



COMMUNITY PHARMACY FOR
THE FUTURE

Featured Article - Abts Pharmacy

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RxPlus Mission

RxPlus Pharmacies, Inc. is an organization of health care providers which creates value by promoting the economic, professional, educational, and political advancement of community pharmacy. We do this for the health and well being of our communities.

If you find any errors or omissions, or if you have any comments regarding the Website, you can fill out the email form following the "Contact Us" button of the homepage!



Our Featured Pharmacy this month is really our Featured Pharmacist Family of the Month. Travis and Melissa Bumgardner along with their two daughters Sheinah and Amaris purchased Abts Pharmacy in 2009. From the first time I met this young couple I was very impressed. Here was a young family immersing themselves into rural America and looking at every obstacle as an opportunity. Now three years later they are opening up their third store which they would both say may not have been on their original plan but they had to take advantage of the opportunity as it arises. As Melissa says "We never really intended to have 3 stores. It just happened that when we were working to open Haxtun, we got a call from Pamida offering to sell us the scripts down in Holyoke. It was a tough decision, but we decided to buy the scripts and continue our plans to open Haxtun as we had given our word to the community that we would put a store there. Now, we've had pressure from Holyoke to re-open the closed store so we are doing that as well. It is a ridiculous amount of work, but the bottom line is that we believe in serving others. These are towns that have to drive 30+ miles just to get a prescription filled. We just want folks to have access to the healthcare services they need." You can see why they are successful from Melissa's last statement. Melissa's teaching background and eagerness to share her knowledge and experience has provided our students to see firsthand the opportunities available in a rural setting. The following article is from NCPA's America's Pharmacist that was written by second year pharmacy student at the University of Colorado:

Profit Pearls Article: Abts Pharmacy Julesburg, Colorado

By Wendy Lantaff

University of Colorado Pharm. D candidate
2013, NCPA 2011 Summer Intern



Unlike many pharmacies featured in Profit Pearls who have maintained the same owner for decades, Abts Pharmacy was purchased just two years ago by Travis and Melissa Bumgardner. This article discusses their path to ownership and the changes they made to become a more profitable pharmacy, all while putting patient care first.

Julesburg, Colorado is a quiet community in the Northeast corner of the state. Once a bustling stop along the Pony Express Route and a part of the Oregon Trail it is now a small town with just under 1500 residents. Downtown Julesburg has the historic, quaint small town feel to it one may expect but don't let that fool you into thinking the pharmacy is anything but modern.

Path to Ownership

Melissa Bumgardner started her career in pharmacy approximately 15 years ago. Like many, she started as a cashier at a chain drug store and went on to become a certified technician. It wasn't long however until the pharmacists she worked with started encouraging her to attend pharmacy school. According to Bumgardner her choice in schools was an easy one, and based on two things; the fact the

Cont. on enclosed insert

President's Message

I hope your transition to the New Year has been smooth. The month of January is always a challenge as we adapt to the Medicare Part D changes. Auto enrollment is particularly frustrating as most recipients are not aware of this happening due to the fact that they have not read their letters from CMS or simply do not understand them. A frequent comment of "I did not sign anything" is often relayed to us at the pharmacy. Many times recipients have a difficult time getting to another pharmacy miles away, in which case we will look into the possibility of changing this Medicare policy.

One of the major accomplishments of RxPlus this year was the affiliation with IPC and AAP. The RxPlus Board of Directors worked many hours making sure that the right decision was made. The most important guiding principle we adhere to is; is it best for our membership? Could we affiliate without compromising our autonomy? I believe we have come as close to the ideal as possible. As an aggregate, RxPlus members will benefit by approximately four million dollars in lower cost of goods as a result of the affiliations. This will help the pharmacies survive the lower reimbursements from third parties. The affiliations will also help us to increase our membership and ultimately make us stronger. We will also be able to take advantage of the resources that AAP and IPC have to offer. For example, Brad Young will be working with Mark Kinney and Jim Driscoll on state and federal issues.

As always, your RxPlus Board and staff are committed to doing what is best for the membership and continually exploring ways to make us more successful.

Sincerely,
Joe Valdez
RxPlus Co-President

Executive Director's Message

Happy New Year! I hope everyone enjoyed the Holidays. It is hard to believe another year has gone by. Last year I was talking about pharmacy being on the fast track of change and I was not exaggerating. With the expansion of the preferred networks for your Med D patients we were challenged to step up and accept contracts that in the past we would not consider. We affiliated with RxAlly this year and are counting on them to help us put pharmacy in the forefront of healthcare, not just be viewed as pill-counters, as the PBM's recently described our role. This may mean we will be expected to change the way we do things today, but that should help us be more effective (and profitable) in the future.

That leads to the next topic involving change; Medicaid. Brad Young, David Lamb, and I met with Colorado Medicaid staff all summer to make sure the department understood our concerns about the Cost of Dispensing/Acquisition Cost pricing formulary, and to be sure community pharmacy was being treated fairly. Make no mistake, the above issues are not good news, but you can be confident that your voice was heard and your interests were clearly represented. There will be cuts to Medicaid reimbursements, but the department has acted on our recommendations in as fair a way as we could have hoped for. In addition, we have been pushing Medicaid staff to put some of the money back in your pockets by implementing effective adherence and medication therapy management programs that will save them additional dollars. They have agreed to start working on those programs. We also met in the fall with the governor's office and key legislators, and they are behind us as well. This could be an excellent move for pharmacy everywhere if we can make significant progress. I have met with the schools of pharmacy, and they have also committed their assistance to get this rolled out.

It's not where you start but where you finish that counts. -Zig Ziglar

Grant Kinn
Executive Director

GOVERNMENTAL AFFAIRS REPORT

Governmental Affairs Newsletter Update
By Brad Young

January 2013

Colorado Politics:

The Colorado House, Senate, and Governor's offices are now all controlled by the Democrats. The House Democrats control by a margin of 37-28, and the Senate majority is 20-15. The RxPlus political committee contributions were limited, for the most part, to non-targeted races. We get legislative support from members of both parties. During the past election cycle our Political Committee contributed a total of \$9,200 to candidates and \$3,000 to the political parties. Funds were about evenly split between parties. On the two days before the start of the legislative session we were able to participate in the Democrat and Republican, House and Senate fund raisers, thanks to those of you who came through with donations! It means a lot for RxPlus to be part of those events! RxPlus Pharmacies, Inc. also contributed a total of \$10,000 last year to the parties' 527 organizations. Candidates are not allowed to accept money from businesses, but 527s are. The Health plans and PHRMA contribute far more, but our efforts are still worth it when we need access to legislative leadership.

Colorado Medicaid:

The rule for pharmacy reimbursement based on the Cost of Dispensing and Actual Acquisition Cost (AAC) is scheduled to go into effect on February 1. The rule is for Medicaid to pay the LESSER OF a dispensing fee plus AAC, or usual and customary. The dispensing fee tiers are:

Rural Rate:	\$14.14
Less than 60,000 scripts / year:	\$13.40
60,000 to 90,000 scripts / year:	\$11.49
90,000 to 110,000:	\$10.25
Greater than 110,000:	\$9.31

The rural pharmacies will be paid AAC + 60% from January to April 2013, AAC+40% from May to August, AAC+20% from September to December, and AAC+0% from then on.

MTM and Additional Pharmacy Services: Based on recommendations from RxPlus, the chains, and the Colorado Pharmacists Society, the Department is in the planning process to implement a new MTM or Comprehensive Medication Management (CMM) program. Representatives of GlaxoSmithKline are helping in our efforts for MTM. We will continue our work with the Legislative Joint Budget Committee to assure that part of the state's "savings" from the pharmacy cut is used to enhance the Medicaid Pharmacy Program. It also doesn't make sense that Medicaid won't pay pharmacies for flu shots.

Mark your Calendar

Wyoming Pharmacy
Association Winter CE
Casper, WY
January 26, 2013

Alaska Pharmacists Association
2013 Annual Convention
Anchorage, AK
February 15-17, 2013

Kansas Pharmacy Association
Annual Conference and Trade
Show
Los Angeles, CA
March 1-4, 2013

Nebraska Pharmacy Association
Annual Convention
Lincoln, NE
April 5-6, 2013

Colorado Pharmacists Society
Annual Meeting & Exhibition
Colorado Springs, CO
May 30-June 1, 2013

Northwest Pharmacy Convention
Coeur d'Alene, ID
May 30-June 2, 2013

Wyoming Pharmacy Association
Annual Convention
Laramie, WY
June 20-23, 2013

New Mexico Pharmacists Association
84th Annual Convention
Albuquerque, NM
June 22-23, 2013

McKesson Trade Show
Las Vegas, NV
June 26-30, 2013

Cardinal Trade Show
Seattle, WA
August 7-10, 2013

RxPlus Pharmacies 31st Annual
Meeting
Westin Westminster
Westminster, CO
August 15-18, 2013

NCPA 115th Annual Convention
and Trade Show
Lake Buena Vista, FL
October 12-16, 2013

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Legislative Update Cont.

Bills for 2013:

Pharmacy Audit Legislation: We have been meeting with the Health Plans and PBMs about a pharmacy audit bill that should be ready in the next couple of weeks. With help from Jim Driscoll of IPC, Val Kalnins of the Colorado Pharmacists Society, and the chains, we have been able to negotiate a bill that will put reasonable restrictions on pharmacy auditing practices. Our thanks goes out to Representatives Jenise May (D-Adams County) and Janak Joshi (R-Colorado Springs) for their help on this bill!

HB13-1068 Onsite Inspections of Medicaid Providers: by Representative Dave Young (D-Greeley) and Ellen Roberts (R-Durango). Federal law requires states to require that all Medicaid providers agree to allow unannounced onsite inspections, including audits. Current Colorado law requires ten day notice before an audit. The bill would allow unannounced Medicaid audits to comply with federal law. We plan to work with the Department and the bill sponsors to require that Colorado follow the federal rules that rank pharmacies as LIMITED RISK PROVIDERS that do not need to have onsite unannounced inspections, including audits, and to require that any on-site inspection must include a document explaining WHY the facility is being inspected unannounced.

Biosimilars Legislation: The bill has not been introduced at the time this article was written, but we have had several meetings over the past year with representatives of Amgen. Biosimilar products are expected to be introduced in the U. S. within the next two years. In order for a pharmacist to make a substitution of a biosimilar product for a brand name biological product, the Colorado Board of Pharmacy says state law must be changed to define terms and to define the process that must be followed for the pharmacist to make the substitution. The brand name manufacturers are proposing a requirement that the physician be NOTIFIED by the pharmacist within three days if a substitution is made. That is the only point of controversy in the bill. The biosimilar manufacturers and health plans vehemently oppose the notification provision, stating that it is only being proposed by brand manufacturers as a deterrent to substitution. The American Medical Association and the APhA state that the new products should have the same substitution policies as generic drugs. The Amgen lobbyists are telling legislators that pharmacists should not oppose the doctor notification provision if "they want to be considered part of the health care team." The sponsors of the legislation say they will kill the bill if doctor notification is amended out. Amgen is pushing the same legislation in most of the states this year.

If any RxPlus members from states other than Colorado have suggestions, or would like assistance on state or federal issues, we are always available and ready to lend a hand!

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