



The Role of Discount Cards

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Prescription drug discount card programs are designed to help consumers save money on their medications.

A discount card program can help lower the cost of drugs for the 27 percent of Medicare seniors who must bear the full cost of their own prescriptions without assistance from health insurance or other third-party payors.

How Discount Cards Work

Pharmacy benefit managers (PBMs) have been offering discount cards to their customers for several years. The programs allow customers to purchase their prescription drugs at a lower price. However, customers are not required to purchase their medication with the discount cards. If they find the prescription drug at a lower cost outside of the discount card program, they can buy the drug without using the card.

Proven Savings

Discount cards generally reduce brand drug prices by approximately 10 to 25 percent and cut generic drug prices by approximately 40 to 60 percent. A recent PCMA analysis compared the prices for prescription drugs available through two PBM discount card programs to the cash prices paid by individuals in a typical retail drug store setting. Data was collected through a national sampling of retail pharmacies that looked at eight brand and generic medications. This analysis showed discount card savings as great as 36.9 percent for brand drugs and 68.7 percent for generics compared to the amounts paid out of pocket by customers who did not have the discount cards. PCMA data showed, for example, that for the drug Glucotrol, a prescription used to treat diabetes, a discount card could save as much as 24.3 percent in a retail setting and 36.9 percent in a mail order facility. Individuals who utilize generic medications achieved even greater savings. Discount cards reduced the cost of metoprolol, an antihypertensive medication, as much as 65.4 percent through retail and 68.7 percent through mail order. However, savings may vary between drug types, and discount cards may not provide a savings for every drug.

PCMA's Position on Discount Cards

The Pharmaceutical Care Management Association (PCMA) supports making discount cards available to seniors covered under Medicare as a positive first step toward providing America's seniors with comprehensive prescription drug coverage. PCMA recognizes that even greater savings and opportunities to improve the quality of pharmaceutical care can be made available to seniors through the enactment of comprehensive prescription drug coverage.

"Organizations with the greatest ability to affect prescribing get the best prices."

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