

# Rolling Back the Tide: Deploying a Consultative Approach to Tackle the Growing Expansion of Copay Accumulators

## Emergence of Copay Accumulators

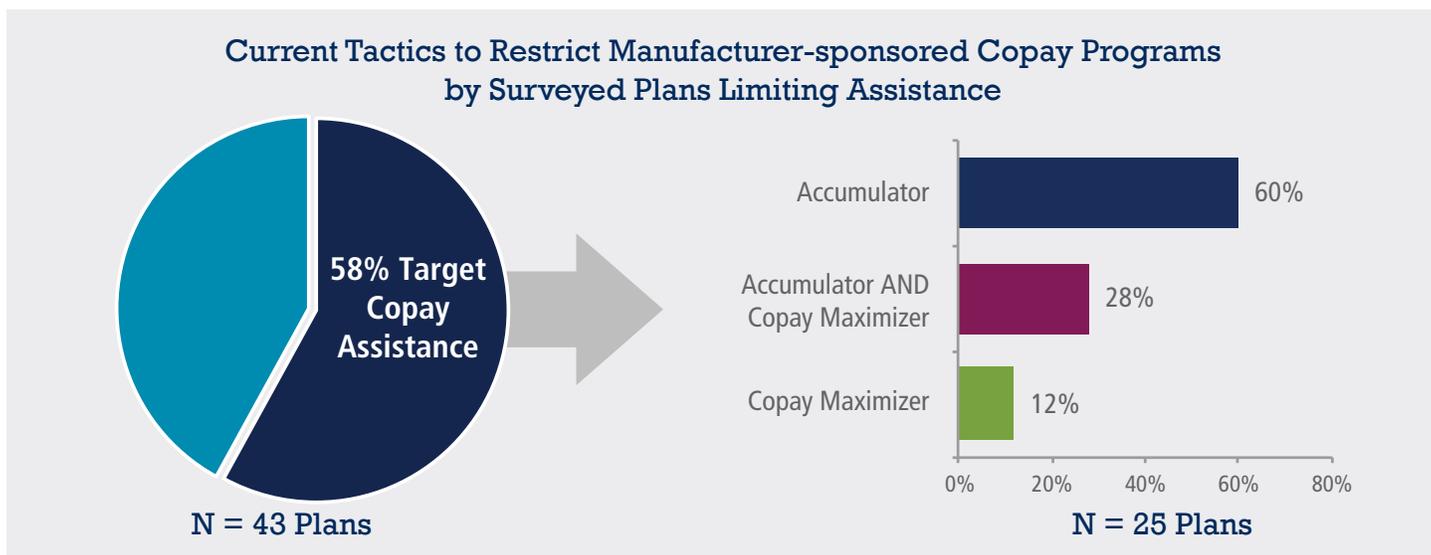
Over the past 2 years, pharmacy benefit managers (PBMs) and commercial health plans have launched copay accumulator adjustment programs, an insurance design with potential adverse impacts on patients' adherence to prescribed therapy regimens. Copay accumulator adjustment programs exclude the use of manufacturer-sponsored commercial copay assistance from a patient's accrual of out-of-pocket (OOP) expenses throughout a plan benefit year. The leading PBMs by market share—Express Scripts, CVS Caremark, and OptumRx—have all saturated the marketplace with copay accumulators for products in select therapeutic areas,<sup>1</sup> primarily by shopping the design to large, self-funded employer plans. In this issue brief, Xcenda and Lash Group explore recent trends around copay accumulators, the impact on patients, and solutions for consideration.

## PBMs Driving Uptake in Continued Rise of Accumulators

With payers continuing to place more of the cost-burden for high-cost medications on patients, pharmaceutical manufacturers deploy copay assistance as one method to minimize the financial impact of high OOP expenses. In turn, health insurance plans and PBMs in the commercial sector have increasingly targeted copay assistance. According to a February 2019 survey of 43 payer decision makers (representing over 80 million covered lives) conducted through Xcenda's Managed Care Network, nearly 60% of respondents are targeting commercial copay assistance, up from roughly 40% from the same survey in 2018.

When targeting commercial copay assistance, PBMs vary the application of the restrictions across different therapeutic areas. High-cost, branded products—particularly specialty drugs—within the dyslipidemia, rheumatoid arthritis, psoriasis, and hepatitis C therapeutic areas are frequent targets of PBMs. However, looking to the short-term horizon, PBMs may expand their focus to other therapeutic areas, including HIV/AIDS, hereditary angioedema (HAE), various forms of cancer, and products treating rare and orphan diseases.

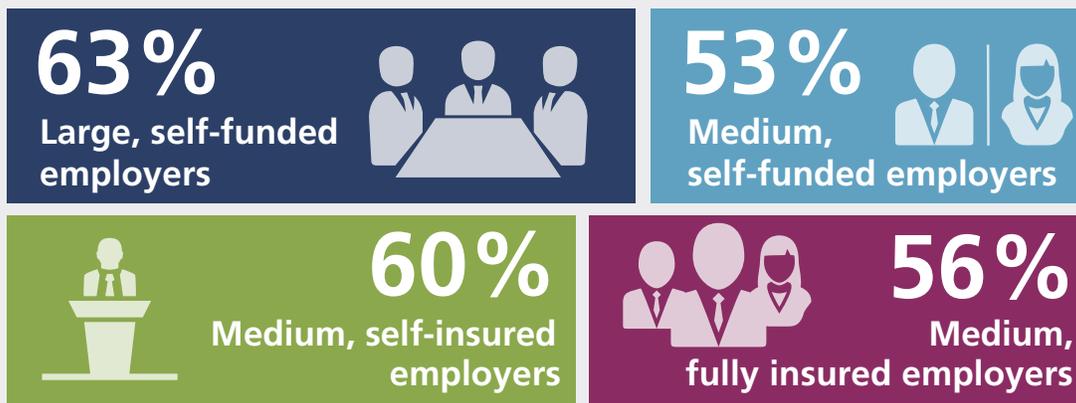
PBMs have implemented several methods to restrict the use of commercial copay assistance, but copay accumulators stand out as the primary lever deployed by PBMs. Similar to the findings from the same survey conducted in 2018, PBMs are overwhelmingly using copay accumulators; the results reveal that 88% of respondents limiting copay assistance have implemented some sort of copay accumulator program. In addition to copay accumulators, PBMs have also devised copay maximizers as another restrictive program, one that adapts the patient cost-sharing amount to the maximum amount of copay assistance allowed per fill. While uptake in copay maximizers lags behind copay accumulators, roughly 30% of respondents targeting copay assistance use both program types.



Source: Xcenda Managed Care Network Survey, February 2019.

As a means to generate healthcare savings, large, self-funded employer insurance plans have generally driven the uptake of copay accumulators. In 2019, 2 of the top 10 largest employers in the United States—Walmart and Home Depot—are employing copay accumulator programs.<sup>2</sup> According to the survey, over 60% of respondents project that large, self-funded employers are extremely or very likely to adopt some form of a copay accumulator program from their health plan over the next 2 years. Other employer types, such as fully insured health plans, may also utilize a copay accumulator program. While copay accumulator programs have largely been limited to the employer market, health plans may expand use in the individual market, especially after recently proposed federal regulations would pave the way for the use of copay accumulators in the health insurance exchange market.<sup>3</sup>

### % of Plans Extremely or Very Likely to Apply a Copay Accumulator in the Next 2 Years Across Various Employer Types



The proliferation of copay accumulator programs represents a significantly adverse impact on patients. Patients with a copay accumulator applied against their prescribed product may exhaust their copay assistance benefit before coming close to hitting the insurance plan’s OOP maximum, leaving them with a high OOP cost at the point of sale. Without financial assistance, many patients are left with no recourse and may consider abandoning therapy altogether.

## Developing Your Copay Accumulator Strategy

As copay accumulator programs have penetrated the healthcare landscape, pharmaceutical manufacturers are exploring both the impact on patients and solutions for protecting patients from financial hardship at the point of sale. Lash Group has a long history of partnering with manufacturers to ensure patients can appropriately access their prescribed medications. Navigating the challenges copay accumulators present is no exception. Identifying the right solution for your patients necessitates a consultative approach and a deep understanding of patient OOP responsibilities. It is critical for pharmaceutical manufacturers to partner with patient support experts to find the best solution for your patient population. One thing is incredibly clear: copay accumulators continue to expand in number and intensify in scope. Ensure you have the right partner to help your patients weather the storm.



Rely on Xcenda to keep you informed of key developments in the patient-support landscape and the Lash Group to help identify the right strategy for patient populations. Contact Corey Ford at [corey.ford@xcenda.com](mailto:corey.ford@xcenda.com) for a deeper dive on the results and discussion on the impact on your patients and program.

**References:** 1. Schmid, CE. New Accumulator Adjustment Programs Threaten Chronically Ill Patients. *Health Affairs* Blog. August 31, 2018. 2. Humer C, Erman M. Walmart, Home Depot Adopt Health Insurer Tactic in Drug Copay Battle. *Reuters*. November 13, 2018. 3. Centers for Medicare & Medicaid Services (CMS). Health and Human Services Notice of Benefit and Payment Parameters for 2020. January 17, 2019.