




**DEPARTMENT OF ADMINISTRATION & FINANCE  
FINANCE DIVISION**

**Gary A. Schmid, CPA, CGFM**  
*Manager of Finance/Comptroller*  
gschmid@ci.west-allis.wi.us  
**Kristine Moen, CPA**  
*Finance Supervisor*  
kmoen@ci.west-allis.wi.us  
**Mary Storbeck**  
*Senior Accountant*  
mstorbeck@ci.west-allis.wi.us  
**Kristen Victory**  
*Accountant*  
kvictory@ci.west-allis.wi.us

To: Common Council

From: Gary Schmid, City Comptroller 

Date: 5/14/08

RE: Communication requesting support in offering a smoking cessation program and an over-the-counter drug program.

As you recall, last year, with your support, we began a Wellness program which has the following goals: 1) inspire City of West Allis employees to lead healthier lifestyles, 2) control healthcare costs for the City of West Allis, 3) increase awareness of how health habits impact health costs and 4) engage employees in becoming better healthcare consumers.

With this in mind the Labor Management Health Insurance Committee would like to request your support in offering two new programs which we believe will not only lead to healthier employees in the future but will also reduce the cost of offering the health insurance benefit to our employees. Both of these programs will be offered on a trial basis and may be withdrawn or modified in the event the goals of the individual programs are not being met.

The first program is a smoking cessation program. The ultimate goal of this program is to assist our members to quit smoking. The program will cover all over the counter (OTC) smoking cessation products and prescription drugs subject to a lifetime maximum benefit of \$500. In addition, smoking cessation counseling or other treatment

programs for tobacco use treatment will be covered, subject to a limit of up to 12 counseling or treatment sessions per year and a lifetime maximum benefit of \$500 paid.

Although the up front cost of this program will be somewhat expensive, the long term benefit to the City will be reduced costs and healthier employees and to that end we believe the long term benefits will outweigh the up front expenditures. As an example: If 60 employees take us up on this offer, the cost may be up to \$60,000 but compared to the savings of eliminating one lung transplant or eliminating one heart attack - the cost seems minor in comparison.

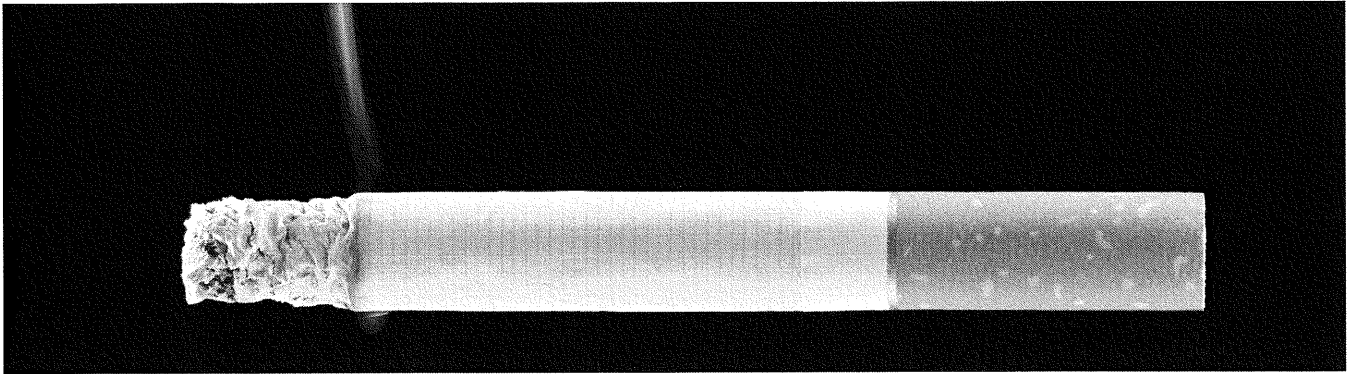
Additional details of the smoking cessation program may be found on attachment A.

The second program we are recommending is an Over the Counter Drugs (OTC) replacement program. The goal of this program is to move employees from more expensive prescription drugs in the non-sedating antihistamine and gastrointestinal categories to an OTC version with no co-payment.

The employee will still need to have a prescription from their doctor but instead of a prescription for name brand such as Nexium which cost \$168 a month they would write out a prescription for Prilosec OTC which will cost the city about \$23 a month. In this case both the city and the employee will benefit. The employee will benefit by not having to pay the \$30 co-pay (non-union) and the city will benefit because instead of paying out a net of \$138 (\$168 - \$30) it will be paying out \$23.

Additional details of the OTC program may be found on attachment B.

Both of the programs will be offered to the active and retired employees of the city who are currently active in our health insurance program. This program will also be extended to the covered individuals' family – the only exception at this time is that an individual must be over 18 to participate in the smoking cessation program. In the future, if there is no objection, we may want to offer the smoking cessation program to all employees once we gain some experience on the overall costs and effectiveness of offering such a benefit.

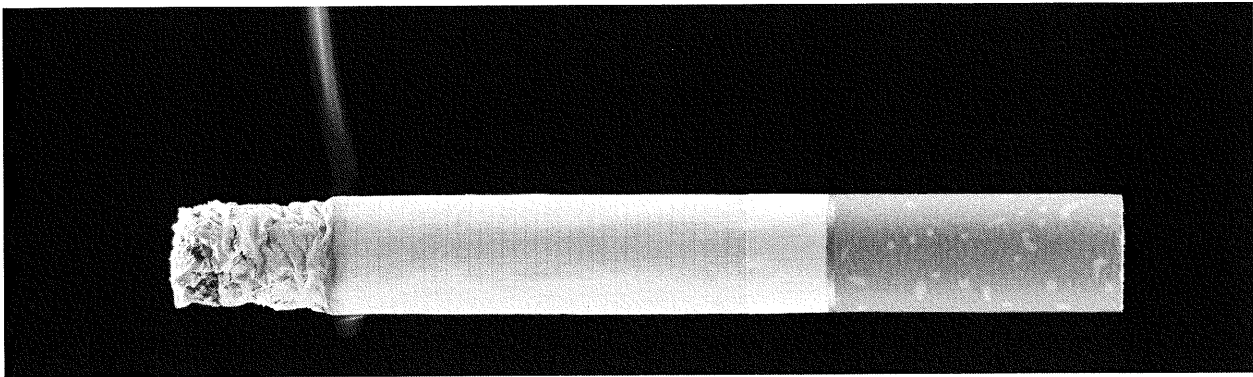


The City of West Allis urges you to kick some butts! Why is this so important? Your health is at risk and it is not limited to your lungs!

- Smokers are at risk for cancer of the lung, mouth, larynx (voice box), pharynx (throat), esophagus, bladder, kidney, pancreas, cervix and stomach, and some forms of leukemia.
- Smokers are at risk of pneumonia, emphysema and chronic bronchitis. These diseases, lumped together as chronic obstructive pulmonary disease (COPD), cause long-term debilitating health problems and can sometimes be fatal.
- Smokers are 50 percent more likely to die from a heart attack than nonsmokers, and have a greater chance of developing peripheral vascular disease (narrowing of blood vessels that carry blood to the legs and arms).
- Smoking affects the walls of the blood vessels that carry blood to the brain, which causes strokes.
- Male smokers are at risk of erectile dysfunction because of blood vessel disease.
- Female smokers over 35 years old who use oral contraceptives are at risk of heart attack, stroke and blood clots in the legs.
- Babies born to smoking mothers are more likely to have a low birth weight which tends to cause learning and physical impairments.
- Wrinkling of the skin, yellow fingernails and bad breath are all caused by smoking.
- Smoking increases the risk of macular degeneration, a common cause of blindness.
- Overall, male smokers lose an average of 13.2 years of life and females lose 14.5 years, according to the U.S. Centers for Disease Control and Prevention (CDC).

**See reverse side for benefit coverage information.**

*Attachment A*



## Are you motivated to quit yet?

To help assist you in your quest to quit, The City of West Allis will offer coverage for smoking cessation treatment beginning July 1, 2008.

- All over the counter (OTC) smoking cessation products and prescription drugs will be covered subject to a lifetime maximum benefit of \$500 paid. There is no copayment required. Following is a list\* of covered drugs:

Type	Form	Common Brand Name(s)	Availability
Nicotine Replacement Therapy	Gum	Nicorette®	OTC
	Patch	Nicoderm®, Habitrol®, Prostep®, Nicotrol®	OTC & Prescription
	Inhaler	Nicotrol®	Prescription
	Nasal Spray	Nicotrol®	Prescription
	Lozenge	Commit®	OTC
Bupropion SR	Pill	Zyban®, Wellbutrin®	Prescription
Varenicline tartrate	Pill	Chantix	Prescription

\*subject to modification

NOTE: Prescription drugs and any over the counter products for the treatment of smoking cessation will be covered through your prescription drug program. You will need to request a prescription from your doctor and then have that prescription filled in the normal fashion at your local pharmacy. Prescriptions will only be filled at the retail level. **Mail order is not an option for this program.**

- Smoking cessation counseling or other treatment programs for tobacco use treatment are also covered, subject to a limit of up to 12 counseling or treatment sessions per year and a lifetime maximum benefit of \$500 paid. (Telephonic and in-person counseling are covered.)

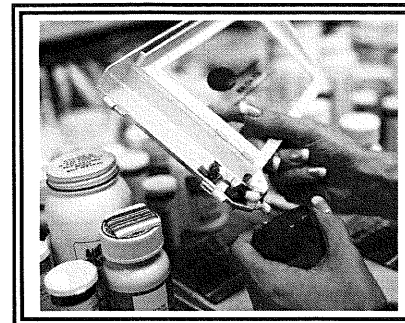
**To receive reimbursement for the counseling sessions please complete the Smoking Cessation Reimbursement Form. The form is available on the Intranet, Document Library, Human Resources Division or by contacting the Human Resources Division at x8270. (Receipts will be required to receive reimbursement.)**

Please contact the Human Resources Division with any questions on program requirements.

# PHARMACY ALERT



## Over The Counter Drugs (OTC)



**Good News:** Effective July 1<sup>st</sup>, 2008, we will begin offering coverage for certain OTC drugs through our prescription drug plan with **NO Copayment**. OTC drugs in the non-sedating antihistamine (allergy) and gastrointestinal (heartburn) categories will be covered under this change.

Today there are many different Over The Counter (OTC) drugs. As an alternative to some prescription drugs, you may want to consider an over the counter drug. Many of them were previously only available by prescription. When your doctor prescribes a non sedating antihistamine or gastrointestinal drug for you, ask him/her if there is a less expensive alternative available (OTC). Talk to your doctor to find out if an OTC drug is right for you.

Examples of OTC drugs that were previously only available by prescription are Claritin, Zyrtec, Alavert, and Prilosec. Please see the reverse side of this announcement for a list of covered OTC drugs.

In order to obtain the OTC drug with **NO copayment**, you will need to have a prescription from your doctor. Tell your doctor that your prescription plan covers certain over the counter drugs (with a prescription). Ask him/her to write a prescription for the OTC drug; then take the prescription to your pharmacy and ask the pharmacist to run the claim through your prescription plan (present your ID card to the pharmacist).

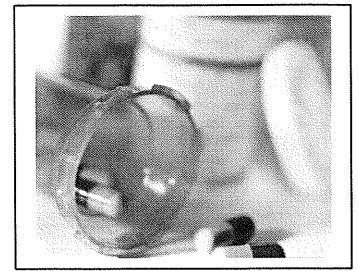
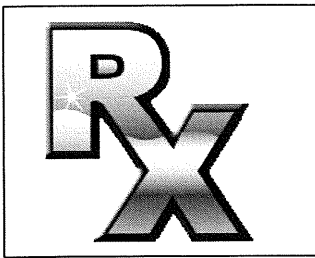
The following tables illustrate potential cost savings between some common prescription medications and their OTC alternative:

Drug Name	Average Monthly Cost (1 pill / day)	Prilosec OTC Average Monthly Cost (1 pill / day)
Nexium	\$168.30	\$22.80
Protonix	\$109.20	\$22.80
Prevacid	\$171.30	\$22.80
Aciphex	\$163.20	\$22.80
Omeprazole	\$25.00	\$22.80
Zegerid	\$117.00	\$22.80

Drug Name	Average Monthly Cost - 30 days @ 1 pill / day	Claritin Average Monthly Cost - 30 days @ 1 pill / day	Alavert (Loratidine) Average Monthly Cost - 30 days @ 1 pill / day	Zyrtec OTC Average Monthly Cost - 30 days @ 1 pill / day
Clarinet	\$90.00	\$23.10	\$16.80	\$22.50
Allegra	\$24.60-\$49.20	\$23.10	\$16.80	\$22.50
Fexofenadine	\$20.40	\$23.10	\$16.80	\$22.50
Zyrtec Rx	\$66.60	\$23.10	\$16.80	\$22.50
Xyzal	\$84.30	\$23.10	\$16.80	\$22.50

**Remember: Always consult with your doctor before making any medication changes**

Find out if an OTC drug is right for you and you could save money on copayments



Currently available Over The Counter drugs include:  
(note that private label brands of these drugs are also covered)

<b><u>OTC Drug</u></b>	<b><u>Strength</u></b>	<b><u>Formulation</u></b>	<b><u>Package Size</u></b>
Zyrtec	5mg	Chewable Tablet	5
Zyrtec	10mg	Chewable Tablet	12
Zyrtec	1mg/ml	Solution	118
Zyrtec	10mg	Tablet	142; 14; 30 or 45
Zyrtec D	120/5	Tablet	12 or 24
<b>Claritin</b>	<b>10mg</b>	<b>Tablet</b>	<b>10; 20; 30 or 45</b>
<b>Claritin</b>	<b>10mg</b>	<b>Readi-Tabs</b>	<b>10 or 30</b>
<b>Claritin</b>	<b>5mg/5ml</b>	<b>Solution</b>	<b>120 or 240</b>
<b>Claritin-D</b>	<b>120/5</b>	<b>Tablet</b>	<b>10; 15; 20; 30; 45; 60</b>
<b>Prilosec OTC</b>	<b>20mg</b>	<b>Tablet</b>	<b>14; 28 or 42</b>
<b>Alavert</b>	<b>10 mg</b>	<b>Tablet</b>	<b>30; 48 or 60</b>
<b>Alavert - D</b>		<b>Tablet</b>	<b>24</b>