



Despite law, pharmacies don't give elders discount

By Karen Pallarito

NEW YORK, Mar 13 (Reuters Health) - In a study with broad national implications, California researchers found that 1 in 4 pharmacies in that state fail to offer seniors discounts on prescription medications mandated by law.

Among the pharmacies that do offer the discount as required by law, only 45% offered the cut in price before being asked about it.

The investigation, which involved pharmacy visits by volunteer Medicare beneficiaries with acting experience, found that independent pharmacies were least compliant with the law. Chains were nearly twice as likely as independent pharmacies to offer the discount.

Since independent pharmacies are more likely to be located in low-income neighborhoods, poor Californians most in need of getting discounts on their medications are least likely to get them, the researchers note.

"The message is that beneficiary awareness of pharmacy discount laws...is crucial," said Dr. Joy H. Lewis, a researcher at RAND, the California think-tank, and an internal medicine physician at the Greater Los Angeles Veterans Affairs Health Care System.

Under a 1999 law, California pharmacies participating in Medi-Cal, the state's Medicaid program, must charge customers who present a Medicare card the discounted rate that the state pays for medications. The program is open to all seniors, regardless of income, and promises savings of up to 70%, depending on the drug.

To find out if pharmacies were following the law, Lewis and colleagues sent 15 Medicare beneficiaries into 494 pharmacies with a scripted scenario. In each encounter, the beneficiary asked for prices for a 30-day supply of [Vioxx \(rofecoxib\)](#), [Zoloft \(sertraline\)](#) and [Lipitor](#) (atorvastatin), all used to treat chronic conditions that older people often suffer, such as arthritis or high cholesterol.

After getting prices, they also asked whether the pharmacy offered a "senior discount" and, if so, what those prices would be. Finally, the beneficiary presented a Medicare card and asked for a "Medicare discount."

In order to simulate a real encounter, beneficiaries made no attempt to direct their questions specifically to the pharmacist. "It was whoever was behind the counter where you would normally go to fill your prescription," no matter whether that person was a pharmacist or a clerk, Lewis explained.

The study found that seniors can potentially save a bundle, averaging \$55.70 a month if they take all three drugs. At Medi-Cal rates, the total cost for a 30-day supply of all three drugs was \$218.45. But the savings may be eluding beneficiaries who don't know about the law.

State Sen. Jackie Speier, a Democratic from San Francisco, sponsored the legislation creating the discount program. "The good news is that the program that we created in California, which is the first in the country and very comprehensive,...is saving seniors on average about 20% on their prescription drugs," Speier told Reuters Health. "And we did that without creating a bureaucracy."

But while the study found that 91% of the chain pharmacies are complying with the law, "45% of independents are not," she noted. Overall, 25% failed to offer the required discount.

"It saddens my heart that it's 75% compliance," said Carlo Michelotti, CEO of the California Pharmacists Association (CphA), the largest state pharmacy association in the nation. "On the other hand, I'm delighted it's not a lower number."

Despite its own efforts to educate pharmacists, "some of them just don't get it," Michelotti said. He conceded that many pharmacists don't think the law is fair to them. "It's our cash registers that have to come up with the discounted amounts," he told Reuters Health. "Nonetheless, that's law and we want to see people comply with the law."

In anticipation of the study's publication, Speier recently introduced a bill that lifts a December 31 sunset on the original bill, making those discounts permanent, and requiring drugstores to put up signs telling beneficiaries about the mandated discount.

Michelotti said his association is reviewing the bill and hasn't taken a formal position yet. But CphA does support placing signs in pharmacies to help educate beneficiaries.

The findings have sweeping implications for the growing number of states considering similar legislation. "In 55% of the pharmacies, unless the patient knew to ask for the discount, they wouldn't get it. So it's important for policymakers to consider education and compliance as part of this type of legislation," RAND's Lewis said.

"Something very simple like placing a sign at the cash register...we think could really make a difference," she added.

The California HealthCare Foundation, an Oakland-based philanthropy, commissioned RAND to determine how well the law was working and where improvements might be necessary.

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