



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: May 10, 2011

28

TO: Board of Supervisors

SUBJECT: DISCOUNT PRESCRIPTION DRUG CARD SERVICE (DISTRICT: ALL)

SUMMARY:

Overview

The County of San Diego was approached by two vendors interested in offering prescription drug discount programs, free of charge, to all county residents. The two vendors were NACo/CVS Caremark and the Coast2Coast Rx Discount Prescription Card Program by Financial Marketing Concepts (FMC). After reviewing both proposals and interviewing representatives from each organization, the Chief Administrative Officer recommends that the Board consider negotiating with FMC to bring the Coast2Coast Rx Discount Prescription Card Program to San Diego County for our residents.

The Coast2Coast Rx card is not an insurance product nor is it intended to replace insurance. A cardholder that is covered by health insurance will likely receive the greatest benefit by using his or her health insurance prescription card. If a health insurance prescription plan does not provide a discount for a particular drug, it is likely the Coast2Coast Rx card will provide a discount, considering there are more than 60,000 name-brand and generic prescription medications included in the discount program. Individuals and families participating in the program can save up to 65% on prescriptions and up to 80% on lab and imaging tests, all at no cost to the participant or the County. Users can also obtain discounts on dental, vision and hearing services as well as medications for animals.

FMC will assume the production, distribution and administration costs of the cards. In exchange, FMC asks that we support it by publicizing the discount program through our network of partners, such as 2-1-1 San Diego.

With Board approval, the County will enter into a marketing agreement with Financial Marketing Concepts, Inc. to bring the Coast2Coast Rx Discount Prescription Card Program to San Diego County and work with our community partners to create patient

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awareness of the opportunity to use a prescription discount card to reduce the expense of prescribed medication.

Recommendation(s)

SUPERVISOR COX AND VICE CHAIRMAN ROBERTS

1. Approve the Prescription Discount Card program for utilization by the people of San Diego County.
2. Direct the Chief Administrative Officer to execute a county marketing agreement with Financial Marketing Concepts, Inc. to bring the Coast2Coast Rx Discount Prescription Card Program to San Diego County for our residents.
3. Direct the Chief Administrative Officer to work with our community partners to create patient awareness of the opportunity to use a prescription discount card to reduce the expense of prescribed medication and health related services.
4. Report back to the Board of Supervisors for consideration and action on recommendations of how these funds may be used to improve health systems and health outcomes of under- and uninsured residents as well as ways to further optimize the Discount Prescription Card Program with partners like 2-1-1 San Diego. |

Fiscal Impact

There is no direct cost to the County for the endorsement of the program. The amount of revenue produced for the County is unknown at this time.

Business Impact Statement

N/A

Advisory Board Statement

N/A

BACKGROUND:

The County of San Diego was approached by two vendors interested in offering prescription drug discount programs, free of charge to all county residents. The two vendors were NACo/CVS Caremark and the Coast2Coast Rx Discount Prescription Card Program by Financial Marketing Concepts (FMC). After reviewing both proposals and interviewing representatives from each organization, the Chief Administrative Officer recommends that the Board consider negotiating with FMC to bring the Coast2Coast Rx Discount Prescription Card Program to San Diego County for our residents.

The Coast2Coast Rx card is not an insurance product nor is it intended to replace insurance. A cardholder that is covered by health insurance will likely receive the greatest benefit by using his or her health insurance prescription card. If a health insurance prescription plan does not provide a discount for a particular drug, it is likely the Coast2Coast Rx card will provide a discount, considering there are more than 60,000 name-brand and generic prescription medications

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included in the discount program. Individuals and families participating in the program can save up to 65% on prescriptions and up to 80% on lab and imaging tests, all at no cost to the participant or the County. Users can also obtain discounts on dental, vision and hearing services as well as medications for animals.

Each county resident is eligible for the discount program regardless of age, health or pre-existing conditions. Nor are there restrictions, exclusions or limitations to the use of the discount card. Discount cards would be available at participating pharmacies, County facilities such as Family Resource Centers and libraries, or can be ordered by calling 2-1-1. Once a resident obtains a card, they simply present it along with their prescription at a participating pharmacy to receive a discount on their medication. FMC maintains a website and toll free number to obtain information on other service discounts the program offers.

There is no cost to the County as FMC will assume the production, distribution and administration costs of the cards. Nor is there a cost to the client. FMC and Coast2Coast have used their purchasing power to negotiate substantial discounts from pharmacies, in the same fashion that insurance companies do in their brokering. When a pharmacy fills a prescription for a cardholder, the discounts are credited to the cardholder. The royalty for the pharmacy benefits manager, FMC, and for the County are taken from the same administrative fee that is paid every time a pharmacy fills a prescription through an insurance claim. The County will receive a royalty from each prescription filled through the Coast2Coast discount card which will be deposited into the County's General Fund. In exchange, FMC asks that we support them by publicizing the discount program through our network of partners, such as 2-1-1 San Diego.

With Board approval, the County will enter into a marketing agreement with Financial Marketing Concepts, Inc. to bring the Coast2Coast Rx Discount Prescription Card Program to San Diego County and work with our community partners to create patient awareness of the opportunity to use a prescription discount card to reduce expense of prescribed medication.

This program is a great opportunity for the County to assist the uninsured or underinsured and increase the rate of positive health outcomes in our region.

Respectfully submitted,

GREG COX
Supervisor, First District

RON ROBERTS
Vice Chairman, Fourth District

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:
N/A

BOARD POLICIES APPLICABLE:
N/A

BOARD POLICY STATEMENTS:
N/A

MANDATORY COMPLIANCE:
N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):
N/A

ORIGINATING DEPARTMENT: District 1 and District 4, Board of Supervisors

OTHER CONCURRENCE(S): N/A

CONTACT PERSON(S):

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