



**Testimony on**  
**“Copay Accumulator Amendment Act of 2021”**  
before the  
**Committee on Health**  
**Council of the District of Columbia**  
by  
**Carl Schmid**  
**Executive Director**  
**HIV+Hepatitis Policy Institute**  
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Dear Chairman Gray and Members of the Committee,

My name is Carl Schmid. I am a 44-year resident of the District of Columbia and have lived in Ward 1 for almost all of those years. I am also executive director of the **HIV+Hepatitis Policy Institute**, a leading HIV and hepatitis policy organization based in D.C. that promotes quality and affordable healthcare for people living with or at risk of HIV, hepatitis, and other serious and chronic health conditions. It is a pleasure to voice our strong support for the **“Copay Accumulator Amendment Act of 2021”** (Bill 24-0557) and speak on an issue that I have been working on at the national level on behalf of the patient community for several years.

People with HIV, hepatitis, and others with serious and chronic conditions rely on medications to remain healthy and alive. People with HIV and hepatitis B rely on drug regimens that they must take for the rest of their lives, while people with hepatitis C can be cured of their disease in as little as 8 to 12 weeks. However, even though people may have health insurance, access to these medications can be insurmountable for many due to high deductibles and cost-sharing, which is often co-insurance or a percentage of the list price of the drug. Copay assistance is critical for patients to afford and adhere to their medications. It is particularly important during these difficult times when so many individuals and families are facing increased costs and inflation.

However, more and more insurers and PBMs have instituted harmful policies that do not apply copay assistance towards beneficiaries’ out-of-pocket costs and deductibles. These policies are often referred to as “copay accumulator adjustment programs.” When implementing them the insurer actually collects the copay assistance from the drug manufacturer and the patient is able to pick up their medication but, that copay assistance is not counting towards the beneficiary’s deductible or out-of-pocket obligation. Then, later in the year, when the beneficiary goes to pick up their drug, they find out that copay assistance did not count and are stuck with a huge, unexpected copay. In order to pick up their drug they are forced to come up with often thousands of dollars, which few people have. Insurers are double dipping: first they receive the copay assistance from the drug manufacturer and then they collect it again from the beneficiary.

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To make matters worse, issuers continue to conceal these policies deep in plan documents and leave patients unaware of the increase in patient costs that they might be subject to. While no ACA compliant plans in DC currently have these policies, some in the past have, and these insurers are implementing them in other states and in ERISA plans.

**HIV+Hep** strongly supports the “**Copay Accumulator Amendment Act of 2021**” (Bill 24-0557) introduced by Chairman Gray and four councilmembers. It simply requires that the copay assistance beneficiaries receive count towards their out-of-pocket obligation. By passing this law, DC will join 14 other states (Arkansas, Arizona, Connecticut, Georgia, Illinois, Kentucky, Louisiana, Maine, Oklahoma, North Carolina, Tennessee, Washington, West Virginia, and Virginia) and Puerto Rico in protecting consumers by assuring their copay assistance will count towards cost-sharing obligations.

I do not understand the opposition by insurers and PBMs to this legislation. Federal regulations define cost-sharing as “any expenditure required by *or on behalf of* an enrollee.” By implementing these cruel policies insurers are forcing people to pay more for their drugs. People are already complaining about how much they pay for their drugs. The insurers will still be able to collect the out-of-pocket costs that they require. You would think that they would want patients to be able to take the medications providers prescribe that we need to stay healthy and alive. Isn’t that the purpose of health insurance? There are no “cheap alternatives” to HIV, hepatitis and many other drugs and insurers already make formulary decisions and institute utilization management controls before a patient can access a certain drug.

For the benefit of DC residents who rely on prescription drugs to maintain their health, we urge you pass Bill 24-0557. If you have any questions or need any additional information, please do not hesitate to reach out via phone at (202) 462-3042 or email at [cschmid@hivhep.org](mailto:cschmid@hivhep.org).

Thank you very much.