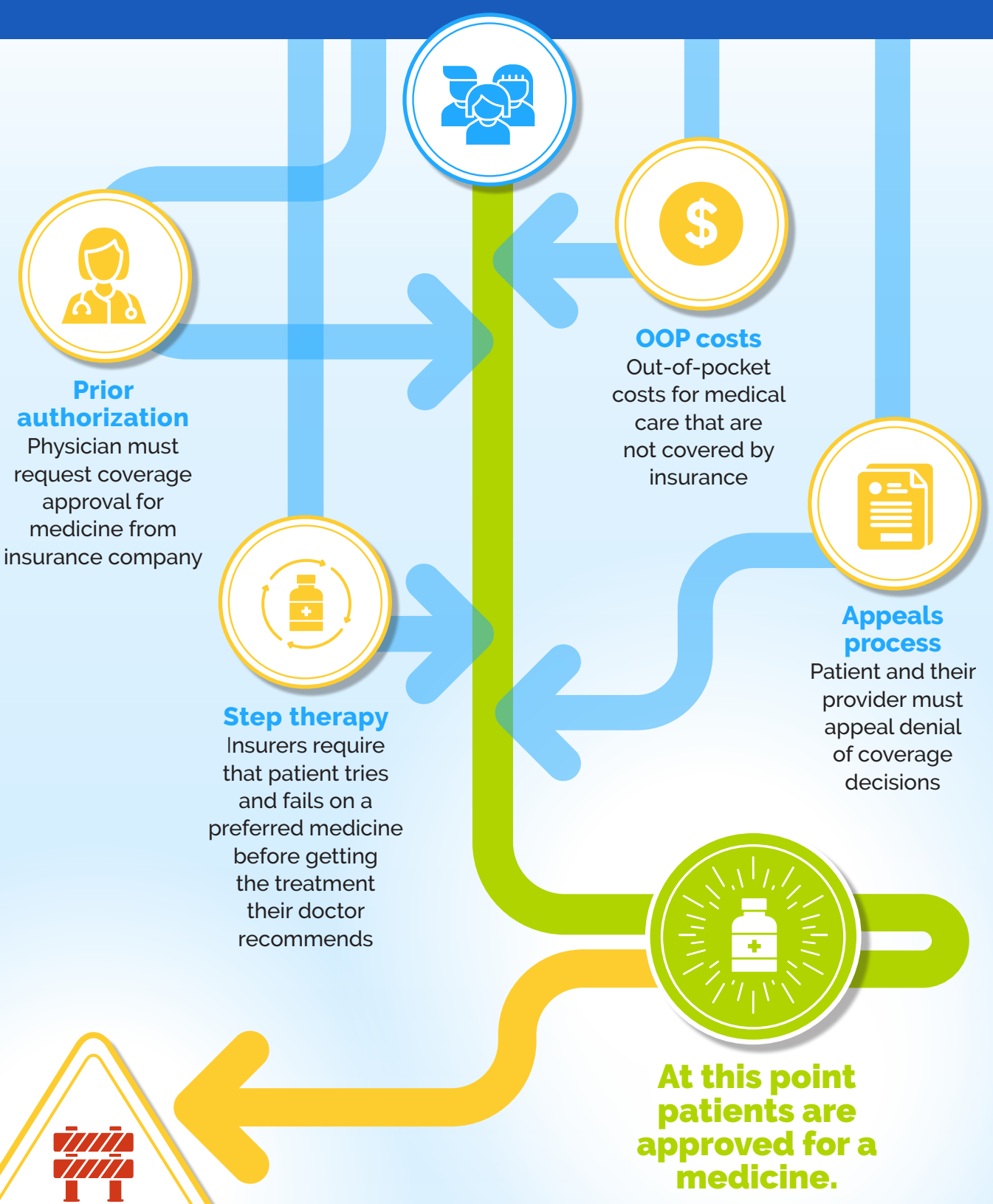
Understanding the Impact of Insurer and PBM Copay Schemes on Patients

Health insurers and pharmacy benefit managers (PBMs) have a history of taking advantage of copay assistance programs and patients to pocket more money for themselves.

Many patients already face significant hurdles when seeking their prescriptions and treatments due to a range of utilization management barriers.

But now new copay barriers stand in the way, even after a medication is approved for the patient by their PBM and health insurer.



When approved medications come with high copays or coinsurance, patients are often able to fill the gap by relying on assistance from drug makers and charities.

But insurers and PBMs are taking this money for themselves.

Copay Accumulator Adjustment Programs (CAAPs)

WHAT THEY ARE: Health insurers/PBMs that use CAAPs take the assistance money but don't count it toward the patient's deductible or annual out-of-pocket limit. When the value of the copay assistance is exhausted, the patient must cover the full amount of their cost-sharing requirement before plan benefits kick in.

HOW TO RECOGNIZE THEM: CAAPs are usually found in an insurer's plan documents, such as an Evidence of Coverage, Certificate of Coverage, or Summary of Benefits document. CAAP language is often confusing, but says that copay assistance may not be counted as cost-sharing.

Copay Maximizers

WHAT THEY ARE: Sometimes called "Variable Copay Programs," plans with copay maximizers set copays for specialty drugs at the maximum amount available in copay assistance instead of at their plan's "Specialty Tier" rate. They capture these payments over the course of the year or front-load them in the early months of the year to capture the full amount as soon as possible. Like CAAPs, the copay assistance is not counted toward the patient's annual deductible or cost-sharing limit.

HOW TO RECOGNIZE THEM: Maximizer and CAAPs may be referred to with language such as: "Coupon Adjustment: Benefit Plan Protection Program," "Out-of-Pocket Protection Program," "Variable Copay Program," or "Copay Leveling Program" within an insurer's plan documents.

Alternative Funding Programs (AFPs)

WHAT THEY ARE: Usually found in employer health plans, AFPs require patients who use specialty medications to sign up for a separate program to source their drugs outside of the health plan. These drugs may not be covered at all by the plan, or might be covered only if the program can't get the drugs elsewhere. These programs cause delays, anxiety, extra paperwork, and often lead to worse health outcomes.

HOW TO RECOGNIZE THEM: Patients may be informed that they must sign up for an AFP program when they attempt to fill or refill a drug included in the program.

We call Congress to pass the Help Ensure Lower Patient (HELP) Copays Act to combat these unfair copay adjustment schemes led by insurers and PBMs.

ALL COPAYS COUNT COALITION