



THE AIDS INSTITUTE

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For Immediate Release: 3.16.21

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New Report Shows Insurers Adopting Barriers to Treatment

Biden Administration Must Reverse the Rule Allowing Insurance Companies to Profit from Patient Copay Assistance

Washington, DC— Individual insurance plans in 45 states and the District of Columbia include provisions that enable insurers and pharmacy benefit managers not to count certain copayments toward an enrollee's annual deductible and out-of-pocket limit, according to [new data](#) by The AIDS Institute. This practice, known as a "copay accumulator adjustment policy (CAAP)" erodes a key source of financial assistance for patients with serious, complex, chronic illnesses, making it more difficult to afford the life-saving medications they need.

The first-of-its kind study released today examined the extent of these policies in marketplace insurance plans for the 2021 plan year in all 50 states and the District of Columbia. It finds that:

- In 14 states, every plan includes a CAAP¹
- In 32 states, at least 2/3 of plans include a CAAP²
- The only states where no plans have CAAPs are the five (plus Puerto Rico) that have enacted legislation prohibiting them.
- The Biden Administration can reverse the rule allowing widespread adoption of CAAPs.

¹ AL, CT, DE, HI, ID, IN, IA, KY, LA, ME, MI, MS, MT, NE

² States listed above, plus CO, FL, MA, MN, MO, NV, NH, NM, NC, ND, OH, OK, OR, SC, TN, TX, WA, WI

Patients living with HIV or other serious, complex, chronic conditions shopping on the Affordable Care Act (ACA) marketplace will find it nearly impossible to find a 2021 plan that will fit their health care needs if they use copay assistance. Health insurance companies and pharmacy benefit managers (PBMs) have widely adopted these policies in response to a 2020 regulation that authorized them for the first time.

Stephanie Hengst, Manager of Policy & Research at The AIDS Institute, was disappointed but not surprised by the findings from the research. "We've seen widespread adoption of copay accumulator policies since they were authorized for the first time this year. Thirty-two states have between 66% - 100% of plans with this harmful policy, leaving patients with few options."

As unemployment remains high across the country, many people are struggling to pay for basic things like rent and groceries. Copay accumulator policies only add more financial strain for patients who may be facing hardships due to the impact from coronavirus on jobs and family budgets. To make matters worse, while undermining the intent of patient copay assistance programs, insurers profit by keeping the copay assistance funds. This double-dipping comes at the patient's expense.

"This is a terrible time to be adding financial barriers to health care access, especially for patients with compromised immune systems," stated Rachel Klein, Deputy Executive Director of The AIDS Institute. "Health insurance is meant to protect people from exorbitant health care costs, but this policy does the opposite. The Biden Administration has expressed its commitment to expanding access to necessary health care, and one important thing they can do for patients is to get rid of copay accumulator adjustment policies."

The updated research also documented just how hard it is to find out if a health plan has a copay accumulator policy or not. Across all states, 42% did not have written information regarding this policy available prior to enrolling in a plan, and in 7 states no insurers made any information available in writing - at all. Also, customer service representatives were not always familiar with the insurers' policy, which could leave patients with more questions than answers about whether a plan will honor their copay assistance.

"It's obvious that either the federal government or states must step up to protect patients. Michael Ruppel, Executive Director of The AIDS Institute said, "This report provides the evidence we need to push legislators and regulators to take action and put a stop to the abuse insurers and PBMs are inflicting on patients."

Since 2019, five states (Virginia, West Virginia, Arizona, Illinois, and Georgia) and Puerto Rico have enacted legislation that will ensure copay assistance will count toward out-of-pocket costs so patients can afford the medicine they need. Advocates continue to

work hard in many states and at the federal level to resolve the problem copay accumulators have caused.

Click [here](#) to view the full report.

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The AIDS Institute is a national non-partisan, nonprofit organization that promotes action for social change through public policy, research, advocacy and education.

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