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May 31, 2024

The Honorable Phil Scott, Governor  
Office of the Governor  
109 State Street  
Montpelier, VT 05609

**Re: HB 233 – Banning Copay Accumulator Adjustors - *Support***

Dear Governor Scott,

I write to express the Global Healthy Living Foundation's (GHLF) support of HB 233 which would protect patients in Vermont from copay accumulator adjustors. GHLF represents chronically ill patients and their caregivers in Vermont and across the country. We work to improve the quality of life for patients living with chronic diseases by making sure their voices are heard and advocating for improved access to care at the community level. Our patients suffer from chronic conditions, including arthritis, psoriasis, gastrointestinal disease, cardiovascular disease, and migraine.

Drug prices can be an arbitrary term to families and individuals living with chronic conditions; instead, patients realize the cost of medications in premiums, deductibles, copays, and coinsurance, not list prices. Insurance companies and their pharmacy benefit manager (PBM) partners determine many costs borne by Vermont residents. Many manufacturers address the burden of out-of-pocket spending on patients by providing copay assistance coupons, which reduce the cost of medication for patients, thereby allowing patients to remain on the therapy prescribed by their care providers. Through these copay cards, the manufacturer takes responsibility for much of the out-of-pocket cost set by the insurance provider or PBM.

Before attempting to apply a one-size-fits-all approach to this legislation, it is essential to consider that high deductible health plan offerings, co-insurance, and high tiered drug placement for high-value specialty medications are what precipitated the need for these copay assistance programs. While people should have different plan options to choose from, more often, the only choice they can afford is an insurance company's high deductible plan resulting in high out-of-pocket costs. Copay assistance programs resolve this issue and have become the only means for many patients to access life-saving therapies.

**Patients in Vermont can meet their deductibles using copay assistance programs, ensuring that when their coupons run out, they can still access their treatment without exorbitant copayments because their deductible will have been met.** This enables patients to plan for their medical expenses, maintain their prescribed therapies, and control their health. A copay accumulator adjuster does not allow copay cards to reduce a patient's deductible. When the

copay card is used up, the patient still has their full deductible to meet. The net effect is that the insurance company and/or its pharmacy benefit manager partners get twice the deductible from a chronically ill patient – double-dipping at the patient’s expense – once from the copay card and then from the patient’s wallet.

**House Bill 233 would codify into law the idea that copay payments made using copay assistance programs count towards patients’ deductibles and out-of-pocket maximums.**

Without such protections, we have seen decreases in medication adherence, increased prescription abandonment rates, and ultimately poor health outcomes.

People living with chronic conditions such as cancer, rheumatoid arthritis, epilepsy, migraine, and chronic pain already face barriers to treatment options due to insurer and pharmacy benefit manager partners profit-generating protocols. Insurance companies and their pharmacy benefit managers benefit from drug rebates totaling \$166 billion each year. Patients pay their deductible based on a drug's list price, not the steeply discounted rebate price. Allowing insurance providers to restrict copay assistance programs enables them, in some cases, to “triple-dip” by collecting money twice from a patient’s deductible as described above and then from the rebate. The benefit of allowing Americans to use copay assistance programs to meet their deductibles is clear: insurance companies still receive their payments, while those with chronic health conditions can access their treatments and retain autonomy over their healthcare spending.

We urge you, on behalf of our Vermont community members, to consider your constituents who rely on copay assistance programs to access their needed medications and support for HB 233.

Thank you for your consideration, and we would be pleased to provide any further information you need.

Sincerely,



Corey Greenblatt  
Director of State Policy and Advocacy  
Global Healthy Living Foundation

