

Tennessee Society of CPAs

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Five Tips to Manage Your Prescription Drug Costs

Do you feel you're spending too much on your prescriptions? That's not too surprising, because Americans laid out an estimated \$457 billion on prescription drugs in 2015, according to the U.S. Department of Health and Human Services, up about 8 percent from 2014. And one-third of Americans reported facing recent hikes in their prescription costs, a *Consumer Reports* study found. Don't despair, however, because the Tennessee Society of CPAs has some smart ideas for trimming those costs.

Check the Out-of-Pocket Price

Many chain pharmacies offer common generic medications at very low prices to customers who are paying out-of-pocket. If you have prescription drug coverage, it's a good idea to ask the pharmacist one important question: What would this drug cost me if I didn't have insurance? In most cases, the price you pay when you use your prescription drug coverage will be lower, but it's worth asking to see if paying out of pocket gets you an even better discount.

Shop Around

Check how much other pharmacies are charging for the medications you need. A *Consumer Reports* study found that you could pay as much as 10 times more for the same drugs at different retailers in the same area. Their experts recommended checking prices at a variety of stores before buying to see if you can shave costs. And do this regularly, since prices can change. Don't hesitate to ask for a discount, either, since some stores may be willing to negotiate.

Look into Assistance Programs

Many drug companies offer discount programs for those who can't afford their medications. Organizations such as [NeedyMeds](#) and the [Partnership for Prescription Assistance](#) provide extensive information on discounts. In addition, free cost-cutting cards that can help you afford drugs that your

insurance doesn't cover or that have high deductibles include the FamilyWise Prescription Savings Card from the [National Council on Aging](#), which anyone can use to seek cost-saving options, and NeedyMeds' [Drug Discount Card](#). Both can be found online and are printable or downloadable.

Think Ahead

In some cases, you may be able to save money if you get a 90-day prescription instead of one for 30 days. It will also save you trips to the pharmacy if you get three months' worth of supplies all at once. Not all prescriptions are available in this amount, and the pharmacy may need to consult your doctor to make this change, but be sure to ask because it might save you some cash.

Be Aware that Prices for Generics Can Rise, Too

This used to be an easy choice: pick the cheaper generic alternative to high-cost brand-name drugs. Today, that choice may not solve the problem. Average prices for some generic drugs have skyrocketed, jumping as much as 1,000 percent or more in some cases, according to AARP. When you're making decisions about which medication is best for you, ask for prices on all your options, since you may no longer be able to assume that the generic alternative will always be a bargain.

Your Local CPA Can Help

If you want more tips on simple steps you can take to make your dollar go farther, turn to your local CPA. He or she can provide practical advice that can help you address all your financial questions and concerns.

About Money Management

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