

America's
PHARMACIST®

July 2018

THE VOICE OF THE COMMUNITY PHARMACIST

The
2018
Ideas
Issue



These
IDEAS
Have Legs

Published by NCPA® 
the National Community Pharmacists Association



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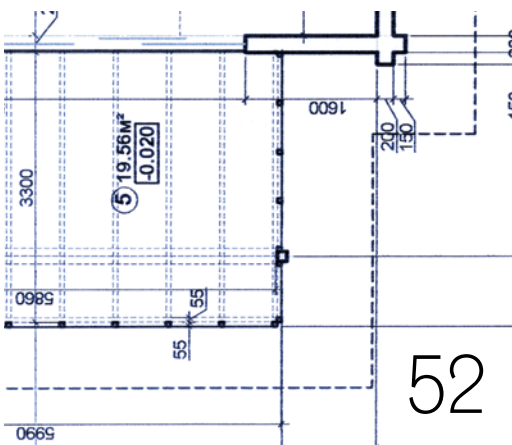
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 It takes just one great idea to make a difference in your business – just one. But just like pistachio nuts, you can't have just one. We're giving you 20 of them. Twenty pharmacist-tested, tried-and-true, easy-to-implement ideas that cover many aspects of your business. And they really work. Use one or two or 10, or use them all. Your choice. You'll find that these ideas have legs. And we'll show you how to use them.

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The logo for PRS Pharmacy Services features the letters 'PRS' in a large, white, serif font. A white swoosh underline is positioned beneath the 'S'. Below the 'PRS' text, the words 'Pharmacy Services' are written in a smaller, white, sans-serif font.

PRS
Pharmacy Services

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NCPA WELCOMES NEW CORPORATE MEMBER

Please welcome NCPA's newest corporate member:

- Yuyama USA



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POSTMASTER—Send address changes to: *America's Pharmacist*, Circulation Dept., 100 Daingerfield Road, Alexandria, VA 22314; 703-683-8200; info@ncpanet.org. Periodical postage paid at Alexandria, VA, and other mailing offices. Printed in the USA.

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NCPA  The National Community Pharmacists Association (NCPA®) represents the interests of America's community pharmacists, including the owners of more than 22,000 independent community pharmacies. Together they represent an \$80 billion health care marketplace and employ more than 250,000 individuals on a full or part-time basis. To learn more, go to www.ncpanet.org, visit [facebook.com/commpharmacy](https://www.facebook.com/commpharmacy), or follow NCPA on Twitter @Commpharmacy.

America's Pharmacist annual subscription rates: \$50 domestic; \$70 foreign; and \$15 NCPA members, deducted from annual dues.

First published Oct. 18, 1902 as *N.A.R.D. Notes*.



America's Pharmacist is printed on paper that meets the SFI standards for Certified Sourcing.



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That's a good idea

This edition of *America's Pharmacist* is our second annual "Ideas Issue," with plenty of concepts that community pharmacists can apply in their practices to make money, save money, increase efficiency, become more innovative, and enhance your ability to provide amazing health care for your patients. Some ideas are easy to implement, others more detailed. But all have value. Most of the ideas came from your colleagues, so if the ideas work for them, they could work for you. Ideas are the fuel that keeps our businesses thriving.

Staying on that topic, if you are like me, you were pleased to hear President Trump's announcement that the administration was examining our health care system to find ways to save patients money, including putting a spotlight on PBMs. The president took a direct shot at PBMs with this quote: "Whoever those middlemen were — and a lot of people never even figured it out — they're rich. They won't be so rich anymore."

Health and Human Services Secretary Alex Azar also voiced his intention to look deeper into the specific problems facing pharmacy. We are eager to hear more details going forward.

As we know, change takes time, so it's imperative to stay engaged. If you haven't done so, get in touch with your elected officials and keep them informed about the challenges we are facing in trying to provide optimal patient care amid issues such as unfair PBM practices. Congress will soon begin its summer recess to spend time back home with constituents — including your patients. On page 42 is an article providing ideas for hosting successful pharmacy visits for representatives and senators, along with photos of recent pharmacy visits from members of Congress. Pharmacy visits give elected officials a ground-level view of how your pharmacy operates and the patient care it provides. If your representative or senator is supporting NCPA-backed pharmacy-friendly bills, be sure to thank them. If they are unfamiliar with our initiatives, educate them in easy-to-understand language and politely ask for their support.

Another idea that continues to gain momentum is the CPESN® clinically integrated network of pharmacies. Being part of CPESN brings you together with like-minded pharmacists and provides a larger economy of scale to provide a wide variety of goods and services to improve

Some ideas are easy to implement, others more detailed. But all have value.

patient care and lower health care costs. Networks are spreading around the country and giving community pharmacy more clout.

By embracing new and innovative ideas, engaging with elected officials and government agencies to find solutions to long-standing problems, and teaming up to expand our reach through initiatives such as CPESN, we can more effectively tackle the challenges we face each day. ■

Best,

David Smith, RPh, NCPA president



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PHARMACY: Owner/pharmacist, Toledo Family Pharmacy, with three locations in Toledo, Ohio. He also owns an LTC pharmacy and just purchased Dundee Family Pharmacy in Toledo.

AGE: 33.

FAMILY: Married to Nadia; two sons, Mahdi, 2, and Issa, 4 months.

EDUCATION: PharmD, University of Toledo, 2009.

CHANGE OF HEART: Hussein started college at the University of Beirut in Lebanon in a mechanical engineering program. After three semesters, he changed his mind. "Everyone in my family always owned their own business. I realized I didn't have a future in mechanical engineering."

RELATIVE ADVICE: Hussein's uncle owns a pharmacy in Michigan. He nudged his nephew from 6,000 miles away. "He said, 'Come here. Pharmacy is a good thing.' I decided I had to go check out this option."

HOME SWEET HOME: Hussein often misses Lebanon, which he describes as the "most beautiful place." But, he adds, Lebanon is no place to run a business. "There is so much corruption there. I could never have what I have here. Hard work pays off. I'm living the American dream."

DOING IT HIS WAY: Owning his own business is everything Hussein dreamed it would be. "It's great when you're the boss. I have the autonomy to do what I want. I can serve patients the way I want to, implement any service I want to."

SHARING HIS VISION: Hussein is working toward an appointment-based model. His goal is a one-stop shop, with a variety of value-added clinical services. So far, his customers love what he's doing. "When I go on our Facebook page (and read the comments), it makes me very happy. We can bend whatever way we want to make our patients happy, and we do."

NCPA'S VALUE TO ME: "Nobody provides a bigger voice than NCPA. They're always fighting for us. I'd recommend the Ownership Workshop to anyone."



**Hussein El-Khatib,
PharmD**

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La Violette tapped to lead NCPA Advocacy Center

Karry La Violette has been promoted to senior vice president of government affairs and director of the Advocacy Center. La Violette will oversee all of NCPA's policy, advocacy, political, grassroots, and communications efforts. La Violette joined NCPA in 2011 and previously headed NCPA's federal government affairs programs, the NCPA Political Action Committee, and programming for the NCPA Congressional Pharmacy Summit.

Get briefed on drug pricing proposals

In response to President Trump's recent announcement coinciding with HHS' request for information, NCPA has created a one-page brief (<http://bit.ly/presblueprint>) of top priorities in the RFI for community pharmacy and a document outlining various approaches to addressing DIR fees. NCPA will submit comments to HHS on the request for information prior to the July 16 deadline and will provide additional resources to members and partners. Look for updates in NCPA's qAM newsletter.



NCPA ENDORSES NEW DIR FEE BILL

In late May, Reps. Doug Collins (R-Ga.) and Vicente Gonzalez (D-Texas) introduced H.R. 5958, the *Phair Pricing Act of 2018*, to lower the cost of prescription medications for patients in the Medicare Part D program. NCPA endorsed the bill, which would require all pharmacy DIR fees, including quality payments made to a pharmacy, to be incorporated at the point of sale and ensures pharmacists have meaningful control over the quality measures. Both this bill and H.R. 1038, the *Improving Transparency and Accuracy in Medicare Part D Drug Spending Act*, are paths to achieve one solution: Eliminate retroactive pharmacy DIR fees that contribute to high patient drug spend and make it nearly impossible to run a small business.



NCPA urges FDA to withdraw 503B guidance



NCPA has submitted comments on the Food and Drug Administration's draft guidance regarding bulk drug substances in compounding under Section 503B. Section 503B applies to outsourcing facilities who are registered with the FDA. In its draft guidance, the FDA seeks to create a framework to determine which bulk drug substances outsourcing facilities would be permitted to use in compounding. NCPA asserted that this draft guidance should be withdrawn because the FDA is attempting to determine the clinical need of compounded drugs for outsourcing facilities, and the draft guidance could lead to lower quality compounded drugs. Further, NCPA urged FDA to recognize that its draft guidance would detrimentally affect practitioner and patient populations by restricting the amount of a bulk substance available to outsourcing facilities, which could lead to insufficient medical treatment options.

New co-sponsors added to House and Senate DIR bills

Both the Senate and House versions of the *Improving Transparency and Accuracy in Medicare Part D Drug Spending Act* have picked up additional cosponsors. In the Senate, Sen. Cory Gardner (R-Colo.) became the 14th cosponsor of S. 413. In the House, H.R. 1038 now is cosponsored by Reps. Mac Thornberry (R-Texas), Steve King (R-Iowa), Scott Tipton (R-Colo.), Chellie Pingree (D-Maine), Dutch Ruppersberger (D-Md.), and Joyce Beatty (D-Ohio), increasing the number of cosponsors to 77. If you are represented by any of these members, please send them an email thanking them for their leadership and support.



NCPA advises CMS Medicare Part D staff

NCPA staff and member George Garmer, owner of Halethorpe Pharmacy in Maryland, met with members of the Centers for Medicare and Medicaid Services Medicare Part D staff to advise on a variety of issues important to independent community pharmacy. Issues discussed included NCPA's top advocacy priority, DIR fees, as well as the president's blueprint for lowering drug prices and recommendations for addressing pharmacy DIR in an upcoming Part D rule for 2020. NCPA also expressed concerns about the use of quality measures to evaluate pharmacies in Part D, saying CMS should provide more guidance to the plans as to the use of existing PQA measures at the pharmacy level. Lastly, NCPA discussed the use of generic effective rates in the Part D program, as well as implementation of lock-ins and LTC pharmacy issues. NCPA will continue to counsel CMS staff as the agency works toward policies to address the increasing use of pharmacy DIR.



NCPA advises FDA on NSURE initiative

NCPA staff recently provided input on NSURE, the Nonprescription Safe Use Regulatory Expansion initiative during an event organized by the Gerontological Society of America and the FDA Center for Drug Evaluation and Research. The initiative aims to increase access to prescription drugs in nonprescription settings, particularly those that treat certain chronic conditions, and to improve preventive health care.

CMS TO PART D PLAN SPONSORS: GAG CLAUSES ARE UNACCEPTABLE

CMS administrator Seema Verma sent a letter to all Part D plan sponsors warning them that the Centers for Medicare & Medicaid Services finds any form of “gag clauses” in pharmacy contracts to be unacceptable and contrary to its efforts to promote drug price transparency and lower drug prices. This was one of the initiatives outlined in President Trump’s May 11 speech on drug prices.



Senate HELP committee delves into 340B

The Senate Health, Education, Labor and Pensions Committee

held a hearing on 340B program oversight issues, the second in a series of HELP Committee hearings to address whether the 340B program is fulfilling its intended goals and whether changes in the law are needed to ensure that the program continues to achieve its purpose.

Republican members, including Chairman Lamar Alexander (R-Tenn.) and Sen. Bill Cassidy (R-La.) focused on the Health Resource and Services Administration’s oversight of the program and the program’s unintended consequences – including whether the program is encouraging hospitals to use more expensive Part B drugs or incentivizing consolidation. Democrat member Sen. Patty Murray (D-Wash.) focused on the need for more measures to improve transparency on the manufacturer side, including new rules that address overcharging and ceiling price transparency. Murray and Sen. Elizabeth Warren (D-Mass.) criticized the Trump administration’s decision to postpone a rule related to ceiling price calculations and manufacturer civil monetary penalties, stating that these types of manufacturer-focused measures are required to meaningfully address drug pricing issues and improve the 340B program.

MEET YOUR *Champion*

Each month, America's Pharmacist® will spotlight a pharmacist/elected official who is a champion for community pharmacy and the patients you serve.

For Evan Vickers, a sense of civic duty and community engagement has always been a guiding principle, whether it was spending 12 years on the city council of his hometown of Cedar City, Utah, operating a couple of successful community pharmacies, or serving in the Utah Legislature, where he is a senator.

"I think it's important to be involved," Vickers says. "Even if you aren't in elected office, it's important to be an advocate and stay engaged with elected officials."

Vickers owns two businesses, Bulloch Drugstore and Township Professional Pharmacy. He is still active with the pharmacies, spending a couple of hours a day behind the counter and handling overall management duties. Much of the day-to-day operations are maintained by a son and daughter who are also pharmacists, allowing him flexibility to work on legislative issues.

Vickers, a Republican, served two terms in the Utah House of Representatives before he was elected to the Utah Senate in 2012. He is favored to win a third term this fall.

Vickers is the only pharmacist in the legislature, so his expertise in that area is valued. In the 2018 session his background helped with anti-gag order legislation, which passed without major opposition from PBMs.

Vickers was chief sponsor of S.B. 208, which addressed DIR fees. In this case it was physicians who were being hit with DIR fees from Medicare through the PBMs.

"I told them we can't do away with them through legislation," Vickers says. "But what we could do was require some additional transparency from the PBMs."

Reflecting on a decade in the legislature, Vickers says, "It's been really rewarding ... Politics isn't for everybody; it's not for the faint of heart. Campaigning can be tough."

Still, he says, "If you have the passion for it and the time and ability to do it, it's certainly worth it. We really need at least one pharmacist in every legislature across the country. If you don't get involved and help drive the policies, somebody else is going to make it for you and you're not going to like it."



Name: Evan Vickers

Elected office: Utah State Senate

In office since: 2013, serving second term; Utah House of Representatives, 2009-13

Profession: Owner, Bulloch Drugstore and Township Professional Pharmacy, Cedar City, Utah

Education: University of Utah School of Pharmacy, 1977

Honors: Include Legislator of the Year, Utah Pharmacy Association; Pharmacist of the Year, Utah Pharmacy Association; NFIB Utah Small Business Champion of the Year; Legislator of the Year, Utah Medical Association,

THE **AUDIT** ADVISER



ESI continues mailing threats on community pharmacies

Q: We just got a notice from Express Scripts that we need to stop mailing prescriptions or face possible contract termination (even though we don't mail prescriptions that often). Is this something to worry about?

A: The Pharmacy Audit Assistance Service recently became aware of Express Scripts enforcing mail order and formulary compliance limitations. We have heard from several pharmacies that received cease & desist notices from ESI and one that received a contract termination notice.

It is our understanding that ESI is using patient address information to make assumptions as to which claims are being mailed outside of the pharmacy's service area because ESI limits mail order under a standard retail contract. The notices are not indicat-

ing what ESI is using for service area. Notices have been issued for assumed mail order claims of as few as 10 percent of total ESI claims. Pharmacies may need to provide proof that claims were delivered or picked up to avoid future contract termination.

ESI has also sent notices that it is requiring pharmacies to use "best efforts to achieve formulary compliance." Having a high percentage of non-formulary or brand drugs may be considered a violation of its provider manual. One of the notices specifically identified a high percentage of claims for products manufactured by Horizon Pharma. ESI stated that this was evidence that the pharmacy was not operating as a traditional retail pharmacy that dispenses a variety of drugs.

By Mark Jacobs, RPh, PAAS National Pharmacy Audit Assistance Service. For more information, call 888-870-7227 toll-free, or visit www.paasnational.com.

California PBM legislation gains AARP support

AARP, which represents the interests of 38 million Americans over the age of 50, has announced support for California's Assembly Bill 315, a bill intended to regulate PBMs. The bill would require PBMs to register with the state. It also includes language requiring PBMs to periodically disclose to a purchaser, at the purchaser's request, certain information such as drug acquisition cost, rebates received from pharmaceutical manufacturers, and rates negotiated with pharmacies. AB 315 is a top priority bill for the California Pharmacy Association, and AARP's support is an influential endorsement.



Helpful resources on Part D changes

NCPA has created several new informational documents for community pharmacists and industry stakeholders, including in-depth analyses of the Final Part D Rule and CMS' Final Call Letter for 2019 Part D plans. Visit <http://bit.ly/partd2019>.



NCPA PAC HOSTS FUNDRAISER FOR REP. HOYER

NCPA PAC co-hosted a fundraising event for Rep. Steny Hoyer (D-Md.), who serves as the House minority whip. NCPA member Surinder Singal hosted the reception, which was attended by 26 community pharmacists. The pharmacists shared with Hoyer their concerns about how DIR fees and PBM tactics make it hard to run their small businesses and provide care to the patients they serve.



A Doctor's Experience with Atrevis Hydrogel[®]

Pamela Smith, MD, MPH, MS:

"The first patient I used Atrevis in was a patient who had an allergy to every other base that was available in North America, so we moved him to injections of testosterone. He really didn't want to do testosterone injections, so when Atrevis came out, I said, 'Hey, would you like to try this? Let's see if you have an allergy.' He didn't, and he's back to using transdermally applied.

"Now we're doing a controlled trial in our patients that are very established, and we're looking at Atrevis to see if we really do get better absorption of testosterone.

"Preliminarily, the studies that we've looked at are showing a 92% improvement in absorption, so we're able to actually lower the dosages of some patients. As you know, side effects are always dose-dependent. So we're able to get great results using less hormone, and the patients are very happy."

Watch Dr. Smith's video at bit.ly/drsmith-atrevis.



THE BEST OF @COMMPHARMACY

Each month, we spotlight highlights from NCPA's Twitter feed. Follow us at @commpharmacy and join the conversation.

NCPA
@Commpharmacy

Research from @PhRMA: Sharing negotiated discounts at the pharmacy counter could save seniors with diabetes more than \$350 annually



Sharing negotiated discounts at the pharmacy counter could save seniors with diabetes more than \$350 annually.
catalyst.phrma.org

12:30 PM - 21 May 2018

1

Administrator Seema Verma
@SeemaCMS

We @CMSGov want to make it clear that any form of "gag clauses" are UNACCEPTABLE. Gag clauses prevent pharmacists from telling patients when they could pay less & are contrary to our efforts to promote drug price transparency and #LowerDrugPrices.
[go.cms.gov/2IsSFbu](https://www.cms.gov/2IsSFbu)

10:20 AM - 18 May 2018

2

NCPA
@Commpharmacy


Is your pharmacy ready for @CPESN? We've got a quick 10-question pharmacy self-assessment to help you find out: ow.ly/CSYq30ka3h1

9:00 AM - 24 May 2018

3

NCPA
@Commpharmacy

"CVS appears to be billing the state for far more than what it is paying pharmacies, driving up taxpayer costs. CVS's actual drug payments aren't transparent to the state or MCOs." [wsj.com/articles/why-c ...](https://www.wsj.com/articles/why-cv-s-billing-the-state-for-more-than-what-it-is-paying-pharmacies-driving-up-taxpayer-costs-1527284400)
@WSJOpinion



Why CVS Loves ObamaCare
Medicaid expansion helps big business reduce competition. Ohio is a case study.
wsj.com

6:45 PM - 29 May 2018

4

Adam J. Fein
@DrugCharnals

Pay attention to tough talk from @SecAzar @HHSGov about #drug pricing plans: "I have the complete support of the president in stiffening my spine and fighting back against the special interests here to drive this change" drugch.nl/2k9fWQW @politico @ddiamond




Pulse Check: Azar to drug plan critics: Bring on the fight
On the podcast, Azar listed four major goals: lowering the list prices of drugs, negotiating better prices in Medicare Part B and Part D, reducing patients' out-of-pocket costs.
politico.com

6:30 AM - 19 May 2018

5

NCPA
@Commpharmacy

'The merged entities, plus Humana and UnitedHealth, would cover 71% of all Part D beneficiaries.'



CVS-Aetna, Cigna-Express Scripts mergers would lead to ...
If proposed mergers between CVS-Aetna and Cigna-Express Scripts are approved, just four companies would cover 71% of Part D beneficiaries.
fiercehealthcare.com

1:53 PM - 23 May 2018

6

- 1** New PhRMA-funded research, announced in May, showed that POS rebates can save seniors with diabetes a chunk of change.
- 2** Following roll-out of President Trump's drug pricing proposals, CMS administrator Seema Verma sent a letter making clear that "gag clauses" in Part D are unacceptable.
- 3** CPESN's[®] pharmacy self-assessment – an online tool for determining if your pharmacy is CPESN-ready – got a shout-out in late May.
- 4** In a blistering May 29 editorial, the Wall Street Journal shines a light on abusive PBM business practices in Ohio.
- 5** Secretary of Health and Human Services warns that his resolve in doing something about high drug costs should not be underestimated.
- 6** A piece in Fierce Health Care notes that if two pending mergers are approved, four entities would cover 71% of Part D beneficiaries.



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MEDICATION SAFETY



Dramamine brand name extension causes confusion

The brand name **Dramamine**[®] is the latest example of a well-known, successful, over-the-counter drug name being recycled for use in products that contain an active ingredient or ingredients that differ from those in the original product. The original Dramamine contains 50 mg of dimenhyDRINATE. There is also a 50 mg chewable form and a children's formulation that has 25 mg per tablet. But there is now a Dramamine that contains meclizine 25 mg per tablet, and another that has no drug at all – Dramamine Non-Drowsy Naturals is a supplement that contains only ginger root. Packaging of all these products highlights the Dramamine name. When an “umbrella name” (also called a brand-name extension) is used for products with varying ingredients, there is bound to be patient and practitioner confusion regarding the product's actual ingredients, strength, concentration, and possibly purpose.

As we have previously pointed out, errors can happen in which the wrong product or dose is taken or the product is used when contraindicated. Product names that are misleading can also cause confusion when treating side effects or accidental ingestion of the products. Although full ingredients are listed in the product's drug facts or

supplement panel, this information is sometimes overlooked by the consumer. DimenhyDRINATE is a Food and Drug Administration OTC monograph drug in the antiemetic category. Monograph drugs are designated OTC drugs that are not specifically FDA approved by direct application, but are legally marketed under regulations established through the FDA's OTC Drug Review. Monograph drugs are “generally recognized as safe and effective” for their intended uses. Companies can market certain OTC products without direct involvement of FDA if they meet the conditions of the monograph.

DON'T LEAVE 'MEDS TO BEDS' PRESCRIPTIONS AT BEDSIDE

“Meds to Beds” programs are becoming more popular with patients and their health care providers. These programs bring prescription medications to the patient's bedside prior to patient discharge from the hospital and may include patient education about the medications, as well as follow-up by a pharmacist post discharge. Community pharmacies contract with hospitals to perform these services, or they may be provided by the health-system's outpatient pharmacy. Besides convenience, benefits may include increased adherence to medication regimens and fewer patient readmissions.

Keep in mind that, for safety reasons, this program should not simply involve having medications dropped off and left on the patient's bedside table. Otherwise, confusion (and medication errors) may occur. We recently learned about a close call in which a nurse gave a patient his morning medications, and then the patient opened the bag of discharge medications left at his bedside and nearly took the same medications.

Pharmacy staff should work with nursing to raise awareness of this important issue and provide patient education, which should be considered imperative for “Meds to Beds” programs. Affixing an auxiliary label to the bag containing the medication(s) to remind patients that the medications are not for use while in the hospital may help prevent errors. Also, medications (including controlled substances) should not be left unsecured at the bedside prior to discharge. A plan should be established regarding where to secure these medications until discharge, after a pharmacist has reviewed them with the patient, and what to do if the patient is not in the room at the time of delivery. ■

This article is from the Institute for Safe Medication Practices. The reports described were received through the USP-ISMP Medication Errors Reporting Program. Errors, near misses, or hazardous conditions may be reported at www.ismp.org.



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A lesson from Zachary: Don't be afraid to be bold

by Liz Tiefenthaler



I recently lost a very dear friend, almost a son. At 32 years old, he had already made a mark on the world and he will be missed. I am sharing this because Zachary taught me so much and I want to share his vision with you. It could change your business.

Zachary was a high school dropout who, because he was a born marketer and salesperson, managed to buy a small promotions company which he grew to \$20 million in sales in four short years. He used to laugh and tell me that he didn't need to chase startups like most people his age; he was happy making his mark selling pens and hats. But that wasn't really what he did. In reality, he sold branding and marketing to companies. The promotions business, like pharmacy, is competitive and can be mean and cutthroat. Zach quickly determined that he was not going to sell on price alone and would instead find a niche market, learning that companies who appreciated a high level of service and an understanding of how good design and aesthetics could make a difference in their branding.

So how does this have anything to do with you and your pharmacy? Like Zach, you can make a difference in your business by finding niches that customers want. As I have said countless times in this column, you will be more profitable, and ultimately more successful, if you don't have to compete on price alone. PillPack had sales of more than \$100 million last year mailing packaged prescriptions to patients every two weeks. It seems like 99 percent of the independents I know are doing this, but for some reason aren't advertising or marketing the service. PillPack's target group are seniors and people

with multiple conditions. Sound familiar? Do you have a packaging machine that is underused?

The key to being successful with a niche market is in marketing to the right audience. And by the way, you may just have to spend money to make some money!

What do you need to know to get started in a niche offering? First, you need to choose something that is important to you. If wellness is your passion, then decide what part of this growing market you want to address. Then, you need to determine who would be interested in this niche so that you can market to them. And finally, you need to determine the best plan to reach this audience. And yes, you will need to spend more money to spread the word!

Zachary's father wrote a letter to his son, where he thanked him for helping him not be afraid of the world. He said that watching Zach's fearless approach to trying things had changed his view of life and work. I would encourage all of you to be bold and brave and make some changes in your pharmacy that could bring you great success. ■

Liz Tiefenthaler is the president of Pharm Fresh Media, a full-service marketing company focused on helping independent pharmacies gain new customers and build loyalty with their current customers. She can be reached at liz@pharmfreshmedia.com.

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Interplay between AKS statute and Stark law

by Jeffrey S. Baird, Esq.

The Federal Anti-Kickback Statute, or AKS, prohibits knowingly and willingly offering, paying, soliciting, or receiving, directly or indirectly, anything of value if the purpose is to induce the recipient to refer, order, recommend, or purchase an item or service for which payment may be made under a federal health program, or to arrange for someone else to do so. Any person or entity can be a referral source, be it a physician, nurse, physical therapist, marketing company, or kindergarten teacher. Because of AKS's breadth, the office of inspector general has published a number of "safe harbors."

If an arrangement complies with a safe harbor, then as a matter of law the arrangement is not an AKS violation. If an arrangement does not comply with a safe harbor, then it does not mean that it automatically violates the AKS. Instead it means that the involved parties will need to

closely examine the arrangement in light of AKS language, court decisions, and other published guidance.

The Federal Stark Physician Self-Referral Statute, or Stark, prohibits physicians from referring Medicare/Medicaid patients to a provider in which the physician has a financial (ownership or compensation) relationship for the furnishing of "designated health services." Designated health services include outpatient prescription drugs. There are a number of exceptions to Stark, including the nonmonetary compensation exception, or NCE. The NCE allows the pharmacy to provide gifts to a physician as long as all of the gifts in a calendar year do not exceed a certain dollar amount in value. For 2018, it is \$407.

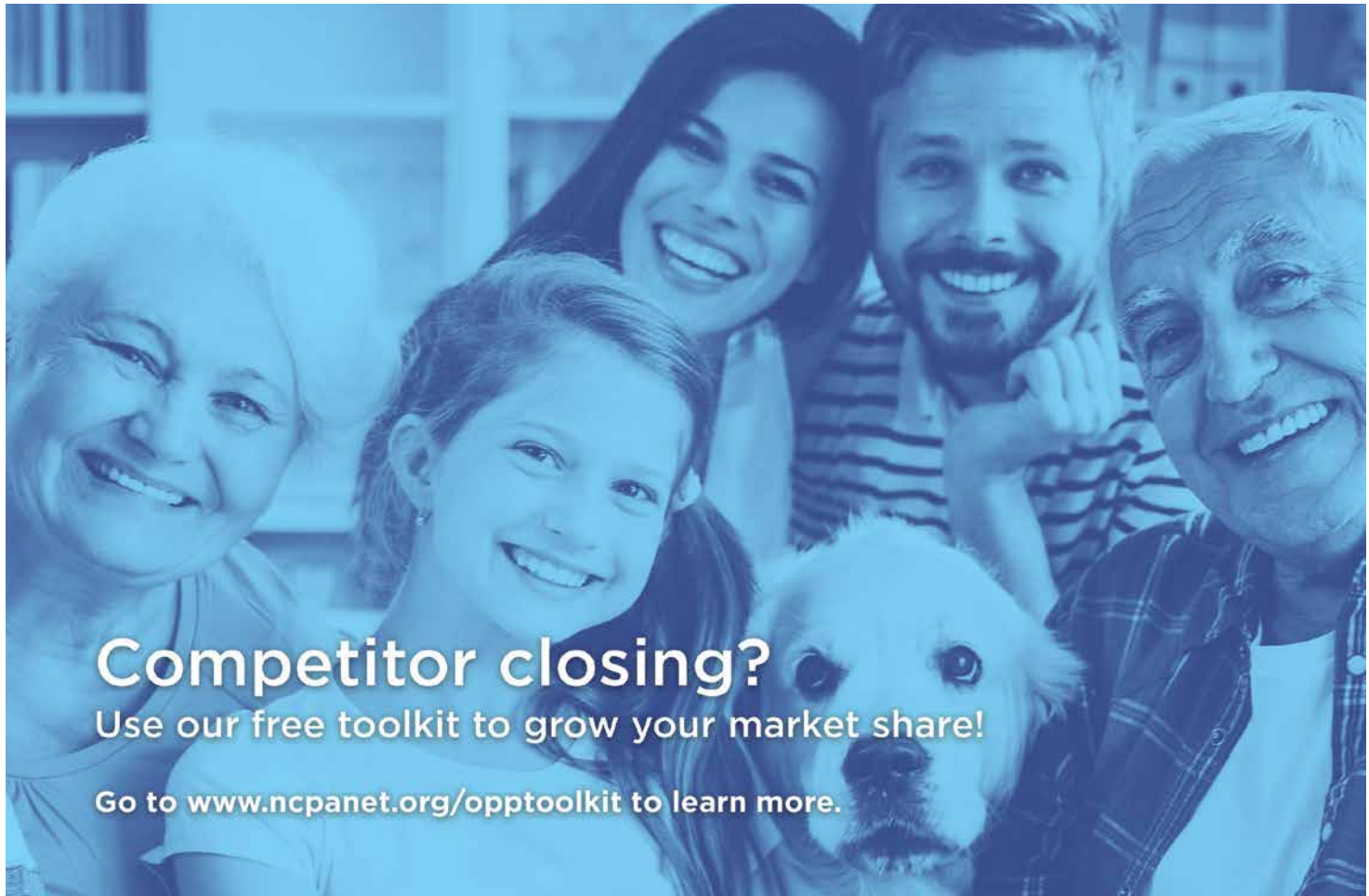
When a pharmacy provides meals and other gifts to physicians and their employees, it is important to note that Stark only applies to the physicians, not to their employees.

But the AKS applies to both the physicians and their employees.

Thus, when dealing with the physician, both statutes must be satisfied. When interacting with the physician's employees, only the AKS must be satisfied. There is not an NCE to the AKS. Technically, this means that the pharmacy can spend \$407 in 2018 on the physician and satisfy Stark, but still violate the AKS. However, if the NCE is satisfied, based on past experience, it is highly unlikely that the government will assert an AKS violation.

As previously mentioned, only the AKS applies to the employees and the AKS does not contain the NCE. Therefore, what can be spent on the employees? This is where the pharmacy must be reasonable. The pharmacy cannot spend so much on employees that it looks like the pharmacy is trying to take away their independent judgment. The more that the pharmacy spends on employees, the more the kickback risk increases. Conversely, the less that the pharmacy spends on employees, the more the kickback risk decreases. ■

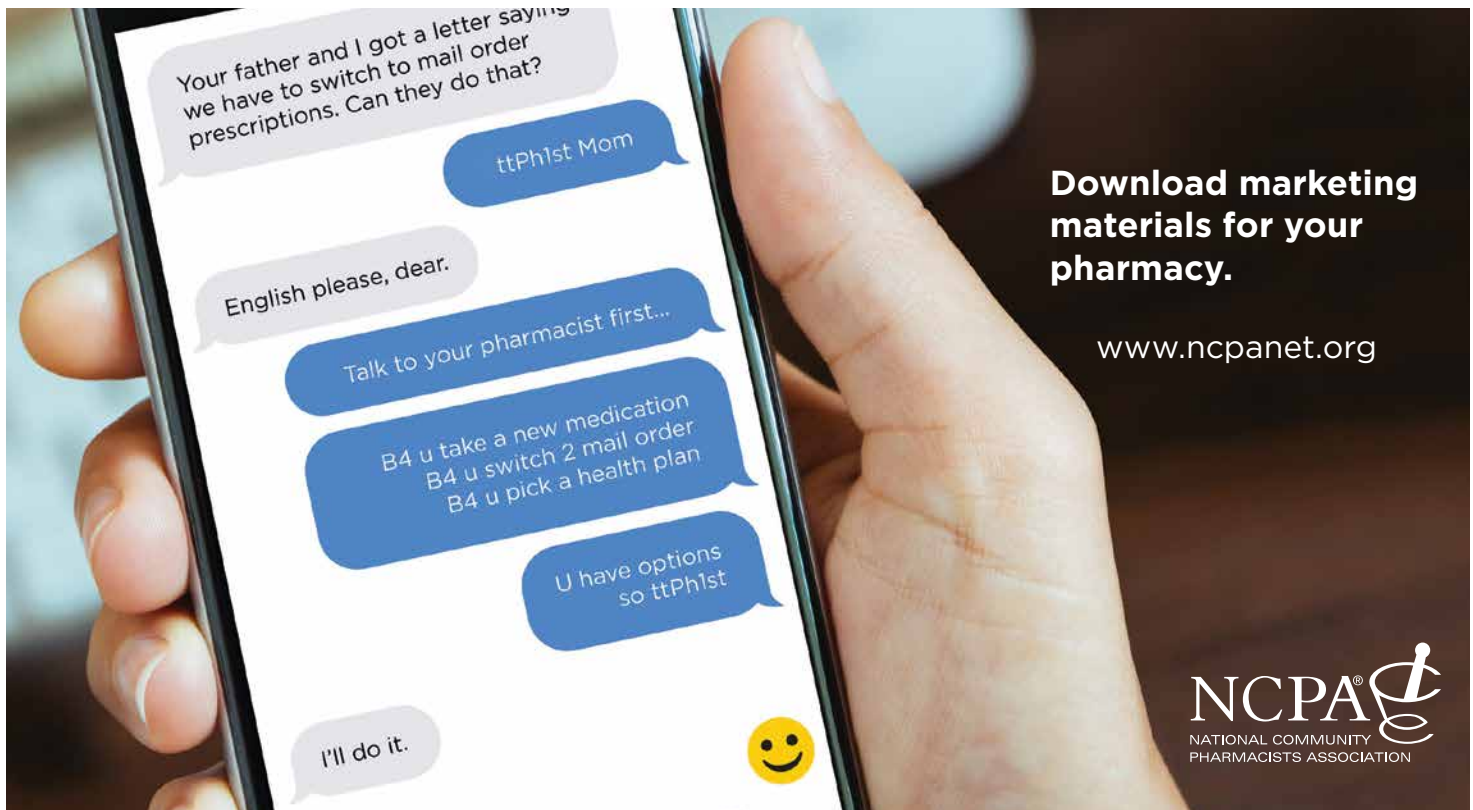
Jeffrey S. Baird, Esq. is chairman of the Health Care Group at Brown & Fortunato, P.C., a law firm based in Amarillo, Texas. He represents pharmacies, infusion companies, home medical equipment companies and other health care providers throughout the United States. Baird is board certified in health law by the Texas Board of Legal Specialization. He can be reached at 806-345-6320, or at jbaird@bf-law.com.



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B4 u switch 2 mail order
B4 u pick a health plan

U have options so ttPh1st

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John Quiñones

ABC News Veteran and Host of *What Would You Do?* John Quiñones's moving life story, exceptional career, and incomparable insights will make for a powerful kick-off of NCPA's 2018 Annual Convention.

In his keynote, he'll recount his odds-defying journey, convey the life-changing boost his education gave him, and provide thought-provoking insights into human nature and ethical behavior.

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- Election and installation of NCPA's 2018-2019 President



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 - Selling Your Pharmacy: An Action Plan, sponsored by Live Oak Bank

The
2018
Ideas
Issue



These
IDEAS
Have Legs

Know how to use them.

by Chris Linville and Jayne Cannon

“Take up one idea. Make that one idea your life — think of it, dream of it, live on that idea. Let the brain, muscles, nerves, every part of your body, be full of that idea, and just leave every other idea alone. This is the way to success.”

SWAMI VIVEKANADA, INDIAN CLERGYMAN, 1863-1902

It only takes one. Just as one event can change your life, one idea can transform your business.

Welcome to our second annual Ideas Issue. Last year we brought you 64 amazing ideas to enhance your pharmacy business. This year, we've narrowed it to 20; after all, just ONE idea can make the difference. So find one you like and make it your own.

Every idea doesn't have to be huge, expensive — or life-changing. But plenty of good ideas are out there, concepts that you can apply in your practice to make money, save money, increase efficiency, become more innovative and enhance your ability to provide excellent health care for your patients. Some of the ideas we feature here are easy to implement, others more detailed. But all have value. They're tested. Most of them came from your colleagues, so if it works for them, they may just work for you.

To paraphrase those esteemed musical philosophers, the band ZZ Top: These ideas have legs. You need to know how to use them.

Idea No. 1

TAX SEASON IS NOW.

Three months past the tax deadline — time to rest easy, and put taxes out of your mind until January, right?

Not on your life, says Ollin Sykes. Start your tax planning now. Today. Immediately.

Sykes, president of Sykes & Co., a firm that offers accounting, tax and business advisory services to pharmacies, says savvy pharmacists are working with their tax advisors now, he says, figuring out a plan for the new tax laws that took effect Jan. 1.

The Tax Cuts and Jobs Act, the most sweeping changes to tax law in more than 30 years, offer a unique opportunity for pharmacy owners, Sykes says. “We have the entire year to plan,” he says. “Of course, we’re six months in now, so it’s more important than ever to get started. Now,

more than ever, make sure you fundamentally have your books in order.”

Usually, when tax changes are enacted, the law is passed at the end of the year and applies to the current tax year, so most action is retroactive. But these tax laws took effect for 2018, building in plenty of time to “understand and plan,” Sykes says.

“You absolutely don’t want to wait until the fourth quarter to get started on this,” Sykes says, adding that even though the law was passed in December, there are still unanswered questions about how — and if — certain areas will be implemented and how they will affect pharmacy business. In particular, Sykes says he’s watching three areas: cash method accounting and deduction of business meals. He’s also watching for updates on 199A, which affects compounding pharmacies.

The 2018 tax changes are “extraordinarily positive for owners,” Sykes says. “We haven’t seen this kind of positive impact on business in more than 30 years. That said, visit your tax advisor now. Proactivity is the name of the game.”

WANT TO KNOW MORE?

- Check out for “Tax Strategies for a New Tax Environment” at NCPA Annual Convention, Oct. 6-9 in Boston.
- Attend NCPA’s Ownership Workshop, sponsored by McKesson. The next one is Oct. 6-9 in Boston.



Idea No. 2



DELIVERY MAKES THE DIFFERENCE

For some patients, delivery is a convenience. For others, it’s a necessity.

For Steve Fettman, owner of Davies Pharmacy in Canton, Ohio, it’s commitment — and a cornerstone of his business.

Rarely does Fettman or one of his staff pharmacists leave for the day without a prescription or two in hand to take to a patient on the way home.

In addition to pharmacists doing double duty as delivery drivers, Davies has a staff of eight delivery drivers. Most of them work half-day shifts.

It wasn’t always this way. Fettman started slowly and advises other pharmacists to do the same. There are cars to consider, and insurance — and hiring good, reliable drivers. And that’s area where Fettman says he’s hit the jackpot.

Several years ago, he spoke to a friend who was active in the local chapter of Fraternal Order of Police. His friend suggested that he consider hiring retired police officers for delivery drivers.

“It’s worked out really well,” Fettman says. “Who knows the city better than a police officer?”

Many retirees are looking for part-time work, Fettman says. He has no trouble filling driver positions and with a large staff, he’s able to accommodate flexible schedules and still get all the deliveries done at the

Idea No. 3



IF YOU'RE NOT SYNCING, YOU'RE SINKING

Steve Adkins' pharmacy sits across the street from a continuing care retirement center. Many seniors take multiple medications. It's a match made in medication synchronization heaven.

Adkins' Health Park Pharmacy in Raleigh, N.C., has more than 1,000 patients on med sync. Adkins is passionate about med sync, which he introduced in his pharmacy 11 years ago.

"Anyone who objects to med sync won't be here in five years," Adkins says.

Med sync isn't for every single patient, he says. Those who take a pill or two to treat short-term illness don't benefit much, but even patients who don't take multiple meds find that med sync is a helpful.

Adkins' average patient takes about 15 different oral medications every

day. Patients who lead busy lives like the convenience, Adkins says. One of his patients has a child on medication for ADHD; she likes that the teen's meds are synched and that he can manage his own disease without her constant supervision.

Med sync also allows Adkins to have smoother workflow in the pharmacy. The staff can get the prior authorizations they need without waiting for a patient to call in — often at the last minute.

There is a threshold where many pharmacies can see operational efficiencies, according to Al Babbington of PrescribeWellness. "An average community pharmacy that is doing 200 fills a day has about 1,200 active patients. When they enroll the top 20 percent of those or 240 patients that means that nearly 2,000 of their fills are by appointment. That is the point where the workflow efficiency, reduction in phone calls and free time for clinical services is undeniable,"

says Babbington. PrescribeWellness is the official med sync technology of Simplify My Meds.®

More than anything else, med sync is good for patients. It promotes adherence and is a convenience that the great majority of his patients appreciate, Adkins says. Some don't, he says, but that's mostly because they resist change of any kind. But they almost always come around.

"It is a great thing for our pharmacy, and it's even better, because it's a by-product of doing right by our patients. That's a big win for everyone," he says.

WANT TO KNOW MORE?

- Simplify My Meds® is an NCPA program that provides you with the tools and support needed to set up a medication synchronization program in your pharmacy. Find out more at www.ncpanet.org/smm.

same time. Retired police officers are also experienced in handling all kinds of people situations, Fettman says, which is a bonus. In addition to police officers, Fettman recently hired a retired UPS driver.

Delivery is an integral part of his business, Fettman says. "We'll deliver anything in the store," he says. His staff makes daily deliveries to some high-rise senior residences; with that, drivers sometimes deliver to 10 or more patients at the same address. So Fettman has no problem delivering a Coke or a box of Kleenex to someone at the same address.

It takes no more time, he says, and he's building loyalty.

For the most part, deliveries are free, except for Davies' "white-glove deliveries" of lift chairs. Those deliveries involve setup, patient instruction and often moving furniture to accommodate the new chair.

According to the *2017 NCPA Digest*, sponsored by Cardinal Health, almost 75 percent of NCPA members offer delivery services. If you're not there yet or you'd like to step up your delivery game, Fettman has a bit of advice: "You're not going

to make money at first. You've got to be committed to it. But make it one of your prime points. Delivery is a great way to take care of your patients. It will keep your patients coming back."

WANT TO KNOW MORE?

- Check out "Personalized Medication Delivery That Plans Sponsors Value" at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Learn about marketing your pharmacy practice at NCPA's Ownership Workshop sponsored by McKesson, Oct. 4-6 in Boston.

I feel a kinship with other local independent businesses and want to support them.

— PHARMACIST
STEVE FETTMAN

SOME TERRIFIC IDEAS FROM OUR NICE WINNERS

In March, *America's Pharmacist* highlighted the winners of the first NCPA Innovation Center Excellence Awards. In case you missed it, we've listed the eight winners and their ideas for anyone wanting to enhance their pharmacy.

4 External Remodel — *Centralia Pharmacy, Centralia, Wash.*

Co-owner and manager Will Quinby: "If you're considering a similar venture, have a plan, stick to it, and budget wisely. Decide what's actually worth it and what's not. We could have dumped a lot more money to this, but it wasn't worth the investment. Once we get the business built up in another year or two we might consider doing more."

5 Internal Remodel — *Skywalk Pharmacy, New Berlin, Wis.*

Jake Olson, owner: For anywhere considering a similar project, Olson says he'd "wholeheartedly" recommend "attending anything that Gabe Trahan is doing. ... He can show you the red shoes that you can't always see sitting in front of your face." When Olson was looking to open an additional location, he attended an NCPA Multiple Locations Conference because he wanted to learn what the "best of the best" were doing and integrate some of the best practices he discovered from them. "It's changed my entire mindset about running pharmacies," he says.

6 End-Cap — *Stephens Pharmacy and Northeast Med-Equip, Honesdale, Pa.*

Todd Stephens, chief operating officer: As with most anything, Stephens says that planning is crucial with end-caps as part of an OTC strategy. "You don't want to put up a sun-

screen end-cap on July 4. You want that before Memorial Day, and you want to order your products for that in February or March." Stephens also says it's essential to track what you do. "If you aren't measuring your OTC sales, then why bother? If you don't know if it's hurting or helping your business, you are just wasting time."

7 Exterior Sign — *Davies Drugs, Canton, Ohio*

Steve Fettman, owner: "Work with local businesses on renovations. As an independent, I feel a kinship with other local independent businesses and want to support them."

8 External Advertising/Marketing Promotion — *AXIS Pharmacy Northwest, Mountlake Terrace, Wash.*

David Fischer, president and CEO: When doing outreach with a community pharmacy, whether it's smoothie-making bicycles, health fairs or any other event, Fischer says it's simple: Stand out from the crowd. "You really have to think differently," he says. "Big-box stores to me are all the same. If you are competing against them you have to do something different, something eye-catching that creates buzz. Try to make it fun, be personable, make those connections, and it can pay off in a good way."

9 Social Media Campaign — *Love Oak Pharmacy, Eastland, Texas*

Ben McNabb, owner: Recognizing that a lot of people have short attention spans, McNabb stresses running short video clips similar to TV ads — 15 to 30 seconds, maybe a minute at most. "Social media was huge for us; it really kick started things," McNabb says. "We're planning on expanding our marketing radius even more through social media."



10 Public Event — *Petricone's Torrington Pharmacy, Torrington, Conn.*

Joe Petricone Jr., owner: Measuring a return on investment for this type of investment isn't done in dollars. Petricone says at best the pharmacy breaks even. It's about serving the community. "I was asked to be at the event and I was more than happy to be there," he says. "If there are future events, I'll be happy to help in any way I can."

11 Customer Convenience Improvement — *Good Day Pharmacy, Loveland, Colo.*

Vicki Einhellig, president and COO: Einhellig says using old school and modern methods to spread the word about its offerings has been effective. "We utilize word-of-mouth marketing, magazine and social media advertising, as well as creating a customized email newsletter to our clients," she says. The pharmacy's marketing team also visits local hospitals and cancer treatment centers throughout the year to inform medical professionals about its breast care center services.

WANT TO KNOW MORE?

- Find out more about our 2018 NICE Award honorees and their ideas at www.ncpanet.org/innovation-center/nice-awards.
- Get tips and tricks from your marketing experts and your peers at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Sign up for *Profit Makers*, a free front-end newsletter at www.ncpanet.org/profitmakers and check out NCPA Innovation Center's Front-End Overhaul for more front-end resources at www.ncpanet.org/feo.

Idea No. 12



REAP BENEFITS FROM YOUR POINT-OF-SALE SYSTEM

Point-of-sale systems are certainly not a new concept in community pharmacy, but how many owners and managers are taking full advantage of their system's benefits? According to the *2017 NCPA Digest*, sponsored by Cardinal Health, 88 percent of community pharmacies have a POS system, up from 84 percent in 2015 and 82 percent in 2014.

John Beckner, NCPA senior director of Strategic Initiatives, says that most POS systems are standalone, but can be integrated into a store's pharmacy management system. He says the average cost for a system is in the \$15,000 range, depending on add-ons.

"I think the main advantage in POS is that there are a plethora of reporting capabilities available," Beckner says. "All of your sales are accurately recorded, because if you are missing sales you are losing profit."

Beckner says there are two primary functions served by a POS. The first is seasonal forecasting, to help maintain an accurate count of seasonal front-end and OTC inventory, such as cough and cold in winter and sun protection products in the summer. The other is to monitor shrink and pilferage.

Beckner also points out that without a POS you have to manually place price stickers on upfront products, which is labor-intensive and often inefficient.

There are several other POS benefits, including the following:

- Makes the pharmacy compliant with Internal Revenue Service regulations on IIAS (inventory information approval system) and FSA (flexible spending accounts)
- Provides electronic signature capture, with all proper documentation
- Offers easy handling not only of credit cards, but multiple methods of payment
- Allows creating store loyalty programs for value added services
- Provides security features to aid check cashing, voids and refunds

Beckner says customer perception is another factor. "From an image factor, they see you as a sharper operator, and that you are up to date on the latest technology."

WANT TO KNOW MORE?

- Find out more about taking full advantage of your pharmacy's technology tools at the NCPA Annual Convention, Oct. 6-9 in Boston.

Idea No. 13

COMPRESSION HOSE: LITERAL LIFE-SAVER AND NICHE REVENUE SOURCE

Why is it a good idea to carry compression stockings? Besides being a nice revenue source, it can be a lifesaver. Pharmacist Jack Dunn says that there's often a misconception that compression stockings are for older people, or those with vascular issues. However, he points out that serious health issues such as potentially deadly embolisms can happen to anybody.

Dunn, who owns Jasper Drug Store in Jasper, Ga., says compression stockings have become a productive niche item. "The big thing is that the baby boomers are getting older, and they are traveling," he says. "So they need compression stockings. I know for myself, I'm standing on cement all day, and wearing them I feel better at the end of the day."

If you are driving for more than four hours or on a long plane flight, Dunn stresses the need for compression stockings because in those settings you typically aren't getting up and moving around often, which can cause embolisms.

"There's a valve in your calf and as we get older that valve doesn't open and close like it should," he says. "Therefore we have pooling in our legs and as a result we have knots, broken blood vessels and from that it gets worse. So stockings aren't just a garment, it's something that improves your health in your body. We need to emphasize that."

Dunn stresses carrying a variety of stockings. He has a cheap brand, another with a lot of color, which he says women love, and then a brand that he thinks is far superior in texture. It's important to have variety as there is no standard size for every patient.

"You only use 18 millimeters for a compression stocking," he says. "If you do anything more than that at the ankle it closes off. So you have to be careful and make sure that you get the right hose."

Dunn says there are a number of different compression types. Vascular physicians have established a range rate: 15-20, 20-30, 30-40, and 40-50.

He says the 30-40 and 40-50 are the most expensive. The cheapest price for the 15-20 is \$44.95. Others with more color go for \$24.95. Costs can be anywhere between \$88.95 for 20-30 thigh high, to \$130. In general, prices range between \$24.95 and \$137.

"It depends on the quality and what you are doing," Dunn says. He says that in the first quarter of 2018 he was selling \$400 per month for one particular hose.

Most of the stockings can be hand-washed and hung to dry. The more colorful stockings can be washed and put in the dryer for texture. "And they are good forever," Dunn says.

WANT TO KNOW MORE?

- Compression stocking supplier Celeste Stein was our June Front-End Marketplace Vendor of the Month. Find out more about them — and others too — at NCPA's Front-End Marketplace at www.frontendmarketplace.com.
- Get training with homestudy CE "Graduated Compression in the Management of Venous Disease" for pharmacists and technicians at www.ncpalearn.org.





SURVEILLANCE SYSTEMS CAN DETER CRIME AND HELP YOUR BOTTOM LINE

A video surveillance system can be a great idea to deter crime and help the bottom line. Just make sure you do your homework before investing in one, says Todd Hanley, system designer with EOS Business Surveillance Solutions. He says that most business owners he speaks with on a daily basis are frustrated with the actual process of using the equipment, but that shouldn't deter you.

Hanley says it's a good idea to install cameras. He says that obvious areas for cameras include parts of the pharmacy with higher-priced drugs and controlled substances. Delivery doors and back doors are key as well.

"Those are very, very important, especially when it comes time for inventory, because you can go and look back when deliveries were made and see what was happening," he says.

Hanley says that catching somebody in the act is rare, but if you want to increase the odds, a pinhole camera,

or ones that's concealed, is usually the choice.

"Otherwise we live by the saying that people do more good and less bad when they know they are being watched," he says. "So when you pop a camera up people think twice."

Hanley says he works with a lot of industrial companies and he says there's a plethora of benefits. Variables need to be considered, such as the pharmacy itself, how many employees it has, what type of retail section if any, and how the pharmacy section is situated.

"A question I like to ask is, 'Is it the things you know about or the things that you don't know about that are affecting your business?'" he says. "Sometimes if you have employees who aren't working at the pace you want or are taking too many breaks, having that surveillance system can measure return on investment. On top of that there's a lot of slippage and shrinkage with inventory where people can go look back on and see — was the box just misplaced? A lot of times inventory just gets lost. Having the surveillance system

to actually go back and see what actually happened helps with inventories as well."

Again, as with any business transaction, Hanley says it's important to do due diligence when selecting a camera surveillance company. "It's such a quirky industry. You have so many people just jumping in and they'll will go into a business and say, 'We're cost sensitive.' Well of course, I can give anyone a solution at any price, but how happy are you really going to be with it. It's really what it boils down to in this industry."

WANT TO KNOW MORE?

- Check out the August 2017 *America's Pharmacist* for more tips on pharmacy security. Visit the member's only archives at www.ncpanet.org/newsroom/america-s-pharmacist/issue-archive.

*People do more
good and less bad
when they know
they are being
watched.*

NCPA's Innovation Center is your business trend-spotter

The NCPA Innovation Center is a supporting organization of NCPA whose mission is to further assist and accelerate the evolution of independent community pharmacies in the changing health care environment. The Innovation Center develops and executes programs that inform and educate community pharmacists, allowing them to realize the opportunities in an evolving health care market. In addition, it demonstrates, researches, and supports new and expanded roles for community pharmacists. To find out more, visit www.ncpanet.org/innovation-center/about-the-ncpa-innovation-center.

LAND MORE SALES WITH A DESIGNATED WEB PAGE

For some people, trying to market and sell products amounts to tossing resources in every direction and hoping something sticks. It's generally not a winning strategy.

In reality, the trick is identifying who you want to buy your products and finding ways to reach them. That's an idea that Michael Crawford, pharmacist and president of Royse City Pharmacy in Royse, Texas, has Green implementing with increasing success.

"It's easy to throw up an ad, but reaching the right people is much more difficult." He says. "For me it's been a learning experience about what you can advertise and what you can't, and how to re-target people and certain demographic groups, figuring out who are the people actually using your pharmacy and then marketing to them."

Crawford's idea was to implement online landing pages. In digital marketing, a landing page is a standalone web page, created specifically for the purposes of a marketing or advertising campaign. It's where a visitor "lands" when they have clicked on a Google AdWords advertisement or something similar.

"One of the things that I found out early on when I started doing some advertising for Sildenafil, I noticed when I sent people to my website, whether it was through radio, newspaper or TV, they would land on the page where I wanted them to be, and then sporadically go off in different places and then just drop off without leaving their information," he says.

So Crawford did some tweaking, which involved funneling customers in a certain direction.

"What I do with the landing pages is remove any options for them to do anything other than submit their information."

Crawford's landing pages generally contain a product description and asks the prospective buyer to provide basic info such as name, phone number, and email address. He'll start digital campaigns on platforms such as Facebook, Google, Instagram, and Twitter.

Crawford says that because of the landing pages, the pharmacy is up to 33 percent on its conversions. In other words, if 100 people land on the website, there would be 33 people who actually entered their information to be contacted.

"So that's good," he says. "Previously it was pretty abysmal. The industry standard is 3-5 percent as far as click throughs. Now when somebody lands it's what they are looking for. It's a very easy sale."

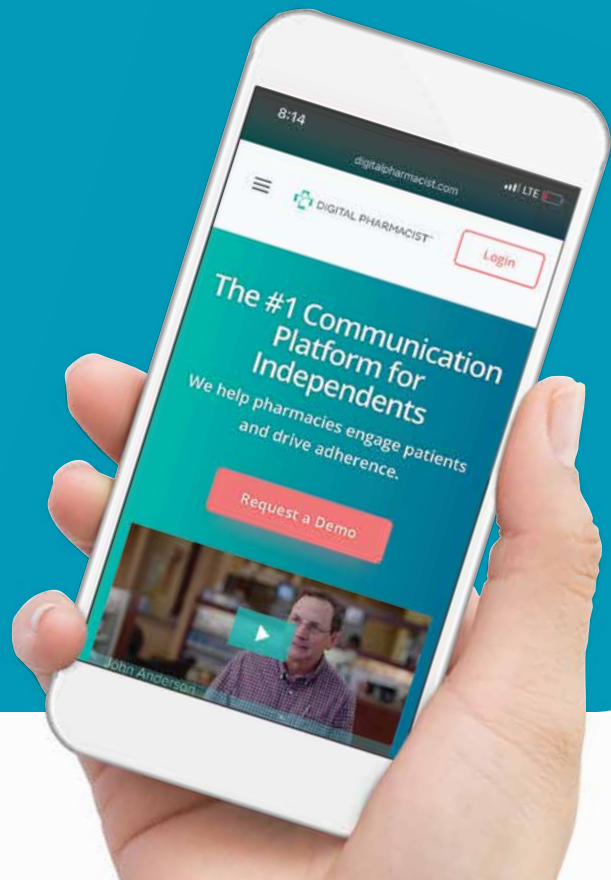
Even though asking for basic information was helpful, Crawford says that when he adjusted the form and asked for additional information such as date of birth, physician's name, and their drug of interest, it demonstrated a deeper commitment.

"When they put in all of that information, they are invested in it and they are waiting on our call." He says, adding somewhat incredulously, "If we don't get a hold of them, sometimes within the hour, they are calling us."

Crawford has other technology and analytic tools he uses to track and measure return on investment, but the landing page is the foundation. He says you don't have to be a tech guru to have a landing page. Crawford points out that there are a number of companies, such as Pharm Fresh Media, that can be contracted to set up your pages, create marketing copy, and manage the entire operation if you want.

WANT TO KNOW MORE?

- Learn even more about innovative online strategies through NCPA affiliate Digital Pharmacist. Visit them at www.digitalpharmacist.com.



FUNCTIONAL MEDICINE: GET TO THE ROOTS OF GOOD HEALTH

Kathy Campbell, pharmacist and owner of Medicap Pharmacy in Owasso, Okla., says that if you take a deep dive into functional medicine, it can be amazingly complicated. But she says the foundational principles are actually easy and simple to understand. When it comes to the body and health, she says it boils down to this: “Get the good stuff in and the bad stuff out.”

And that’s an idea that’s worth pursuing, she says.

Functional medicine is an approach to medicine where practitioners seek the cause of a health problem and treat the cause rather than labs or symptoms. It is a systems biology–based approach that focuses on identifying and addressing the root cause of disease. Each symptom or differential diagnosis may be one of many contributing to an individual’s illness.

Campbell uses an analogy to illustrate her point. “Imagine if you are trying to bake a cake, but you only have half of three of the 10 ingredients you need,” she says. “What is the outcome going to be? It’s not going to be an optimal process. So functional medicine looks to

find that root cause. Do you have enough of what your body needs to function optimally, or do we have something on board that is compromising the function?”

Campbell has steadily incorporated functional medicine concepts into her pharmacy, and says that community pharmacists have the education, training and skill set to make it a successful niche. Her primary focus is a weight loss program, which has about 200 people enrolled. She describes it as a “marketing initiative for health.”

Campbell says she has always been wired differently regarding conventional wisdom for health therapy, where often the answer seems to be a medication.

“I’ve always thought this way,” she says. “Somebody would come in with a prescription and I would always question the therapy. Always. I’m not opposed to prescriptions, except when they don’t work. I don’t think taking 13 medicines helps. Not needing 13 different medicines is where I want my patients to be.”

Campbell recalls talking with a Medicaid patient who was getting initiated on insulin. Naturally, that sparked her interest.

“I said we need to talk about carbohydrates,” she says. “I had a two-minute conversation with him about carbs and I gave him a suggestion on how many to eat. He lost 220 pounds from that conversation. He ended up going off the insulin because he started going too low. He had a hepatitis count that went to zero, his liver was great. This didn’t happen because I gave him a pill. It happened because I took the time to try to get the best outcome for him. And it was not just a medication outcome.”



About five years ago Campbell asked herself and her staff a hypothetical question: how they could have a pharmacy and not fill prescriptions? The answer was, “keep people well.” Be a health source for patients. Give them products to buy, and create products that will actually provide value for them.

“In my community, when people ask how to do get healthy, I want them to think of me and my pharmacy,” she says. “Not the grocery store. Not just the gym. I want them to think of me as a partner in their health. That’s a re-branding, that’s finding products I can sell to align with that. Foundational is appointment-based where people can hire me and hire my time to give them coaching and expertise. I charge \$3-4 per minute for that. That’s the stuff I gave away for years at the bench.”

Campbell says pharmacists are the bio-chemists of the medical community.

“We are the experts,” she says. “We have the baseline training at a much higher level than any other niche in medicine.”

WANT TO KNOW MORE?

- Check out “Appointment with Profits: Building a Profitable Functional Medicine Niche,” at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Check out “Patient Care and Profits in Nutrition Depletion and Vitamin Supplementation,” at the NCPA Annual Convention, Oct. 6-9 in Boston.

Do you have enough of what your body needs to function optimally, or do we have something on board that is compromising the function?

Idea No. 17

GIVE AN 'ATTABOY' FOR EXCEPTIONAL STAFF PERFORMANCE

Remember that time you finished a project, and then became irate when a colleague praised your work? Of course you don't. And neither does Andrew Finney, pharmacist and owner of Perkins Drugs in Gallatin, Tenn. He's thinks positive reinforcement is always a good idea.

"Praise for someone, certainly in front of their peers, is a reward," he says. "That's a simple thing we have added to our workplace culture that I think has helped and that we all enjoy. It's not huge, it's not earth-shattering, but it's beneficial."

Finney has been with the pharmacy since 2005 and became sole owner in 2012. When he took over he wanted to figure out a way to make team meetings more productive and goal-focused. Eventually quarterly meetings were scheduled and then monthly on every second Tuesday of the month.

Praise for someone, certainly in front of their peers, is a reward ... It's not huge, it's not earth-shattering, but it's beneficial.

"We quickly saw that we were no longer reacting to things, but we were actually talking about things to better help us perform as a team," he says. "We began talking about trust, collaboration, and trust building exercises. We would go off-site and have dinner together. Sometimes it's nice being in an environment that's not near work. What we found was that was very beneficial for building relationships out of work, so we started to see a shift in our culture."

To help sustain that culture, at every monthly meeting there is a box with hole cut out of the top and the word "Attaboy" written on it. Finney says going above and for patients is a community pharmacy staple, and the staff goes above and beyond for their colleagues as well. And Finney wants that recognized.

Finney says each team member is given a slip of paper and is asked to write the date, the activity or action that



happened, the person's name, and the person's name who is submitting it. The slips are then folded and put in the box.

At the end of the next month's meeting the team does its attaboys. Finney opens the box and passes it around and everybody takes out a slip. There are generally 12 to 25 slips. What's written on the slips is read aloud to the whole team.

"One of the best things for morale-building and for those individual team members is to hear what they have done in front of their team members," Finney says. "They are being acknowledged, and I want everybody to celebrate when that type of activity happens, because we want more of it — what gets rewarded gets repeated."

After that Finney asks everybody to fold up the slips again and put them back in the box. One person then pulls out a slip, and the person whose name is drawn gets a gift card or cash.

"None of them are seeking a reward, none of them do, but every now and then it's nice to get rewarded," he says.

WANT TO KNOW MORE?

- Check out "How You Can Let Go to Grow: Staff Roles in a Changing Market," at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Check out "Incentives that Get the Most Out of Your Team," at the NCPA Annual Convention, Oct. 6-9 in Boston.

BUILD TEAMWORK THROUGH GOAL SETTING

Perkins Drugs' Andrew Finney is a strong proponent of tracking, measuring and reporting. It's that commitment to detail that helped him win the 2017 NCPA Innovation Center Outstanding Adherence Practitioner Award.

Finney sees team-building through goal setting as a simple idea that any pharmacy can incorporate

In the spring Perkins Drugs initiated a key performance indicator program. The goal was to have 65 percent of the pharmacy's maintenance medication patients and their prescriptions synchronized. Finney says that on average at his pharmacy, each sync patient takes seven medications. Based on the pharmacy's monthly prescription rate, the total equals 929 patients.

"There are efficiencies that you hit at certain levels of medication synchronization, so we found that if we can get to 65 percent as a goal for the store, we would realize those efficiencies and really be hitting on eight cylinders for our maintenance medication patients," Finney says.

The pharmacy had about 830 patients synchronized when it launched the initiative in March. So it needed 99 patients to reach its goal of 65 percent by the end of June, which covered about 12 weeks.

"We needed to add eight patients per week to hit our goal," he says. "That's how you break it up into bite-sized pieces. And then we reward based on if we hit that. Our lag measure is 65 percent of patients on sync, and the lead measures are everything we discussed on how to get there."

As of print time, Finney says the pharmacy was on track to hit the goal. And he says it takes the entire team to make it happen.

"We'll celebrate the whole goal as a team, with a team outing, as everybody has a part of that," he says. "Customer service, they are identifying and talking to patients, and based on certain medications they are taking, we are finding potential sync patients. We mark that down on a piece of paper, so when patient comes in to pick up their prescription, we talk to them about our service and what we offer, and hopefully they will buy in. The technicians obviously have a role, as do the pharmacists."

Finney knows that the more patients who are synchronized, the better their adherence measures are. "So the more patients that we have that are on medications such as diabetes meds, if we can increase their percentage of days covered, that not only improves their health, but it improves the Medicare Star Ratings. That's a core measure that we look at as a pharmacy. On the other side of that, with med sync is you are picking up more refills, you are filling more prescriptions, and you are becoming more profitable. It's a win-win."

WANT TO KNOW MORE?

- Check out "Communicating This Way Can Improve Your Star Ratings," at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Check out "Incentives that Get the Most Out of Your Team," at the NCPA Annual Convention, Oct. 6-9 in Boston.



Idea No. 19

TEAM-BASED CARE: BETTER OUTCOMES, ENHANCED VALUE

Here's a scenario that happens too often in health care today. A physician writes a prescription for a patient. But the patient doesn't even pick up the prescription. Then the physician sees the patient three months later, not aware that the patient isn't taking the medication. And of course the patient is embarrassed and doesn't disclose that. Seeing that the patient's blood sugar is high, the physician prescribes yet another medication, which the patient may or may not use. And inevitably poor outcomes begin compounding themselves.

Of course pharmacists see these patients far more frequently than physicians. A pharmacist could have alerted the physician that his patient was not only being non-adherent, but hadn't even picked up his medication. Pharmacist Amina Abubakar, owner of Rx Clinic Pharmacy in Charlotte, N.C., says a team-based approach is an idea whose time has come.

"No one person can really have an impact on a patient," she says. "There are so many social determinants of health that a doctor by himself cannot solve. So it doesn't matter that you have the right diagnoses and put patients on

the most amazing medications out there. If the patient doesn't take it for other reasons, it doesn't matter."

Abubakar also says that poor adherence rates can ding her pharmacy in terms of reimbursements, and the ability to participate in plans that are tied to Medicare Star ratings. She did some research and learned that Medicare had specific codes to cover items such as pre-diabetes counseling and wellness visits. Abubakar talked to physicians about this and while they expressed interest, they said it would be impossible to fit in their workload as they barely have time to see all their scheduled patients each day.

That's when the lightbulb went off for Abubakar.

"I need to become their extender," she says. "Because everything in that annual wellness visit is truly something that a pharmacist can do. It's like becoming a health coach. We need to make sure we sit down with our patients and have them tell us more about what's going on in their lives. We found so much that the doctors didn't know was happening with their patients."

Abubakar says Medicare providers can contract with others to provide code-covered services. She saw an opportunity to contract her pharmacy's services parallel to the provider's practice. She says that annual wellness visits can be done by a pharmacist under direct supervision, which means the medical provider has to at least be in the same office building.

"Now you have a high-level clinician who can not only interview your patient and get this information, but is also able to help the provider come up with some idea of how to solve issues," she says. "Big issues come with medication costs, that's why people aren't taking them. If it's an afford-

ability issue, I'll make sure I talk to the provider about alternatives. When it came to reconciling the meds, pharmacists provide more value because we were finding duplication in therapy, or omission of therapy."

Abubakar says she puts together a contract specifying what services are performed. Being in several provider clinics, payment models vary. With some she has an hourly rate — kind of like being a consultant pharmacist. Others have a flat fee. Another available option could be productivity-based where if she is doing a certain percentage of the work, then she can bill for a specified percentage of the reimbursement.

Of course, she notes that different states have different rules and regulations, so pharmacists would need to look into that. In some states a physician and non-physician can partner, in other states you can't.

Abubakar says the team-based approach has worked for her pharmacy because they seek to build value-based outcomes.

"If we are going to a practice and they are only immunizing at 6 percent, we see a huge opportunity," she says. "What can we do, how can we target more patients, and how can we get immunizations from 6 percent to 12 percent? It's all about strategies that are helping the patient and giving the providers a benefit as well."

WANT TO KNOW MORE?

- Check out "The Secret of 'Pain Point' Marketing" at the NCPA Annual Convention, Oct. 6-9 in Boston.
- Check out "Medical Billing: Uncovering Blindspots and Adding Revenue," at the NCPA Annual Convention, Oct. 6-9 in Boston.

Idea No.20



REEL IN OUTLIERS, IMPROVE ADHERENCE MEASURES

Want an idea to enhance adherence? Performance improvement dashboards such as EQulPP™, from Pharmacy Quality Solutions, or Star-Wellness®, from PrescribeWellness are technology platforms designed to help you monitor your pharmacy's performance on quality measures and improve patient care. These tools collect both pharmacy and health plan prescription claims data, which is used to calculate and display benchmarked quality measure scores. Furthermore, performance improvement dashboards provide an unbiased comparison of performance across different pharmacies.

Several years ago the Centers for Medicare & Medicaid Services developed a program called the Five

Star Quality Rating System to help educate consumers on the quality of different Medicare Prescription Drug Plans and Medicare Advantage plans with drug plans and make quality data more transparent. Anticipating that pharmacy quality measures were needed, the Pharmacy Quality Alliance develops and publishes quality measures for medication use. CMS does not give out star ratings to the pharmacy. It only evaluates the PDPs and MA-PD plans.

Pharmacy quality measures determine safe and appropriate use of medications, such as adherence to statins or completion of comprehensive medication reviews. Quality measures are most commonly associated with the Star Ratings program but the PQA has published more than 30 measures with more in

development. They are increasingly being used in value-based contracts between plans and pharmacies and often tied to DIR fees.

A great feature of these dashboards is the outlier functionality, which provides the capability to drill down to an individual patient level to see who may be affecting the quality measure scores. More importantly, this feature offers an opportunity for identifying patients who may need a little extra personalized care. For example, patients need to have 80 percent adherence to count but you see that Mrs. Jones is sporadically filling her medications, including atorvastatin, it might be time to sync refills or start pre-packing medication for her. By checking to see that Mrs. Jones is an outlier patient and intervening to help improve her adherence, the quality measure score will also improve.

Taking time to check your patient outliers could equate to major savings and reduced DIR fees if your pharmacy is participating in value-based contracts. Have you checked your patient outliers lately?

WANT TO KNOW MORE?

- Check out "Communicating This Way Can Improve Your Star Ratings," at the NCPA Annual Convention, Oct. 6-9 in Boston.

Find hundreds of great ideas at the 2018 NCPA Annual Convention

Many of the ideas you have read about here, along with many others, will be featured at the 2018 NCPA Annual Convention in Boston, Oct. 6-9. There you will discover ways to transform your pharmacy business. Come prepared to learn, grow, and seize the moment. With more than 30 sessions designed to speed your evolution as a trusted health care provider and a successful entrepreneur, the NCPA Annual Convention is the cutting edge, the place to connect with the innovators in community pharmacy and to discover ideas and solutions you can take home and put to work in your own enterprise. See pages 24 & 25 or go to www.ncpanet.org/meetings/annual-convention.



DISPOSE my MEDS

HELP REDUCE OPIOID FLOW WITH DISPOSE MY MEDS™

Want an idea to help provide positive results in the fight against the opioid epidemic? Ensuring that individuals can dispose of unused or unwanted medications is a critical component of reducing opioid abuse and saving lives. However, consumer access to convenient and year-round drug take-back opportunities are limited because events such as Drug Enforcement Agency take-back days are infrequent, and permanent disposal locations must comply with DEA rules and regulations ensuring proper procedures, upkeep, and security.

But help is available for NCPA members through a large donation of Sharps TakeAway Medication Recovery Envelopes that has been given by Cardinal Health to the NCPA Foundation's Dispose My Meds™ program. The program is using these envelopes as an option for community pharmacies to operate a lower cost solution to the national opioid problem. The Dispose My Meds program has already dispersed more than 2,000 individual envelopes to facilitate proper medication disposal, with about 35 percent of all envelopes going to community pharmacies operating in high opioid prescription states.

The NCPA Foundation is dedicated to working with community pharmacists to encourage the proper and uncomplicated disposal of medications. The TakeAway envelopes are intended for easy distribution to patients and community members. Medication is easily returned to a DEA-registered reverse distributor via a prepaid USPS return envelope. There is also no need to worry about complicated compliance procedures, as the envelopes meet the DEA medical disposal requirements for user-controlled substances, schedules II — IV, and non-controlled substances.

If you would like more information on the Dispose My Meds program or information on how to be a participating pharmacy, please contact Max Daniel at max.daniel@ncpanet.org, or 703-838-2653. You can also visit www.disposemymeds.org/.

WANT TO KNOW MORE?

- Check out "Opioids: The Patient, The Process, The Big Picture," at the NCPA Annual Convention, Oct. 6-9 in Boston.

GET BETTER PATIENT OUTCOMES WITH MOTIVATIONAL INTERVIEWING

Let's face it — sometimes it's difficult to understand why patients are non-adherent. With that in mind, the NCPA Innovation Center had an idea and is offering a proven tool that will help you and your staff break down the barriers to communicating with patients. Comprehensive Motivational Interviewing Training (comMIT™) will show you how to get to the bottom of potential issues behind non-adherence, focusing on such topics as starting an interaction, non-threatening ways to correct misunderstanding, getting buy-in and so much more, in six online, interactive, work-at-your-own-pace modules.



"People who complete a comprehensive MI training program like comMIT will absolutely change the way they interact with their patients yielding truly meaningful results," says Kurt Proctor, president, NCPA Innovation Center.

The program offers eight contact hours of CE and you have three months to finish. Best of all, because you're special, we have a deal just for you: greatly reduced pricing for NCPA members. Find out more about comMIT at www.ncpanet.org/innovation-center.

HERE ARE THE SIX MODULES:

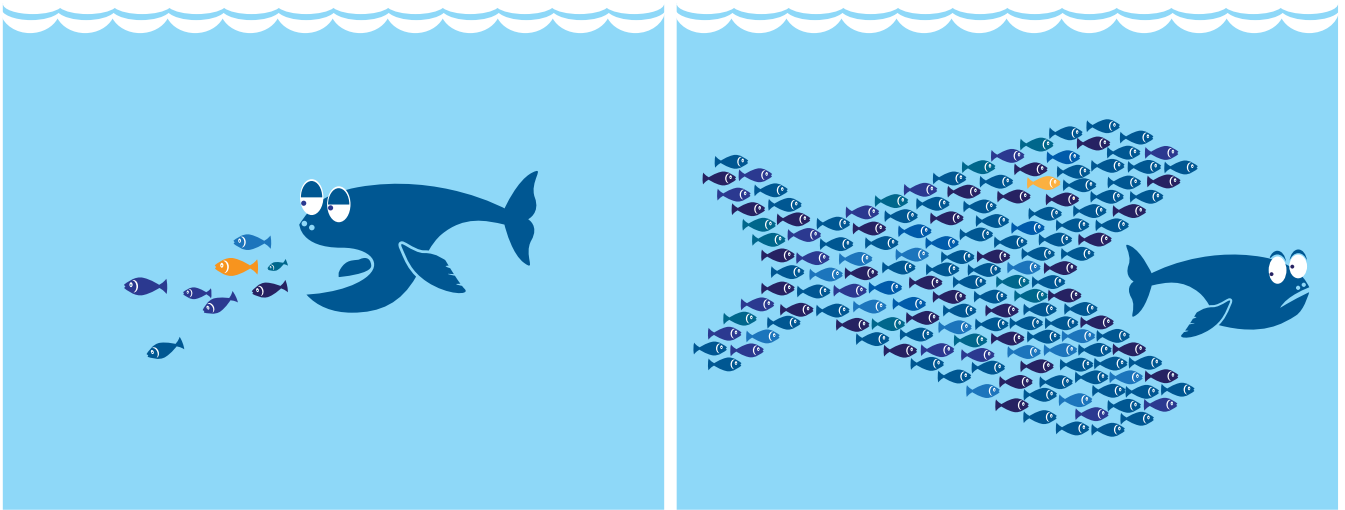
- Module 1 – Introduction and Background
- Module 2 – The Human Brain and Threat
- Module 3 – Sense Making and Practical Reasoning
- Module 4 – Developing Rapport and the Synergy of MI
- Module 5 – Reflecting, Empathizing with, Reframing and Exploring the Issue
- Module 6 – Addressing the Issue

WANT TO KNOW MORE?

- Purchase the program in the NCPA Bookstore at www.ncpanet.org/bookstore (search products by title).
- Check out "Communicating This Way Can Improve Your Star Ratings," at the NCPA Annual Convention, Oct. 6-9 in Boston.

Chris Linville is managing editor of *America's Pharmacist*. Jayne Cannon is NCPA director of Communications.

NCPA Associate Director of Strategic Initiatives Hannah Fish, and NCPA Foundation Program/Operations Coordinator Max Daniel also contributed to this article.



It's Time to Think Big

Join thousands of other pharmacies like yours who are invested in their patients and their community and are being paid for the value they provide to patients.

CPESN USA is a clinically integrated network of participating community pharmacies whose primary objective is quality improvement through new enhanced services and improvement on existing service offerings.

By being part of a clinically integrated network, participating pharmacies engage with each other to improve the quality of care offered to patients and to offer value to payers through enhanced services and lower costs.

Join the CPESN Movement.

For more information on CPESN® Networks, visit www.CPESN.com



Take a legislator to work

(and see what happens!)

by Michael Rule



Next month, members of Congress will leave Washington D.C. for their annual August recess. It's an ideal time to invite your legislators for a pharmacy visit. It gives House members and senators a first-hand look at the role independent pharmacists play in their community, and provides insights into services they offer that may not be available at big-box retail stores. An onsite visit is also an opportunity for them to see how pharmacies and patients are impacted by PBM practices that often result in below-cost reimbursements and limited patient choice. These visits also establish you as health care experts of whom the legislator can rely as a resource.



While it may seem daunting to facilitate a legislator pharmacy visit, following a few steps will simplify the process and ensure that you are well prepared.

1. THE INVITATION

The first step is to invite your legislator for a visit. NCPA has sample invite language (<http://bit.ly/ncpacensus2018>) that you can personalize, along with





1. Rep. Robert Aderholt (R-Ala.), left, visits with Cole Sandlin, owner of Fred's Pharmacy in Hamilton. 2. Rep. Billy Long (R-Mo.), center, visits Alps Pharmacy in Springfield. 3. Sen. Pat Roberts (R-Kan.) right, visits Robb Rosenbaum, owner of Funk Pharmacy, Concordia. 4. Rep. Roger Marshall (R-Kan.), also visits with Rosenbaum. 5. Sen James Lankford (R-Okla.) visits Medicap Pharmacy in Owasso. Owner Kathy Campbell is to Lankford's right. 6. Rep. David McKinley (R-W.Va.), second from left, visits Moundville Pharmacy in Moundville. He is pictured with owner Jason Turner, third from left.

the name and contact information for the correct person to send the invitation. As a general rule, unless you are inviting the legislator for a specific event such as a milestone anniversary for your pharmacy, it is best to leave the invitation open-ended so the legislator can visit when his or her schedule allows.



2. THE FOLLOW-UP

After the invitation is sent, let NCPA know. Staff can follow up with the office on the invitation's status and ensure it is being considered.

3. THE PREPARATION

Once the office accepts the invitation and a date is scheduled for the legislator's visit, you want to be properly prepared. The most important aspect of the visit is to tell your pharmacy's story. Let the legislator know the number of people you employ, the number of patients that rely on you, the percentage of prescriptions you dispense that are covered by Medicare and Medicaid, and the patient services you offer that may not be available at big-box chains and are certainly not available through mail-order services. You want the legislator to understand the role you play in your community's health care system and how you help your neighbors lead healthier lives.



4. THE VISIT

Spend some time discussing important legislative issues. This is an area

Dos and don'ts of pharmacy visits

Do

- Contact NCPA for assistance
- Tell your pharmacy's story
- Personalize complex legislative topics
- Remove all patient private health information from any examples you share with the legislator
- Maintain a courteous demeanor
- Follow-up with NCPA and send a follow up thank you letter to the legislator
- Post photos on your social media accounts thanking the legislator for their visit

Don't

- Prepare anything elaborate – a tour of your pharmacy and the discussion is plenty to present you as a health care expert.
- Exaggerate any information you present - the truth already speaks for itself
- Worry about the visit – remember, NCPA is here to help you
- Get discouraged if the legislator disagrees on policy matters - ask NCPA to follow up with the office
- Get discouraged if the legislator's office accepts the invitation with the caveat that a staff member, not the legislator, will visit your pharmacy. Remember, staff are often the policy experts in the office and hold much sway on the policy positions the legislator takes.

*****Reminder: If you have not yet done so, please take a few moments to complete this survey (<http://bit.ly/ncpacensus2018>) and tell us about your relationships with elected officials and civic organizations in your community.**





7. Rep. Brad Schneider (D-Ill.), right, visits Dundee Pharmacy in Northbrook. He is pictured with owner Neil Macklin.

8. Rep. Chris Stewart (R-Utah), far right, visits with several constituent pharmacists in North Salt Lake during a Congressional recess period. 9. Rep. Brian Mast (R-Fla.), right, visits the Prescription Shop of Stuart. He is pictured with owner Kim Jones. 10. Rep. Tom MacArthur (R-N.J.), right, visits Personal Touch Pharmacy in Toms River. He is pictured with owner Kalu Ndukwe. 11. Rep. Jack Bergman (R-Mich.), left, visits with Mark Robde, owner of Putvin's Health Mart in Manistique. 12. Rep. Sanford Bishop (D-Ga.), center, visits Adams Drugstore in Cordele. Pharmacists Richard Adams, at left, and Jonathan Sinyard are also pictured. 13. Sen. Roger Wicker (R-Miss.), third from right, visits with owner Rick Quinn and the staff of Medical Plaza Pharmacy in Corinth.



where once again NCPA staff is a valuable resource that can provide you with legislative one-pagers, background material, and information about what the legislator has supported on behalf of community pharmacy in the past. This provides an opportunity to thank them for their backing and to ask for support on upcoming issues. Relate to the legislator how such issues impact your pharmacy and your patients, but maintain a polite and courteous tone while doing so. Be sure to take photos and send them to NCPA and local news media.

5. THE FOLLOW-UP

Following the visit, send a thank you note to the legislator for taking the time to visit your pharmacy and recap some of the important points of the visit. Bullet points help. Also, let NCPA know how the visit went and of any follow up with the office that is required.

Following these simple steps, and engaging NCPA during the process, will help you be well prepared and have an informative and productive meeting with your legislator and make the most of your discussions with him or her. ■

Michael Rule is NCPA associate director, public affairs and grassroots.



Fax and pharmacy

**Still together after
all these years...**

by Andrew Kantor



The fax machine. Born in 1843. Used widely throughout Europe by 1900. Updated with names like “Electric Printing Telegraph,” “Pantelegraph,” and arguably the best of the lot: “Hellschreiber.” The modern version, courtesy of Xerox, debuted in 1966; it wouldn’t look terribly out of place in an office today.

The point is, the fax machine is old. Mocked and derided in this age of email and Dropbox and HIPAA-compliant secure messaging tools, nevertheless it persists in pharmacies and physicians’ practices, law firms and high-tech hubs.

Seemingly the very definition of anachronism, it should by all rights be gathering dust — both metaphorical and literal — right?

Not really. There are good reasons the trusty fax’s familiar squeal is heard in pharmacies every day, whether receiving a prescription, sending a patient update to a primary care provider, or sharing a file with another practice.

“Trusty” is a good start. How often have you called tech support for your fax machine? Or taken it offline to install an update? Aside from the occasional paper jam or toner refill, fax machines just work.

The simplicity isn’t a disadvantage, it’s actually a benefit. Record-keeping? It’s a matter of filing a piece of paper (or scanning it, if you’re so inclined). Need to sign and send a document? Just use a pen; the faxed image of an ink signature is legal, too. There are no subscription fees, no accounts to maintain, no upgrades to worry about. There’s no such thing as “changing fax providers.”

Learning curve? None, except maybe asking, “Do I have to dial 9 first?” If you can dial a phone and press a button, you can send a fax.

Simplicity means security; there’s no risk of an errant click sending a message to all 2,804 of your patients — a good thing, especially with HIPAA lurking in the background.

There’s a reason banks and courts allow faxes for much official business, but not e-mail (though it only applies to

According to a June 2017 white paper from analyst International Data Corporation:

- Next to financial services, health care is the biggest user of faxes.
- The number-one benefit cited: “Fax is a trusted method of secure information exchange”
- Eighty-two percent of respondents indicated that fax usage increased or stayed the same from the previous year.
- Of those 82 percent, the average growth of fax use was 27 percent per year.

There's a reason banks and courts allow faxes for much official business, but not email.

fax over analog). Unlike the über-connected Internet, the fax’s analog technology means interception is virtually impossible during transmission. Plus it comes with its own paper trail. And that includes receipt confirmation.

In the pharmacy, security is simple too: Put the machine where only authorized people have access — behind the counter or, at worst, in a locked cabinet. No passwords to track.

There are downsides, of course. Long documents. Busy signals. Empty paper trays. Documents that need to be filed, or to have their information transferred to your electronic system.

Those modern health-records systems promise to add efficiency, reduce errors, cut out duplication, keep health care providers in the loop, and more — as long as they can integrate with everyone else’s back-end system, of course. Meanwhile, paper always integrates.

At the end, it’s all about the best tool for the job, not necessarily the newest. Skeptical? Ask yourself this: When you need to address an envelope, do you turn to your computer ... or do you pick up a pen? ■

Andrew Kantor writes about health care and technology from Richmond, Va.

A pharmacy
where *everybody*
knows your
name

 Elkton Family Pharmacy 





by Michelle Benton

In 2012, Elkton Family Pharmacy in Elkton, Va., opened its doors and has been welcoming patients through its front end ever since. Providing a warm and inviting experience has been manager Randy Bryant's goal.

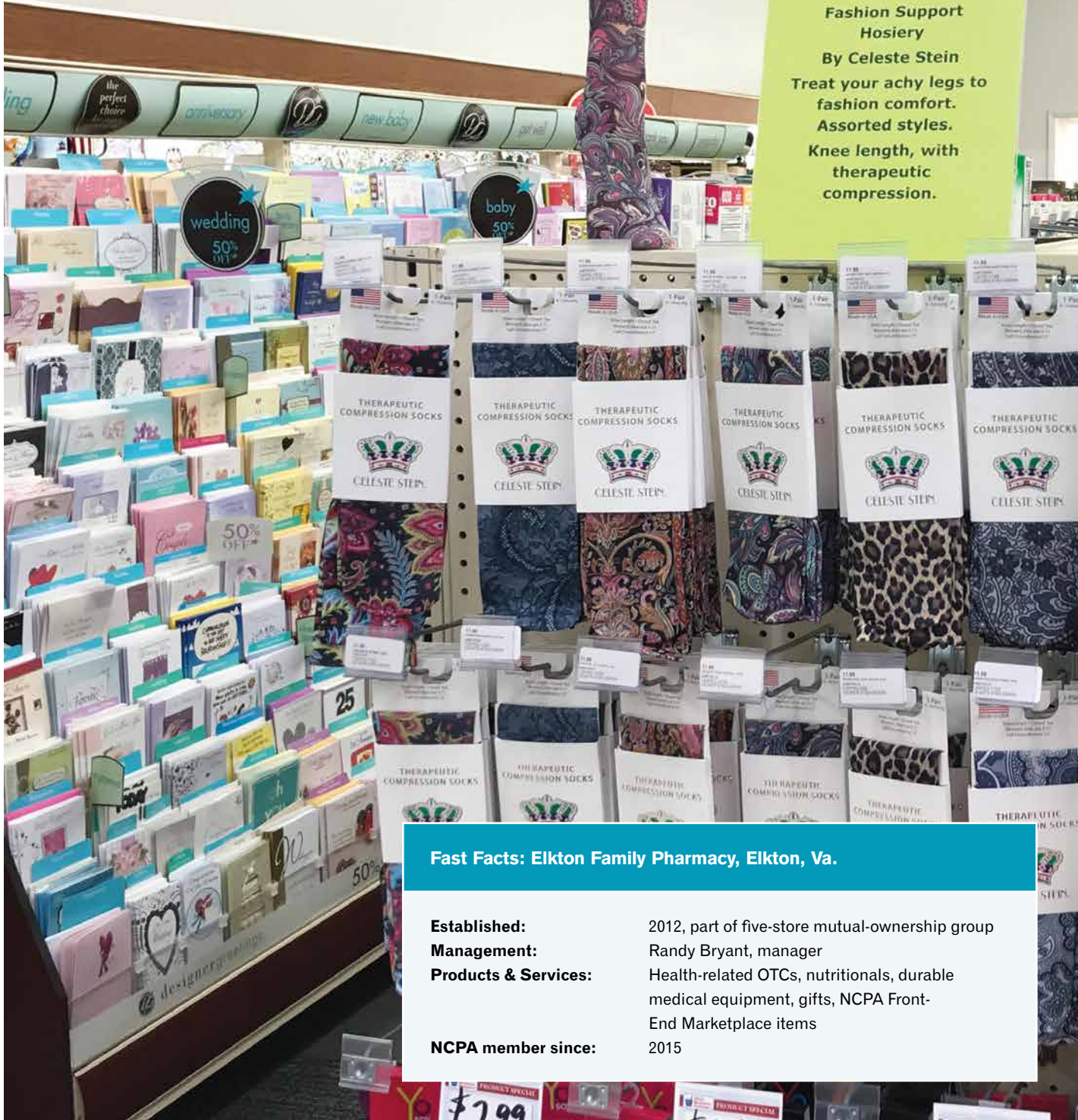
When asked about the environment and patient relationship ideals for the pharmacy, Bryant made an analogy to the classic television sitcom "Cheers." In that show the theme song had a line saying "everybody knows your name." To Bryant, Elkton Family Pharmacy is much the same. He explained that the pharmacy staff pride themselves in getting to know everyone who comes through their doors. They make a point to seek out new patients and offer services beyond standard prescription dispensing.

The pharmacy is located in Virginia's scenic Shenandoah Valley, nestled in the Blue Ridge Mountains. Elkton is home to approximately 3,300 residents, and Elkton Family Pharmacy is part of a five-store mutual ownership group, though each store has its own distinct identity.



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Fast Facts: Elkton Family Pharmacy, Elkton, Va.

Established:	2012, part of five-store mutual-ownership group
Management:	Randy Bryant, manager
Products & Services:	Health-related OTCs, nutritionals, durable medical equipment, gifts, NCPA Front-End Marketplace items
NCPA member since:	2015

Bryant has been with the pharmacy since the beginning. He helped design the store's front end and has taken other steps to maximize its 4,000-square-foot space. About 80 percent of the space is used for health-related products such as over-the-counter items, nutritionals, and durable medical equipment. The remaining 20 percent consists of gift items, food products, and other unique items.

Bryant is passionate about the pharmacy not "feeling like a warehouse store," but instead a destination where patients are comfortable coming back for advice and health care solutions.

FRONT-END SPACE

As manager, Bryant oversees product placement for the pharmacy's front end. He explained that when marketing the space, he tries to stay up with current and emerging trends about items such as OTCs, nutritionals, and supplements. He is open-minded about trying different things as long as it fits the pharmacy's vision of improving patient health care.

Outside of receiving OTC and pharmacy-related items from its wholesaler, Bryant looks to NCPA's Front-End Marketplace, located at www.frontendmarketplace.com, for guidance on which products to carry. Through the Front-End Marketplace, Bryant can browse products of many vendors, receive tips on how to market those products, and receive free samples of the available products.

Bryant explained that he chooses to use the marketplace because the products are interesting, high value, and typically can't be bought everywhere. He believes that there is still value in touching, feeling, smelling and/or tasting a product before you buy it, so having products that are high-quality in the store is important.

Along with guidance on choosing products, Bryant appreciates NCPA's expertise in product pricing, placement, and marketing. He mentioned that some of the top-sellers from the Front-End Marketplace at Elkton Family Pharmacy include Healing Tree® skin care products, Franklin Eyewear®, One Minute™ health and beauty products, ClearPop®, and Scimera BioScience® products.

Bryant is busy throughout the day and does not have time to do extensive research to find vendors that best fit the pharmacy. For him, the Front-End Marketplace is the solution, where he can browse vendors that have shown to be successful in the pharmacy space and choose which are best for the atmosphere of their pharmacy.

... there is still value in touching, feeling, smelling and/or tasting a product before you buy it.

ONLINE STORE

Recently, Elkton Family Pharmacy expanded its market online. Bryant explained that the pharmacy strives to provide a broad range of nutritional and herbal supplements, vitamins, and personal care items. However, its physical space limits the amount of inventory that's available on site. In collaboration with an online vendor, the pharmacy has a web page at www.npscript.com/elktonfamilynutrition where patients can shop for these products, which then are shipped directly from the vendor. This way, the phar-

macy can provide a more varied line of products without having to worry about inventory control and space limitations. Bryant mentioned that the online store is relatively new, but so far has been receiving positive patient feedback.

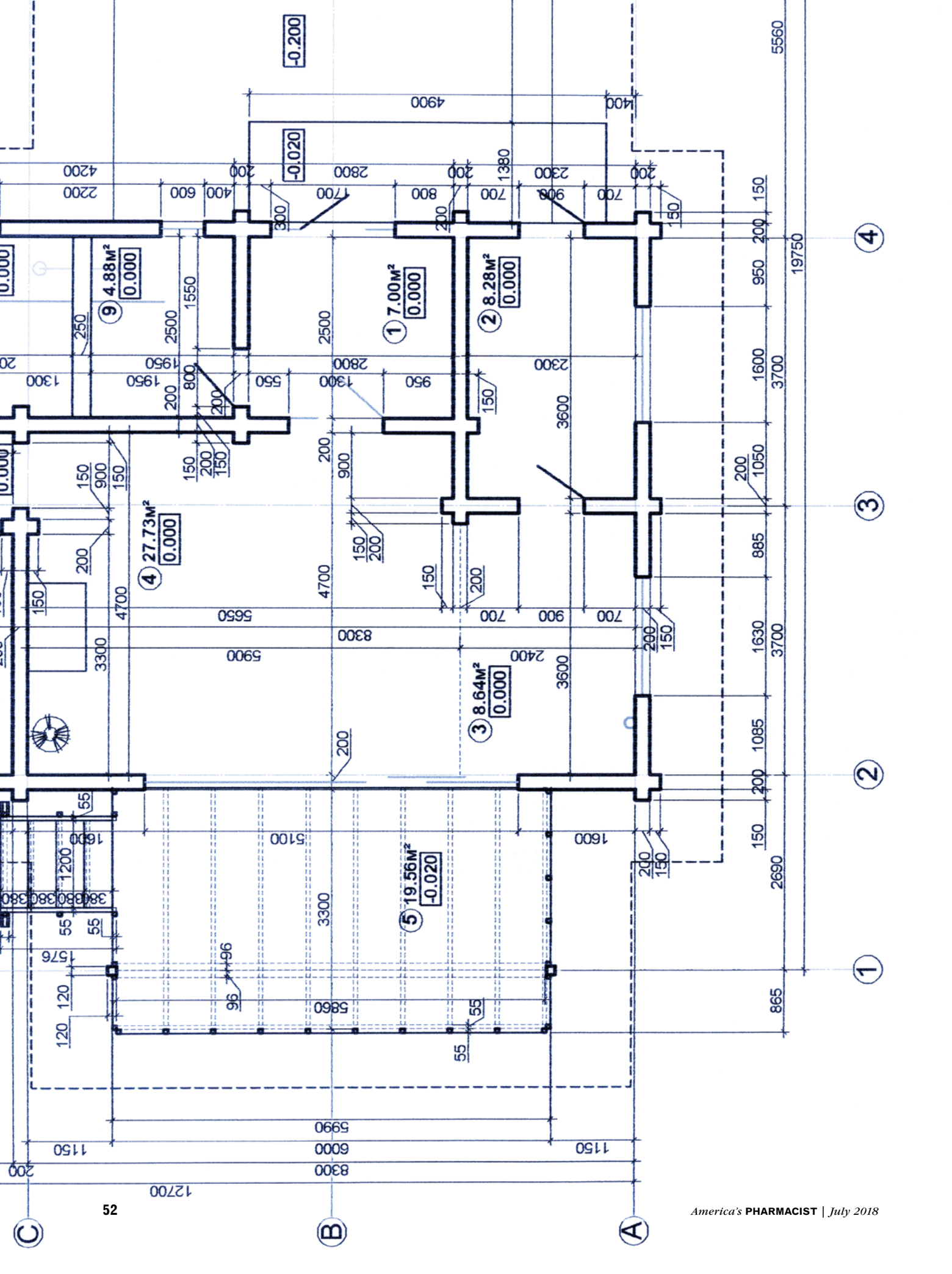
TIPS FOR SUCCESS

When asked for successful front-end space tips, Bryant mentioned a few logistics: spend ample time making sure the space is neat, orderly, and properly spaced. He says, "You always need more help than you need." In other words, allowing staff the time and availability to manage the front end is essential.

On the other hand, patient service is vital. Bryant explained there is much more to getting patient attention than simply running an ad or posting on Facebook about a product you carry. Instead, pharmacy staff must ensure they understand each patient's needs, offer recommendations for products, and provide genuine care.

Much of the pharmacy's success can be contributed to its tactical marketing, profitable front-end space, and staff dedication. However, it is the personal care and patient devotion provided at Elkton Family Pharmacy that keeps patients coming back. ■

Michelle Benton, PharmD, is a 2018 graduate of the University of Maryland-Eastern Shore and was a fall 2017 APPE rotation student with NCPA. She is a pharmacist at Pemberton Pharmacy in Salisbury, Md.



SIZE AND SHAPE: LEASING THE RIGHT COMMERCIAL SPACE

By Jeff Grandfield and Dale Willerton

What is one of the most important factors contributing toward business success? This often hinges on effective site selection. When searching for commercial space to lease, pharmacists need to carefully consider site location, location within the location, visibility, access, parking, signage, further expansion plans, neighboring tenants, anchor tenants, and so on. Additionally, pharmacists must also evaluate the unit's size and understand that the total amount of square footage will determine the monthly rent. The more space you rent, the higher the monthly rentpayment.

Consider the following story — we remember consulting to one tenant leasing 8,000 square feet of space who couldn't afford to pay the rent. We checked with his neighboring tenants and learned that our client was, in fact, paying a similar rental rate as others in the same property. The landlord's leasing agent had previously convinced this tenant to lease more commercial space than was actually required, which was good for the landlord, but not his client.

This tenant agreed with our recommendation to downsize. After repeated discussions with the landlord, we negotiated for the tenant to surrender



“When choosing between locations that are modestly too big or too small, pharmacist tenants should almost always let their decision be made based on which space is in the better locat

3,000 square feet of extra space. It was obvious to us that this area was not only unneeded but it was also causing a financial burden. Our reasoning was correct. After returning this extra space to the landlord, the tenant's rent was reduced by \$45,000 per year. The tenant's business was once again viable.

Having too large of a commercial space can pose problems just as much as having too small of a space. You don't want customers feeling squeezed in or your pharmacy appearing cluttered with too much stock on your shelves. We remember another tenant who believed that if he could expand, his business would grow. We approached the landlord and negotiated for this tenant to lease the adjacent space for his use. There were some complications as the adjacent space was currently occupied by another tenant who had to move. Landlords do, typically, prefer to work with tenants who want to expand instead of downsize.

Along with paying your base monthly rent, you will, in most cases, be paying operating costs or common area maintenance fees based on a square footage basis also. It has been our experience that the main reason pharmacist tenants lease the wrong amount of square footage is due to availability, or lack thereof. Don't rush your decision to lease space if there are no suitable units. If the space is too small, it will probably have less frontage as well. This gives you less storefront exposure, which is critical for many commercial operations.

When choosing between locations that are modestly too big or too small, pharmacist tenants should almost always let their decision be made based on which space is in the better location. If the units were side-by-side or very comparable, then we would lease the smaller location. Tenants who tell us their location is too small are usually making a profit - they simply want

to make more money by expanding to increase their sales. Whereas tenants who tell us their location is too big often want to downsize to reduce rent payments as a means of improving their bottom line.

Not only the size but also the shape of the premises must be considered from a functional perspective. In one situation, the landlord was expanding his strip mall, claiming that only one commercial retail unit or CRU, was left. Unfortunately, this unit housed a large utility room in the back. This would make the back of the space unusable for almost any tenant. Since the expansion portion of the project was only in the construction phase, we suspected the landlord still had time to adjust and move other newly interested tenants around. We suggested to the tenant that she walk away from the deal as a negotiating strategy. As expected, within a few days the landlord reconsidered his position and predictably came up with a better location with no utility room. Our client leased a much better location in the right shape and configuration for her needs - while some other tenant got stuck with the less desirable utility room unit.

For pharmacist tenants, a square box is most often the optimum shape of space. Rectangle-shaped CRU's are the most common and perfectly acceptable provided they are sufficiently wide and not too deep. Most retail tenants should not consider leasing space that is less than 18 feet in width. A minimum 20-foot storefront width will increase visibility and versatility of use.

Jeff Grandfield is founder and CEO and Dale Willerton is professional commercial lease consultant with The Lease Coach, a firm specializing in commercial leases working exclusively for tenants. Visit www.TheLeaseCoach.com for more information.

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www.ncpanet.org/calendar

- Aug. 25** **Enhanced Services Boot Camp,**
Wisconsin Dells, Wis.
- Sept. 6** **Enhanced Services Boot Camp,**
Branson, Mo.
- Sept. 19** **Front-End Profit-Building Seminar,**
sponsored by Good Neighbor Pharmacy,
Little Rock, Ark.
- Oct. 6-9** **NCPA Annual Convention,**
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FRONT-END OVERHAUL



Remember what the S stands for in MSRP

by Gabe Trahan



Three years ago while looking for unique items to place on NCPA's Front-End Marketplace, I missed an appointment with a big-name television personality who is a writer and successful businesswoman. I took too long chatting with the company that had bought the rights to the Smith Brother's cough drops. The star was gone, and her representative was not impressed with my tardiness.

Sometimes an MSRP is just that, a manufacturer's suggested retail price.

The representative informed me about a new line of vitamins that would soon have the celebrity's name and an endorsement. The representative did not mention the quality of the new vitamin, just the cost and the retail. He said: "The MSRP is set at \$9.99." This is where I get ugly. He

continued, "but since you are talking about community pharmacies, your members can sell them for \$10.99."

Community pharmacists are good at what they do, but I had no idea that they could get more money for a product than anyone else! He said, "People expect to pay more when they go in to a family-owned pharmacy." And then the representative said with a somewhat loud voice, "That is because of people like you, people who mislead us with suggested prices! And by the way, go shop at one of our stores and you will find we are darn good at being competitive, and you may save some money and be treated better." Now if you think I may have messed up on a deal of some big brand vitamins, you can rest at ease. I have yet to see this vitamin line anywhere.

I must point out that the antitrust laws prohibit a manufacturer and retailer from agreeing to charge the MSRP. But, a manufacturer could unilaterally drop a retailer if the retailer offered discounts below the MSRP.

When you are buying any new product, always ask these two questions. What is the high and low retail for this item/line? And who is successfully selling the product at the high MSRP? Sometimes an MSRP is just that, a manufacturer's suggested retail price. Unfortunately, MSRP can paint a false picture of high profit. At times you should look at an MSRP as the sticker price of a new car.

There are instances that an MSRP may seem too high! Again, do your research and ask the right questions. I've seen many gift lines reduced in price because the person in charge thought that "nobody will ever pay that high price for that item." I've witnessed a pharmacy that was marking up lift chairs for a cash sale price \$100 over cost. I asked why and the response was, "I don't think we could get more for them." That method could hurt others in the industry and manufacturers may terminate you because it could diminish the value of their brand.

So ask questions, question the numbers before you use an MSRP, don't let a bad suggestion ruin your image, and don't be afraid to make some money. ■

Gabe Trahan is NCPA's senior director of store operations and marketing. Gabe uses more than 40 years of front-end merchandising experience to help NCPA members increase store traffic and improve profits. Visit www.ncpanet.org/feo to watch videos, read tips, and view galleries of photo examples by Gabe. Follow him on Twitter @NCPAGabe for additional tips.

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