Federal Proposal Would Limit Co-Pay Assistance for Meds

The patient advocacy coalition I Am Essential sent a letter to the HHS spelling out why the plan is dangerous.

February 22, 2019 By Trent Straube

People living with chronic and serious medical conditions face high medical bills. Many rely on co-pay assistance programs from drug manufacturers to help them afford their meds, even if they are taking generic versions. A proposed rule by the Centers for Medicare & Medicaid Services (CMS) would limit the use of those programs as they apply to out-of-pocket costs for generics. In objection, 87 organizations from the I Am Essential patient advocacy coalition sent a letter to the CMS administrator in which they laid out their concerns regarding the changes. The groups that signed the letter advocate for those with a vast array of medical conditions, including cancer, HIV/AIDS, autism, hepatitis C, epilepsy, hemophilia and lupus.

According to a press release from I Am Essential, under the proposed changes, insurance companies would be allowed to:

- Prohibit the use of co-pay assistance for the purchase of brand-name drugs when a generic is available
- Not count patient spending on brand-name drugs when a generic drug is available
- Remove brand-name drugs from formulary midyear when a generic becomes available.

These proposals are problematic, the coalition writes, because generic drugs are not always a low-cost option and because many insurance plans include high deductibles.

“People with complex, expensive acute and chronic health conditions depend on manufacturer assistance to help pay for high out-of-pocket costs, which can reach as high as $7,900 for an individual or $15,800 for a family,” Carl Schmid of The AIDS Institute, one of the cosigners of the letter, said in the press release. “Due to proliferation of high-deductible plans, just because a generic is available doesn’t mean that it’s affordable.”

Laura Weidner of the Epilepsy Foundation explained why I Am Essential opposes allowing midyear formulary changes and the discontinuation of coverage if a generic is approved. “People sign up for a plan based on the drugs on its formulary,” she said. Many conditions are highly individualized, and people respond to different drugs differently. Discontinuing coverage of a drug that a patient is stable on can lead to serious, life-altering or, in some cases, life-ending consequences.”

CMS is part of the federal Department of Health and Human Services Department. You can read the proposal on the website of Federal Register here. The I Am Essential press release is here, and you can read the group’s detailed 11-page letter to CMS here.

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