

Capping copays will raise premiums, up drug prices

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(HealthDay)—The proposed capping of copays will raise premiums and

is likely to increase drug prices, according to a report from the National Center for Policy Analysis (NCPA).

Devon M. Herrick, Ph.D., from the NCPA, discusses the policy of capping copays, which has been proposed by some policymakers. Nearly one-third of states have passed legislation or introduced bills that seek to limit cost-sharing; a federal bill has been proposed that would eliminate all prescription drug cost-sharing for Medicare beneficiaries above the threshold (currently set at \$7,500 per year).

Herrick notes that these proposals and laws are not recommended. An estimated \$250 monthly cap on out-of-pocket spending on drugs would benefit only about 1 percent of all Americans who take any prescription drug. In addition, nearly half of the benefits associated with a copay cap would go to families earning more than four times the [federal poverty level](#). The copay cap would raise premiums for all policyholders and encourage increases in [drug prices](#).

"The share of [prescription costs](#) Americans pay out of pocket has been falling for decades; most prescription drug costs are paid directly by drug plans sponsored by insurers and health plans," Herrick said in a statement. "State and federal proposals to cap drug cost-sharing could actually lead to higher drug prices, higher premiums, and force millions of Americans to pay more, albeit indirectly."

More information: [More Information](#)

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