

COMMUNITY PHARMACY FOR THE FUTURE

Featured Pharmacy - The Prescription Shop

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RxPlus Mission

RxPlus Pharmacies, Inc. exists for the economic, professional, and political benefit of community pharmacy and the health and well being of the community

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Engineering's loss was Colorado pharmacy's gain as RxPlus co-president Jim Sajbel's uncle - a pharmacist at Grove Drug in Pueblo who later owned a number of pharmacies - worked his influence on the young man.

Although Sajbel's father operated a grocery store where he first gained an appreciation for the work ethic required of an entrepreneur, it was not a straight shot from the grocery store to his own pharmacy. That path took Sajbel from working on the line bottling Pepsi at the plant in Pueblo in the 1960s to loading pallets at the bottling plant. The Pueblo native spent a year at Pueblo Junior College before heading to Boulder to follow his uncle's path and earn a five-year pharmacy degree in the first year of that program.

While in college he worked for Gene Lange Pharmacy and Hodels Pharmacy but after graduation an ad for a pharmacist at Economy Drug in his hometown attracted him. After working there for a few years, the inveterate entrepreneur made an unsuccessful offer for the store. Undaunted, he did a stint at Skaggs Drug keeping his eye out for independent pharmacy opportunities.

On July 1, 1969, Sajbel purchased a Pueblo pharmacy and changed its name to the Prescription Shop. After renting for 16 years, he took the opportunity to buy a former 7-11 store across the street because it had great parking and moved to the location he still occupies today.

"After working in certainly a more lucrative position with a chain, Carol and I took a chance," Sajbel said. "I decided early on that I didn't just want to work for somebody else. When the boys were younger and enjoyed bicycle racing, we started a bicycle shop and had a racing team. When we'd done that for six years, we closed it and operated a travel agency until we could see that the airlines would be cutting fees and travelers could use the internet to book their own tickets."

Jim and his late wife, Carol, married in college and have two sons, Jim Jr. who works for Pharmacists Mutual Insurance, and Chris, who works in sales in the construction industry. Both boys have a son and a daughter, whom Sajbel enjoys spending time with. One granddaughter works in his store and attends college planning to be a teacher and the other is



headed for college next year. But Sajbel doesn't think a pharmacy career appears to be in any of his four grandchildren's futures. However, cousin John Cernak owns and operates Pueblo's Blende Drug, while cousin Ron Yoxey owns and operates Broadway Pharmacy in Pueblo.

Sajbel is convinced that independent pharmacy has a strong future and imparts that belief to every pharmacy student doing regular rotations through his store. That interaction with patients one-on-one in diabetes counseling, blood pressure checks, glucose monitoring and the other health maintenance services the Prescription Shop patients receive regularly is the future of pharmacy, he believes. It is why he serves as consulting faculty for the University of Colorado School of Pharmacy.

Sajbel believes it is critical for today's students to see firsthand the importance of the pharmacist and physician working together to ensure that patients with diabetes and other chronic diseases do the things required of them to take care of their health. He works closely with the patients' physicians to evaluate and monitor how well prescriptions are working and evaluate potential changes with the physicians. New students rotate into his Pueblo store every six weeks and when they leave they have a good idea of just how integral a pharmacist is in today's health care management system.

President's Message

With only one quarter left in our fiscal year, we have several challenges ahead of us before our next annual meeting (reminder for our calendars that it is August 19 thru 21). The board had a two day strategic planning meeting in February. Your board powwowed on many issues that are concerning and threatening to all members of RxPlus. We tried to formulate ways to strengthen the RxPlus group, to be proactive instead of reactive, ways to continue our most important fight against forced mail order, 340-B, looming changes in Medicaid, with both issues of reimbursement amounts and the possible forthcoming delays in payments that will start in April, etc. Our membership numbers are down due to numerous reasons, which include individual stores selling out to the chains or just closing. With our smaller numbers it makes it even more important that every one of our members take an active, supportive role. One example would be your putting up the "Fight-4-RX" poster and petitions. Most of your customers would be willing to sign this petition and help our cause if you would just educate them about it and discuss what it means to their freedom of choice and our ability to stay open and provide their care. Please fax these into the office when they are each completed.

The staff of RxPlus will be calling you for your support on certain issues and they will also be asking for your ideas and concerns. Please give them your cooperation and time so we can all work hard towards our success.

K.C. Owen

Executive Director's Message

One of our former board members called the other day to get an update on our progress on various projects. During his time on the board, I talked with him fairly regularly, at least once or twice a week. As a board member he actively participated in decisions concerning our work on business and political issues. It takes a lot of time to serve on the board, but the reward is having detailed knowledge of the operations and plans of RxPlus. He suggested that other members might like to know more about what we are doing and why. **The question I have is how do we relay all of the information to you, our owners?** Your board of directors works very hard year round to provide services and benefits to you, our member owners, and if we are not letting you know what we are doing, we are not being as effective as we can be.

Communication with our members is an important part of our mission, and we are redefining our job to be more responsive to your needs. Mike Mitchell's primary responsibility is to develop new business. His responsibilities will expand to act as an in-house consultant, visit all member stores, communicate with you about RxPlus projects, and identify member needs. Mike will share best practices and provide individual stores with services to help them be more profitable.

The following are the most critical issues we see in the near future for community pharmacy:

340B has been expanded to include more pharmacies with the intent to add profit to those hospitals and clinics providing services for the underserved. This is a complicated issue and we have been researching our options for the past few months. We have identified the issues that could impact certain members, and are in the process of educating those members on their options and opportunities. We are also working with a lawyer who is very familiar with 340B programs to develop a template contract for our members. Our goal is to be sure our members are getting the correct information before making any decision that could negatively affect their business. If you would like more information please let us know.

Mail Order is our greatest competitor and we have been actively working on providing information for our members and getting the word out around the country. We are in the process of introducing "Any Willing Provider" legislation in Colorado that would include not just pharmacies, but all healthcare providers. We are in the process of developing a program to help you contract with your counties, schools, and other self insured businesses in your community. We are also working on a "Buy Local" program that would include all independent businesses with the goal of educating consumers and legislators about the value of buying local. For every \$100 spent at a locally owned business, \$45 goes back into the community-and our tax base. For every \$100 spent at a chain store, only \$14 comes back. You can get started today by going to buylocal.com and sign up. It's free!

Grant Kinn

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GOVERNMENTAL AFFAIRS REPORT

Governmental Affairs Newsletter Update
By Brad Young

April 2011

Federal Issues:

1099 Repeal: The Senate and House have voted to repeal the provision which would have required 1099s to be filed for businesses that provide over \$600 in goods and services. The measure was part of the federal health reform act passed last year. The House vote was 314-122 and the Senate 81-17. Obama has not indicated whether he will veto the bill.

Colorado Legislative Session:

The bill to extend the Prescription Drug Monitoring Program for five years died in the Senate Appropriations committee, but a late bill has been introduced that would continue the program. If the bill does not pass, the Board of Pharmacy will not have authorization to continue the contract with GHS Data Management, operator of the database, and the program would terminate on July 1 of this year.

SB11-088 - CARROLL / ACREE Sunset Review Direct-entry Midwives

The bill extends the sunset date for Direct Entry Midwives (DEMs) regulation from July 1, 2011 to July 1, 2016. The bill would allow DEMs to obtain vitamin K, Rho (D) immune globulin, anti-hemorrhagic drugs, and eye prophylaxis through pharmacy outlets, wholesalers, or manufacturers without a specific prescription for a patient. According to the lobbyist for the DEMs, there are 59 DEMs in Colorado.

SB11-043 - STEADMAN Sharps Safe Disposal Manufacturer Plans

The bill requires manufacturers of sharps to educate patients about safe disposal. RxPlus requested an amendment that has been added to assure there is no cost for pharmacy.

HB11-1091- LISTON Concerning Sales Tax On Medical Equipment

The Department of Revenue has been requiring sales tax to be withheld on many items, including some that have a prescription that they have not deemed therapeutically necessary. The bill clarifies those DMEPOS products that are not taxable.

SB-196 – BOYD: Concerning Ephedrine Pseudoephedrine Classification would require a prescription for pseudoephedrine.

Patient Freedom of Choice of Health Care Providers

Senator Lois Tochtrop (D-Thornton) has requested a late bill that would guarantee patient access to the health care providers of the patient choice, including pharmacy, as long as the provider was willing to accept the terms of the contract. This is the way we are addressing mandatory mail order. Health insurance plans governed by ERISA, about 65%-70%, would NOT be impacted by the bill.

Medicaid:

The Department of Health Care Policy and Finance (HCPF) contracted with Mercer to prepare a report listing options for the Department to consider for the replacement of Average Whole Sale Price. Mercer was instructed to prepare BUDGET NEUTRAL options. The report suggested using Wholesale Acquisition Cost (WAC) as a basis for brand drugs, and a combination of WAC and a state MAC for generics. The state MAC would be used for drugs that do not have a WAC price.

Medicaid Payment Delay:

The Department of Health Care Policy and Finance proposed a payment delay for most Medicaid providers as a way of balancing the current year budget. The structure was to transition from paying seven days after service to twenty-eight days. The Medicaid analyst for the legislature's Joint Budget Committee has balanced the current year budget WITHOUT the payment delay. We will continue to update members about this critical issue as more information becomes available.

McKesson Customers

We have decided to leave the ASAP+ as is, at 30 days. Remember to keep sending in your tele-marketing pricing to McKesson at 916-267-6401.

Mark your Calendar

Northwest Pharmacy Convention
Coeur d'Alene, WA
June 2-5

Colorado Pharmacists
Society Summer Meeting
Estes Park, CO
June 9-11

Nebraska Pharmacy Association
Annual Convention
Lincoln, NE
June 10-11

Wyoming Pharmacy Association
Annual Convention
Casper, WY
June 24-25

New Mexico Pharmacists
Association 82nd Annual
Convention
Albuquerque, NM
June 25-26

McKesson Trade Show
San Francisco, CA
June 29-July 3

Cardinal Trade Show
Las Vegas, NV
July 20-23

RxPlus Annual Meeting
Westminster, CO
Aug. 19-21

Kansas Pharmacy Association
Annual Conference and Trade
Show
Wichita, KS
Sept. 15-18

Wyoming Pharmacy Association
Technician CE
Casper, WY
Oct. 1

NCPA 113th Annual Convention
and Trade Show
Nashville, TN
Oct. 8-12

Governmental Affairs Newsletter Update Cont.

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Nebraska:

From the Nebraska Pharmacists Association **Legislative Updates:**

March 10:

“The NPA is pleased to announce that Governor Dave Heineman signed LB 179 (pharmacy cleanup bill) and LB 274 (drug disposal bill) today. Thank you to Senator Bob Krist and Senator Mike Gloor for introducing the bills on behalf of the NPA. LB 179 and LB 274 become effective in September 2011.”

February 3:

“LB 20 (PSE electronic tracking), introduced by Senator Beau McCoy on behalf of the Attorney General, advanced to Select File today in the Nebraska Legislature. The NPA supports the amended version of LB 20. LB 20 was debated for six hours, not on the merits of the PSE electronic tracking provisions, but on the retailer *immunity from liability* language. The debate was quite contentious at times, but the Senators agreed to continue to work on the immunity language before the bill is debated on Select File.”

New Mexico bills:

S-117 by Sapien: Provides for the standardization of electronic prior authorization of prescriptions. Introduced and assigned to Senate Committee on Corporations and Transportation.

S-14 by Feldman: Health Care Workforce Data Collection. Directs the Department of Health to collect data regarding demographics, specialties and professions in the state's health care work force; directs health care work force regulatory boards to collect data from applicants for licensure or renewal of licensure; directs the Secretary of Health to convene a work group of health care work force experts. Passed the House Health and Government Affairs Committee.

S-5 by Cisneros: Health Care Planning and Costs. Relates to health care; enacts the Health Security Act to provide for comprehensive statewide health care coverage to all residents through a combination of public and private financing; provides for health care planning; establishes procedures to contain health care costs; creates a commission; relates to conflict of interest disclosure statements, health care delivery regions and regional councils; authorizes a state health security plan; provides penalties; makes an appropriation. Passed Senate Judiciary Committee.

S-16 by Feldman: Pharmacy Benefit Manager Regulation. Relates to prescription drugs; enacts the Pharmacy Benefits Manager Regulation Act; provides penalties; amends and enacting sections of the New Mexico Insurance Code; provides that a pharmacy benefits manager, unless authorized by the terms of its contract with a covered entity, shall not contact a covered individual without express written permission of the covered entity; provides that a covered entity may have a pharmacy benefits manager's books and records audited to verify performance. Passed House Committee on Business and Industry.

S-37 by Feldman: Relates to prescription drugs; provides for prescription drug donation; enacts a new section of the New Mexico drug, device and cosmetic act. Passed House.

S-569 by Griego: Creates a Prescription Drug Monitoring Program for controlled substances, but excludes pharmacies.

Washington:

The Washington State Pharmacy Association reports great concerns about the impact of proposed Medicaid budget cuts. Other bills that may be of interest include:

H-1353 by Rivers: Requires continuing education for pharmacy techs.

S-5234 by Van De Wege: Establishes a program for the collection, transportation, and disposal of unwanted medications. The bill has had a public meeting but no other action has been taken yet.

H-1496 by Nelson: Concerns disposal of sharps waste. The bill requires manufacturers of sharps to annually submit a plan to the state health department about how they will educate the public about disposing of sharps.

H-1570 by Ladenburg: Adds the crime of robbing a pharmacy to the criminal offense of robbery in the first degree. The bill has passed the Judiciary Committee.

Wyoming:

H-62 by Gingery: Amendments to the Controlled Substances Act. The bill passed the House and Senate.

Featured Pharmacy Cont.

Bio-identical hormone compounding is another area where pharmacists can directly help patients manage their day-to-day lives working with their physicians. He and other pharmacy staff have been trained by PCCA to ensure that patients receive the bio-identical hormones they specifically need. In fact, patients can get the regular testing at the pharmacy and the compounding team works with the physicians to match the patient-specific doses required.

The pharmacy has a private area where Sajbel and students can do one-on-one counseling with patients and another private area where screenings and tests can be done. “Pharmacy is not just counting pills and putting them in a bottle. The pharmacist has been freed to do a lot more with patients today and to be more of a participant in the health care process.”

Although there are Albertsons, Walgreens, Safeway, Wal-Mart and Kmart pharmacies within blocks of Sajbel’s store, he believes it thrives because of these one-to-one patient relationships. “Physicians send patients to us because they know that we will interact with them and work with them to help them.”

Sajbel thinks the biggest lack in pharmacy schools is the fact that business education is not an integral part of the curriculum. Without business knowledge, the prospect of owning a pharmacy is daunting to these students.

But he’s convinced, the size and control exercised by Pharmacy Benefit Managers is the major threat to independent pharmacy. “We really have to do something to make this transparent and to ensure that we can negotiate from a position of strength and not just have to accept what they are willing to give us. We have to work with wholesalers who also believe that they are our allies in this fight with the PBMs,” he adds.

That’s where RxPlus’s value is important to an independent pharmacist, Sajbel says. “We give members a unified voice. The numbers help us negotiate on behalf of all the members. It’s not just an issue of the bottom line on prescriptions; it is the ability to negotiate over a Medicaid fee or a rule. We have fought things as a group and won because we have the numbers to fight the battles.”

