

# AMERICAN COLLEGE OF RHEUMATOLOGY

## POSITION STATEMENT

**SUBJECT:** Programs Limiting Copay Assistance

**PRESENTED BY:** Committee on Rheumatologic Care

**FOR DISTRIBUTION TO:** Members of the American College of Rheumatology  
Medical Societies  
Members of Congress  
Health Care Organizations/Third Party Carriers  
Managed Care Entities

### POSITIONS:

1. The ACR opposes insurance company rules that prevent application of copay assistance funds toward patient deductibles and out-of-pocket maximum limits.
2. The ACR encourages clear and transparent language about insurance contracts that restrict patient benefits from co-pay assistance, in order to inform employers and patients that such programs increase out-of-pocket costs of patients.
3. The ACR encourages state and federal legislative protection for including co-pay assistance as part of patient deductibles and out-of-pocket maximum payments.

### BACKGROUND:

The rise in medication costs and the resulting adverse impact on patient access has become an urgent issue within the US healthcare system. Many medications prescribed to treat rheumatic diseases are expensive specialty drugs. Specialty medications are generally classified as high cost and high complexity. These include targeted immune modulators such as biologics. The reasons for high specialty medication costs are complex, and the ACR has developed several position and policy statements addressing these factors. Ideally, reductions in the cost of medications should lead to improved access for patients; however, no broadly acceptable solutions have been identified and no relief is in sight. To make matters worse for patients with rheumatic diseases, the medications they require are often single-source therapies with no equivalent generic product or therapeutic alternative. The specialty medications are often unaffordable without the use of copay assistance programs.

Health plans and insurers have systematically shifted costs for specialty drugs to patients through drug coinsurance programs. This cost shifting, when coupled with the high cost of specialty medications, results in prohibitive out-of-pocket costs for the patient. In response, copay assistance programs are offered by pharmaceutical manufacturers or others to offset these costs. Copay assistance programs cover the patient's drug coinsurance, which in a conventional benefit design is also applied to the patient's annual deductible and out-of-pocket maximum. These programs

thereby preserve patient access to otherwise unaffordable drugs when out-of-pocket expenses are high. They allow patients access to life-altering medications without regard to personal financial status. Without such assistance, these medically necessary treatments are out of reach for many patients and their medical conditions may be untreated or undertreated, potentially leading to permanent joint damage and disability, inability to maintain employment, expensive surgeries, and overall higher health care costs.

Critics of copay assistance programs assert that because they do not reduce the overall cost of the drug (and simply subsidize patient out-of-pocket expenses), copay cards allow drug prices to remain high. Supporters counter that health insurance plans are not without recourse, and invariably extract rebates from manufacturers of specialty drugs to reduce the cost of the drugs to the health plans. The ACR acknowledges the potential downsides associated with copay assistance programs, but until such time as inflation in medication costs is controlled and patients have reasonable access to medically necessary therapies, we support the use of copay assistance to provide treatment for otherwise devastating diseases.

In response to copay assistance programs, certain prescription benefit plans have implemented rules that prohibit copay payments made using a manufacturer copay savings program from counting towards a patient's deductible and annual maximum out-of-pocket costs. [These plans negate the benefit of copay assistance for patients in need](#), shifting expenses from insurance companies to patients, and therefore threatening access to therapies necessary for patients with rheumatic diseases. The ACR is concerned about these practices and vigorously opposes such prohibitions. In a recent employer survey, 54% of respondents did not credit co-pay assistance toward patient deductibles<sup>1</sup>. After introduction of copay assistance accumulator implementation, associated with higher out of pocket costs, patients on autoimmune drugs had significantly lower monthly refill rates, higher risk of treatment discontinuation, and lower percentage of days covered<sup>1</sup>. Importantly, the vast majority of specialty medications used in rheumatology are single source therapies with no equivalent generic product or therapeutic alternative. Therefore, patients are left without access to effective therapeutic alternatives, and prescription abandonment ensues. Greater than one in four specialty brand prescriptions are abandoned during the deductible phase, which is three times greater than the abandonment rate when there is no deductible<sup>2</sup>.

The language describing programs that limit or prohibit the use of copay assistance is not uniform and often ambiguous or outright misleading. They are variously described as “copay accumulator programs,” “copay adjustment programs,” “maximizer plans,” or in other ambiguous terms. Individual insurance companies and pharmacy benefit managers using other terms such as “Coupon Adjustment: Benefit Plan Protection Program<sup>3</sup>” and “Out of Pocket Protection Program<sup>4</sup>” imply protections or reductions in out-of-pocket costs when the effect is indeed the opposite. This results in employers and patients being confused by or unaware of these programs when purchasing a policy. As of mid-year 2022, 14 states and Puerto Rico had passed legislation that regulates the use of copay accumulator programs by requiring that insurers and PBMs apply any payment or discount made by or on behalf of the patient to a consumer's annual out-of-pocket cost-sharing requirement<sup>5</sup>.

In summary, high medication prices, the lack of therapeutic alternatives, and insurance programs that shift costs to patients result in patients with rheumatic diseases being exposed to high out-of-

pocket costs. This threatens access to medically necessary care. Insurance restrictions that prevent application of funds from assistance programs toward patients' deductibles, such as copay accumulator programs, exacerbate this problem.

Approved by Board of Directors      10/2018      08/2022

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<sup>1</sup> Am J Manag Care. 2019;25(7):335-340

<sup>2</sup> <https://www.iqvia.com/institute/reports/medicines-use-and-spending-in-the-us-a-review-of-2016>. Accessed 5/8/18

<sup>3</sup> <https://www.uhc.com/employer/pharmacy/total-cost-management>. Accessed 5/8/2018

<sup>4</sup> <https://www.express-scripts.com/#/>. Accessed 5/8/2018

<sup>5</sup> <https://www.ncsl.org/research/health/copayment-adjustment-programs.aspx>, accessed Feb 20, 2022