



# State of New York County of Broome Government Offices

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## **Risk and Insurance**

Jason T. Garnar, County Executive · Thomas Dellapenna, Risk Manager

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### **Broome County to Save up to \$5 Million with Pharmacy Coalition** *Savings Could Double to \$10 Million if Eligible for Matching State Funds*

(BINGHAMTON, NY) Broome County Executive Jason Garnar and Thomas Dellapenna, Risk Manager, announced today that the county will be joining the Keenan Pharmacy Purchasing Coalition (KPPC) which will result in millions of dollars in cost-savings by dramatically reducing the costs of prescriptions.

In total by joining the coalition, Broome County could save up to \$10 million. This includes up to \$5 million from joining the coalition and the potential of an additional \$5 million in matching state funds as a part of Governor Andrew Cuomo's County-Wide Shared Services Initiative Plan.

A resolution for an agreement to join the Coalition has been submitted to the Broome County Legislature to be considered in the March session.

According to Risk Manager Thomas Dellapenna, joining the Keenan Pharmacy Purchasing Coalition (KPPC) will save Broome County 21% of the current annual prescription plan cost, which has potential savings to the county of \$3 million dollars. This savings figure is for the exact plan structure and drug formulary currently in place.

In addition, joining the coalition gives Broome County the ability to review additional programs and services that can further reduce costs in the future. These programs look to improve generic utilization and help educate members and doctors about lower cost drug alternatives. Keenan estimates the savings from this piece of the program would save Broome County up to \$2 million. Making the total savings to Broome County for joining the coalition up to \$5 million.

"Any time you can talk about saving millions of dollars, it's a game-changer," said Jason Garnar, Broome County Executive.

The Keenan Pharmacy Purchasing Coalition delivers cost savings and the most advanced prescription management capabilities for self-funded clients. KPPC's enrollment is approaching 600,000 members and growing.

The negotiating strength of KPPC allows members to take advantage of volume discount pricing and generous manufacturer rebates. KPPC guarantees improvement in all areas of drug cost management without changing existing plan designs.

"I'm excited to join a coalition that will allow the county to experience greater volume discount pricing while not sacrificing any benefits to our county employees' plan," said Dellapenna.

Joining KPPC was included in Broome County's County-Wide Shared Services Initiative Plan submitted in 2017. In total, Broome County's plan submitted to the state identified a potential \$20 million in taxpayer savings. If deemed eligible, Broome County could receive matching state funding for projects included in the plan for savings within the first year.

Governor Andrew Cuomo's County-Wide Shared Services Initiative required county officials in 2017 to develop localized plans that find property tax savings by coordinating and eliminating duplicative services and propose coordinated services to enhance purchasing power.

Members of the panel included officials from all 24 municipalities (towns and villages) in Broome County. The shared services plan was unanimously approved by the panel.