Fact Sheet: Copay Accumulator Adjusters

Background: Many patients with high-cost conditions rely on financial assistance, usually offered by drug manufacturers and nonprofits, to help meet their health insurance copayments and deductibles to afford and access their specialty medications.

Copay accumulator adjusters (CAAPs) are a harmful insurance practice that allow insurers and pharmaceutical benefit managers (PBMs) to **refuse** to count this copay assistance toward patient cost sharing requirements (i.e., deductibles and out-of-pocket maximums.)

Copay accumulators harm patients

Copay accumulators enable insurers and PBMs to "double-dip" by applying the copay assistance to their share of the cost, *not the patient's share of the cost.* This leaves the patient still responsible for their cost-sharing requirements (often thousands of dollars), despite receiving financial assistance to cover this cost. Ultimately, the PBM/insurance company gets to pocket *twice* the amount of money than what they otherwise should have received. Many patients do not have thousands of dollars available to access their medication and can be faced with the difficult decision of abandoning their treatment altogether.



What can be done?

Copay accumulator adjuster programs **must be banned**. Currently 21 states, Puerto Rico, and the District of Columbia have banned this unfair practice. However, a federal solution is needed as state laws can only regulate certain types of insurance plans.

Support the HELP Copays ACT! (HR 830/S 1375)

Introduced by Representative Carter (R-GA), Representative Barragan (D-CA), Senator Kaine (D-VA), and Senator Marshall (R-KS), this bill seeks to end the discriminatory practice of copay accumulators by ensuring that all copays count toward a patient's cost sharing requirements, regardless of their source. The HELP Copays Act seeks to:

- **Clarify the Affordable Care Act (ACA) definition of cost sharing** by requiring that all payments made "by or on behalf of" patients count towards their deductibles or out-of-pocket maximum
- **Close the essential health benefit loophole** in the ACA, clarifying that any item of service covered by a health plan is considered "essential."

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How do copay accumulators work?

First, the patient's doctor writes them a prescription. To help afford the steep cost of the medication, the patient signs up for a copay assistance program offered by the manufacturer.

The intent of this copay assistance program is to cover the patient's copays and other out of pocket requirements to access their medication.

The insurance company/PBM accepts this money, applying it to a patient's copay *without counting it toward patient cost-sharing requirements.* Because of this, funds from the assistance program are drained very quickly and the patient is still responsible for their cost-sharing requirements.

When the patient goes to pick up their prescription, they are informed that they still owe a copayment, which can be up to $9,450 (2024 Out-of-Pocket Maximum for an individual)

To access their lifesaving medication, the patient must pay thousands of dollars, or be faced with the difficult decision to go without medication.

Imagine if universities applied similar policies to tuition…

- A student wins a scholarship for their college tuition
- Their college takes the scholarship money, but since the scholarship was paid *on behalf* of the student, not *by* the student, the college doesn't count the scholarship towards the student's tuition
- The student is still responsible for paying the full price of their tuition, despite receiving a scholarship
- In the real-world case of copay accumulators, it is access to *lifesaving medications that patients need*, not a college education, that is being unfairly denied



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