

COMMUNITY PHARMACY FOR THE FUTURE

Featured Pharmacy-Good Day Pharmacy

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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

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 Info" button of the homepage!



Like many 1970s college graduates, David Lamb, co-owner of Good Day Pharmacies, looked at the prospects for jobs in the recession- and inflation-plagued '70s economy and decided college needed to be focused on "getting a job."

Since his primary interest has always been business, it was his number one choice of degree. He considered going into education, but "then you couldn't own a school." His engineer father suggested he look for something to combine with his business interests, so Lamb opted for pharmacy, earning his bachelor of science in operations management and his pharmacy degree over a six-year stint at CU-Boulder.

It is that business management bent that has aided Lamb as he and wife, Nancy – a consulting hospital pharmacist – and his pharmacist cousin, Vicki Einhellig, built Good Day Pharmacy into the current 10-store operation, including a closed-door pharmacy.

However, the inveterate entrepreneur has expanded his business interests – as well as his education – since those early years, earning both a law degree and an MBA. He tried the chain store route in graduate school as a relief pharmacist for King Soopers and Walgreens and then branched out on his own with Benedict Nuclear Pharmacy, a specialty pharmacy producing medical radioactive isotopes.

His other business interests? – Several IV pharmacies, which he built and sold; an out-patient surgical center he also developed and sold; a one-time ice-skating rink, and four John Deere dealerships (he has now sold three of them).

Despite owning multiple independent pharmacies, Lamb believes he faces the same major business threat that single-pharmacy owners face – a growing insurer emphasis on patients using mail order pharmacies. "It seems like we (NCPA and other independent pharmacy groups) are coming at the issue from all different angles, but the whole campaign to get parity would be unnecessary if the PBMs would simply treat everyone fairly and equitably."

Instead, the drive to maximize profits – one this mul-



iple-business entrepreneur understands – has led the PBMs to turn potential independent pharmacy allies into enemies who "hate the PBMs. Had they (PBMs) taken a different approach we could all win," Lamb contends and avoided costly political and legal battles over the issue.

Lamb, who recently completed a stint on RxPlus Pharmacies' board as its co-chair and still serves on the board, believes that a key benefit of the organization is its camaraderie. "Sharing our stories and using our strength in numbers to impact legislation and regulations is critical."

Lamb has actively engaged in RxPlus efforts to impart business knowledge to today's student pharmacists, participating in the program the association offers students at CU's College of Pharmacy each year. He's also looking forward to participating in the similar program RxPlus will offer this year to the Regis Pharmacy College's second-year students. He has provided his knowledge to students on compounding pharmacy options and long-term care pharmacy opportunities, as well as guiding and mentoring students as they develop business plans for the class.

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President's Message

This is my last letter to my peers as Co-President of RxPlus Pharmacies. I spent my life growing up in an independent grocery store, and the only way my dad could stay in business was to join other small grocery stores as Associated Grocers. RxPlus has taken on a similar role for independent pharmacies.

Rx Plus takes on many tasks on your behalf.

We all know that our survival as a business requires an active presence in governmental affairs. Our staff is present for Board of Pharmacy meetings to monitor their proceedings and represent all our interests. We work closely with a coalition of community pharmacy stakeholders, meeting regularly with Colorado Medicaid to provide input on reimbursement and other issues. During the legislative session we monitor all the bills and work closely with legislators to amend and introduce bills that concern pharmacy. We attend the NCPA Annual Legislative Conference to meet with our Senators and members of Congress to encourage support for national pharmacy issues.

Our committees work on vendor contracts, third party issues, generic pricing, and cost of goods price reductions to help new stores and established stores.

As owners, we need to continue to support all of our excellent vendors. They contribute generously to our annual meeting to help with the cost of your continuing education. Special recognition is due to our platinum sponsors; McKesson Drug Co., Cardinal Health and Pharmacists Mutual. But we also need to appreciate the relationships we have with all of our other vendors and continue to purchase their products.

I want to thank our office staff for all they do for our organization. As a board we give direction, but the staff really does the work. When you call the office, you don't talk to me or someone else on the board; you talk to one of our staff. They really get the job done...so thank you, staff, for a job well done.

It is up to you, our members, to continue to keep RxPlus Pharmacies working. No one else will work for us on third parties, mail order, contracts, governmental affairs, or any of the other problems that we encounter. Remember when the other companies come around and try to divide us, it is only for their benefit, not ours. If they are successful in dividing us, we all fail.

We all know that price is important, but we must be united in fighting the PBMs in the state legislature and in Congress to allow us to negotiate our own pricing. When the RxPlus office asks us to contact our legislators, we need to follow through to let them know our views, and that we are both taxpayers and voters.

I want to thank you for placing me on your board. Although I am leaving as President, I will continue to serve you on the board until my term is over.

Thank you.

Jim Sajbel

Executive Director's Message

The heat is on! That could be said about the temperature outside or the issues facing pharmacy today. We at the RxPlus office strive to continually keep up-to-date with current issues and find answers for our membership. We may not be the biggest group purchasing organization in the country but we are well known for our cohesive support of our members, our forward thinking, our legal and legislative work, and our willingness to work with other groups for the benefit of all independent community pharmacies. These quality characteristics represent the vision of your Board of Directors and the work they do for the success of our membership.

Our annual meeting is August 19th-21st at the Westin Hotel in Westminster, CO. We have changed our annual business meeting to be more interactive. There will be four small group breakouts where members of the board will discuss topics we have identified for our strategic plan. The group breakouts will give us all the opportunity to present ideas, and to ask for input and involvement. I think you will like the change. Of course we will still have two full days of CE, entertainment and some great food. If you have never been to our annual meeting this is the year you need to join us.

What lies behind us and what lies before us are tiny matters compared to what lies within us.

---Ralph Waldo Emerson

Grant Kinn

GOVERNMENTAL AFFAIRS REPORT

Governmental Affairs Newsletter Update
By Brad Young

July 2011

Colorado Medicaid (From the June 27, 2011 Update):

The 2011-2012 budget bill that passed the Colorado Legislature back in April had a surprise for pharmacy. It included an **additional rate cut** of just over \$1.8 million AS WELL AS THE SMAC CUT of \$1.8 million! The good news is: **The additional rate cut will NOT be implemented!** It would have averaged around \$2,500 to \$3,000 per pharmacy. The Joint Budget Committee sent a letter to the Department of Health Care Policy and Financing requesting that the cut NOT be implemented. A supplemental bill will be introduced during the next legislative session to balance the state budget.

Wyoming Governor Matt Mead Vetoes Pharmacy Workplace Rules:

The workplace rule vetoed by the Governor in early July, 2011 would have required pharmacies to allow pharmacists a half-hour lunch break after a six hour shift. The Wyoming Retail Association lobbied hard for the veto on behalf of the chain stores, but the rule would have applied to all pharmacies in Wyoming.

Federal Issues:

Update on 1099 Repeal: President Obama signed the bill into law on April 14 that **repealed** a provision of the health care reform act that would have required businesses to send a 1099 tax form and collect W-9 information from every vendor it purchases more than \$600 worth of goods or services from each year.

NCPA Bills in Congress:

The following bills are the primary focus of NCPA during this legislative session. **You are urged to contact your congressional representative and ask them to cosponsor and support all of these bills.**

H.R. 1971: Pharmacy Competition and Consumer Choice Act of 2011 by McMorris-Rogers(R-WA). The bill would:

1. Give patients a true choice of pharmacy by protecting them from having limited access or being financially punished for having their prescription filled at a community pharmacy rather than one owned by their plan's PBM.
2. Allow legitimate oversight for fraud, not abusive pharmacy audits conducted by commission-driven bounty-hunters over minor typographical or clerical errors.
3. Help eliminate wasteful pharmaceutical spending generated by PBMs switching patients to costlier drugs, hoarding manufacturer rebates, and billing plans inflated amounts for prescription claims.
4. Level the playing field among pharmacies by allowing "any willing provider" that agrees to accept a health plan's terms and reimbursement rates to participate in that plan.

H.R. 1946: Preserving Our Hometown Independent Pharmacies Act of 2011 by

Mark your Calendar

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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Marino(R-PA): Would allow groups of independent community pharmacies an anti-trust exemption to negotiate contract terms with health plans and PBMs.

H.R. 1936: Medicare Access to Diabetes Supplies Act of 2011 by Schock(R-IL): Would exempt most independent community pharmacies from the Medicare competitive bidding program for diabetes testing supplies. The bill permits small, community pharmacies with 10 or fewer locations to continue providing home delivery of these products without them being subject to the future national mail order competitive bidding program.

Featured Pharmacy Cont.

The one thing he tries to impart to the student pharmacists is the opportunities to financially expand their horizons by owning their own pharmacy versus working on salary for someone else. “No one really talks about it, but owning a pharmacy can provide you with a good income if you manage it well.”

Lamb, a Colorado native, and wife Nancy have two children, a son Jim, 25, who works at Lockheed Martin and daughter Lindsey, a statistician who works for a Chicago advertising agency.



