130th Legislature
Senate of
Maine
Senate District 28

Senator Heather Sanborn
3 State House Station
Augusta, ME 04333-0003
(207)287-1515

Introducing LD 1783, "An Act To Require Health Insurance Carriers and Pharmacy Benefits Managers To Appropriately Account for Cost-sharing Amounts Paid on Behalf of Insureds"

Joint Standing Committee on Health Coverage, Insurance and Financial Services

January 11, 2022

Representative Tepler and honorable colleagues of the Joint Standing Committee on Health Coverage, Insurance and Financial Services, I am Senator Heather Sanborn and I represent Senate District 28, which includes part of Portland and part of Westbrook. I'm before you today to introduce LD 1783, "An Act To Require Health Insurance Carriers and Pharmacy Benefits Managers To Appropriately Account for Cost-sharing Amounts Paid on Behalf of Insureds."

As members of this committee are keenly aware, prescription drugs can be outrageously expensive. This is often true for the most serious chronic diseases that people can face, which require extensive, ongoing maintenance medication. We have all heard first hand of the extraordinary financial strain this sort of treatment can put on patients and their families. Out of necessity, those who are facing down thousands of dollars of medication each month often seek help paying for their prescriptions. Fortunately, some folks are able to qualify for co-pay assistance programs from the drug manufacturer or a third party that provide some limited financial help.

This is good news and a welcome relief, until one day, they realize that their insurer has implemented a relatively new "innovation," known euphemistically as a "copay accumulator program." These "programs" mean that the co-pay assistance funds they used to afford their medication won't count toward their deductible or out-of-pocket maximum, saddling patients with additional out-of-pocket costs that offset the benefit of the copay assistance. These patients now have to miraculously come up with money that they weren't planning for; money they didn't have to begin with, which is what led them to find help paying in the first place. If they can find the money to continue treatment, it will likely be by making sacrifices other parts of their life, like food or heat. If they can't, they could be forced to stop treatment.

Copay accumulator programs essentially double-bill people for their prescriptions. The money that patients received and used to help them afford medication is accepted without issue, and then they're told that the money from a third-party isn't the same as if it came out of their own pocket.

This is wrong, and it’s a bad practice that hurts patients and provides them with no benefit. We have to put an end to it.

You’ll likely hear that these programs are an important cost-saving tool, but there are provisions in the bill to ensure that co-pay assistance programs are not able to become Big Pharma’s end-run around formularies. Instead, co-pay assistance programs should simply continue to provide much needed financial relief to those who struggle with exceptionally expensive medication costs, without insurance companies double charging Mainers for those prescriptions.

Thank you for your time, and I’ll be happy to take any questions that you have.