HEMOPHILIA ALLIANCE

Protecting Patients Against
Alternative Funding Programs (AFPs)

AFPs are programs sold by for-profit companies to self-funded health plans to cut costs. They often change the plan's rules to avoid covering expensive specialty drugs, which can leave patients without proper insurance. As a result, patients must try to get their medication through a Patient Assistant Program (PAP). If those aren't available or they don't qualify, some vendors may import the drugs from other countries.

What are AFPs?

AFPs create risky and unnecessary roadblocks for patients who depend on timely access to FDA-approved specialty medications to manage serious, chronic, or complex health conditions. These delays and denials can put patients' health—and lives—at risk.

How are Patients Harmed?

AFPs often force patients to hand over sensitive documents like tax returns and pay stubs—and even sign a limited power of attorney—just to apply for free drugs from patient assistance programs that weren't meant for people with insurance in the first place.

- ✕ Delay or deny treatment
- ✕ Force use of unapproved or foreign drugs
- ✕ Override doctor's decisions
- ✕ Pressure patients into risky choices
- ✕ Misuse of patient data
- ✕ Discriminate against vulnerable patients
- ✕ Undermine insurance value
- ✕ Threaten cost-sharing protections

AFP Reach

Approximately 65% of covered workers are in self- funded plans [1]

Patients enrolled in AFP programs often wait over 2 months to receive their medication [2]

24% of patients with delayed medication reported that the delay worsened their condition [2]

How Do AFPs Work?

Patient is denied Prior Authorization (PA) for their specialty drug

If patient complies with AFP requirements...

- AND a PAP is available that the patient is eligible to receive → Patient will receive drug for a low out-of-pocket cost
- BUT no PAP is available, or the patient does not qualify → Patient must self-pay to get drug

If patient DOES NOT comply with AFP requirements:

Patient is denied access

AFPs can...

- Add extra steps for patients, which can delay or block access to important specialty medications
- Raise concerns about whether employers are properly looking out for their employees' best interests
- Affect patients with serious, long-term, or complex health conditions who depend on their health plan
- Put patients at risk by providing them with imported drugs
- Reduce the value of employees' insurance and the premiums they pay, hitting lower-income workers the hardest
- Cause patients to be switched to different medications for non-medical reasons

1. Claxton, Gary, et al. "2024 Employer Health Benefits Survey." KFF, 9 Oct. 2024, ww.kff.org/health-costs/report/2024-employer-health-benefits-survey/.
2. Wong, William B., et al. "A descriptive survey of patient experiences and access to specialty medicines with alternative funding programs." Journal of Managed Care & Specialty Pharmacy, vol. 30, no. 11, Nov. 2024, pp. 1308–1316, https://doi.org/10.18553/jmcp.2024.30.11.1308.

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