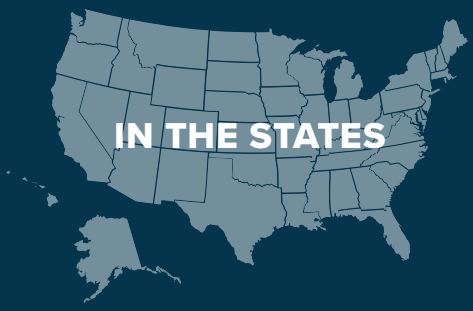
POLICIES TO PROTECT PATIENT ASSISTANCE & MAKE INSURANCE WORK LIKE IT SHOULD



For patients with commercial health insurance, the amount they pay for their medicines is determined by health insurance companies and pharmacy benefit managers (PBMs). New tactics by these companies can make it harder or impossible for patients to get important treatments for chronic illnesses such as asthma, diabetes, HIV, arthritis, hemophilia and others.

The Problem

In the commercial health insurance market, some patients are being forced to pay more out-of-pocket for their medicines due to an increase in deductibles and the use of coinsurance instead of copays.

This higher cost sharing can impact patients' ability to adhere to their prescribed treatment, which can be devastating for patients with chronic conditions who rely on critically important medicines.

To help patients better access their medicine and stay adherent, many third-party entities, including pharmaceutical manufacturers, offer patient assistance. Historically, commercial health insurance plans have counted this assistance towards a patient's deductible and maximum out-of-pocket limit, providing relief from PBM imposed high-cost sharing and making it easier for patients to get their medicines.

Unfortunately, health insurers and PBMs have adopted policies to exploit and abuse patient assistance programs intended to help patients pay for specialty drugs.

- Accumulator adjustment programs (AAP) block manufacturer cost-sharing assistance from counting towards deductibles and maximum out-of-pocket limits. This means patients could be paying more at the pharmacy than they should be.
- Maximizers involve inflating patients' cost-sharing to fully deplete cost-sharing assistance before insurance coverage kicks in.
- Alternative funding programs (AFPs) use questionable means under which third-party vendors sometimes in partnership with smaller PBMs convince employers to drop coverage of some or all specialty medicines altogether.
- Maximizers and AFPs are schemes to access patient assistance explicitly intended for needy, uninsured, financially strapped patients. These programs place disproportionate burdens on historically marginalized communities further exacerbating gaps in health equity.

Many patients who have relied on patient assistance to access their medicines have no idea that health insurers and PBMs are engaging in these practices. This can result in confusion, inconsistency, and unpleasant surprises at the pharmacy counter.

The Solution: Protect Patient Assistance

Policymakers should ensure that patient assistance benefits everyone by closing policy loopholes in health insurer coverage that allow AAP, Maximizers, and AFPs to interfere. Policymakers should tell insurers and PBMs to stop getting in the way of patients and their medicines and lower out-of-pocket costs by making cost-sharing assistance count. Eighteen states have already enacted legislation to address this issue, and we encourage other states to follow their lead to help patients pay less.