

Chair Delores G. Kelley
Senate Finance Committee
Miller Senate Office Building, 3 East Wing
11 Bladen St.,
Annapolis, MD 21401

RE: SB 290 Letter of Support – The Maryland All Copays Count Coalition

Dear Chair Kelley and Finance Committee Members,

The undersigned organizations write to you in **support of SB 290 – Out-of-Pocket Maximums and Cost-Sharing Requirements – Calculation**. Our organizations represent and care for Marylanders living with chronic and rare conditions who rely on high-cost specialty drugs. In recent years, health insurers have been implementing new programs called “copay accumulator adjustment programs” that do not count payments from copay assistance toward patients’ deductibles and out-of-pocket maximums. In other words, the assistance is not actually helping patients afford their high-cost treatments, forcing them to choose between their health and financial stability. SB 290 will help Marylanders continue to access the 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 nonprofits 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.ⁱ

For people with arthritis, cancer, HIV, multiple sclerosis, 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. 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.ⁱⁱ 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. 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.ⁱⁱⁱ Patients often do not realize their copay assistance was not counted toward their deductible or out-of-pocket maximum until they are told they owe hundreds or thousands of dollars at the pharmacy.

Maryland has long been a leader in health care reform, including the 2014 passage of a \$150 post-deductible cap on specialty drug copays to help reduce patients’ out-of-pocket costs. SB 290 will continue this trend by ensuring Marylanders who rely on high-cost medications can continue to access their treatments through the help of copay assistance. This is especially important as deductibles continue to rise. We understand that there are many factors contributing to the cost of health care, but

patients should not be punished for using copay assistance to help them afford the treatments they need.

To date, five other states including our neighbors in Virginia and West Virginia 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 Maryland the next state to protect patients from unmanageable out-of-pocket costs through SB 290. Maryland patients cannot wait.

Sincerely,

Allergy & Asthma Network
Alliance for Patient Access
Aimed Alliance
American Cancer Society Cancer Action Network, Inc.
American College of Rheumatology
American Kidney Fund
American Society of Clinical Oncology
Arthritis Foundation
Chronic Care Policy Alliance
Chronic Disease Coalition
Coalition of State Rheumatology Organizations
Crohn's and Colitis Foundation
Epilepsy Foundation Maryland
Hemophilia Federation of America
Hemophilia Foundation of Maryland
HIV + Hepatitis Policy Institute
Immune Deficiency Foundation
Infusion Access Foundation
Lupus and Allied Diseases Association, Inc.
Maryland/District of Columbia Society of Clinical Oncology
MedChi, The Maryland State Medical Society
Multiple Sclerosis Association of America
National Eczema Association
National Infusion Center Association
National Multiple Sclerosis Society
National Psoriasis Foundation
Pulmonary Hypertension Association
Susan G. Komen
The AIDS Institute

ⁱ 2020 National Psoriasis Foundation Patient Survey.

ⁱⁱ Gleason PP, Starner CI, Gunderson BW, Schafer JA, Sarran HS. Association of prescription abandonment with cost share for high-cost specialty pharmacy medications. *J Manag Care Pharm.* 2009;15(8):648-658. doi:10.18553/jmcp.2009.15.8.648

ⁱⁱⁱ 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