



New York State Public Health Association (NYSPHA)

June 10, 2022

The Honorable Kathy Hochul
Governor of New York State
New York State Capitol
Albany, NY 12224

RE: NYSPHA recommends you sign A1741-A to ensure that all healthcare copays count toward a patient's out-of-pocket expenses for purposes of determining their health insurance coverage.

Dear Governor Hochul,

The New York State Public Health Association (NYSPHA) is pleased to provide our recommendation that you immediately sign this bill, which has passed both houses of the legislature. NYSPHA is the New York affiliate of the American Public Health Association (APHA) and serves as the statewide organization for members from all disciplines across the spectrum of public health professionals, organizations, academia, and students pursuing careers in public health. Our mission is to improve the public's health through advocacy, education, networking, and professional development.

The bill, A1741-A, would help New Yorkers afford their prescription drugs by ensuring that all copays count toward a patient's out of pocket expenses.

Many New Yorkers face hardship when faced with prescription drug costs. For example, a nationwide American Cancer Society survey in February 2022 found that half of cancer patients and survivors surveyed report incurring cancer-related medical debt, over 70% are worried about affording care. Women and African Americans are most likely to experience cancer-related medical debt according to the survey.

Copay assistance programs can give patients access to the lifesaving medication they may otherwise not be able to afford. However, insurers are using copay accumulator adjustments that makes it more challenging for patients to afford their medication. Under this design, when a patient receives and uses copay assistance, the health plan sweeps the payment from the copay assistance and does not allow it to be applied to a patient's deductible or out-of-pocket maximum. This unfair design can be especially challenging for patients who have health insurance plans with a high deductible or high copayment requirements, the very people that the copay accumulator adjustments are intended to help.

Chronically ill patients face many barriers to their care, including high and rapidly escalating medication prices as well as confusing and inconsistent formularies. Coupled with complex approval

processes, these barriers can prohibit patients' access to the treatments they need. Further, coinsurance for prescription drugs can be as high as 40% in some health plans and many high-cost medications have no generic equivalent available. A study by Prime Therapeutics showed that one in four patients do not fill their prescriptions likely due to the high cost-sharing burden they would require.

Under copay accumulator adjustment programs patients believe they have reached their deductible only to learn that the copay assistance payments do not count toward their deductible – leaving them with potentially thousands of dollars of unexpected medical costs in the middle of the plan year.

Patients unable to afford their medications face worsening health, disease progression, and the potential for significantly increased health care costs.

Copay accumulator adjustment policies are simply unfair because it should not matter who pays the copay amount. Vulnerable patients who depend on assistance programs to help them with out-of-pocket costs should not face discrimination when they obtain needed medications. Often these are patients with chronic, complex, or life-threatening illnesses such as cancer, diabetes, multiple sclerosis, HIV, arthritis, and more.

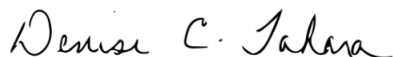
What is most disturbing is that copay accumulator adjustment policies allow insurers and PBMs to get paid twice for the same medications. The patient uses the patient assistance to obtain their medications. The payer keeps the value of the assistance program payment AND any copays paid directly by the patient while in the deductible phase.

This legislation will help patients afford their prescription drugs and must be signed into law. Both the Assembly and the Senate passed this legislation in May 2022 by votes of 129-9 and 61-0 respectfully. The legislation has the broad support of more than 70 patient and provider groups

NYSPHA's Recommendation.

NYSPHA recommends you sign A1741-A to ensure that all healthcare copays count toward a patient's out-of-pocket expenses for purposes of determining their health insurance coverage.

Sincerely,



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President

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CC: *Elizabeth Fine, Counsel to the Governor*
Karen Persichilli Keogh, Secretary to the Governor