



March 11, 2024

Nashville, TN 37243

Dear Members of the Senate Labor and Commerce Committee,

We are writing to express our support for [HB2170/SB2008](#), which aims to close the costly loopholes that leave your constituents vulnerable to lapses in health care coverage and unaffordable out-of-pocket costs for necessary treatments. On behalf of the undersigned groups, who work closely with patients here in our state, we urge you to take action to **protect Tennesseans from programs that exploit patients.**

In an attempt to skirt around [Tennessee's accumulator adjustment program ban](#) passed in 2021, third parties have employed clever schemes to exhaust funds from charitable patient assistance programs (PAPs), putting patients at risk. **Alternative funding programs (AFPs)** are a type of cherry-picking strategy to avoid individuals with higher health risks, like those with preexisting conditions. AFP vendors work with employers to designate certain treatments with available assistance programs as "non-essential health benefits." These "non-essential" medications – typically for conditions like HIV, cancer, multiple sclerosis and more – are removed from health plan coverage and avoid deductible and maximum-out-of-pocket limitations. This shifts the patient's coverage to resources intended for more disadvantaged patients and requires the patient to enroll in the third-party vendor's program or pay 100% of the cost of their medicines.

Another way third parties exploit patients is through **maximizer programs**, which are designed to exploit manufacturer copay assistance programs. PBMs, insurers or third-party vendors increase a patient's cost-sharing obligation to match the amount of manufacturer cost-sharing assistance, exhausting the full value of assistance available and maximizing the money that goes into their pockets – **while not counting a single penny of the assistance toward that patient's deductible or out-of-pocket maximum.**

Simply put, **Tennesseans are forced to go without their lifesaving medications through no fault of their own** or enroll in PAPs, and they will pay more over time for their health care costs. The exploitation of copay assistance and patient assistance **puts our most vulnerable Tennesseans at risk of a lapse in coverage**, complicates the system for patients, and opens the door for unnecessary and unaffordable health care costs.

Tennessee lawmakers took a step in the right direction in 2021 when they voted to protect patients' access to care by outlawing costly and burdensome copay accumulator adjustment programs in our state. **HB2170/SB2008 will finish the work that the 2021 legislation started, closing costly and dangerous loopholes that continue to be exploited by third parties.** We urge you to support HB2170/SB2008 and further protect access and affordability for your constituents who rely on cost-sharing assistance to afford their prescription treatments.

Sincerely,

Mike Leventhal

Tennessee Men's Health Network

TMHN

Tennessee Men's Health Network

