



# UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

**TOPIC** Medication Discount Plan

**SUBMITTED BY:** Robert Chapa **OF:** Risk Management

**APPROVED FOR TRANSMITTAL TO SCHOOL BOARD:** \_\_\_\_\_

**DATE ASSIGNED FOR BOARD CONSIDERATION:** October 21, 2009

## RECOMMENDATION:

In response to various offers from local vendors to provide medication, medical equipment, and medical service discounts the District extended a Competitive Quotation Invitation to all interested vendors. A total of four(4) vendors responded.

After careful review staff is recommending the Board accept the offers of all four(4) vendors. Three(3) of the vendor offers are at no charge to the district. The fourth offer requires a one time set up fee of \$2.49 per employee. (No charge for future employees)

## RATIONALE:

The offers from all four(4) vendors are for discounts on medications, medical products, and services. While providing a welcome cost savings for employees the district health insurance program will also benefit from the employees use of these discounts in that the expenditures are not reported to our health insurance carrier and therefore do not count against the district loss record. This will be particularly true for generic maintenance medications. A bonus for employees is that the discounts extend to all members of their family even if they are not covered under the district health insurance.

## BUDGETARY INFORMATION

One time set up cost of \$16,683. (\$2.49 X 6,700 employees)

## BOARD POLICY REFERENCE AND COMPLIANCE:

UNITED INDEPENDENT SCHOOL DISTRICT  
 MEDICATION DISCOUNT PLAN  
 RFCQ CQ026-2009

VENDORS	HEB	J & A	LAKESIDE	THE MEDICINE SHOPPE
Cost for Program	\$2.49 per employee - one time fee	No enrollment or fees are required	No enrollment or fees are required	No enrollment or fees are required
Discount for generic medications	\$5.00 for over 500 generic meds	Average wholesale price -30% off + \$5.10	%15 discount	Cost + \$3.00
Discount for brand name medications	MIN. of 13% off	Average wholesale price -10% off + \$5.10	%10 discount	Cost + \$4.00
90 day supply plan	Pay for 2 months and get 3 month supply for \$9.99	Buy 3 months @ the monthly discounted price; available as prescribed by their physician, generic and brand discounts apply	Buy 3 months @ the monthly discounted price; available as prescribed by their physician, generic and brand discounts apply	Buy 3 months @ the monthly discounted price; available as prescribed by their physician, generic and brand discounts apply
Home delivery service	NO	Yes Free	Yes Free	included
Discounted flu shots	Flu shot are \$20.00 & that includes a 20% off of the regular \$25.00 price	not currently provided	\$15.00 available at the various campuses to accommodate employees	Cost +\$3.00 available at South Location & will be available for various campuses to accommodate employees
Program Household member participation	For all household members	For all household members	With the proper identification, immediate family members qualify	For all household members
Bilingual help line	Yes	Yes	Yes	Yes
Monthly or quarterly reporting to employer	Monthly and/ or Quarterly	Reporting to employer as required	N/A	N/A
Other products / services & over the counter	\$0 for new employees after effective date	On DME Equipment Cost + 20% DME (Durable Medical Equipment)	Employees get 25% off all over the counter purchases over \$10.00	15% off all home medication equipment DME (Durable Medical Equipment)
	Discount available on pet meds	Prescription Filling, Specialized Compounding, I.V. therapy, Durable medical equipment, Pick up & delivery Service		No I.V. medications are included in the plan
	No quantity restrictions or limits on the number of days supplies	J & A accepts : Texas Medicaid, Medicare, CIDC/NHIC, Texas Workman's Corp, Private Insurance & Major Credit Cards	Lakeside offers a wide variety of prescription items, over the counter medications , nutritional products & an extensive supply of home medical equipment & supplies	
	Free diabetic starter kits for diabetic patients			
	Free in store Cholesterol, Glucose, & Blood pressure screening			
	On site Flu shots and immunizations or at HEB Pharmacies			