CITY OF BURIEN
AGENDA BILL

Agenda Subject: Discussion on National League of Cities Prescription Discount Card Program		**Meeting Date:** November 14, 2011
Department: City Manager **Contact:** Lisa Clausen **Telephone:** (206) 248-5515	**Attachments:** 1. National League of Cities Information 2. Program Registration Form	**Fund Source:** N/A **Activity Cost:** N/A **Amount Budgeted:** N/A **Unencumbered Budget Authority:** N/A
Adopted Initiative: **Yes No X**	**Initiative Description:** N/A	

PURPOSE/REQUIRED ACTION:
The purpose of this agenda bill is for the Council to receive additional information on the National League of Cities (NLC) Prescription Discount Program and discuss whether to offer the program to Burien residents.

BACKGROUND (*Include prior Council action & discussion*):
Councilmember Jack Block learned of the NLC's Prescription Discount Card Program at the 2011 Association of Washington Cities (AWC) conference. He asked that information on the program be included in the "City Business" section of the agenda for the July 11 Council meeting; information was also provided at the October 24 meeting (see Attachment 1 for background information previously provided to Council).

The program provides prescription discount cards for a city's residents who do not have health insurance or whose insurance does not cover prescriptions. The discount is approximately 20%. A wide variety of pharmacies accept the NLC discount card.

According to NLC staff, "There is no cost for a city to participate in the program and no enrollment process for residents. The role of the city is to promote the program through the local media and any city communications channels (e.g., city web site, city newsletter) and to make the prescription discount cards available at locations throughout the city (city hall, libraries, community centers, etc.) to those residents who might benefit from the program. NLC provides the city with customized prescription discount cards with the city name and logo as well as sample marketing materials (press releases, PSAs, sample web page) to promote the program to residents."

Auburn and Shoreline are among several cities in Washington that have implemented the NLC program. By offering the discount card Auburn has saved their residents approximately $84,000 over the past two years. Auburn and Shoreline report no major staff costs for providing this program. Auburn City Councilmember Bill Peloza wrote the following note: "Burien Council: This is a wonderful Program and I really advocate signing up for your citizen's. It's 'free' and very little staff support required. This type of enterprise program is a very good ROI of annual NLC fees." [Note: ROI = "Return on Investment"]

A city wishing to offer the program completes the attached form (see Attachment 2). The start-up process takes about eight (8) weeks.

OPTIONS (*Including fiscal impacts*):

Administrative Recommendation: Discuss the NLC prescription discount card program and determine whether to concur that the City should provide it to Burien residents.

Committee Recommendation: N/A

Advisory Board Recommendation: N/A

Suggested Motion: None required.

Submitted by: Lisa Clausen
Administration _____ **City Manager** _____

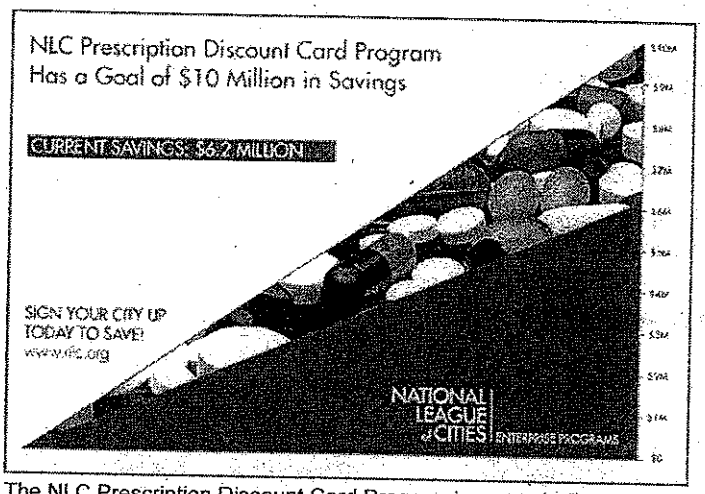
Today's Date: November 2, 2011	**File Code:** R:\CC\Agenda Bill 2011\111411cm-3PrescriptionDiscount.docx

ATTACHMENT 1

Residents Nationwide Benefit From NLC Program

June 27, 2011

by Marc Shapiro



The NLC Prescription Discount Card Program is a member program offered by NLC in which participating cities see the value of the program in real savings to residents in just a few months.

Nationwide, more than 470 cities are currently participating in the program and have saved residents more than $6.2 million to date on the cost of prescriptions. For those residents without health insurance or with a prescription not covered by insurance, the average savings has been more than 23 percent off the retail price of their prescriptions.

"This is a program that has clear benefits with the potential to save more money for the community well beyond the cost of joining NLC," said NLC President James E. Mitchell, Jr., councilmember, Charlotte, N.C. "And the best part? This program is free. It is free to the city; it is free to the residents."

In many cases, a city can save its residents more in a few short months than the city's annual membership dues in NLC.

Mitchell has set a goal of $10 million in savings for the program this year. For member cities that are not currently offering the discount card, there is no cost to participate and the program is easy to implement. The role of the city is to promote the program through local media and the city website or newsletter, and to make the prescription discount cards available at locations throughout the city to those residents who might benefit from the program.

NLC provides each participating city with customized prescription discount cards with the city name and logo as well as sample press releases, a sample page for the city website and other start-up resources. The discount card includes a toll-free customer support line for residents to call with questions about the program. Each month, participating cities also receive a report from NLC with aggregate data on the use of the discount card, including the total and average savings to residents.

For residents there is no enrollment form, no membership fee and no restrictions or limits on the frequency of use. The discount card is accepted at more than 60,000 pharmacies, including all major pharmacy chains and most local independent pharmacies. Participating pharmacies in any city can be identified here: www.caremark.com/nlc.

Dothan, Ala., (population 57,737) was one of the most recent cities to bring this cost-saving program to residents. At a press conference announcing the program last month, Mayor Mike Schmitz said, "It's truly

an exciting day for us to unveil the City of Dothan Prescription Discount Card Program. This is an idea that was presented at an NLC meeting, and we thought it was an excellent idea to look into." Mayor Schmitz was joined at the press conference by city commissioners Amos Newsome, James Reading and John Craig

"These are tough times and a 23 percent discount on prescription drugs adds up," Schmitz added. "All they (citizens) have to do is get the card, go to a participating pharmacy and, hopefully, save some money. That's it in a nutshell. It's a simple idea."

In the first week, 40 residents benefited from the program and saved on their prescription costs.

In addition to Dothan, cities launching the program last month include: Aventura, Fla.; DeBary, Fla.; Woodridge, Ill.; and Bartlett, Tenn.

NLC member cities not participating in the program can sign up on the NLC website at www.nlc.org/prescriptioncard and join the effort to reach the goal of $10 million in savings to residents this year.

Details: Contact Marc Shapiro at (202) 626-3019 or shapiro@nlc.org.

The NLC Prescription Discount Card Program

SAVE your residents an average of **20% off the retail price** of prescription medication **at no cost to the city...**

Be a member of the National League of Cities

Sign up for the **FREE** NLC prescription discount card program

Your residents present the discount card at a local participating pharmacy

Frequently Asked Questions

How much will residents save by using the discount card?

While savings on each prescription may vary, the NLC Prescription Discount Card Program saves an average of 20 percent off of the pharmacy's regular retail prices. The savings are validated monthly and annually.

What if a pharmacy's price on particular prescription drugs is lower than the discount card price?

The program uses a "lower-of" pricing schedule so that residents are never disadvantaged by using the discount card. On occasion, a participating pharmacy may have a lower price on particular prescription drugs. If that occurs, residents will always pay the lowest price.

Who pays the cost of the discount?

Pharmacies in the national discount network agree to absorb the cost of the discount. The benefit to the pharmacy of participating in the program is that it creates customer loyalty and increases store traffic.

Does NLC or CVS Caremark share the personal information of residents using the discount card?

CVS Caremark does not give or share personally identifiable health information to manufacturers or direct marketers. CVS Caremark is fully compliant with all federal and state privacy and security regulations pertaining to the protection of protected health information and has a robust compliance program which monitors and enforces policy compliance. NLC neither receives nor shares personal information of residents.

Does NLC or any participating city receive revenue from the program?

Neither NLC nor any participating city receives revenue for sponsoring the discount card program.

Does the program provide a competitive advantage to CVS Pharmacies?

All major pharmacy chains and most local independent pharmacies, nearly 60,000 pharmacies nationwide, participate in the discount card network. Residents are not encouraged or incentivized to use CVS pharmacies over any other chain or independent pharmacy.

Can the discount card be used with other prescription insurance benefits?

The program is not insurance; it is a prescription discount program. The card cannot be used to supplement insurance benefits. The card can be used for prescriptions not covered by an insurance plan.

National League of Cities

Program operated by CVS Caremark.

This is NOT insurance. Discounts are only available at any participating pharmacy.

106-9003NL10 10.09

NLC PRESCRIPTION DISCOUNT CARD PROGRAM

MEETING THE NEEDS OF YOUR RESIDENTS

PRESCRIPTION COST SOLUTION

The NLC Prescription Discount Card Program, administered by CVS Caremark, helps city residents save money on the high cost of prescriptions at NO COST to the city. Your city must be an NLC member to participate.

FREE Prescription Discount Card

Your City Name Here

RxBIN: RxGRP:
RxPCN: ISSUER: (80840)
ID:

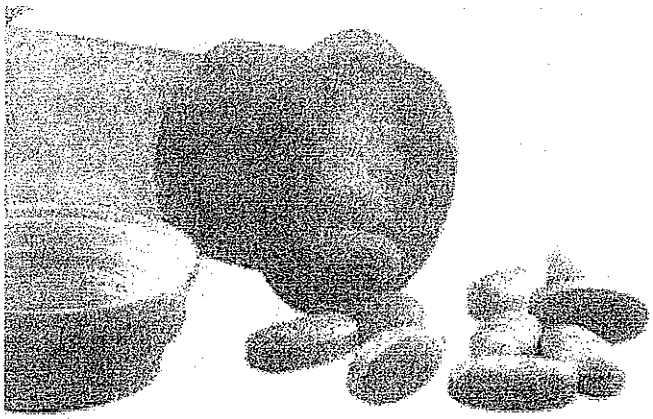
Brought to you in collaboration with the National League of Cities

This is NOT insurance.

NATIONAL LEAGUE of CITIES

PRESCRIPTION SAVINGS

Residents who have prescriptions or lifestyle medications that are not covered by insurance, now have an opportunity to obtain them at a discount. The NLC Prescription Discount Card Program provides an average savings of 20% off the retail price of prescription medications.



BENEFITS

- NO COST to your city
- NO COST to your residents
- Average savings of 20%
- 9 out of 10 pharmacies participate in the program, more than 60,000 nationwide
- No enrollment or membership fees
- No limit on how many times the card can be used
- No age requirements
- No income requirements
- ALL family members covered
- Pet medications used to treat human conditions covered

IMPLEMENTATION

The city works with a CVS Caremark representative to launch the program, which takes approximately eight weeks. The city will be provided with approved marketing materials and tools to promote and launch the NLC Prescription Discount Card Program. Printed ID cards and display materials (customized with your city's name and logo) will be provided to give city residents easy program access. Residents can also print an ID card online and access program tools by visiting www.caremark.com/nlc.

MORE INFORMATION

To learn more about this program, visit NLC's website at www.nlc.org/enterpriseprograms or contact Marc Shapiro, Program Director, at shapiro@nlc.org or (202) 626-3019. For NLC membership information, contact NLC Member Services at memberservices@nlc.org or (202) 626-3100.

This program is operated by CVS Caremark. This is NOT insurance. Discounts are only available at participating pharmacies.

NATIONAL LEAGUE of CITIES

NATIONAL LEAGUE of CITIES | ENTERPRISE PROGRAMS

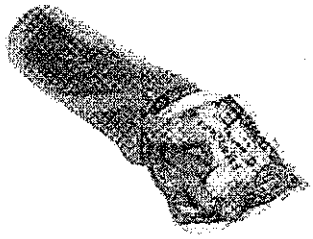
Bringing Solutions and Savings to Cities

NLC PRESCRIPTION DISCOUNT CARD PROGRAM

Savings and Utilization Summary Report

September 2011

Cumulative National Totals



Number of Participating Cities: 506
Savings to Residents: $7,392,193
Average Savings to Residents: 25.7% ($12.03)
Number of Cards Utilized: 256,405
Number of Prescriptions: 614,675

Top Twenty Cities Total Cumulative Savings (as of September 30, 2011):

Clarksburg, WV	$437,639	Evanston, IL	$121,650
Detroit, MI	$331,380	Milwaukee, WI	$104,189
Ardmore, OK	$310,879	Arlington, MA	$85,763
Athens, TN	$292,012	Palm Bay, FL	$84,011
Savannah, GA	$239,012	Auburn, WA	$83,952
Monroe, NC	$232,162	Oak Ridge, TN	$76,632
Memphis, TN	$173,187	Trotwood, OH	$73,499
Kernersville, NC	$159,813	Lakewood, OH	$71,094
West Hollywood, CA	$132,535	Deer Park, TX	$69,850
Camden, SC	$121,714	Charlotte, NC	$69,335

New Cities (launched in September):

Priceville, AL
Anchorage, AK
Cotton Plant, AR
Sierra Vista, AZ
Calhoun, GA
Quincy, IL
New Roads, LA
Bridgeton, MO
South Euclid, OH
Spartanburg, SC
Munford, TN
El Paso, TX

NLC Enterprise Programs
www.nlc.org/enterpriseprograms • enterpriseprograms@nlc.org

ATTACHMENT 2

Ready to get started?

Complete the information below

National League *of* Cities
Prescription Discount Card Program

City Name: _____

Number of City Residents: _____

City Web Site: _____

Main City Contact: _____

Title: _____

Street Address: _____

City: _____ State: _____ Zip: _____

Phone: (_____) _____ - _____ Fax: (_____) _____ - _____

e-mail: _____

Logo requirements to produce ID cards: CVS Caremark will need a black-and-white jpg file of your city logo in order to create the customized city discount card. Please e-mail the logo as an attachment to ralph.frissore@caremark.com; and indicate city name and logo attached in the subject line.

Please provide a contact name/street address for the delivery of the ID cards/display stands, if different from above: (Please note we cannot deliver to P.O. Boxes):

_____

_____

Please indicate how the city name should be referenced on the ID card:
Spanish materials required: ☐ Yes ☐ No _____

Please download, complete this form and email to Marc Shapiro at SHAPIRO@nlc.org

Marc Shapiro
Director, Enterprise Programs
National League of Cities
1301 Pennsylvania Ave., N.W.
Washington, D.C. 20004

Next Steps: Within one week of receipt of this completed form, you will be contacted by CVS Caremark to initiate the launch of the program in your city. The process to launch the program takes approximately eight weeks.