2013 Annual Report
An Executive Summary
From the CEO

NCPA exists to be the voice of community pharmacy—small business owner health care providers caring for the people in their communities and neighborhoods. This report highlights our activities in 2013 and, while the coming year will continue to present no shortage of opportunities and challenges, community pharmacy will persevere just as it has before. We will continue to demonstrate our value and we will evolve as the circumstances around us change. All the while, NCPA is here with you as the megaphone for your voice.

NCPA CEO
B. Douglas Hoey, Pharmacist, MBA

NCPA Board of Directors 2013–14

MARK RILEY, RPh, Arkansas Pharmacists Association, Little Rock, Ark.
President

President-Elect

BRADLEY J. ARTHUR, RPh, Black Rock Pharmacy, Buffalo, N.Y.
Chairman

DEANN MULLINS, RPh, WeCare Mullins Pharmacy, Lynn Haven, Fla.
Board Member

Board Member

MICHELE BELCHER, RPh, Grants Pass Pharmacy, Grants Pass, Ore.
Board Member

DONNIE CALHOUN, RPh, Golden Springs Pharmacy, Anniston, Ala.
Immediate Past President

Board Member

DOUGLAS HOEY, PHARMACIST, MBA,
NCPA, Alexandria, Va.
CEO
Goal I
INDEPENDENT COMMUNITY PHARMACIES ARE RECOGNIZED/VALUED AS PART OF HEALTH CARE SOLUTIONS

In 2013, NCPA repeatedly promoted the fact that community pharmacists were recognized again for being trustworthy and generating high customer satisfaction. The annual Gallup survey regarding professional honesty and ethics recognized pharmacists as the second most-trusted profession in America. In addition, independent community pharmacies received strong customer satisfaction ratings by patients participating in the J.D. Power 2013 U.S. Pharmacy Study™ as well as the Pharmacy Satisfaction poll sponsored by Boehringer Ingelheim Pharmaceuticals, Inc.

NCPA took many steps to continue an aggressive outreach campaign to educate policymakers, payers, health care providers, stakeholders, the media and patients about the community pharmacists’ critical role in health care. In 2013, NCPA was quoted or referenced 500+ times in newspapers and on TV and countless times on blogs and other Internet sites. NCPA’s message has been covered in influential publications such as The Wall Street Journal, The New York Times and The Washington Post. We have posted 200+ messages via the NCPA Facebook page and 700+ tweets via Twitter. A global tweet-a-thon about pharmacists helping patients, initiated by NCPA, generated 7,111 tweets in one day, on which #pharmacist became the #1 “trending” health care hashtag. In addition, NCPA paid advertisements appeared in Roll Call, The Hill and other key media outlets.

Goal II
PUBLIC POLICY AND LEGISLATION ARE FAVORABLE TO THE PRACTICE OF INDEPENDENT COMMUNITY PHARMACY

Goal III
BARRIERS TO SUCCESS IN THE PRACTICE OF INDEPENDENT COMMUNITY PHARMACY ARE MITIGATED

NCPA represents independent community pharmacists in Congress, the regulatory arena and in the states (alongside local groups and pharmacists). Thanks to your support of NCPA member grassroots efforts, the NCPA Legal and Legislative Defense Fund (LDF), and the NCPA Political Action Committee (PAC), our work to find and advance solutions that are pro-patient, pro-pharmacy, and pro-small business is made possible. 2013 highlights included:

+ In the wake of the 2012 tragic meningitis outbreak and calls for more compounding oversight, NCPA and legislators forged a bipartisan, House-Senate compromise that became law in late 2013. H.R. 3204 adds important patient protections and enhances the security and integrity of America’s pharmaceutical supply chain. It preserves state regulation of compounding by independent community pharmacies, and the law’s “track and trace” provisions will save the typical independent pharmacy $110,000 over 10 years. House Energy and Commerce Committee Chairman Fred Upton (R-Mich.), Health Subcommittee Chairman Joe Pitts (R-Pa.) and Senator Pat Roberts (R-Kan.) praised NCPA’s efforts during the debate over the legislation, as evidenced by a speech by Sen. Roberts.
NCPA generated new federal legislation addressing MACs, audits and other PBM abuses as well as DME concerns. These bills include: Medicare Prescription Drug Program Integrity and Transparency Act (S. 867); the Diabetic Testing Supply Access Act (H.R. 2845); and the Preserving our Hometown Independent Pharmacies Act (H.R. 1188).

At three congressional hearings, NCPA testified on behalf of all independent community pharmacists. NCPA also led congressional staff briefings on pharmacy issues, in conjunction with the bipartisan Congressional Community Pharmacy Caucus.

NCPA continues to advocate for your livelihood and your patients’ well-being.

**Goal IV**

**MEMBERS HAVE SKILLS, KNOWLEDGE AND RESOURCES TO BETTER SERVE PATIENTS AND BE SUCCESSFUL**

NCPA and RxWiki, Inc., a leading pharmacy media network, launched a new partnership in 2013 offering free, digital solutions to community pharmacies across the country. Through the NCPA Digital Pharmacist Solution, powered by RxWiki, NCPA members have access to no-cost website, social media and mobile content solutions for pharmacies to deliver health information to patients.

At the state level, five states enacted new MAC transparency laws (Ark., Ky., N.D., Ore. and Texas) utilizing NCPA model legislative language. Oregon’s law also covered PBM licensure and audit reform. Hawaii and Pennsylvania enacted Anti-Mandatory Mail Order legislation. Hawaii enacted a separate law preventing the use of PBM-owned mail order services to those patients.

At three congressional hearings, NCPA testified on behalf of all independent community pharmacists. NCPA also led congressional staff briefings on pharmacy issues, in conjunction with the bipartisan Congressional Community Pharmacy Caucus.

NCPPA and RxWiki, Inc., a leading pharmacy media network, launched a new partnership in 2013 offering free, digital solutions to community pharmacies across the country. Through the NCPA Digital Pharmacist Solution, powered by RxWiki, NCPA members have access to no-cost website, social media and mobile content solutions for pharmacies to deliver health information to patients.

Combating pro-mail order and preferred pharmacy plan designs by commissioning original research and prompting new research by Medicare. One study of Medicare data found that community pharmacies provide 90-day medication supplies at lower cost than mail order pharmacies and that local pharmacists substitute lower-cost generic drugs more often when compared to mail order pharmacies. Another documented the significant concerns that seniors harbor toward mandatory mail order requirements. In addition, NCPA’s efforts led to studies by CMS finding that preferred pharmacy PDPs frequently result in higher costs to Medicare; that nearly 40 percent of the time mail order was more expensive for Medicare than community pharmacies; and that seniors frequently complain about a wide range of problems with mail order, including shipping unnecessary medication and going without medication due to delayed shipments.

The NCPA Front-End Overhaul member service program has provided over 4,500 NCPA members with targeted information on front-end merchandising, marketing, store floor plan and layout advice. Front-End Profit Building Seminars were conducted in a number of major cites that drew a collective 250 attendees.

NCPPA enhanced its Bookstore ownership guides by publishing Pharmacy Junior Partnership: A How-to Guide on the transition of duties and responsibilities between partners as well as parameters for buy-back or buy-out. The first edition sold out and total sales are nearing 200 copies. For compliance with new 2013 privacy requirements, the NCPA Bookstore offered PRS Pharmacy Services’ HIPAA Track program. Accountable Care Organizations booklets were published. NCPA secured a new member discount on the iMedicare App, which allows pharmacists to easily help patients choose a Medicare Part D plan for their medications, compared to the cumbersome Plan Finder website.
To help pre-empt drug plan designs, such as mandatory mail order, NCPA released the *Take Charge of Rx Benefits in Your Community* resource, intended to aid community pharmacist outreach to local employers and other health plan sponsors.

To prepare its members for the 2014 launch of health insurance exchanges under the Affordable Care Act/Obamacare, NCPA prepared an online toolkit for community pharmacists.

Approximately 1,100 users have registered to date with PharmacyMatching.com, a free website matching potential buyers and sellers of independent pharmacies and those seeking pharmacy employment.

The Good Neighbor Pharmacy NCPA Pruitt-Schutte Student Business Plan Competition drew entries from 39 schools and colleges of pharmacy. 2013 marked the 10th year of the NCPA Student Affairs initiative.

NCPA’s Long-Term Care (LTC) Division released a study demonstrating that LTC pharmacies incur dispensing costs that are 25 percent higher than those of traditional retail pharmacies, and provide additional services to meet the unique health needs of LTC residents. Released soon after implementation of new requirements for short-cycle dispensing in Medicare Part D intended to curb waste, it served as a reminder that consecutive 14-day prescriptions may result in higher dispensing costs which must be fairly reflected in pharmacy reimbursement models. NCPA also endorsed the Medicare Efficient Drug Dispensing Act of 2013, to ensure the original intent of the short-cycle dispensing policy is carried out by plan sponsors, and that pharmacies are protected from being paid a lower (“prorated”) dispensing fee for filling short-cycle prescriptions, even though they require just as much work as traditional prescriptions.

Continuing education opportunities were made available online at Pharmacist e-Link, via America’s Pharmacist™ magazine and at NCPA meetings:

**Events and Meetings**

**NCPA Multiple Locations Pharmacy Conference**—More than 100 multi-store owners, single pharmacy owners, and buying groups representing 10,000+ pharmacies met in Aruba to discuss current issues affecting store expansion.

**Annual Conference on National Legislation and Government Affairs**—More than 250 pharmacists gathered in the nation’s capital to conduct over 500 meetings on Capitol Hill and advocate for patient choice.

**Annual Convention and Trade Exposition** - In Orlando, 3,000+ attendees convened to achieve the event’s goals to Meet. Learn. Succeed., featuring an address by President Bill Clinton and 19 contact hours of accredited education. In conjunction with the meeting, NCPA offered a half-day program to help pharmacy owners sell their pharmacy to another pharmacist looking for ownership in independent pharmacy.

**NCPA hosted one Diabetes Accreditation Standards-Practical Applications (DASPA) program**, featuring a case management approach to patient care and a pathway to completing accreditation to bill Medicare for DSME/T services.

**LTC Business Fundamentals program** (formerly Community Aging, Assisted Living, and Long-Term Care (CAALL-TC)) – Three events were offered, teaching pharmacists how to efficiently and profitably provide long-term care services.

Three Pharmacy Ownership Workshops, sponsored by McKesson, were hosted, drawing 193 attendees.

NCPA uses a number of communication vehicles to provide information and resources to members, including America’s Pharmacist™ magazine, eNews Weekly, Executive Update, and Advocacy Alert newsletters.

**Goal V**

**MEMBERS RECEIVE EXCLUSIVE DISCOUNTS AND BENEFITS**

As a membership organization, NCPA is continually reaching out to offer programs and services that will enhance member value, such as members’ exclusive access to the NCPA Digital Pharmacist Solution; planning and marketing materials for the Simplify My Meds program; consults from Gabe Trahan for Front-End Overhaul; and discounts on services for Dispose My Meds and Protect Your Pharmacy Now! programs.

Membership in NCPA continues to be robust. We are fortunate to work with a number of groups that support NCPA by committing to 100% membership participation from their members/customers. These groups include: Alliance of Independent Pharmacists of Texas, Association of Northwest Pharmacies, CARE Pharmacies, GeriMed, Independent Pharmacy Buying Group, Keystone Pharmacy Purchasing Alliance, Louisiana Independent Pharmacies Association, Northeast Pharmacy Services Corp., Pharmacy Providers of Oklahoma, Inc., Quality Care and RxPlus.

NCPA corporate members include, but are not limited to, pharmaceutical companies, independent pharmacy organizations (IPOs), wholesalers, and software and technology vendors. Along with the IPOs, wholesalers and state associations continue to work closely with NCPA on co-marketing of our annual convention and membership. In addition, NCPA participates in a number of national and regional wholesaler and IPO conferences each year.