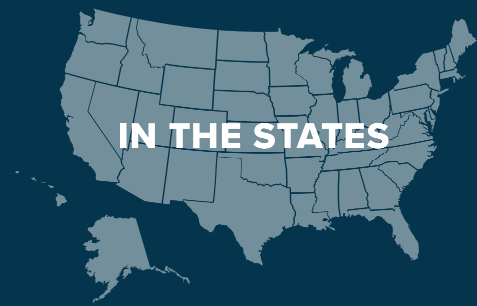
POLICIES TO HELP PATIENTS PAY LESS FOR THEIR MEDICINES: **CAP PATIENT COST SHARING**



Patients with commercial health insurance are facing increasing out-of-pocket costs for their medicines in the form of growing deductibles, copayments and coinsurance. Health insurers continue to shift costs to patients, despite evidence that high-cost sharing can lead patients to ration medicines or fail to fill their prescriptions altogether, resulting in worse health outcomes for patients and higher health care costs overall. Without capping this cost sharing burden, patients will continue to struggle to afford the medicines they need.

The Problem

Spending on medicines is growing at the slowest rates in years, yet insurers keep requiring patients to shoulder more and more of the cost of their medicines. Patients pay on average 11% out of pocket for drugs, compared to just 4% for hospital care. Commercial health plans have increased patients' average out-of-pocket cost sharing for brand medicines by over 50% in some therapeutic areas since 2015. The share of prescriptions for which health plans require cost sharing greater than $125 has also increased for patients with chronic diseases like HIV and depression.

Over 50% – *The increase in patients' average out-of-pocket cost sharing for brand medicines in some therapeutic areas since 2015.*

The sickest patients taking several medicines shoulder the largest share of the burden of high-cost sharing. A 2019 analysis of medicine spending and affordability found that 9% of all new prescriptions were abandoned at retail pharmacies due to patients being unable to afford the cost sharing. That same analysis showed the rate of new prescriptions abandoned at the pharmacy going up to 45% when the cost was over $125 and 60% when the cost was over $500. Increasing out-of-pocket costs are further exacerbated by the fact that, while health insurance companies often receive substantial rebates and discounts from prescription drug manufacturers, the amount patients must pay is typically based on a drug's list price, not the discounted price being paid by their health insurance company.

The Solution: Cap Patient Cost Sharing

Insurance should work like insurance, and not make cost sharing so burdensome that it prevents people from getting the lifesaving medicines they need. Several states have enacted laws that limit the amount a patient pays out-of-pocket for a 30-day supply of a single prescription, before and after a patient reaches their deductible. **Several studies have demonstrated that out-of-pocket caps on cost sharing for prescription medicines can save patients money without drastically increasing premiums.** Capping the cost sharing patients must pay out of pocket will help reduce the financial burden on patients who need it most and provide patients immediate relief at the pharmacy counter.