

March 17, 2009

Michael F. Brown, CEO

Susan Paul, Asst. CEO/HR Director



Countywide Pharmacy Discount Card Program

Sections



1. Recommendations

2. Background

3. Program Description & Benefits

4. Card Distribution

5. Financial Impact

6. Recommendations





Countywide Pharmacy Discount Card Program

Recommendations

- 1) That the Board approve and authorize the Chair to execute the attached marketing plan, as required by Chapter 26 of the Santa Barbara County Code, Sec 26-132, thereby authorizing the use of the County's seal and name, in order to implement a Pharmacy Discount Card Program, which would be available to all Santa Barbara County residents and employees of the County of Santa Barbara.
- 2) That the Board direct staff to work with the County Public Information Officer to promote the Pharmacy Discount Card Program to County residents and County employees.



Background

- In 2008 the County was approached by Financial Marketing Concepts, Inc. (FMC), to enter into a partnership to offer a Pharmacy Discount Card Program to all County of Santa Barbara residents and County employees.
- Adoption of this plan would permit the County of Santa Barbara to enter into a partnership with FMC and authorize the use of the County name and its seal for use in promoting the Pharmacy Discount Card Program.



What is the Pharmacy Discount Card Program?

- The program provides **free** access to **discounted** prescription drug purchases to all County residents as well as County employees.
- The program **helps** Santa Barbara County residents that:
 - ✓ are uninsured;
 - ✓ have health coverage with high deductibles or Health Savings Accounts (HSA);
 - ✓ insured but their health insurance plan doesn't cover all prescriptions in their formulary;
 - ✓ are Medicare Part D participants that are in the gap between the initial coverage limit and the catastrophic coverage threshold, and don't have supplemental coverage
- **The card is not medical insurance nor is it intended to replace insurance.**



Card Benefits

- Accepted at over **58,000** local, regional and national pharmacy chains and independent locations with over **60,000 prescription drugs** in the formulary.
- 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 - there are **no** annual discount **limits**.
- **Everyone qualifies** for the card, it never expires and there are no restrictions. An **entire family** can use one card or have separate cards for each family member.
- **Easy to get a card** – pick it up at your local pharmacy or through the website <http://www.coast2coastrx.com/SantaBarbaraca>. You can print a card from this website; check the drug pricing of specific medications; search for the closest participating pharmacy and view frequently asked questions.



Participating Pharmacies

CVS/pharmacy

WAL*MART | Pharmacy

TARGET
PHARMACY

 **kmart**
pharmacy

SAFEWAY 


Walgreens

RITE
AID

The Medicine
Shophe

VONS
Ingredients for life..

Savon drugs.



OscoDrug

Longs Drugs

Ralphs



PAVILIONS



Card Distribution

Financial Marketing Concepts, Inc. (FMC) will assume the production, distribution and administration costs of the cards. This will entail the following:

- ✓ Providing high-quality paper stock discount prescription cards at no cost to Santa Barbara County.
- ✓ Handling all customer service for the card and will provide a toll-free number for residents to call should they have any questions.
- ✓ 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.



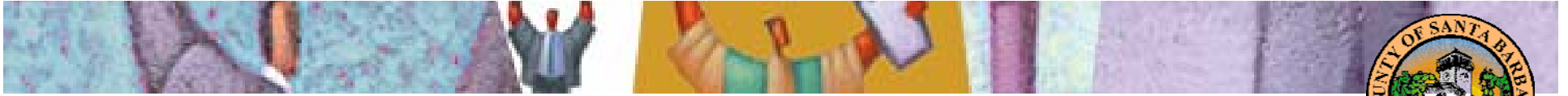
Financial Impact

- The County will bear **no cost** as Financial Marketing Concepts, Inc. (FMC) pays for all expenses for the card including, printing, shipping, distribution, administration and restocking.
- Will **generate revenue**, in the form of a royalty, for the County each time prescription drugs are purchased using the pharmacy discount card at a participating pharmacy.
- This royalty payment **will not** increase the price of prescriptions for County residents or County employees, as it would be paid by FMC from the customary dispensing fees charged to participating pharmacies.



Financial Impact

- The County of Ventura has recently implemented FMC's Pharmacy Discount Card Program, with more than 100,000 cards distributed in the first month of the program.
- Over 4000 prescriptions were filled in the first month of the program, which resulted in approximately \$2,000 royalty payment to Ventura County.
- Currently Marin, Stanislaus, Kern, and Madera County are also considering the implementation of this Pharmacy Discount Card Program.
- The Pharmacy Discount Card Program has been successfully implemented in Collier, Hardee, Highlands, Baker, and Naples Counties in Florida.



Countywide Pharmacy Discount Card Program

Recommendations

- 1) That the Board approve and authorize the Chair to execute the attached marketing plan, as required by Chapter 26 of the Santa Barbara County Code, Sec 26-132, thereby authorizing the use of the County's seal and name, in order to implement a Pharmacy Discount Card Program, which would be available to all Santa Barbara County residents and employees of the County of Santa Barbara.
- 2) That the Board direct staff to work with the County Public Information Officer to promote the Pharmacy Discount Card Program to County residents and County employees.

