Rural Pharmacy Research
Findings: What we Know

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In collaboration with researchers from
RUPRI Center
North Carolina Rural Health Research & Policy Analysis Center

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Principal Research Activities

- Supply of pharmacists
- Telepharmacy
- Location of independent pharmacies
- Experiences of rural independent pharmacies
Supply of pharmacists

- State level analyses
- Distributional issues
- Recommendations from a three state study published in 2001 by the RHR Center in MN
Among the recommendations

- Target initiatives to address problems with access to pharmacies critical for access
- State boards should explore ways to allow or encourage alternative methods of providing pharmacy services in underserved areas
- Explore models to provide relief coverage for rural pharmacies
- “In designing a Medicare prescription benefit, Congress should consider the potential financial impact on rural pharmacies.”

Rural pharmacies support rural hospitals

- Over one-third of rural hospitals in a recent survey reported having pharmacist on site less than 40 hours per week
- 46% had 1.0 fte or less
- 17% shared pharmacist with another hospital

Implication: services from the local pharmacist

Telepharmacy

- Leadership in some states, including North Dakota
- National study underway by Upper Midwest Center to survey the 50 State Offices of Rural Health, state hospital associations and/or state pharmacy boards; and phone surveys of CEOs and/or Pharmacy Directors in rural hospitals in selected states

Source: project description found at: www.ruralhealthresearch.org/projects
Where are the rural independent pharmacies?

Location of United States Sole Rural Community Independent Pharmacies 10 Miles or More From Any Other Retail Pharmacy

ORHP Rural-Urban Typology
- Urban
- Rural

Sole Independent Rural Pharmacies
- 10 Miles or More From Any Other Retail Pharmacy

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.
Produced by: RUPRI Center for Rural Health Policy Analysis, 2007. Cartography by: Nicole Vanosdel
Location of Sole Rural Community Independent Pharmacies in Nebraska

Sole Independent Rural Pharmacies

10 Miles or More From Any Other Retail Pharmacy

Within 10 Miles of Another Pharmacy

Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.

Produced by: RUPRI Center for Rural Health Policy Analysis, 2007. Cartography by: Nicole Vanosdel

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.
Location of Sole Rural Community Independent Pharmacies in Pennsylvania


Produced by: RUPRI Center for Rural Health Policy Analysis, 2007. Cartography by: Nicole Vanosdel

ORHP Rural-Urban Typology

Urban
Rural

Sole Independent Rural Pharmacies

+ 10 Miles or More From Any Other Retail Pharmacy
○ Within 10 Miles of Another Pharmacy

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.

Produced by: RUPRI Center for Rural Health Policy Analysis, 2007. Cartography by: Nicole Vanosdel
Location of Sole Rural Community Independent Pharmacies in North Carolina


Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.
Location of Sole Rural Community Independent Pharmacies in Arkansas

Cartography by: Nicole Vanosdel

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.
Location of Sole Rural Community Independent Pharmacies in Wyoming

Cartography by: Nicole Vanosdel


Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

ORHP Rural-Urban Typology
- Urban
- Rural

Sole Independent Rural Pharmacies
- 10 Miles or More From Any Other Retail Pharmacy
- Within 10 Miles of Another Pharmacy
Location of Sole Rural Community Independent Pharmacies in Missouri

ORHP Rural-Urban Typology

- **Rural**
- **Urban**

**Sole Independent Rural Pharmacies**
- Red plus signs: 10 Miles or More From Any Other Retail Pharmacy
- Blue plus signs: Within 10 Miles of Another Pharmacy
- N: Counties Without Retail Pharmacies

Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.


Location of Sole Rural Community Independent Pharmacies in South Carolina


Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.


Magnitude of issue

- 2019 sole rural community pharmacies in the US (only pharmacy in that community, and independently owned)
- 1044 of them at least 10 miles from next nearest pharmacy

Findings from interviews

- Sample of 51 sole community independent pharmacies at least 10 miles from next nearest pharmacy
- Pharmacies in 27 states and 8 of the nine census divisions (all except New England)
- Project of the RUPRI Center and the North Carolina Center
Administrative effort during open enrollment

- Aver 4.5 hours per day dealing with Medicare Part D enrollment or formulary issues
- 47% reported personally working extra hours (7.3 hours per week on average) and 32% indicated their staff worked a few extra hours
- Minimal effect on payroll, but …
Effects of additional administrative effort

- Less time for patient counseling
- Less time for reading information about new medications
- Less time for activities such as filing prescriptions, ordering, stocking shelves, merchandising, removing out of date merchandise, cleaning
- Unable to keep up with bookkeeping and got behind in making bank deposits, reconciling payments, and paying bills
Assisting beneficiaries

- 63% indicated someone not affiliated with pharmacy available to help patients with enrollment questions
- But 20 of the 32 who said there was help said the source was a representative of a PDP
- In 16 communities counseling made available by local organizations for the aged
Frustrations

- Auto-assignment a problem for portion of patients dually eligible
- Dealing with multiple plans’ formularies and need to obtain prior authorization for Part D patients
Financial impact

- Current status: 31% good strong or excellent; 47% stable, average or fair; 22% poor, declining or unstable
- 53% same as 6 months prior to the interview; 37% declined; 10% improved
- Best to worst payers: self, Medicaid, Commercial, Part D
- Of the 23 respondents able to report gross margin per prescription for Part D, 87% said lower than margin needed to stay in business
- Debt burden varies and helps explain financial condition
Contracting with Part D plans

- 84% not dropped any plans
- Of 8 who dropped plans 6 reported low reimbursement as the reason
- Very few beneficiaries affected
Other issues explored:

- 90-day prescriptions
- Medication therapy management
Respondent comments and suggestions

- Idea of owning independent store less attractive
- New Medicaid payment rule will negatively affect profitability
- Slow reimbursement a problem
- Need for better communication paramount
Further research

- Continued monitoring of impacts
- More elaborate design
- Tracking location
Thank you.

For more information please visit:

http://www.unmc.edu/ruprihealth/

http://www.shepscenter.unc.edu/research_programs/rural_program/