HIV+HEP
POLICY INSTITUTE

January 12, 2025

Sen. David Rochefort, Chair
Senate Health and Human Services Committee
107 N Main St.
Concord, NH 03301

Re: Written Testimony in Support of SB 17 – Ensure Third-Party Payments Count Toward Patients' Out-of-Pocket Costs

Members of the Senate Health and Human Services Committee:

The **HIV+Hepatitis Policy Institute**, a leading organization advocating for equitable and affordable healthcare for individuals living with or at risk of HIV, hepatitis, and other chronic health conditions, strongly supports Senate Bill 17. This vital legislation ensures that health insurers accept and count payments made on behalf of patients toward their deductibles and out-of-pocket maximums.

The Harmful Impact of Copay Accumulators
Copay accumulators are harmful policies increasingly implemented by insurers, employers, and pharmacy benefit managers (PBMs). Under these policies, copay assistance provided by drug manufacturers does not count toward patients' cost-sharing obligations, such as deductibles and out-of-pocket maximums. While patients can initially use the assistance to afford their medications, they often face unexpected and substantial costs later in the year when the assistance runs out, leaving them unable to pay for their prescriptions.

According to the AIDS Institute, in New Hampshire, two of three health plans offered in the individual marketplace for 2024 explicitly state in their plan documents that copay assistance may not be counted toward patients' cost-sharing obligations. This practice leaves patients in a precarious situation: insurers collect the manufacturer's copay assistance, but the patient receives no credit toward their deductible or out-of-pocket maximum. Later, when patients return to refill their medications, they are often hit with unaffordable copays—sometimes thousands of dollars—effectively forcing them to pay twice. This "double-dipping" practice unfairly burdens patients and jeopardizes their ability to adhere to life-sustaining treatments.

Why Senate Bill 17 Is Essential
By passing Senate Bill 17, New Hampshire will join 21 other states, the District of Columbia, and Puerto Rico in protecting consumers purchasing insurance on the private market. This

legislation ensures that copay assistance counts toward cost-sharing obligations, preventing patients from facing insurmountable financial barriers to their medications.

For people with HIV, hepatitis, and other chronic conditions, reliable access to medication is critical. Individuals with HIV and hepatitis B require lifelong drug regimens, while those with hepatitis C can be cured in as little as 8 to 12 weeks. Yet high deductibles and cost-sharing requirements often make these treatments unaffordable, even for insured patients. Copay assistance is a lifeline, particularly in today's challenging economic climate, where inflation and rising costs are straining household budgets.

When patients are forced to forego their medications due to high costs, the consequences are severe—not just for individual health outcomes, but also for public health and healthcare system costs. Policies that limit access to copay assistance exacerbate these challenges, disproportionately affecting those who are already vulnerable. Senate Bill 17 represents an essential safeguard against harmful insurer practices, ensuring equitable access to life-saving treatments for New Hampshire residents.

If you have any questions or need additional information, please feel free to contact me at (202) 462-3042 or via email at cschmid@hivhep.org.

Thank you for your consideration and leadership on this critical issue.

Sincerely,

Carl E. Schmid II
Executive Director

cc: **Sponsors**
Sen. Daniel Ennis
Senate Health and Human Services Committee
Sen. David Rochefort, Chair
Sen. Kevin Avard, Vice Chair
Sen. Regina Birdsell
Sen. Suzanne Prentiss
Sen. Pat Long
Sophie Walsh, Committee Aide