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Date: July 11, 2006
To: Honorable Mayor and City Council
From: Councilmember Patrick O'Donnell, Fourth District
Subject: City of Long Beach Prescription Drug Plan

(Handwritten initials)

Background

Prescription drug prices have risen more than 7 percent per year over the last decade. The average retail price of a prescription drug in California is \$51.94 for a 30-day supply. Rising costs impose a particular burden on the one in four uninsured Los Angeles County residents; even those who have insurance may have inadequate drug coverage.

One year ago, I asked City staff to research prescription drug savings programs, and staff provided a report in November 2005. This research found that some companies provide drug discount cards at no cost to the cardholders and at little to no cost to sponsoring agencies. The cards are available to all residents regardless of age, income, insurance coverage, and medical condition. They require no enrollment forms or membership fees. I believe that such a program could benefit Long Beach residents.

Any prescription drug savings program should afford the highest possible discounts to Long Beach residents, offer a wide availability of local pharmacies, and minimize the cost to the City.

Recommendation: Request the City Manager to develop a prescription drug discount program that maximizes discounts for Long Beach residents while minimizing costs to the City, and return to City Council for approval within 90 days.