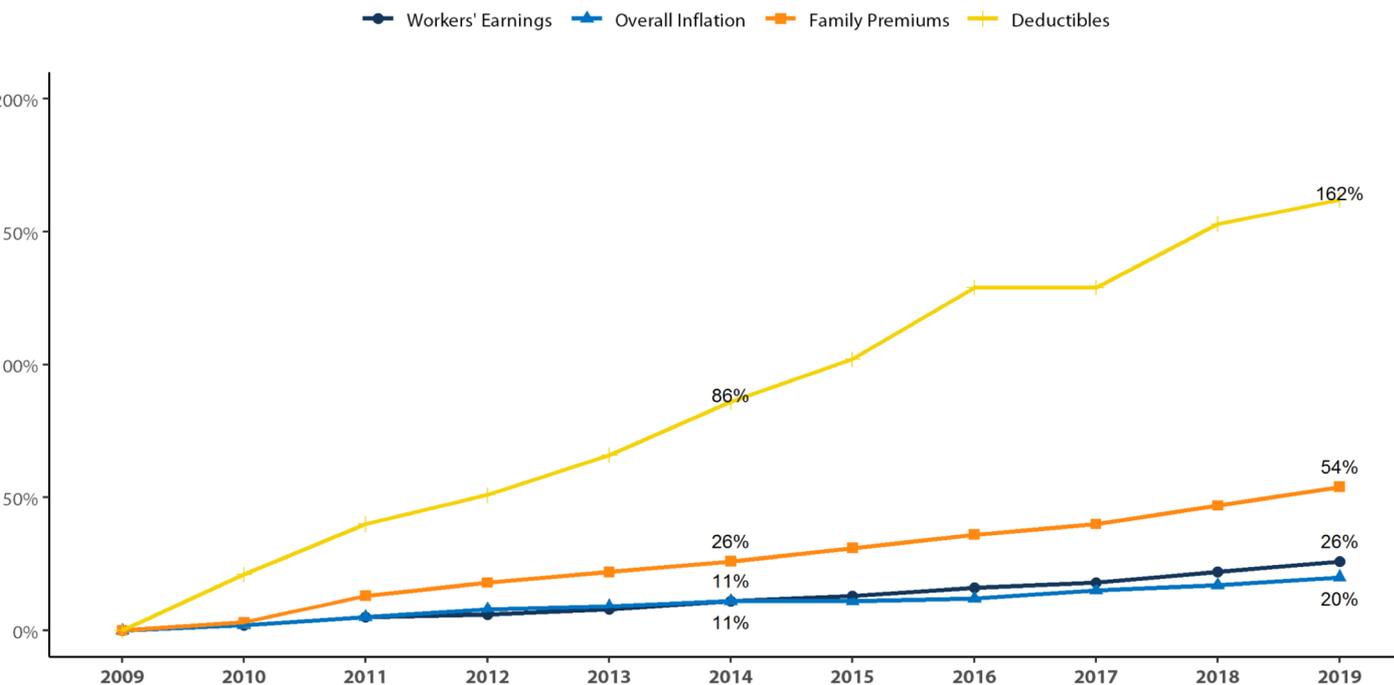
**Manufacturer copay assistance maximum:**  
\$7,200

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
Total Costs with Accumulator	Consumer Pays	\$0	\$0	\$0	\$0	\$1,175	\$1,675	\$1,550*	\$837.50	\$837.50	\$837.50	\$837.50	\$150^	\$7,900
	Copay Assistance	\$1,675	\$1,675	\$1,675	\$1,675	\$500**	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,200
	Remaining Deductible	\$4,400	\$4,400	\$4,400	\$4,400	\$3,225	\$1,550	\$0	\$0	\$0	\$0	\$0	\$0	

\* 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.

SOURCE: KFF Employer Health Benefits Survey, 2018-2019; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2009-2017. Bureau of Labor Statistics, Consumer Price Index, U.S. City Average of Annual Inflation (April to April), 2009-2019; Bureau of Labor Statistics, Seasonally Adjusted Data from the Current Employment Statistics Survey, 2009-2019 (April to April).

# Cost-Sharing Matters for Patients

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

	NO CHRONIC CONDITION IN FAMILY ↓	WITH CHRONIC CONDITION	
		All	Highest deductible
Postponed or put off care	23%	42%	60%
Treated at home instead of seeing doctor	28	41	58
Avoided doctor-recommended test or treatment	15	31	44
Not filled a prescription or skipped doses	12	23	35
Yes to any	40	60	75



# 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.

# State Legislation

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!

[rklein@theaidsinstitute.org](mailto:rklein@theaidsinstitute.org)

(202) 815-2973