



Co-Pay Accumulator Programs

A POSITION STATEMENT
from the Alliance for Patient Access

OVERVIEW

Co-pay coupons are a common tool to help patients with chronic conditions cover the cost of expensive medications. Historically, co-pay coupons' value has counted toward a patient's annual deductible. Once the deductible is met, the patients pays a modest co-pay – a fixed amount – per prescription.

Under co-pay accumulator programs, co-pay coupons still allow patients to access their medication. But health plans do not apply that assistance toward a patient's deductible.

Once patients exhaust their co-pay coupon, they discover that they still have hundreds or thousands of dollars due in out-of-pocket payments before their insurance coverage applies.

That leaves patients with a difficult choice. They can pay the hefty out-of-pocket bill, or they can abandon the medication upon which they now depend.

POSITION

The Alliance for Patient Access presents the following principles for co-pay accumulator programs and the laws that govern insurers' use of them:

- 1 Limit the use of co-pay accumulators.** Policymakers can limit co-pay accumulator programs' negative impact on patients by mandating that co-pay cards' value counts toward patients' annual deductibles.
- 2 Institute out-of-pocket caps.** Creating out-of-pocket maximums for patients minimizes the impact of a co-pay accumulator program and ensures that patients can plan for modest, predictable out-of-pocket costs.
- 3 Require patient notification.** If an insurer implements a co-pay accumulator program, patients should be notified of its use and its effect on the patient's financial responsibility. The notification would be written in language that all patients can understand, and it would be provided sufficiently in advance of open enrollment.
- 4 Require transparency on patients' out-of-pocket costs.** During open enrollment, insurers would provide information about patients' annual out-of-pocket costs, demonstrating that high-deductible plans may result in higher costs to the patient.

With these safeguards in place, legislators can ensure that insurers and pharmacy benefit managers do not use co-pay accumulator programs to the detriment of patient health.