

SC House Bill 3618

Patient advocacy groups are calling on South Carolina Legislators to support bipartisan legislation to address rising out-of-pocket costs from an emerging insurance practice called “accumulator adjustment programs (AAP)” Drug manufacturers, health foundations, charities, and nonprofit organizations help patients with assistance programs that cover additional cost patients are required to pay. These programs are critical for patients with chronic, complex conditions.

The Problem

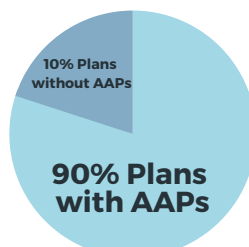
In the commercial health insurance market, some patients are being forced to pay more out-of-pocket for their medicines due to an increase in deductibles and the use of coinsurance instead of copays. Deductibles require patients to pay in full for their medicines before insurance coverage kicks in. And unlike copays, which are a fixed dollar amount charged per prescription, coinsurance requires patients to pay a percentage of the medicine's price.

The Solution - Make All Copays Count

To help patients better access their medicine and stay adherent, many third-party entities, including pharmaceutical manufacturers, offer cost-sharing assistance. Historically, commercial health insurance plans counted this assistance towards a patient's deductible and maximum out-of-pocket, providing relief from high-cost sharing and making it easier for patients to get their medicines.

South Carolina should enact a law to protect patients who rely on third-party cost-sharing assistance by ensuring that all payments – made by the patient or on behalf of the patient – count towards the patient's deductible and out-of-pocket maximum. Sixteen states, including neighboring Georgia, North Carolina, and Virginia, have already enacted legislation to address this issue.

Unfortunately, health insurers and PBMs have adopted Policies, often referred to as “accumulator adjustment programs” that block assistance towards a patient's deductible and maximum out-of-pocket limits.



4 out of 5 SC Marketplace Plans have AAPs

The following groups have committed to advocate on behalf of H.3618

- AHUS Action Network
- Aimed Alliance
- ALS Association
- American Cancer Society Cancer Action Network
- American Diabetes Association
- Association for Clinical Oncology (ASCO)
- Arthritis Foundation
- Bleeding Disorders Association of South Carolina
- Coalition of State Rheumatology Organizations
- Community Oncology Alliance (COA)
- Everylife Foundation for Rare Diseases
- Gaucher Community Alliance
- Hemophilia Federation of America
- International Foundation for AI Arthritis
- Lupus & Allied Diseases Association, Inc.
- Multiple Sclerosis Association of America
- National Alliance on Mental Illness – SC Chapter
- National Hemophilia Foundation
- National Eczema Association
- National Multiple Sclerosis Society
- National Psoriasis Foundation
- SC Oncology Society (SCOC)-
- South Carolina Advocates for Epilepsy
- Spondylitis Association of America
- WAIHA Warriors

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This legislation directs insurers to count all cost-sharing payments made by the patient or on the patient's behalf toward their deductible and out-of-pocket maximum. This legislation will help patients better access their medicine and stay adherent.