Chronic Disease Coalition

COPAY ACCUMULATOR
ADJUSTMENT PROGRAMS

What are copay accumulator programs?

Patients with complex chronic conditions often require specialized treatment to effectively manage their symptoms or mitigate disease progression. The cost of these treatments can be expensive and unaffordable for patients, which causes many patients and their families to rely on charitable financial assistance. Copay assistance provides a lifeline for individuals, allowing them to afford their copays or coinsurance and maintain access to their doctor-prescribed treatment.

Instituted by the insurance industry, copay accumulator programs prevent a patient's copay assistance from counting toward their deductible. This practice effectively shifts the cost to the patient, who is left to pay the full cost of their deductible before their health plan will begin to cover their medication.

NEARLY **60%** OF PATIENTS

are enrolled in commercial health plans that can implement a copay accumulator program[1]

THE DISTRICT OF COLUMBIA AND **33** STATES

have insurers that have sold plans with an accumulator program in 2020[2]

Why is copay assistance important?

Deductible costs are rising, and more health plans are implementing prescription drug cost-sharing tiers. Specialty medications are often located in a higher drug tier, increasing a patient's out-of-pocket costs.

84% OF SILVER PLANS

in the marketplace use a specialty drug tier[3]

ONLY **3.4%** OF MEDICATIONS

purchased between 2013-2017 were bought with copay assistance

OF THESE MEDICATIONS, **ONLY 0.4%** HAD A GENERIC EQUIVALENT[4]

WHEN A PATIENT'S COST-SHARING EXCEEDS $250

NEARLY **70%** OF PATIENTS

abandon treatment[5]

1 https://www.drugchannels.net/2018/12/copay-accumulator-update-widespread.html
2 The AIDS Institute. "Copay Accumulator Adjustment Programs: Putting Insurance Company Profits Over Patients". {complete rest of citation}
3 K. Hempstead, Marketplace Pulse: Cost-Sharing for Drugs Rises Sharply at Higher Tiers (Robert Wood Johnson Foundation, March 1 2019), https://www.rwjf.org/en/library/research/2019/03/cost-sharing-for-drugs-rises-sharply-at-higher-tiers.html.
4 IQVIA. An Evaluation of Co-Pay Card Utilization in Brands After Generic Competitor Launch. https://www.iqvia.com/locations/united-states/library/fact-sheets/evaluation-of-co-pay-card-utilization
5 https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/

How do copay accumulators harm patients?

Selena's doctor prescribes a high-value medication. She receives a copay card from the drug company to help cover the costs.

January
BALANCE $4k

February
BALANCE $3k

March
BALANCE $2k

April
BALANCE $1k

May
BALANCE $0
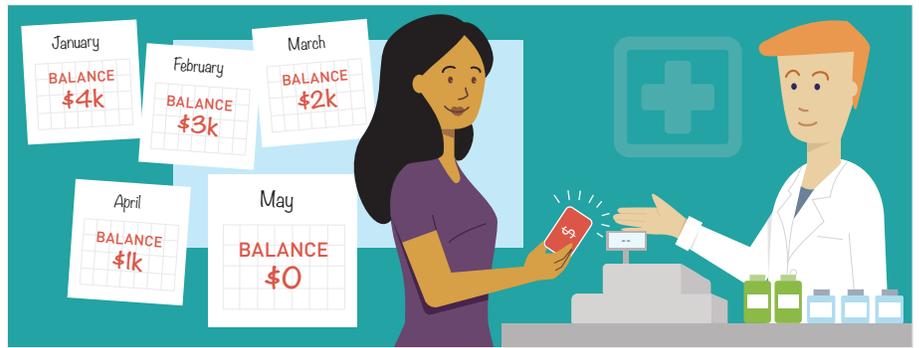
Her copay card covers costs for a few months, but will not cover costs for the entire year.

$0 + DUE NOW $1,000

Selena goes to refill her prescription later in the year only to find that her copay card is out of credit and her insurance company hasn't credited any of the previous co-payments toward her annual deductible.

$1,000
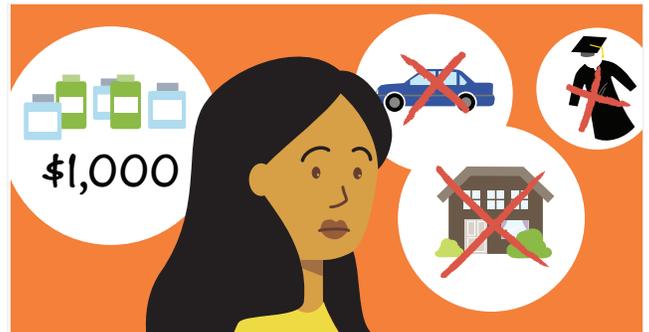
Now, Selena must choose between her medication or other important expenses.

Selena knows forgoing treatment is dangerous, so she pays the deductible out of pocket.

June
+ July
+ August
+ September

$4k Deductible

Selena's medicine is expensive, her deductible is high, and she must cover the costs all on her own for many months.

+$5,000

+$4,000

PAYMOOR
Health Insurance

Collected by insurance = $9k

Patient costs covered = $0

While Selena struggles to pay for her medication and other life expenses, the insurance company collects twice as much money. First the earned money from the copay card, then directly out of Selena's pocket.