



NEW YORK CITY DEPARTMENT OF

HEALTH AND MENTAL HYGIENE

Oxiris Barbot

Acting Commissioner

October 10, 2018

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The Honorable Corey Johnson, Speaker
New York City Council
250 Broadway
New York, NY 10007

Dear Speaker Johnson,

In accordance with the New York City Administrative Code §17-1001 (as amended by Local Law No. 19 of 2005), enclosed please find a copy of the 2017 Prescription Drug Discount Card Act. A report summarizing the Prescription Drug Discount Card Program, known as BigAppleRx, covering the period January 1, 2017 to December 31, 2017 is attached.

Please do not hesitate to contact Sam Miller, Associate Commissioner for External Affairs at (347) 396-4078 or smiller15@health.nyc.gov, if the Department can ever be of assistance.

Sincerely,

A handwritten signature in blue ink that reads "Oxiris Barbot".

Oxiris Barbot, MD
Acting Commissioner



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Oxiris Barbot

Acting Commissioner

CY 2017: BigAppleRx - New York City's official Prescription Discount Card program

BigAppleRx Background

Established by City Council legislation, the BigAppleRx card is a free Pharmacy Discount Card available to everyone living, working or visiting the City, regardless of age, income, citizenship, or health insurance status. Since its debut in May 2011, BigAppleRx has saved New Yorkers over \$45 million as compared to retail prices of medications purchased, a reported overall savings of 41 percent, based on data reported by the Pharmacy Benefit Manager for the BigAppleRx program. New York City Department of Health and Mental Hygiene (DOHMH) is responsible for managing this program and monitoring all affiliated vendors.

The BigAppleRx card ("the Card") provides discounts for a broad range of medications with the BigApple Rx vendor reporting savings over retail prices averaging 40%; 18% for brand-name medications and 54% for generic medications, including over-the-counter medications such as smoking cessation aids and diabetic supplies. No personal information or enrollment is required to use the Card. The Card is accepted at more than 2,000 NYC pharmacies, including all the major chains CVS, Rite Aid, Target and Walgreens/Duane Reade. The Card can also be used outside of NYC at nearly 60,000 pharmacies nationwide. The Card is available at www.BigAppleRx.com along with drug prices and participating pharmacies. The program has a customer services helpline that can be accessed by calling 311.

BigAppleRx Vendors

In 2011, through a competitive bidding process, DOHMH selected HealthTrans Access as the Pharmacy Benefit Manager (PBM) to administer the BigAppleRx program. In 2014, HealthTrans was acquired by Catamaran Discount Services, LLC, which was then merged with OptumRx Services during this reporting year (2015-2016). In 2017, DOHMH amended and extended the contract agreement through August 2018. DOHMH actively working on extending the contract through early 2020, to allow adequate time for the development and the release of RFP, the assessment of vendor bids, and strengthened safeguard measures and controls against opioid abuse for existing and new program agreements, and increased pricing oversight, transparency and guarantees of competitive discount. Subsequent RFPs will seek improvements to the program and services.

Originally a standalone program, the BigAppleRx card was added in the City's IDNYC program in January 2015 (operated by NYC Human Resources Administration). Concurrently with the BigAppleRx card's connection to the City's IDNYC program, the IDNYC card was also part of the ActionHealthNYC program. Program participants used IDNYC cards which served as their membership cards and had access to prescription drug discounts through BigAppleRx as part of this card.

Advertising/Marketing

The PBM continued its advertising and outreach efforts to promote to increase utilization of BigAppleRx, including inserts in a local newspaper (NY Post).

Since the introduction of BigAppleRx in 2011, the Affordable Care Act expanded eligibility for Medicaid and created a marketplace where people can shop for low or no-cost health insurance. As a result, many more New Yorkers have health insurance coverage, which often comes with prescription drug benefits. For this reason, usage of the BigAppleRx card has declined in recent years. However, DOHMH continues



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to work with the PBM to increase awareness of the BigAppleRx card for those who remain uninsured or without prescription drug coverage.

Usage Statistics

The classes of the top drugs filled through BigAppleRx continue to be vitamins, anxiolytics/sedatives, antibiotics, anti-hypertensives and opiates.

From May 2011 (program start) through December 31, 2017:

| | |
|---|--------------|
| Estimated Total Savings by BigAppleRx Cardholders | \$45,678,829 |
| Total Claims Filled | 1,609,204 |
| Claims Filled using BigAppleRx | 1,347,208 |
| Overall Savings compared to Retail Price | 40% |
| Average Savings on Generic Prescriptions | 54 % |
| Average Savings on Name Brand Prescriptions | 18 % |

NYC DOHMH does not have independent access to the data for analysis. The stated savings of \$45 million is in comparison to retail prices as reported by the PBM.

| Claim Date Year | Unique Users | Total Claims | Claims using BigAppleRx | Usual & Customary Rx's | Usual & Customary Amount | Total User Paid Amount | Estimated Savings | User Saving % |
|--------------------|----------------|------------------|-------------------------|------------------------|--------------------------|------------------------|---------------------|---------------|
| 2011 (May-Dec) | 34,103 | 82,224 | 74,327 | 7,897 | \$6,872,471 | \$3,707,428 | \$3,165,043 | 46% |
| 2012 | 73,285 | 231,795 | 202,280 | 29,515 | \$16,642,470 | \$8,805,585 | \$7,828,658 | 47% |
| 2013 | 66,070 | 314,663 | 267,241 | 47,422 | \$21,260,734 | \$11,777,813 | \$9,469,422 | 45% |
| 2014 | 59,598 | 300,919 | 253,942 | 46,977 | \$20,528,802 | \$12,883,393 | \$7,644,898 | 37% |
| 2015 | 44,205 | 264,030 | 215,094 | 48,936 | \$18,506,823 | \$11,087,914 | \$6,920,567 | 37% |
| 2016 | 33,461 | 222,454 | 178,772 | 43,682 | \$16,509,583 | \$10,874,083 | \$5,614,732 | 34% |
| 2017 | 30,967 | 193,119 | 155,552 | 37,594 | \$13,376,137 | \$8,316,131 | \$5,035,510 | 38% |
| Grand Total | 341,689 | 1,609,204 | 1,347,208 | 262,023 | \$113,697,020 | \$67,452,347 | \$45,678,830 | 40% |

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