

NEW POLICIES THAT SUPPORT THE RARE DISEASE COMMUNITY IN MINNESOTA: WHAT YOU SHOULD KNOW

Banning Co-Pay Accumulator Programs (HF 1808 / SF 0628)

Many Minnesotans rely on copay assistance programs to afford their prescription medications, especially those with rare and chronic conditions. However, insurance companies increasingly use co-pay accumulator programs to prevent manufacturer or third-party assistance payments from counting toward a patient's deductible or out-of-pocket maximum. This practice leaves patients facing unexpected costs, often forcing them to delay or abandon treatment. HF 1808 / SF 0628 ensures that all payments made by or on behalf of a patient count toward their out-of-pocket obligations, protecting patients from excessive healthcare costs.

BACKGROUND

Co-Pay Accumulator Programs Harm Patients

- Traditionally, co-pay assistance from manufacturers or charitable organizations helped patients afford expensive medications by applying directly to their deductibles and out-of-pocket maximums.
- Co-pay accumulator programs block these payments from counting, leading to surprise expenses when patients believe they have met their cost-sharing requirements.
- Patients are often unable to continue necessary treatments due to sudden financial burdens, resulting in worsened health outcomes and higher long-term healthcare costs.

SF 0628 Provides Consumer Protections

- HF 1808 / SF 0628 prohibits health insurers from implementing co-pay accumulator programs, ensuring that all payments—whether made by the patient or on their behalf—count toward deductibles and out-of-pocket limits.
- The bill aligns with national efforts, the HELP Copays Act (H.R. 830 / S. 1375) to protect patients from harmful insurance practices that undermine access to affordable care.
- HF 1808 / SF 0628 applies to health plans issued or renewed on or after January 1, 2026, providing time for insurers to adjust their policies.

KEY FACTS

- Co-pay accumulator programs disproportionately impact patients with rare diseases and chronic conditions who rely on expensive, life-saving medications.
- Patients should not be penalized for using available financial assistance to afford their prescriptions.
- HF 1808 / SF 0628 ensures fairness in cost-sharing calculations and protects patients from unexpected medical expenses.
- 19 states, the District of Columbia, and Puerto Rico have already enacted similar protections, demonstrating broad bipartisan support for ending co-pay accumulator programs.¹
- Ensuring access to necessary medications improves health outcomes and reduces long-term healthcare costs for both patients and the healthcare system.

CONCLUSION

The bill mandates that all payments, whether from the patient or a third party (e.g., drug manufacturers or charities), count toward deductibles and out-of-pocket maximums.

¹Avalere. (2023, August 31). Court ruling will limit accumulators. Avalere Health. [avalere.com/insights/court-ruling-will-limit-accumulators](https://www.avalere.com/insights/court-ruling-will-limit-accumulators)