



## Greater Tompkins County Municipal Health Insurance Consortium

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*"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."*

### **RESOLUTION NO. 002- 2017 – IMPLEMENTATION OF A PROCESS TO ALLOW FOR REIMBURSEMENT OF PRESCRIPTION MAINTENANCE MEDICATION PURCHASED VOLUNTARILY AND INDEPENDENTLY BY COVERED INDIVIDUALS THROUGH CANARX**

MOVED by Ms. Rider, seconded by Mr. Fracchia. A vote by show of hands resulted as follows: Ayes – 21, Noes – 3 (Fracchia, Goldman, and Rungay\*); Excused – 10. RESOLUTION ADOPTED. \*Upon notification to Directors not in attendance the vote record was adjusted accordingly).

WHEREAS, CanaRx Services, Inc. ("CanaRx") is a Canadian Corporation, incorporated in 2002 that holds itself as providing safe, affordable brand name maintenance medications at a uniform reduced cost to American residents, and

WHEREAS, CanaRx contracts with government-licensed pharmacies in Canada, the United Kingdom, Australia, and New Zealand to supply government-certified Name Brand 90- day maintenance medications (approximately 300 medications) packaged and sealed by the original manufacturer, for direct delivery to participants, and

WHEREAS, CanaRx purports to be fully HIPAA compliant, fully-licensed, fully-regulated, and compliant with the laws of the dispensing jurisdiction, and

WHEREAS, CanaRx offers the purchase of its medications via voluntary participation for personal use, and CanaRx has represented that its importation of FDA-approved prescription medicine made by FDA-regulated manufacturers, rigorously conforms with the standards set forth by the United States Food and Drug Administration, is fully legal under the laws of the United States, and poses no additional risk the public's health and safety, and

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (the "Consortium") has relied on these representations, warranties, and assurances, and

WHEREAS, the Consortium will not enter into any direct contractual arrangement with CanaRx in order to pay the prescription medication claims incurred by covered individuals within the Consortium who voluntarily and independently choose CanaRx to fill those prescriptions, and

WHEREAS, the Consortium's current health benefit plans offer mail order copays of \$10-\$30 for 2 tier plans, and \$20 to \$140 in 3 tier plans, and

WHEREAS, the CanaRx formulary has a \$0 copay for all medications, which saves members in 3-tier plans between \$80 and \$560 per year, and

WHEREAS, a study by ProAct, Inc. ("ProAct"), of the Consortium's 2015 drug utilization performance predicted that utilization of CanaRx medications would cost on average 65% less than the same medications purchased through ProAct, and using the 2015 drug utilization performance that study further predicted that had all 5,392 claims for medications available from the CanaRx formulary been purchased from CanaRx, the Consortium's medication claim spend would have been decreased by more than \$1.6 million representing a significant reduction of the cost of covered medications, and

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WHEREAS, the Owing Your Own Health and Joint Committee on Plan Structure and Design have adopted resolutions urging the Consortium to take advantage of this opportunity for its members, and

WHEREAS, Tompkins County has been permitting its covered employees and retirees to use CanaRx to fill their Brand Name maintenance medications since 2007, now therefore be it

RESOLVED, on recommendation of the Owing Your Own Health Committee, Audit and Finance Committee, and the Joint Committee on Plan Structure and Design, That the GTCMHIC Board of Directors hereby directs the Executive Director to give notice to its current Prescription Benefits Manager, ProAct, to implement a process with CanaRx to allow for reimbursement of the cost of prescription maintenance medication purchased voluntarily and independently by covered individuals through the CanaRx formulary, and

RESOLVED, further, That the GTCMHIC Board of Directors hereby agrees that the Consortium may implement such processes as are necessary to provide for such reimbursement directly to CanaRx on behalf of covered individuals choosing to purchase prescription maintenance medication through the CanaRx formulary, including those employees of Tompkins County with pre-existing CanaRx contracts.

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STATE OF NEW YORK    )  
                                  ) ss:  
COUNTY OF TOMPKINS )

I hereby certify that the foregoing is a true and correct transcript of a motion adopted by the Greater Tompkins County Municipal Health Insurance Consortium on March 23, 2017.

  
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Michelle Pottorff, Administrative Clerk