



Health Coverage, Insurance, and Financial Services Committee
Main State Legislature
100 State House Station
Augusta, ME 04333

January 10, 2022

RE: The AIDS Institute Letter of Support for LD 1783

Dear Chair Sanborn and Committee Members:

The AIDS Institute, a non-partisan, a nonprofit organization dedicated to supporting and protecting health care access for people living with HIV and hepatitis and **we support LD 1783**. The bill would require insurers and pharmacy benefit managers to include payments made by, or on behalf of, the insured for prescription drugs toward the insured's cost-sharing requirement.

Even with insurance, barriers still exist for HIV treatment; prescription drugs often remain unaffordable and inaccessible because of health plan deductibles that stretch above \$6,000 and coinsurance which can often be up to 50% of the full price of the medication. Copay assistance provides a financial lifeline for patients who rely on rigorous treatment regimens comprised of several specialty drugs. When insurers implement the policies that this bill will address, commonly called "copay accumulator adjustment programs," patients' copay assistance is not counted toward their cost-sharing requirements and they are met with the full cost of their medications after the copay assistance runs out.

This financial burden can lead to patients abandoning their medications. Pharmaceutical claims data reveals that 40% of patients will not fill a prescription if out-of-pocket costs reach \$75-125, and 70% will abandon it if the costs go above \$250.¹ Specialty medications can run thousands of dollars per month, well beyond the financial budget of the average person.

For HIV patients, the impact of copay accumulators can have detrimental outcomes. People living with HIV rely on consistent access to their medications to control disease progression, prevent drug resistance, and reduce viral transmission. In 2019, over 1,600 people in Maine living with HIV, and there were significant disparities in HIV rates among the state's most vulnerable populations.² Maine has made great progress in linkage to care and viral suppression for people living with HIV; this bill would serve to further those promising trends. For HIV and other serious chronic conditions, rationing prescriptions will simply result in increased emergency room visits, which ultimately costs the healthcare system more.

¹ IQVIA. *Medicine Use and Spending in the U.S.: A Review of 2019 and Outlook to 2023*. (May 2019). <https://www.iqvia.com/insights/the-iqvia-institute/reports/medicine-use-and-spending-in-the-us-a-review-of-2018-and-outlook-to-2023>

² AIDSvu. Local Data: Maine. Retrieved January 10, 2022 <https://aidsvu.org/local-data/united-states/northeast/maine/>

In 2022, two-out-of-three health insurance provider in the ACA marketplace, Anthem and Community Health Options, have applied copay accumulator policies to their plans.³ Passing this legislation would ensure Maine patients are unequivocally protected from copay accumulators.

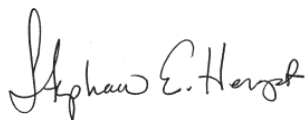
When issuers use copay accumulators to deny patients' copay assistance from counting towards their cost-sharing requirement, insurance companies collect from both the patient and copay assistance, increasing their profits at the expense of vulnerable patients. This practice can be likened to paying for your meal at your favorite restaurant with a gift card, only to be brought the bill a second time and forced to pay again.

We have heard that opponents say that this will drive patients to more expensive drugs; however, research shows that when there are lower cost drugs available patients choose those!^{4, 5, 6} Another argument is that legislation of this nature will cause premiums to rise; however, we haven't seen that as a cause for premium rate changes in either direction when looking at states that have already passed these laws.⁷

Patients are facing unprecedented financial pressures and public health threats due to the ongoing COVID-19 pandemic; and this harmful insurance practice seems even more exploitive during this time. Maine's action on this bill would ensure patients are not forced to forego their life-saving medications to put food on the table.

In conclusion, we urge you to support LD 1783 ensuring copay assistance will count toward a beneficiary's annual cost sharing and protect Maine's patients' health.

Sincerely,



Stephanie Hengst
Manager, Policy & Research
The AIDS Institute

³ The AIDS Institute. *Double-Dipping: Insurance Companies Profit at Patients' Expense*. March 3, 2021. <http://www.theaidsinstitute.org/federal-policy/copay-accumulators-and-insurance-issues>

⁴ Association for Accessible Medicines. 2017. [Generic Drug Access & Savings in the U.S.](#)

⁵ IQVIA. *Medicine Use and Spending in the U.S.: A Review of 2019 and Outlook to 2023*. (May 2019). <https://www.iqvia.com/insights/the-iqvia-institute/reports/medicine-use-and-spending-in-the-us-a-review-of-2018-and-outlook-to-2023>

⁶ US Department of Health & Human Services. "Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2020."

⁷ The AIDS Institute. Premium Rate Changes for Plan Year 2021 in Arizona and Virginia. February 2021. <http://www.theaidsinstitute.org/federal-policy/copay-accumulators-and-insurance-issues>

Stephanie Hengst
The AIDS Institute

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Our complete testimony in the letter attached outlines in detail why we support this legislation and urge you to pass LD 1783, ensuring copay assistance will count toward a beneficiary's annual cost sharing and protect Maine's patients' health