



**Testimony of Hilary Schneider, Maine Government Relations Director,
American Cancer Society Cancer Action Network**

**In Support of 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”**

January 11, 2022

Good afternoon, Senator Sanborn, Representative Tepler, and members of the Health Coverage, Insurance and Financial Services Committee. My name is Hilary Schneider, and I am the Regional Government Relations Director for the Northeast for the American Cancer Society Cancer Action Network (ACS CAN). In this role, I serve as the lead Government Relations Director for Maine. ACS CAN, the nonprofit, nonpartisan advocacy affiliate of the American Cancer Society, supports evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. As the nation’s leading advocate for public policies that are helping to defeat cancer, ACS CAN ensures that cancer patients, survivors, and their families have a voice in public policy matters at all levels of government.

On behalf of the American Cancer Society Cancer Action Network (ACS CAN) and our constituents, many of whom have been personally affected by cancer, we thank you for the opportunity to provide this testimony and urge your support of LD 1783.

Many cancer patients have difficulty affording the cost of their prescription drugs, regardless of whether they are insured. This is especially true for newer drugs – including cancer drugs – that do not yet have a generic equivalent. To help temper high prescription costs, many individuals living with cancer receive copay assistance offered through manufacturer programs and charitable patient assistance programs.

Manufacturer programs and charitable patient assistance programs help many cancer patients afford their medications. In many cases a cancer patient needs a drug that does not yet have a modestly priced generic or other alternative to drug treatment. A patient assistance program’s financial support can give patients access to a life-saving drug that they otherwise could not afford. And many of the programs exist for drugs without generic alternatives.

Copay accumulators are a relatively new insurance benefit design, mostly being implemented in the employer-sponsored insurance market. These programs allow the enrollee to use a copay support or a coupon, but the amount of the support does not count towards the enrollee’s



deductible or maximum out-of-pocket (MOOP). Only the funds spent directly by the beneficiary (and not on her behalf) would count towards the beneficiary's deductible or MOOP. This means that patients will experience increased out of pocket costs and take longer to reach required deductibles. Such utilization management tactics negate the intended benefit of patient assistance programs—and remove a safety net for patients who need expensive specialty medications but cannot afford them. This could lead to poorer health outcomes and potentially higher costs to the health care system. Moreover, co-pay accumulator programs often lack transparency and are often implemented without a patient's knowledge or full understanding of their new "benefit."

However, with the implementation of LD 1783, barriers to copay assistance would be removed by requiring all payments made by patients—directly or on their behalf – to be counted toward their overall out-of-pocket maximum payment or deductible. Requiring health insurance carriers to do so will protect cancer patients from surprise bills and treatment delays as well as allowing individuals to utilize the full benefit of co-pay assistance programs.

For these reasons, we ask you to vote "ought to pass" on LD 1783. I would be happy to answer any questions you may have about this testimony.

