Reply to Common Council File No. 030311 From DOA-Budget and Management Division

July 28, 2003

Ref: 03013(38)

Common Council resolution 030311 authorizes the Department of Employee Relations to work with the Basic Plan Administrator and the Basic Plan's prescription benefit manager to educate employees and retirees regarding cost benefits and discounts concerning prescription medications.

Currently WPS has a contract with Merck to obtain discount prices on prescription drugs. As part of Merck's responsibility, they are proposing that an educational training program be set in place. This program will allow Merck to discuss prescription alternatives with employees and retirees that will reduce health care costs. Prescription medication changes will be done voluntarily by the members and their doctors.

RECOMMENDATION: ADOPT COMMON COUNCIL RESOLUTION 030311.

Dennis A. Yaccarino

City Economist

DY:

FINANCE: 030311sr.doc