HIV+HEP

POLICY INSTITUTE

January 22, 2025

Rep. Nelson T. Abbott, Chair
House Judiciary Committee
Utah House of Representatives
350 State St.
Salt Lake City, UT 84103

Re: Written Testimony in Support of HB0052 – Ensure All Copays Count Toward Patients' Deductible and Out-of-Pocket Max

Members of the House Judiciary 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 **House Bill 0052.** 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.

<u>According to the AIDS Institute, in Utah, 4 out of 6 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.</u> 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 House Bill 0052 Is Essential
By passing HB0052, Utah 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. HB0052 represents an essential safeguard against harmful insurer practices, ensuring equitable access to life-saving treatments for Utah 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: Rep. Candice B. Pierucci

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