

Chair Lipps, Vice-Chair Stewart, Ranking Member Liston, members of the Committee:

Thank you for granting me the opportunity to speak about HB 177 this morning. My name is Will Hubbert, and I'm the Grassroots and Advocacy Manager for the National Psoriasis Foundation. The NPF represents over eight million patients with psoriasis and psoriatic disease in America and works on behalf of this community to guarantee high-quality, affordable treatment for people living with psoriatic disease. We strongly support HB 177, which would require health insurers to accept and count payments made on behalf of patients towards deductibles and out-of-pocket maximums.

By passing HB 177 the legislature can protect residents of Ohio from copay accumulators, a harmful practice that insurers use to collect third-party copay assistance without counting it towards the patient's cost-sharing. These copay accumulator programs effectively turn the term "copay assistance" into a misnomer, diverting money that was intended to help patients afford their medications into the insurer's coffers without counting it towards the patient's obligations.

Although the practical effects of this scheme will obviously vary from plan user to plan user, the worst-case scenarios that copay accumulators cause for patients with expensive, specialized medical needs are harrowing. High deductibles and cost-sharing requirements have made copay assistance a practical necessity for many patients with chronic health conditions to afford their prescriptions, leaving patients in a vulnerable position where a copay accumulator can price them off of crucial treatments. According to the IQVIA Institute for Human Data Science, 69% of patients will abandon their treatment when copays rise above 250 dollars a month. NPF's research confirms IQVIA's findings: 69% of patients who participated in our 2020 advocacy survey indicated that they also could not afford their medication without copay assistance, including 85% of all respondents with household income less than \$50,000.

Insurers often counter these points by claiming that copay accumulators help them control costs, steering patients towards cheap generic medications instead of more expensive brand name alternatives. NPF is generally skeptical of this explanation, since research shows that a majority of copay assistance pays for drugs with no generic alternative. By applying accumulators to patients in these circumstances insurers force them off of effective treatments towards alternatives *that do not exist*, letting the patient's disease progress without treatment and thus creating additional costs for more expensive interventions down the line. In any event, HB 177 renders this entire debate irrelevant by permitting insurers to implement accumulators if the patient has been prescribed a brand name medication that has a generic alternative which would be equally effective for the patient's condition. This measure allows insurers to implement accumulators in those limited instances where they could be used without harming patients while still protecting patients in the many more instances where an accumulator would necessarily jeopardize their access to care.

Although I've spent most of my time today discussing this bill's implications from a bird's-eye view, I'd like to take a moment to discuss the specific harms that copay accumulators can cause for people with serious or chronic illnesses. As a member of NPF's advocacy team, I work closely with our organization's Patient Navigation Center to help patients with psoriatic disease who come to us with questions about their own insurance coverage. This work has given me a firsthand appreciation for the impossible choices that copay accumulators can create for patients who are barely staying afloat even with the help of their copay assistance. During my two years at NPF I have met patients who had no idea that the fine print in their insurance plan contained an accumulator and learned about this barrier to care through a bill in the mail for thousands of dollars. I have met patients who upended their lives to afford their medication

after dealing with an accumulator, whether that meant pausing their education or moving back in with family. Most painfully, and far too often, I have met patients who have gone off their treatment altogether because of an accumulator, even though doing so can lead to painful disease progression and permanent joint damage.

Left to their own devices, insurers will implement these harmful programs despite the heavy costs (financial and otherwise) that they impose on patients. The good news here is that Ohio is not alone in considering reforms to address this issue. 19 states and Puerto Rico have already banned accumulators. Separately, just days ago, a federal judge has also vacated the 2021 CMS rule that allowed accumulators to proliferate, writing that based on the arguments made thus far in the case, “the Court would conclude that the regulatory definition [of cost-sharing] unambiguously requires manufacturer assistance to be counted as ‘cost sharing.’”

Despite this welcome news at the federal level, NPF still respectfully asks this body for its support in passing HB 177. Resolving this complex federal case may take years, and during this time patients will still experience undeniable harms from copay accumulators even if the courts ultimately ban the practice. We believe that Ohio can and should take a concrete step to address the problem this legislative session by passing HB 177, thus guaranteeing patients that their copay assistance for life-saving and crucial medications will be counted towards their cost-sharing obligations.

Mr Chairman, thank you again for granting me this opportunity to speak on this issue. At this time I would be happy to take any questions from the Committee.