

# Copay Accumulator Adjustment Programs Increase Out of Pocket Costs for Patients

## What are Copay Accumulator Programs?

For individuals living with rare and chronic conditions, like hemophilia, cancer, and arthritis, the high cost of drugs has a direct impact on patient access. As patients, often rely on copay assistance from manufacturers and nonprofit organizations which save patients thousands of dollars in deductible and other out of pocket costs so that they can afford their lifesaving medication.

However, a new insurance trend is impacting copay assistance for patients. Under these policies, generally called **"accumulator adjustment program,"** copay assistance from manufacturers will no longer be applied towards patients' deductibles or out-of-pocket expenses.

Patients will still be able to use the copay card, but when it runs out (typically a few months into the year) they will be responsible for their full deductible and maximum out-of-pocket costs. This shifts the burden on chronic and rare disease patients, who already face high out-of-pocket costs to maintain their rare or chronic conditions. As a result, these patients now may be required to pay thousands of dollars out-of-pocket for their medication all at once. The tables below show examples of what it looks like for an individual before and after an accumulator program is put in place.

When facing high out-of-pocket costs, patients do not use their medications appropriately, skipping doses in order to save money or abandoning treatment altogether. According to several studies, prescription abandonment rates increase significantly when cost-sharing exceeds \$100.

### Scenario 1: Patient Example without Accumulator

	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
Patient Cost Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	Total cost to patient	<b>\$0</b>
Manufacturer Cost Share (coupon)	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Total cost to pharma	<b>\$5,000</b>
Insurer Cost	\$15,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	Total cost to insurer	<b>\$235,000</b>
Patient Remaining Deductible Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Remaining Deductible	<b>\$0.00</b>

### Scenario 2: Patient Example WITH Accumulator

	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.		
Patient Cost Share	\$0.0	\$0.0	\$0.0	\$5,000	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	Total cost to patient	<b>\$5,000</b>
Manufacturer Cost Share (coupon)	\$5,000	\$5,000	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Total cost to pharma	<b>\$15,000</b>
Insurer Cost	\$15,000	\$15,000	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	Total cost to insurer	<b>\$220,000</b>
Patient Remaining Deductible Amount	\$5,000	\$5,000	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Remaining Deductible	<b>\$0.00</b>

# Why are insurers implementing copay accumulators?

Pharmacy Benefit Managers (PBMs) and/or insurance companies utilize accumulator adjuster programs to incentivize patients to choose lower cost drug options. However, for many patients with rare and chronic disorders, lower cost alternatives or generics are often not available. When implemented, the insurance plan and/or PBM accepts the full amount of the manufacturer copay card in addition to the deductible paid by the patient. The insurer ends up collecting more money while leaving patients struggling to access their prescription medication. **In the efforts to reform health care, patients' wellbeing should come first.**

## Glossary:

**Accumulator** – running total of money you've paid towards your out-of-pocket max for covered services. This includes any copays, coinsurance, and other health care costs, but not your monthly premium payments.

**Deductible** – The amount you pay for covered health care services before your insurance plan starts to pay.

**Copay** – A fixed amount (\$20, for example) you pay for a covered health care service after you've paid your deductible.

**The following organizations oppose the use of copay accumulator adjustment programs that increase burdensome out of pocket costs for patients.**

