

POLICY BRIEF

KEY TERMS

Co-Insurance – The percentage of costs of a covered health care service paid by a patient (e.g. 20% coinsurance) after they have paid their deductible.

Copay – A flat fee paid by a patient in order to access health care services.

Copay Accumulator – A feature or program within an insurance plan whereby a manufacturer’s payments do not count toward the patient’s deductible and out-of-pocket maximum. The manufacturer copay card/coupon funds prescriptions until the maximum value on the coupon/card is reached. After that, the patient’s out of pocket-costs begin counting toward their annual deductible and out-of-pocket maximum.

Copay Maximizer – A feature or program within an insurance plan whereby a manufacturer’s payments do not count toward the patient’s deductible and out-of-pocket maximum. The maximum value of the manufacturer’s coupon/card is applied evenly throughout the benefit year.

Cost Sharing – The share of costs covered by insurance that a patient pays out of their own pocket. This term generally includes deductibles, coinsurance, and copayments, or similar charges, but it does not include premiums, balance billing amounts for non-network providers, or the cost of non-covered services.

Out-of-Pocket Costs – Expenses for medical care that are not reimbursed by insurance, including deductibles, coinsurance, and copayments for covered services plus all costs for services that aren't covered.

Pharmacy Benefit Manager – Third party administrators of prescription drug programs used by a variety of sponsors including commercial health plans, self-insured employer plans, Medicare Part D plans, the Federal Employees Health Benefits Program, and others.

Background

In recent years, health insurance companies, employers and pharmacy benefit managers (PBMs) have increasingly shifted costs for specialty prescription medicines to patients and beneficiaries. Cost-sharing requirements set by insurers for prescription medicines (such as high coinsurance and deductible amounts) are often uniquely burdensome relative to other types of health care. Oftentimes, pharmaceutical manufacturers offer copayment cards or drug coupons in order to help patients afford the cost of their prescriptions. Such cards or coupons can reduce or eliminate the patient share in payment for medications.

Two new programs known respectively as “copay accumulators” and “copay maximizers” have recently emerged as forms of utilization management. These programs target specialty drugs for which manufacturers often provide copay assistance. With a copay accumulator or copay maximizer program in place, a manufacturer’s assistance no longer applies toward a patient’s copay or out-of-pocket maximum. 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.

Concerns for ASCO Members & the Cancer Community

There are concerns with copay accumulator and maximizer programs from both the provider and patient perspectives. One is the lack of transparency involved in the implementation of copayment accumulator and maximizer programs. Copay accumulator programs are often implemented without a patient's advance knowledge or full understanding of their new "benefit." Copay accumulators also could jeopardize health outcomes, as patients may decide to forego, discontinue or alter their treatment for non-medical reasons based on the negative financial impact from such programs.

From the provider perspective, many ASCO members describe the difficulty and time-consuming process involved in finding financial assistance for their patients. This additional complexity in patient coverage policy will only increase the administrative burden on practice staff, who will now need to understand the nuances of copay accumulators and maximizers; as well as help explain to patients why some of the assistance is not helping them to reach their deductible.

Where ASCO Stands on Copay Accumulators

ASCO's Position Statement on [Copay Accumulators and Copay Maximizers](#) asserts its strong opposition to the use of copay accumulator adjustment and copay maximizer programs for patients with cancer and makes the following recommendations:

- The Centers for Medicare and Medicaid Services (CMS) should prohibit the use of copay accumulator adjustments and copay maximizers in the programs it administers and regulates.
- To further protect patients, federal and state governments should pass legislation that prohibit the use of copay accumulator adjustment and copay maximizer programs.
- Commercial insurers and PBMs should immediately discontinue the use of copay accumulator adjustment and copay maximizer programs.
- At a minimum, while copay accumulator adjustment programs remain in place, public and commercial insurers and PBMs should ensure transparency by clearly describing its design for beneficiaries, as required by the Centers for Medicare and Medicaid Services Summary of Benefits and Coverage Instruction Guide.

ASCO has previously weighed in on the rising cost of cancer care several times, including position statements on the [affordability of cancer drugs](#) and [utilization management](#). ASCO's Position Statement, [Pharmacy Benefit Managers and Their Impact on Cancer Care](#) describes concerns with copay accumulator programs. "While they are described as a benefit for patients, these programs in effect prevent patients from reaching their deductibles sooner [...] while increasing cost-sharing for patients." ASCO believes copay accumulator programs shift more healthcare costs away from plan sponsors and employers, and onto patients.

Per the [ASCO Statement on the Impact of Utilization Management Policies for Cancer Drug Therapies](#), cost should not be the primary driver of utilization management policies. Policies that attempt to incentivize, force, or coerce patients to accept anti-cancer therapy alternatives that are not recommended by their oncologist can threaten both the outcomes for patients and the well-being of their families or caretakers. Thus, individuals with cancer should have full access to the anti-cancer therapy most appropriate for their disease when used in accordance with current clinical and scientific evidence. Cost-containment strategies should not limit the ability for patients to receive access to appropriate care, or for providers to prescribe such care. They should also be transparent and without conflicts of interest.

For More Information

[American Society of Clinical Oncology Position Statement: Copay Accumulators and Copay Maximizers](#)

[American Society of Clinical Oncology Position Statement On Addressing the Affordability of Cancer Drugs](#)

[American Society of Clinical Oncology Policy Statement On the Impact of Utilization Management Policies for Cancer Drug Therapies](#)

[American Society of Clinical Oncology Position Statement: Pharmacy Benefit Managers and Their Impact on Cancer Care](#)