Bank Partnership Helps Finance Independent Pharmacy Purchases

NCPA is partnering with Live Oak Bank of Wilmington, N.C., to help keep independent community pharmacies independent. Prospective owners nationwide will be able to more easily apply for the large lump sum payments to purchase independent community pharmacies much like publicly traded chain pharmacies do.

Traditionally, lending institutions treat independent community pharmacies like any other small business and offer financial terms that can be a non-starter for prospective owners. By contrast, Live Oak Bank is a lender that recognizes the pharmacist’s earning power and the value of resalable inventory and prescription files. The bank got its start with financing veterinary practices.

The genesis for the partnership began at the NCPA Annual Convention in New Orleans in 2009. NCPA member and pharmacy owner Eddie Webman brought Live Oak Bank’s CEO and Chairman of the Board James “Chip” Mahan, and Brian Faulk, senior loan officer/owner, to the meeting to discuss how their financial assistance for independent community pharmacies could be taken to the next level. The ensuing year produced the parameters of the partnership with NCPA that was announced at last year’s annual convention in Philadelphia.

NCPA will alert prospective owners of the financing assistance are through the Independent Pharmacy Matching Service, a program and website devoted to bringing independent buyers and sellers together. Also, there is NCPA’s Ownership Workshop sponsored by McKesson, a continuing education program offered three times a year and designed to eliminate all the “guesswork” to become a successful independent community pharmacy owner.

“It has become clear to us that the major chains are interested only in the customer script count, or customer base, and have priced those independent pharmacy acquisitions accordingly,” Mahan said. “Live Oak Bank has been able to work with buyers and sellers to properly identify the appropriate value for the business, resulting in preserving the integrity of the employee base that will allow the independent pharmacy under new ownership to serve their existing customer with the care and attention that the chains simply cannot match. We fully expect to facilitate over $100 million in transactions in 2011.”

Talking to a patient about suspected medication non-adherence does not have to be an uncomfortable discussion. While you may be unsure of a patient’s reaction to insinuations that they aren’t taking their medications, the clinical and financial consequences of them not adhering to their therapy should outweigh hurt feelings. Explain to your patients that they are concerned that they may not be getting the most from their medication, and that they could be at risk for complications. Being their community pharmacist, you already have an edge because your patients have trust in you and come to you for health advice and guidance. That trust is pretty powerful stuff, and patients are bound to open up to you. You already chat with them about everything from the weather to college football to their grandkids, so hone in on those relationships to talk about the importance of staying on their medications.

It is important to remember that every...
MAY FILL AFTER THIS DATE INSTRUCTIONS

Q: What happens if a prescriber writes, “May Fill After This Date” on a prescription order, but the patient needs it before that date?

A: Auditors review everything a prescriber writes on a prescription. Ancillary instructions to not fill a prescription until a specified date are considered the earliest date that prescription can be filled.

Recent audits have recovered payment on prescriptions that were filled before the authorized date. Lacking any further documentation, auditors view this practice of filling a prescription before authorized as a violation.

PAAS advised that prescriptions with directions to not fill the order until a specified date, not be filled until that date. The only way to fill the prescription early is to contact the prescriber with a valid reason, obtain permission, and document a summary of why you called and what the prescriber instructed you to do, including pharmacist initials and date of the call. The safest way to avoid chargebacks is to request a new prescription order.

By Mark Jacobs, RPh, PAAS National, the Pharmacy Audit Assistance Service. For more information call 888-870-7227.

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Patience is different, with unique sets of barriers to adherence. The key is this: Don’t assume anything. There is no profile or specific traits of a non-adherent patient, and a patient could be faithfully adherent to their anti-hypertensive but decide to take their osteoporosis medication once in a blue moon. Medication profiles may not necessarily tell the whole story either. These profiles only display what has been dispensed from the pharmacy, and we do not know if any gaps in therapy might be explained by a change in instructions, patient receiving medication samples, or the patient deciding they were ‘feeling better’ and that the medication was no longer needed. But as their medication coach and adherence advocate, you can work with them one-on-one to identify those needs and find a way to address them.

This month brings an excellent opportunity to start the conversation and get your patients on track with their medications. Encourage them to take a pledge and make a New Year’s resolution to improve their health, with you in their corner. Everyone is starting fresh, and so can your business. Utilize some of the tips that have been shared in this column from past months: the ‘My Meds’ form, synchronizing refills, and first fill flagging. Track a couple of these patients throughout the year and use the Adherence Impact Calculator (www.NCPAnet.org/adherencecalculator) to see the difference adherence can make on your bottom line by the time the clock strikes midnight again next January.

How did the calculator work out for you? Do you have an adherence idea, tip, or program that is working in your pharmacy? Let us know by sending an e-mail to adherence@ncpanet.org.

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INDEPENDENT PHARMACY TODAY

Average number of prescriptions dispensed per pharmacy location:
• New—28,813
• Renewed—35,822
• Total—64,635
• Average charge—$58.11

Source: 2010 NCPA Digest, sponsored by Cardinal Health

Independent Pharmacy Cooperative, NCPA Share Vision for More Members, More Assets

NCPA and the Independent Pharmacy Cooperative (IPC) have expanded their collaboration with the goal of increasing NCPA membership and adding resources for government affairs efforts.

Under their new agreement, leaders of IPC and NCPA hope to reach IPC members to generate new NCPA members and increase IPC’s already substantial support for programs such as NCPA’s Legislative/Legal Defense Fund (LDF). This, in turn, would allow NCPA to more broadly and effectively implement advocacy programs in Washington, D.C., and in state capitals to better support IPC members and other community pharmacies. Those IPC members who are NCPA members and already contributing to the LDF will be urged to contribute to NCPA’s political action committee (PAC).

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As the president of a company dedicated to independent pharmacists, I have an obvious bias against those operations that fail to meet the quality of service standards set by the best health care providers across the land. Of course, this standard of excellence in customer service is what separates the best pharmacies from the mass merchants, chains, and deep discounters. Independent pharmacies that recognize the importance of making their customers feel as special as they should feel will continue to increase the gap in quality care that exists in the marketplace today.

If you own or work at an independent pharmacy, please share this article with co-workers and/or staff members so that it may serve as a friendly reminder to call customers by their name, thank them for their business and ask them to come back to see you. They will appreciate it and your business depends on it.

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“IPC is proud to support the NCPA Legislative/Legal Defense Fund for the benefit of the IPC membership and community pharmacy nationwide,” said IPC President and CEO Don Anderson. “We know the IPC Government Affairs effort is making a significant impact. As the largest buying group for independent pharmacy and an industry leader, it is our continued mission to support legislative advocacy. Our partnership with NCPA allows us to collectively expand the influence for positive outcomes for patients and independent pharmacy.”

Over the past 25 years, IPC has evolved into the nation’s largest group purchasing organization for independent pharmacies. Located in Sun Prairie, Wis., IPC represents 3,300 primary and 3,000 affiliate pharmacy members nationwide whose purchases exceed $8 billion.

OTC Expiration Dates Largely Ignored: Study

Nearly 40 percent of U.S. households have at least one bottle of expired over-the-counter medication in the home, according to a survey by Walgreens, and more than half of those polled said they would knowingly take the medication after the expiration date.

“Though most parents tend to check expiration dates more frequently,” Walgreens found, “more than a third said they have given their children medication that had expired in the previous six months. In addition, when consumers dispose of medication, more than 60 percent of those surveyed said they dispose of medications in the household garbage.”

For information on NCPA’s Dispose My Meds program, visit www.ncpanet.org. The Walgreens study was based on a nationwide sample of OTC purchasers over age 18 and included an online survey with 500 people.