

LRB-Research & Analysis Section

Public Safety Committee
File: 081653, Item 8

March 30, 2009
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Title

Resolution authorizing participation in the National League of Cities' Prescription Discount Card Program administered and managed by CVS Caremark Corporation.

Introduction

This resolution makes the City of Milwaukee a participant in the National League of Cities' Prescription Discount Card Program administered and managed by CVS Caremark Corporation. This program is designed to provide discounts averaging 20% off regular, retail prescription costs for residents who do not have health insurance coverage for medications or who wish to buy medications not covered by their health insurance.

Background

The National League of Cities ("NLC") launched a Prescription Drug Discount Card Program in October, 2008, created, administered and managed by the CVS Caremark Corporation. Discount cards are free to participating cities and there are no fees for cardholders or limits on use.

Participation in the program would enable the City of Milwaukee to offer these drug discount cards to residents at no charge. Cardholders are eligible for discounts, which are expected to average 20%, on prescription medications not covered by insurance, either because the resident is without health insurance or the particular medication is not covered by the resident's health insurance. Discounts are available at 59,000 participating pharmacies (over 80 Milwaukee city locations) including CVS, Walgreens, Pick 'n Save, Target, Wal-Mart, local hospitals and independent pharmacies.

No discounts are available for prescription co-pays or deductibles.

The CVS Caremark drug discount card is currently available to residents of Milwaukee, Jefferson and Ozaukee counties through a similar program offered by the National Association of Counties.

Participation in the program by NLC cities is growing rapidly, with 48 cities in February, 2009, and 86 cities listed on the program's website as of March 30, 2009. No Wisconsin city currently participates in the program and Milwaukee would be the largest participant if it offered the program today, although San Jose, CA, with roughly 1 million people, is

already in the process of participating and will be part of the program before Milwaukee, even if Milwaukee decided to join today. The following cities currently participate in the program:

1. **Borough of Middletown, PA**
2. **City of Allentown, PA**
3. **City of Ardmore, OK**
4. **City of Arkansas, KS**
5. **City of Athens, TN**
6. **City of Bedford, OH**
7. **City of Berkeley, MO**
8. **City of Bluffton, IN**
9. **City of Bowie, MD**
10. **City of Brewton, AL**
11. **City of Broken Arrow, OK**
12. **City of Brunswick, OH**
13. **City of Burton, MI**
14. **City of Cathedral City, CA**
15. **City of Centerville, OH**
16. **City of Claremont, CA**
17. **City of Clarksburg, WV**
18. **City of Colorado Springs, CO**
19. **City of Covington, KY**
20. **City of Decatur, TX**
21. **City of Deer Park, TX**
22. **City of Douglass, KS**
23. **City of Duarte, CA**
24. **City of Durango, CO**
25. **City of Edgewood, KY**
26. **City of Espanola, NM**
27. **City of Evanston, IL**
28. **City of Fairhope, AL**
29. **City of Florence, SC**
30. **City of Galt, CA**
31. **City of Gastonia, NC**
32. **City of Gillette, WY**
33. **City of Gladstone, MO**
34. **City of Goodyear, AZ**
35. **City of Greenbelt, MD**
36. **City of Grenada, MS**
37. **City of Grosse Point Woods, MI**
38. **City of Hattiesburg, MS**
39. **City of Helena, AL**
40. **City of Hercules, CA**
41. **City of Huber Heights, OH**
42. **City of Kernersville, NC**
43. **City of Lansing, KS**
44. **City of Leavenworth, KS**
45. **City of Lewes, DE**
46. **City of Lexington, SC**
47. **City of Lovejoy, GA**
48. **City of Madison, AL**
49. **City of Maple Heights, OH**
50. **City of Maricopa, AZ**
51. **City of Monroe, NC**
52. **City of Morristown, TN**
53. **City of New Haven, CT**
54. **City of Norcross, GA**
55. **City of North Port, FL**
56. **City of Northglenn, CO**
57. **City of Parkersburg, WV**
58. **City of Pea Ridge, AR**
59. **City of Pelham, AL**
60. **City of Rancho Cordova, CA**
61. **City of Riverdale, GA**
62. **City of Riverside, CA**

63. **City of Riverside, OH**
64. **City of Robbinsdale, MN**
65. **City of Rocky Mount, NC**
66. **City of Saline, MI**
67. **City of Sanford, NC**
68. **City of Seminole, FL**
69. **City of Sylacauga, AL**
70. **City of The Village, OK**
71. **City of Union Gap, WA**
72. **City of Valparaiso, FL**
73. **City of Waycross, GA**
74. **City of Wayne, MI**
75. **City of West Hollywood, CA**
76. **City of Winter Haven, FL**
77. **City of York, PA**
78. **Lake Havasu City, AZ**
79. **Town of Camden, DE**
80. **Town of Jackson, WY**
81. **Town of Mount Olive, NC**
82. **Town of St. Agatha, ME**
83. **Town of Troy, MI**
84. **Town of Tryon, NC**
85. **Village of Hillside, IL**
86. **Village of Taos Ski Valley, NM**

The NLC reports the following use of Prescription Drug Discount Cards and savings (program predicts average savings of 20%) by the 48 cities participating in the program during February, 2009:

	City	Rx's	Savings	% Saved	Users
1	MADISON, AL	56	\$421.79	23.6%	22
2	NORTHGLENN, CO	48	\$439.18	18.0%	20
3	CLARKSBURG, WV	440	\$4,878.57	26.4%	209
4	RIVERSIDE, CA	25	\$276.58	33.8%	16
5	DUARTE, CA.	23	\$261.23	23.0%	15
6	GOODYEAR, AZ	7	\$33.83	8.5%	5
7	GUYMON, OK	12	\$82.61	13.1%	7
8	MIDDLETOWN, PA	4	\$23.47	28.2%	3
9	ROBBINSDALE, MN	16	\$192.67	12.4%	11
10	GREENBELT, MD	29	\$358.89	17.2%	18
11	RIVERDALE, GA	24	\$113.32	10.6%	8
12	WINTER HAVEN, FL	14	\$87.82	19.9%	9
13	WEST HOLLYWOOD	52	\$642.00	20.0%	29
14	LANSING, KS	22	\$1,132.91	38.7%	14
15	DECATUR, TX	2	\$27.14	8.7%	1
16	ALLENTOWN, PA	2	\$17.43	20.8%	2
17	HILLSIDE, IL	10	\$138.00	33.5%	4
18	COVINGTON, KY	45	\$418.69	27.0%	20
19	GASTONIA, NC	12	\$128.57	30.0%	7

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	City	Rx's	Savings	% Saved	Users
20	CRYSTAL, MN	15	\$26.86	5.7%	6
21	NORCROSS, GA	3	\$30.99	23.6%	1
22	SALINE, MI	22	\$516.81	38.6%	13
23	SANFORD, NC	88	\$685.28	22.2%	44
24	MOUNT OLIVE, NC	3	\$63.32	53.2%	2
25	CENTERVILLE, OH	19	\$284.38	31.2%	14
26	HATTIESBURG, MS	135	\$1,134.24	19.8%	70
27	GROSSE POINTE WOODS, MI	17	\$221.17	25.7%	12
28	ESPANOLA, NM	3	\$12.23	6.3%	2
29	ARDMORE, OK	72	\$788.69	25.6%	39
30	FAIRHOPE, AL	38	\$399.50	20.2%	23
31	BLUFFTON, IN	1	\$6.89	50.4%	1
32	ATHENS, TN	263	\$2,877.02	27.4%	158
33	MONROE, NC	65	\$548.50	25.1%	25
34	PELHAM, AL	3	\$52.02	25.1%	3
35	DOUGLASS, KS	2	\$24.98	23.3%	2
36	GRENADA, MS	4	\$9.98	14.1%	3
37	HERCULES, CA	19	\$347.61	30.2%	15
38	LAKE HAVASU, AZ	19	\$347.33	18.4%	12
39	PEA RIDGE, AR	1	\$29.81	42.0%	1
40	WAYNE, MI	4	\$34.89	12.4%	3
41	BOWIE, MD	9	\$181.96	25.2%	4
42	BREWTON, AL	47	\$565.83	17.2%	25
43	GILLETTE, WY	3	\$19.44	5.1%	3
44	BEDFORD, OH	11	\$175.09	47.1%	6
45	ARKANSAS, KS	11	\$89.63	29.2%	6
46	EVANSTON, IL	57	\$671.85	14.6%	32
47	PARKERSBURG, WV	33	\$361.64	22.0%	20
48	YORK, PA	9	\$54.34	12.0%	8
	Total	1,819	\$20,236.98	23.5%	973

Discussion

According to its website, cities participating in the NLC drug discount card program must:

- Promote the program to the local media with mutually approved communications: Pre-launch press release, launch press release and PSAs.
- Promote the program through various city venues or communications to the residents using the standard communication vehicles the city currently uses. All communications must be reviewed and approved by NLC and CVS Caremark unless the city is using supplied communications.
- Provide city wide ID card distribution points to distribute the template ID card that will be printed with the relevant city's seal. Stands will be provided to display the cards.
- Provide a link to the co-branded website www.caremark.com/nlc from the city web site, as this site contains the program information and useful tools for city residents, including online enrollment with the ability to print an ID card and use it immediately.
- Identify a person on the city staff to serve as the principal program contact with NLC and CVS Caremark.

A small, unscientific survey of cities participating in the program indicates the foregoing tasks for setting up the NLC's Prescription Drug Discount Card Program have not been burdensome and ongoing maintenance of the program is minimal.

This resolution directs the Health Department, as the City's public health agent, to make reasonable efforts to promote resident awareness of this program, to assign personnel to oversee set-up and ongoing operations as needed, and to provide Council members with NLC generated reports of aggregate use of the program by residents as requested.

Fiscal Impact

No fiscal impact is expected with adoption of this resolution. The NLC's Prescription Drug Discount Program Cards are free to the City, as are all promotional materials provided by the NLC for program launch. No incremental costs are expected to distribute the cards or to communicate the program's availability to residents.