

SANTA BARBARA COUNTY PHARMACY DISCOUNT CARD PROGRAM

MARKETING PLAN







MARKET SUMMARY

The Pharmacy Discount Card Program is designed for uninsured and underinsured County residents as well as employees of the County of Santa Barbara. Through a partnership with several pharmacies, this simple discount card can save an estimated average 38% off the full retail cost of prescription medication.

In partnership with Financial Marketing Concepts, Inc. (FMC) the County of Santa Barbara intends to authorize the use of the county name and logo by a Pharmacy Discount Card program, referred to as the Coast2Coast Rx Card, which would give free access to discounted prescription purchases to <u>all</u> County residents and County employees.

FMC will pay Santa Barbara County fifty cents (\$.50) for every filled prescription, on a residual basis, that is processed using the county's designated group code and for which FMC is paid by its Pharmacy Benefit Manager. This will not increase the price of the drug or prescription.

OBJECTIVE

The primary goal is to implement a drug discount program for citizens of the County through FMC's Pharmacy Discount Card Program utilizing a pharmacy discount card, the Coast2Coast Rx Card, at any participating pharmacy (whether in Santa Barbara County or anywhere across the nation).

PRODUCT DEFINITION

Santa Barbara County residents and County employees will realize greater savings for the cost of their medications using the Coast2Coast Rx Card versus any other non-insurance card. In 2008 the annual savings for cardholders and their families was 38% off the retail price of drugs. FMC's pharmacy discount program offered greater discounts than the National Association of Counties NACo program over 90% of the time in 2008. Over 58,000 local, regional and national pharmacy chain and independent locations accept the card. The key characteristics of the program are:

- ❖ Cardholders save between 13% and 65% on most medications with the 2008 average being 38% off regular prices, for both brand-name and generic prescriptions
- ❖ 100% of the discount is passed directly to the cardholder
- * There are no annual discount limits
- Everyone qualifies for the card- there are no restrictions
- ❖ The card never expires
- An entire family can use one card but are always entitled to use multiple cards for each individual member of the family
- * Cardholders save on drugs not covered in other plans
- ❖ There are over 60,000 drugs in the formulary so almost all-non DEA controlled substances are included in the formulary
- ❖ No cost to the county
- * The card offers a mail order prescription service for cardholders on maintenance medications
- The card can be used for pet prescriptions that can be filled at a participating pharmacy

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PRODUCT SUPPORT

The pharmacy discount card is backed by Financial Marketing Concepts, Inc (FMC), a privately held benefits company, incorporated in Florida in 1992, with its principal place of business at 100 Executive Way, Suite 214, Ponte Verdra Beach, St. Johns County, Florida. FMC will provide the following core services for this product:

- FMC will provide high-quality paper stock discount prescription cards at no cost to Santa Barbara County
- FMC will handle all customer service for the card and will provide a toll-free number for residents to call should they have any questions
- ❖ FMC has a separate toll-free number for pharmacies to call if they have questions about the card or how to input the codes for the card
- FMC will distribute the cards to participating pharmacies in the county that wish to act as pick-up locations for the cards and other locations designated by the county
- ❖ In addition FMC will provide specific instructions to local pharmacies in its network on how to process claims using the designated Santa Barbara County code that FMC provides on the card
- ❖ FMC will maintain a website for county residents, www.coast2coastrx.com/santabarbaraca which website gives all residents with internet service the ability to print a card immediately; to check online for the discounted price of their particular medications; to search for the nearest participating pharmacy, to check a current list of participating pharmacies in Santa Barbara County and throughout the nation and other links such as Frequently Asked Questions to help educate residents about the benefits of the card
- ❖ Occasionally a medication may be considered 'experimental' and may not be discounted through the program. The resident will be able to call FMC's customer service number and FMC will use its best efforts to achieve a discount for the resident

PRODUCT COMPARISON AND POSITIONING

FMC's product, the Coast2Coast Rx Drug Discount Card has the following key advantages over the National Associations of Counties (NACo Card) Drug Discount Card:

- ❖ The Coast2Coast Rx Card provided a 16% to 20% greater discount off retail for cardholders than the NACo Card in 2008
- ❖ FMC handles all administration of the program for the County. NACo requires County personnel to administer the program while minimal County personnel time is used to support this Coast2Coast Rx Card
- ❖ FMC provides cards to County residents by having participating pharmacies. At the time of the launch of the program FMC's implementation staff visits every participating County pharmacy location to distribute cards and to educate the pharmacy staff about the card
- FMC also distributes cards to county health departments, clinics, libraries, etc. NACo just sends cards to the county and leaves the burden of distributing cards to county employees
- ❖ FMC contacts its participating pharmacies on a monthly basis to ask if the pharmacy has any questions about the card and to see if the pharmacy needs FMC to restock cards
- ❖ The Coast2Coast Rx Card is printed in English on the front side of the card and Spanish on the back of the card. NACo's card is only printed in English
- ❖ FMC pays a per filled prescription royalty to the county and NACo does not do so. The royalty does not increase the price of the prescription to cardholders

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❖ FMC's agreement with counties is non-exclusive while NACo's is exclusive − FMC allows the county to have multiple cards available to its residents if that's what the county desires. FMC's agreement has a rolling 30 − day renewal period whereas NACo has a minimum of a one year commitment in its agreement

LAUNCH STRATEGIES

Upon approval by the Santa Barbara County Board of Supervisors, the following is the anticipated implementation marketing plan for the Pharmacy Discount Card Program

- ❖ Establish a launch date for the program that is mutually agreeable with Santa Barbara County (SBC) and Financial Marketing Concepts, Inc. (FMC).
- SBC provides list of county departments including health clinics at which the card will be available for County residents and County employees.
- FMC provides SBC with a list of all participating pharmacies in the county that accept the card. These pharmacies will bed distribution centers for county residents to obtain the card.
- FMC provides SBC with a draft of the prescription card to be distributed.
- FMC provides the SBC Public Information Officer with a draft of a sample press release for the program.
- FMC provides SBC with a fact sheet to further describe the program and that may be used by some media outlets.
- FMC provides SBC with an announcement letter specifically drafted to give to Coast2Coast Rx's participating pharmacy network.
- FMC's media person and county's Public Information Officer coordinate a date for a press conference to include one or more county supervisors to launch the program. The FMC media person and the county Public Information Officer will work together to provide press releases to all SBC media outlets to announce the press conference date. The initial press release will be provided to all media outlets
- ❖ Prior to the launch date, FMC's implementation team will visit all participating pharmacies in the county to distribute the cards. The implementation team speaks to the head pharmacist and/or the head technician at each pharmacy location to educate the pharmacy about the card. Announcement letters are left with the pharmacy to remind all pharmacists and technicians at the location about the program. The implementation team will also drop off cards at all county designated departments/clinics. The FMC implementation team will complete distribution of the cards prior to the launch date of the program
- ❖ Launch date: SBC Public Information Officer and FMC will work to determine the launch date.
- ❖ Every month after the initial distribution of the discount prescription cards FMC's implementation team will contact network pharmacies to see if the pharmacy has any questions about the program and to determine whether more cards need to be sent o that location. County departments/clinics will call FMC when more cards are needed
- * FMC's media person and county's Public Information officer will communicate monthly to track the progress of the program. Additional press releases will be drafted by FMC, to be approved by the county Public Information Officer, to promote the program including how much Santa Barbara County residents and employees are saving each month

COSTS

All costs regarding the launch of the product are to be carried by FMC.

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