



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

Board of Supervisors

**DATE:** July 21, 2009  
**BOARD MEETING DATE:** August 4, 2009  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors

**FROM:** Board President Mark Church *MC*  
Supervisor Rose Jacobs Gibson *RJG*

**SUBJECT:** Coast2Coast Rx Discount Prescription Card

**RECOMMENDATION:**

Refer for consideration of the Housing, Health, and Human Services Committee a proposal that the County enter into a contract with Financial Marketing Concepts, Inc. relating to the Coast2Coast Discount Prescription Card.

**BACKGROUND:**

Financial Marketing Concepts, Inc. is a private company that has developed a discount prescription card program that is honored by many major pharmacy companies throughout the County. This company has negotiated agreements with government agencies throughout the United States, including several California counties. Generally, these agreements provide that, in exchange for a government agency's support in publicizing the discount program and in distribution of membership cards, the company produces and makes discount cards available to the public free of charge, administers the discount program, and pays the government agency a royalty for every prescription filled pursuant to the program. This program has offered savings of upwards to 40% annually for participating residents in other counties.

**DISCUSSION:**

Financial Marketing Concepts, Inc. has approached the County and offered to enter into a contract for the distribution of the Coast2Coast Discount Prescription Card. It appears that such a contract may benefit County residents in a number of ways, including the following:

- The Coast2Coast Discount Prescription Card would be honored by many pharmacies throughout the County.
- The cards and associated discounts would be free for County residents and their families.
- Financial Marketing Concepts Inc. would be responsible for expenses associated with distribution of the discount cards and administration of the program (including printing, marketing, education of pharmacies, development of websites, fielding of calls from the public etc.).
- The County would receive a royalty for each prescription filled under the program and will generate additional revenues for the general fund.

As noted, several counties throughout the State including Santa Barbara, Ventura and Alameda, have executed contracts with this company and are participating in programs similar to the one proposed here. I am therefore recommending that this Board refer to its Housing, Health, and Human Services Committee the question of whether the County should enter into a contract with Financial Marketing Concepts, Inc. for establishment of a Coast2Coast Discount Prescription Card program.

**FISCAL IMPACT:**

While the proposed contract provides that Financial Marketing Concepts, Inc. would bear the direct cost of marketing the program and distributing discount cards, there would likely be some incidental County expenses, such as for staff time, involved in the implementation of an adopted program. Such expenses would probably be offset, to an extent, by any royalties received. The exact fiscal impact is unknown at this time, and might be an appropriate matter for investigation by the Housing, Health and Human Services Committee.