

COMMUNITY PHARMACY FOR THE FUTURE

Featured Article-CU NCPA Student Chapter

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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 Us" button of the homepage!



Dear RxPlus Members,

The University of Colorado National Community Pharmacists Association (CU NCPA) student chapter would like to extend our thanks and appreciation for all of your support over the years. Our chapter is as strong as it is today thanks to your financial contributions and invaluable guidance.

Your continued donations to our chapter have allowed members to travel to conventions, attend the RxPlus annual meetings, network with pharmacists in various venues including the annual CU NCPA independent pharmacist dinner, and meet and network with other pharmacy students interested in achieving the same goals of future pharmacy ownership.

The RxPlus Scholarship Fund has greatly benefitted our students and is tremendously appreciated. We are honored to be acknowledged by you for our students' dedication to independent pharmacy and the community. We were thrilled to be awarded a record number of 10 scholarships last year, and that never would have happened without your generous donations. As you may already know our NCPA chapter received the 2010-2011 Anschutz Medical Campus Community Service Award for our efforts in serving others and volunteering in our community. We plan on continuing our strong work for years to come.

In addition to helping us financially, RxPlus has allowed us to meet pharmacists who have generously shared their time and ideas. This has helped create a passion for pharmacy ownership within our chapter. Several of you have become incredible mentors to us and we cannot thank you enough for sharing your time, patients (and patience), business knowledge and pharmacies with us.

We are excited about our upcoming year and invite you to attend a chapter meeting or join us at our events. If you would be interested in serving as a



mentor we would love to have you share your experiences with one, several or all of our students. As you know, no two ownership experiences are alike and we love hearing the unique perspectives and accomplishments from various independent pharmacists. We would also like to express our gratitude to Grant, Brad, Kathy, Leah, and Mike for their continued dedication and hard work in advancing independent pharmacy ownership. Again thank you for your continued support and we look forward to sharing our future successes with you.

Sincerely,

NCPA Chapter Officers and Members

University of Colorado Skaggs School of Pharmacy and Pharmaceutical Sciences

President's Message

I would like to take this opportunity to thank everyone who attended the 29th RxPlus Annual Meeting. We offered great continuing education, wonderful networking, discussed new business opportunities, and had an overall successful annual meeting. I hope all attendees found the meeting to be both beneficial and educational. The dates for next years' meeting are August 17-19, 2012 and we will be celebrating the 30th anniversary of RxPlus!

We know there are member pharmacies that would like to attend the annual meeting but simply don't have relief so we hope to have a list of relief pharmacists available for you next year so our attendance is even greater for the 30th celebration.

We have enclosed a list of the RxPlus Board of Directors and staff in this newsletter. If anyone has any questions or concerns, please feel free to contact any person on these lists. We are always striving to bring new opportunities to the membership and welcome any new ideas you may have.

K.C. Owen
Co-President

It has been a real privilege serving on the board of RxPlus. I have come to appreciate what our organization does for the independent. RxPlus does so many things for us such as negotiating wholesaler contracts, directly impacting public policy on pharmacy issues at the legislative and department levels of government, providing information, offering continuing education, 340B facilitation, exit strategy, and much more.

I believe the independent pharmacy has a very bright future, in spite of all the challenges we face. Pharmacy schools have greater graduate numbers and RxPlus has been most supportive of students who have an interest in owning their own pharmacy. We will now have an option of selling our pharmacies to another independent, instead of selling to a chain.

We must communicate to our peers how important RxPlus is to our future. I hope that we will all support the endeavors of RxPlus and together we will not only survive but thrive. I encourage all of you to come to our annual meeting to share new ideas and to enjoy each other's company. I am most grateful to my fellow board members who have enriched us so much. Also, the RxPlus staff is the best.

Let's all have a prosperous and rewarding future!

Joseph T. Valdez
Co-President

Executive Director's Message

For those of you who weren't able to attend our annual meeting this year, you missed something new and a bit different from our usual format. And from the positive feedback we've had, it was a change that members found useful and productive. During the Business Meeting, members went to three breakout sessions, each of which focused on a separate part of our strategic plan for this year. The goal of each breakout was to inform, and to get feedback and comments from our membership.

The three elements of our strategic plan are:

Technology/Social Networking- Our Technology Committee, consisting of Kirk Bemis, Brad Young and Mike Mitchell, presented our new website. They also presented a website template developed for RxPlus that can be adapted for use by individual pharmacies. In these days of constantly evolving technology, there are many inexpensive tools and products that can help you grow your business, and we want to help you take advantage of those resources. An active website can help you tell your story, educate the community about your business, and promote your services. An active website is a start to utilizing the world of social media which is evolving by the minute.

340B- The 340B business model is very complex, and we wanted to provide a forum for our committee members to answer any questions from members. Tom Davis, Joe Valdez, Bill Masse, Vicki Einhellig, and Kathy Muller fielded a lot of questions. Tom Gierwatoski from Chase Pharmacy, the first RxPlus pharmacy to go live with Capture Rx, was also very helpful providing answers to some of the questions. We continue to closely monitor the program and will provide updates as information becomes available. Please let us know if you are approached by 340B contractors and we will help you with the process.

GOVERNMENTAL AFFAIRS REPORT

Governmental Affairs Newsletter Update
By Brad Young

October 2011

Colorado Medicaid:

The Medicaid staff told us at a meeting on September 13 that CMS had concerns about the new rate structure and it might be rejected. CMS is urging state Medicaid programs to adopt a rate structure using Average Actual Acquisition Cost (AAAC) obtained from actual invoice pricing paid by pharmacies plus a dispensing fee that reflects the cost of dispensing (COD). Alabama's Medicaid pharmacy program uses this model. Contractor Myers and Stauffer constantly surveys actual invoice prices paid by pharmacies to calculate the AAAC, and the state pays a \$10.64 dispensing fee. The fee was established after a state-wide cost-of-dispensing (COD) study, which Colorado Medicaid has not done yet. Grant-Thornton consultants performed a COD for NCPA and NACDS five years ago the estimated the COD in Colorado at \$12.50.

If the state plan is rejected, the Department will have to come up with a substitute plan, and do it very fast. The rule went into effect October 1. We asked Congressmen Cory Gardner (R Yuma) and Ed Perlmutter (D-Wheat Ridge) to contact CMS in support of the State Plan Amendment (SPA).

Think Wyoming First:

A group of Wyoming businesses have formed a "think tank" called **Think Wyoming First** to encourage Wyoming residents to spend their money in Wyoming instead of out of state. This could present independent pharmacists an opportunity to go to those businesses, and the State of Wyoming, and recommend strongly that they DON'T SIGN health insurance contracts that require or encourage mail order for pharmacy benefits.

According to radio ads, the Governor's office supports the efforts of **Think Wyoming First**. That could be a HUGE influencing factor.

Rx Plus would be glad to work with Wyoming members of Rx Plus and the **Think Wyoming First** organization on the mail order issue. Their web site is:

<http://www.thinkwyomingfirst.com/>

Federal Issues:

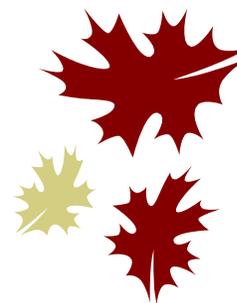
Senator Michael Bennet (D-Colorado) cosponsors The Strengthening and Focusing Enforcement to Deter Organized Stealing and Enhance Safety Act of 2011 or the SAFE DOSES Act:

The bill enhances the federal penalties for theft of pharmaceutical and medical supplies. Senator Bennet's office contacted the RxPlus office for help in identifying pharmacies that had been robbed or burglarized recently. The Senator met with pharmacists Tony Jones (Cornell Pharmacy in Denver) and Rodney Diffendaffer (Ivywild Pharmacy in Colorado Springs) to highlight the impact of crimes against pharmacies in Colorado. The bill has strong bi-partisan support in the Senate, with 13 Republican and 14 Democrat cosponsors.

ExpressScripts/Medco Merger:

The September 23 NCPA Executive Update reported about the ongoing effort to stop the ESI/Medco merger. A large number of consumer groups sent a letter of opposition to the FTC, joining independent and chain pharmacies. Senator Kent Conrad (D-N.D.) and seven members of the US House, including Representative Diana DeGette (D-CO), have also written letters. On September 20 a House subcommittee held a hearing about the merger.

NCPA urges you to "**Rally Your Patients to Fight the Express Scripts-Medco Merger**. Download a bag stuffer to help your patients understand what's at stake in the proposed Express Scripts-Medco merger. The bad stuffer urges patients to contact the Federal Trade Commission." We have posted the link on the RxPlus web site for your convenience.



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Governmental Affairs Newsletter Update Cont.

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. Check the RxPlus web site for more details and links to the text of the bills.

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

H.R. 1946: Preserving Our Hometown Independent Pharmacies Act of 2011 by Marino(R-PA): Would allow groups of independent community pharmacies an antitrust 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):

RxPlus Web Site:

Take a few minutes to check out our web site. We have posted some links to information we think you will find useful or interesting. On the home page you will find a link to the Colorado Medicaid MAC list. Issues and articles of interest can be found under the News/Events tab. For instance, there is a link to a recent article in the New Yorker Magazine about rural "druggist" Don Colcord from Nucla, links to Medicaid bulletins, and Mark Riley's DVD that exposes the Lies, Myths, and Deception of PBMs. If you have suggested topics and links, please let us know!

Executive Director's Message Cont.

New Business Plan- Committee members Jere Maxwell, David Lamb, K.C. Owen, Tom Davis, Joe Valdez, Ryan Smithburg, Huy Duong, and Leah Frank have dedicated long hours to researching and developing a business opportunity for our membership. During our Strategic Planning session last year Tom Davis suggested that there are several geographic areas that don't have an independent pharmacy. A decision was made to form a committee to investigate whether there might be business opportunities for independent pharmacies in Colorado, with the thought that such a plan could be duplicated in other states. Our research found that there have been 167 independent pharmacies in Colorado in the past 20 years that have closed or sold out to chains. More importantly, 17 of those stores were the biggest stores in the state at that time. We also found that there are now 34 towns that no longer have an independent pharmacy. Given this information, we believe there may be an opportunity to form an investment group with the goal of opening new independent pharmacies in those underserved areas. We are obviously at the research stage, and are now asking our members if they would be interested in getting involved, either through investing or through playing an advisory/mentoring role. We value your opinion. Please take a few moments to fill out the survey at the end of the newsletter and send it back to the office. If you have any questions or ideas please give me a call and I would be happy to visit with you.

There is a time to let things happen and a time to make things happen.

Hugh Prather

Grant Kinn
Executive Director

Classifieds

For Sale: pharmacy store fixtures. Five foot high double sides display shelves, eight foot highlighted wall gondolas with green accent caps. One four way display unit and eight foot long, five foot high double sided card unit. Contact Joyce at 505-473-1622 for information and pricing.

