

January 27, 2022

Senator Brendan Crighton, Chair  
Representative James Murphy, Chair

Joint Committee on Financial Services  
24 Beacon Street | Room 520  
Boston, MA 02133

Dear Chairpersons, Crighton and Murphy,

Thank you for holding a hearing last September on S.644 and H.1053, which would ban practice of co-pay accumulator programs in Massachusetts. We, the undersigned, want to again express our support for these critical patient access bills and ask that you vote them out of committee before the deadline of February 2.

As we stated in our letter of support submitted prior to the September hearing, many insurers and PBMs are now utilizing accumulator programs to stop copay assistance from counting towards a patient's deductible and maximum out of pocket spending. These practices are creating significant financial and health issues for the patients we serve and have only been exacerbated by the pandemic.

The copay assistance provided by manufacturers and nonprofit organizations provide a financial lifeline for many people. Until recently, insurers applied the total cost of a patient's prescription - what the copay assistance covered and what the patient paid out of pocket - to the patient's insurance deductible. Sadly, and unfairly, copay accumulators will now allow the insurance company to double dip and get paid twice - once from the copay assistance and then again by patients' deductibles. S. 644 and H.1053 would put an end to this insurer double dipping and ensure patients get the full benefit of co-pay assistance programs.

As you are also aware this practice was also called out by the Health Policy Commission in their July 2020 report on copay assistance. The HPC concluded that **copay accumulators shift costs from the payer to the patient.**

Patients already face a significant physical, financial, emotional, and administrative burden in navigating a complex health care system that is becoming more and more unpredictable. Yet, insurers have raised deductibles, out of pocket costs, increased the use of coinsurance, and added new drug formulary tiers, which is among the many utilization management tools patients must navigate. The average deductible for the most popular level of health plans that offer midrange coverage is \$4,879, nearly double the average deductible of \$2,556 in 2015.<sup>1</sup>

We urge you to pass this legislation favorably out of your committee to prevent harmful and unfair copay accumulator policies, which is an emerging change in insurance health plans. To date 12 states have already stopped this discriminatory practice by passing legislation that bans

accumulator policies — Arkansas, Arizona, Connecticut, Georgia, Illinois, Kentucky, Louisiana, North Carolina, Oklahoma, Tennessee, Virginia, West Virginia, and Puerto Rico.

Thank you for your leadership and we stand ready to work with you to find solutions that protect our patients across the Commonwealth and continue to make Massachusetts a leader in healthcare.

<sup>1</sup> Katie Keith, "Premiums Drop Slightly as 2021 Open Enrollment Period Draws Near," Health Affairs Blog, October 23, 2020. <https://www.healthaffairs.org/doi/10.1377/hblog20201023.33540/full/#:~:text=At%20the%20same%20time%2C%20deductibles,rose%20from%20%241%2C432%20to%20%241%2C533>; Caroline F. Pearson, Elizabeth Carpenter, and Chris Sloan. Plans with More Restrictive Networks Comprise 73% of Exchange Market (Avalere, November 20, 2017). <https://avalere.com/press-releases/plans-with-more-restrictive-networks-comprise-73-of-exchange-market>;

Respectfully Submitted,

Alliance for Patient Access  
ALS Association, Massachusetts Chapter  
American College of Gastroenterology  
American College of Rheumatology  
Arthritis Foundation  
American Gastroenterological Association  
Asthma and Allergy Foundation of America  
Association for Clinical Oncology  
Center for Health Law and Policy Innovation at Harvard Law School  
Coalition of State Rheumatology Organizations  
Crohn's & Colitis Foundation  
Epilepsy Foundation New England  
Fenway Health  
Global Healthy Living Foundation  
The HeartBrothers Foundation  
Heart, Faith & Strength  
Hemophilia Federation of America  
Infusion Access Foundation  
Immune Deficiency Foundation  
Institute for Pediatric Innovation  
Lupus and Allied Diseases Association, Inc.  
Massachusetts Academy of Dermatology  
Massachusetts Association for Mental Health, Inc.  
Massachusetts Gastroenterology Association  
Massachusetts Independent Pharmacists Association  
Massachusetts Pain Initiative  
Massachusetts Society of Clinical Oncologists  
Multiple Sclerosis Association of America  
National Eczema Association  
National Hemophilia Foundation

New England Chapter Amyloidosis Foundation  
National Infusion Center Association (NICA)  
National Multiple Sclerosis Society  
National Oncology State Network  
National Organization of Rheumatology Management  
Neurofibromatosis Northeast  
New England Bleeding Disorders Advocacy Coalition  
New England Hemophilia Association  
Patients Rising  
Patients Rising Now  
Rare New England  
Susan G. Komen  
U.S. Pain Foundation

CC: Members of the Joint Committee on Financial Services Committee