Oregon All Copays Count Coalition
6605 S Macadam Avenue
Portland, OR 97239

Senator Deb Patterson Feb. 2, 2021
Chair, Senate Committee on Health Care
900 Court St. NE, S-215
Salem, OR 9730

RE: SB 560 Letter of Support – the Oregon All Copays Count Coalition

Dear Chair Patterson and members of the Oregon Senate Committee on Health Care,

The undersigned organizations write to you in support of SB 560, which would require insurer and health care service contractors to count payments made on behalf of patients toward deductibles and out-of-pocket maximums.

The Oregon All Copays Count Coalition represents Oregonians living with chronic and rare conditions who rely on high-cost specialty drugs. In recent years, health insurers have begun implementing new programs called "copay accumulator adjustment programs" that do not count payments from copay assistance toward patients' deductibles and out-of-pocket maximums.

- **Copay accumulators force high-risk patients off medications.** These copay accumulator programs lead to higher costs for patients, forcing them to choose between treatments and other expenses such as rent, higher education, and family expenses.
- **Copay accumulators are a new form of surprise billings**. These costs often come as a surprise because many patients who have been provided with copay charitable assistance are unaware of these new insurance company programs. The shock comes when a patient visits their pharmacy expecting their medication costs to be covered only to find they have the full cost of their deductible left to pay—or simply stop treatment.
- **Copay accumulators hurt working class families the most.** Copay accumulator programs eliminate financial support for working families who do not qualify for other forms of public assistance to cover medical costs.

SB 560 will help Oregonians continue to access the life-saving treatments they need by requiring that all payments made by or on behalf of a patient count toward their cost sharing obligations.

The COVID-19 pandemic has only exacerbated the financial strain that high-cost treatments put on patients and their families. To maintain their health and quality of life, patients turn to copay assistance from manufacturers and non-profits to afford their medications. **In a 2020 survey, 71% of people with psoriatic disease with incomes between $50,000 and $99,999 reported that they would be unable to afford their treatment without copay assistance.**[1]

For people with arthritis, cancer, HIV, MS, psoriasis, and other chronic conditions, specialty medications are often the only effective treatment options available. The high-cost specialty medications required to manage these complex conditions are consistently placed on the highest cost-sharing tier of health plan formularies.

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[1] 2020 National Psoriasis Foundation Patient Survey.

When facing high out-of-pocket costs, patients do not use their medications appropriately, skipping doses to save money or abandoning treatment altogether. **Studies have shown that patients are far more likely to abandon their treatment when out-of-pocket costs exceed $100.**[2] Unfortunately, patients who stop using their medications due to high costs end up having more emergency room visits and negative health outcomes, which increases overall health care costs.

Insurance carriers have said that copay accumulator adjustment programs reduce health care spending by encouraging patients to try cheaper alternatives; however, when patients do not have access to the medications they rely on, health care spending increases.

Possibly even more importantly, a vast majority of copay assistance is used for treatments that do not have a generic alternative. A study of claims data by IQVIA found that 99.6% of copay cards are used for branded drugs that do not have a generic alternative.[3]

To date, five other states have passed similar legislation to ensure all copays count toward the deductible and out-of-pocket maximum. The federal Notice of Benefit and Payment Parameters (NBPP) for 2021 makes clear that it is up to individual states to regulate copay accumulator adjustment programs. **We respectfully request that you make Oregon the next state to protect patients from unmanageable out-of-pocket costs through SB 560.**

Let’s keep healthcare accessible in Oregon.

Respectfully submitted,

Allergy & Asthma Network
American Association of Clinical Urologists
American Behcet’s Disease Association (ABDA)
American Kidney Fund
Arthritis Foundation
Caring Ambassadors Program
Cascade AIDS Project & Prism Health
Chronic Disease Coalition
Crohn's & Colitis Foundation
Cystic Fibrosis Foundation
Deschutes Rheumatology, LLC
Diabetes Leadership Council
Diabetes Patient Advocacy Coalition
Epilepsy Foundation
Gaucher Community Alliance
HIV + Hepatitis Policy Institute
Immune Deficiency Foundation
Lupus and Allied Diseases Association, Inc.
Lupus Foundation of America
Multiple Sclerosis Association of America
NACBHDD and NARMH
NAMI Oregon
National Hemophilia Foundation
National Infusion Center Association (NICA)
National Multiple Sclerosis Society
National Organization for Rare Disorders
Neuropathy Action Foundation
Northwest Kidney Council
NW Rheumatology Associates PC
Oregon Rheumatology Alliance
Pacific Northwest Bleeding Disorders
Spondylitis Association of America
Susan G. Komen
The AIDS Institute
The ALS Association, Oregon & SW WA Chapter
The Mended Hearts, Inc
Triage Cancer
Tuberous Sclerosis Alliance
ZERO - The End of Prostate Cancer

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[2] Gleason PP, Starner CI, Gunderson BW, Schafer JA, Sarran HS. Association of prescription abandonment with cost.

[3] 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 Accumulator