

September 21, 2021

Joint Committee on Financial Services
24 Beacon Street, Room 520
Boston, MA 02133

Dear Chairmen, Crighton and Murphy,

We, the undersigned, want to express our support for S. 644 and H.1053 which would ban copay accumulator programs in Massachusetts. Many Insurers and PBMs are now utilizing copay accumulators to stop copay assistance from counting towards a patient's deductible and maximum out of pocket spending. These practices are creating significant financial and health issues for the patients we serve.

The copay assistance provided by pharmaceutical manufacturers and nonprofit organizations provide a financial lifeline for many people. Until recently, insurers applied the total cost of a patient's prescription - what the copay assistance covered and what the patient paid out of pocket - to the patient's insurance deductible. Sadly, and unfairly, copay accumulators will now allow the insurance company to double dip and get paid twice - once from the copay assistance and then again by patients' deductibles. S. 644 and H.1053 would put an end to this insurer double dipping and ensure patients get the full benefit of co-pay assistance programs.

Patients already face a significant physical, financial, emotional, and administrative burden in navigating a complex health care system that is becoming more and more unpredictable. Yet, insurers have raised deductibles, increased use of coinsurance, and added new prescription drug formulary tiers. In 2021, the average deductible for the most popular level of health plans that offer midrange coverage is \$4,879, nearly double the average deductible of \$2,556 in 2015.¹

As our state continues to recover from the deadly impact of COVID-19, ensuring access to the medical care and treatment has never been more important. We urge you to pass legislation to prevent harmful and unfair copay accumulator policies, an emerging change in insurance plans. Several states have already stopped this discriminatory practice by passing legislation that bans accumulator policies — Arkansas, Arizona, Connecticut, Georgia, Illinois, Kentucky, Louisiana, North Carolina, Oklahoma, Tennessee, Puerto Rico, Virginia and West Virginia.

Thank you for your consideration and support of S. 644 and H.1053. We stand ready to work with you to find solutions that protect our patients across the state.

¹ Katie Keith, "Premiums Drop Slightly as 2021 Open Enrollment Period Draws Near," Health Affairs Blog, October 23, 2020. <https://www.healthaffairs.org/doi/10.1377/hblog20201023.33540/full#:~:text=At%20the%20 same%20time%2C%20deductibles,rose%20from%20%241%2C432%20to%20%241%2C533>; Caroline F. Pearson, Elizabeth Carpenter, and Chris Sloan. Plans with More Restrictive Networks Comprise 73% of Exchange Market (Avalere, November 20, 2017). <https://avalere.com/press-releases/plans-with-more-restrictive-networks-comprise-73-of-exchange-market>;

Respectfully Submitted,

Alliance for Patient Access
American College of Gastroenterology
Asthma and Allergy Foundation of America, New England Chapter
Amyloidosis Foundation
Crohn's & Colitis Foundation
Epilepsy Foundation New England
Fenway Health
Global Healthy Living Foundation
Heart, Faith & Strength
Infusion Access Foundation (IAF)
Lupus and Allied Diseases Association, Inc.
Massachusetts Academy of Dermatology
Massachusetts Association for Mental Health, Inc.
Massachusetts Gastroenterology Association
Massachusetts Independent Pharmacists Association
Massachusetts Society of Clinical Oncologists
Multiple Sclerosis Association of America
National Eczema Association
National Hemophilia Foundation
National Infusion Center Association (NICA)
Neurofibromatosis Northeast
New England Bleeding Disorders Advocacy Coalition
New England Hemophilia Association
Patients Rising
Patients Rising Now
Rare New England
Susan G. Komen