



# **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.”

*Source: MM Casey, J Klinger, I Moscovice. “Access to Rural Pharmacy Services in Minnesota, North Dakota, and South Dakota. Working Paper Series #36. Rural Health Research Center, University of Minnesota. July, 2001.*

# 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*
- Source: MM Casey, I Moscovice, and Gestur Davidson. "Pharmacist Staff and the use of Technology in Small Rural Hospitals: Implications for Medication Safety" Upper Midwest Rural Health Research Center. December, 2005.



# Telepharmacy

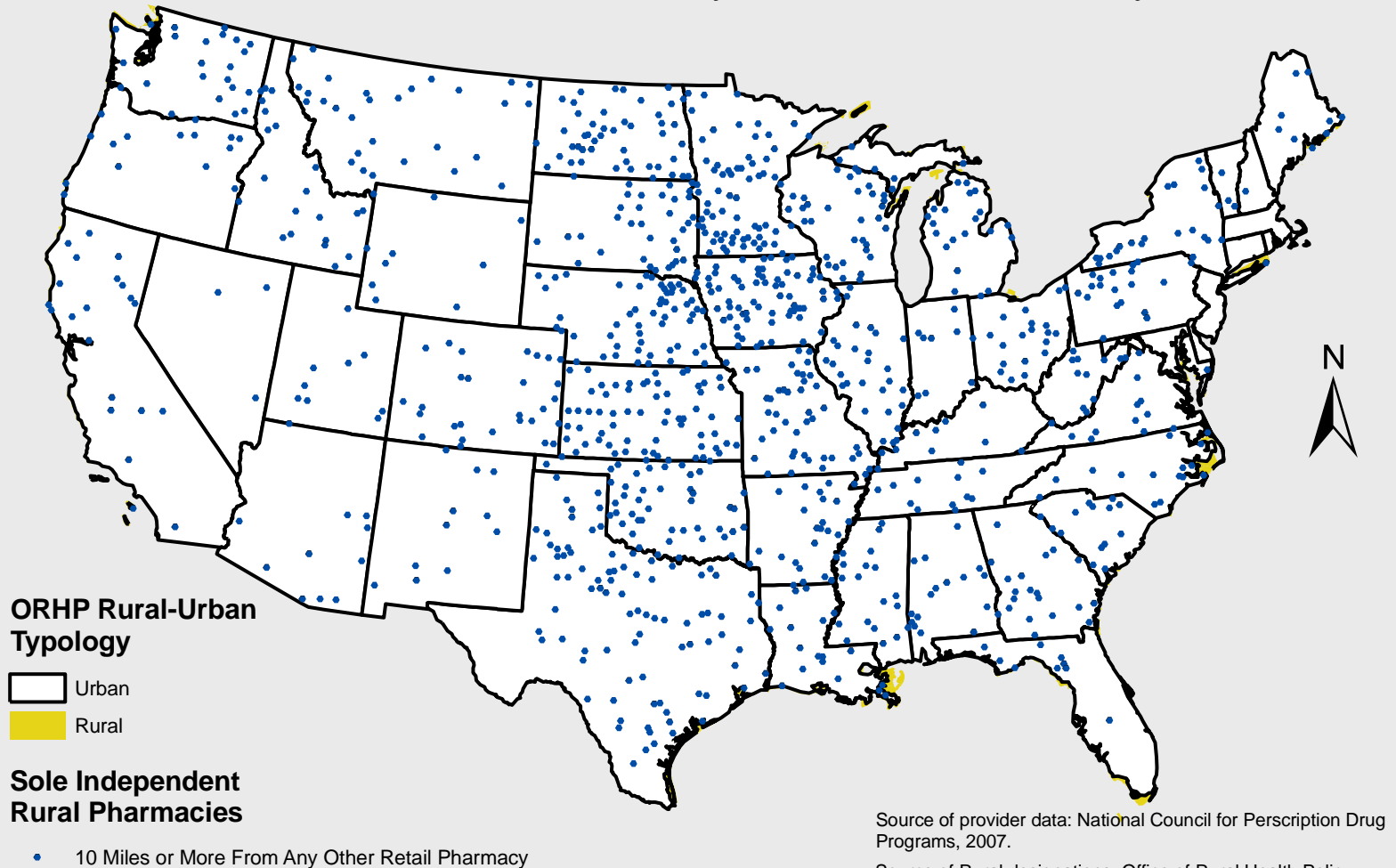
- Leadership in some states, including North Dakota
- National study underway by Upper Midwest Center to survey the 50 State Offices of Rural Health, state hospital associations and/or state pharmacy boards; and phone surveys of CEOs and /or Pharmacy Directors in rural hospitals in selected states

Source: project description found at:  
[www.ruralhealthresearch.org/projects](http://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



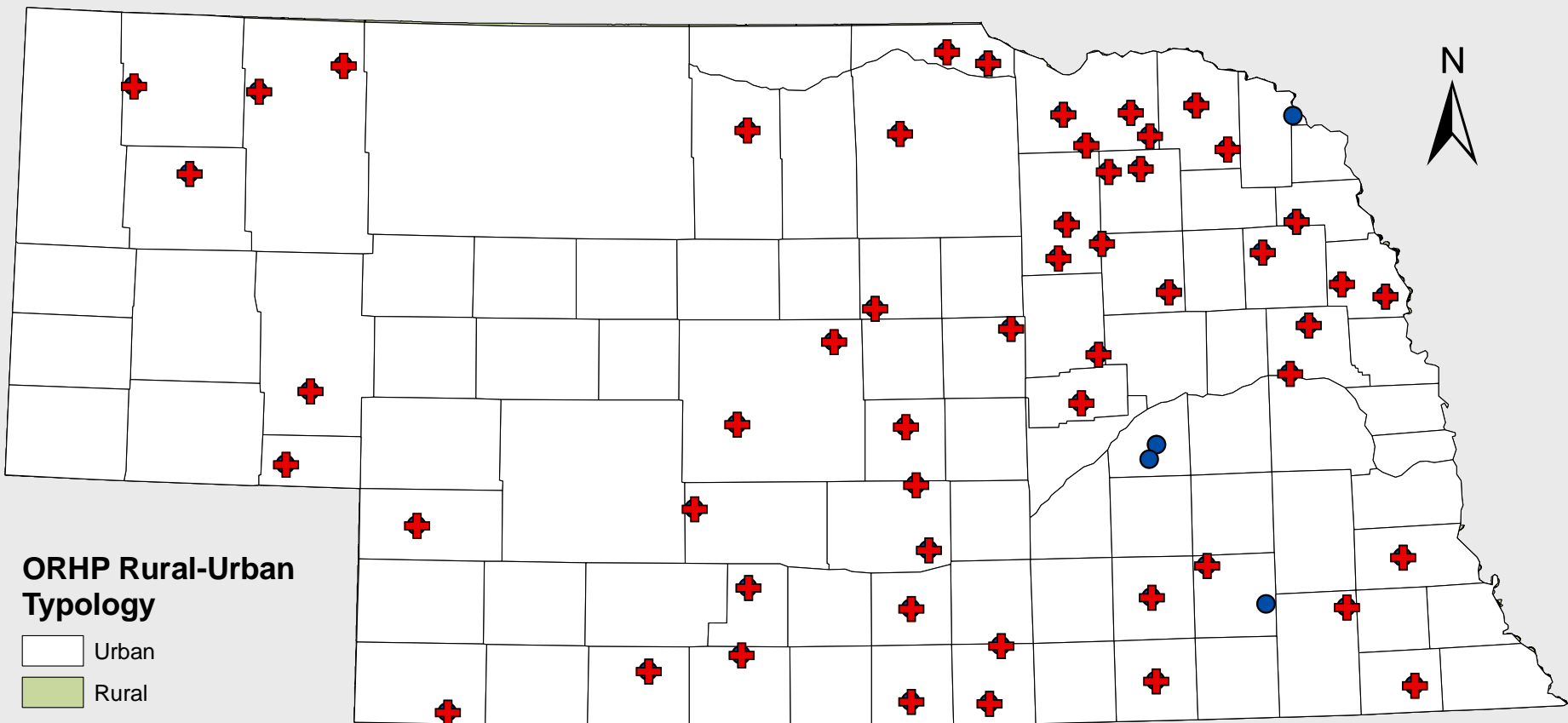
Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

Source of provider data: National Council for Prescription Drug Programs, 2007.

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



## 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.

0 20 40 80 120 160 Miles

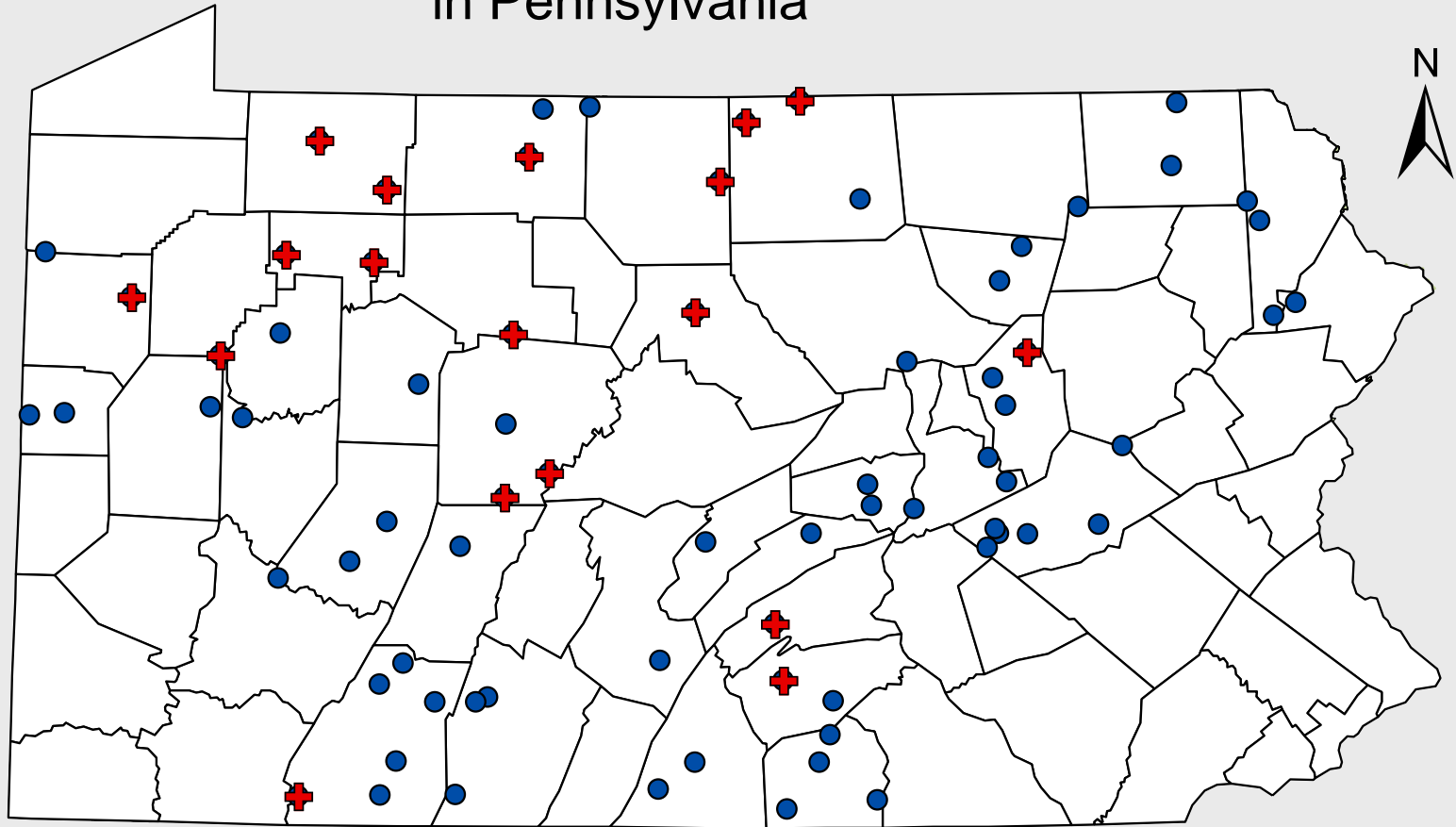
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# Location of Sole Rural Community Independent Pharmacies in Pennsylvania



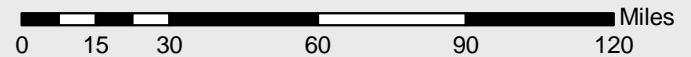
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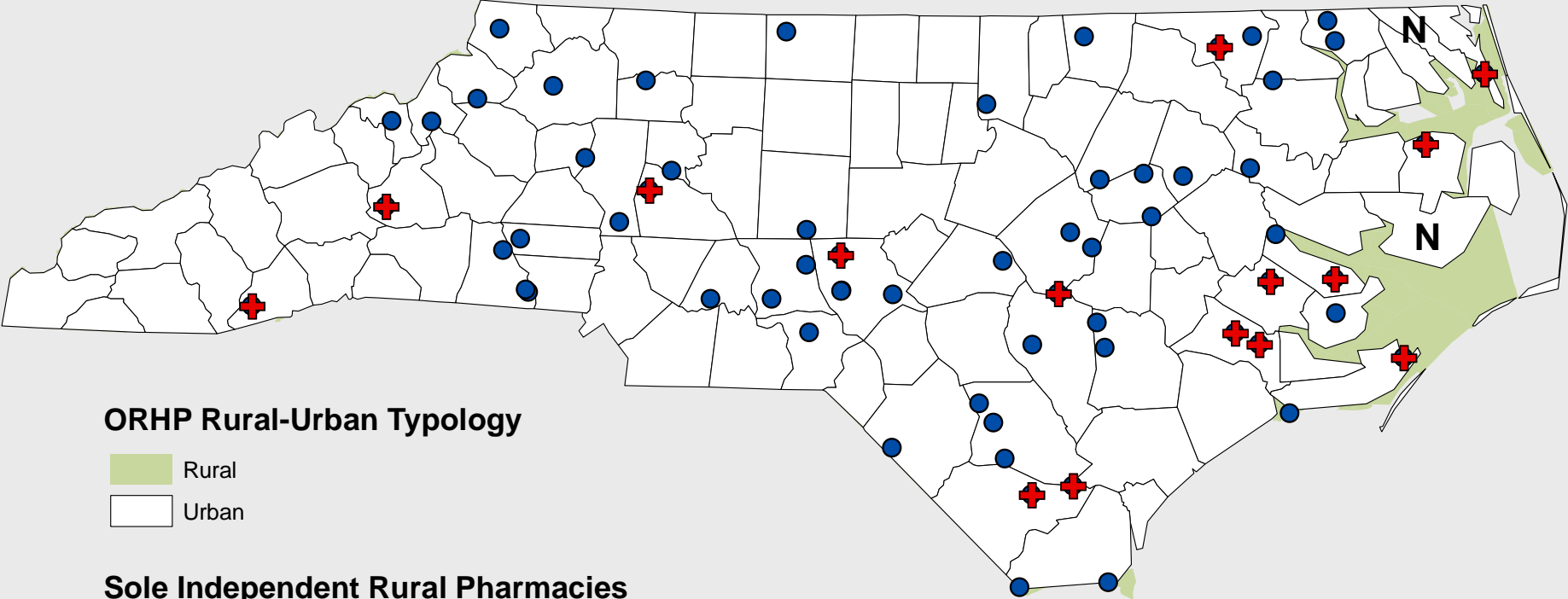


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# Location of Sole Rural Community Independent Pharmacies in North Carolina

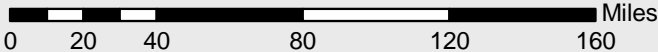


### ORHP Rural-Urban Typology

- Rural
- Urban

### Sole Independent Rural Pharmacies

- + 10 Miles or More From Any Other Retail Pharmacy
- Within 10 Miles of Another Pharmacy
- N** Counties Without Retail Pharmacies

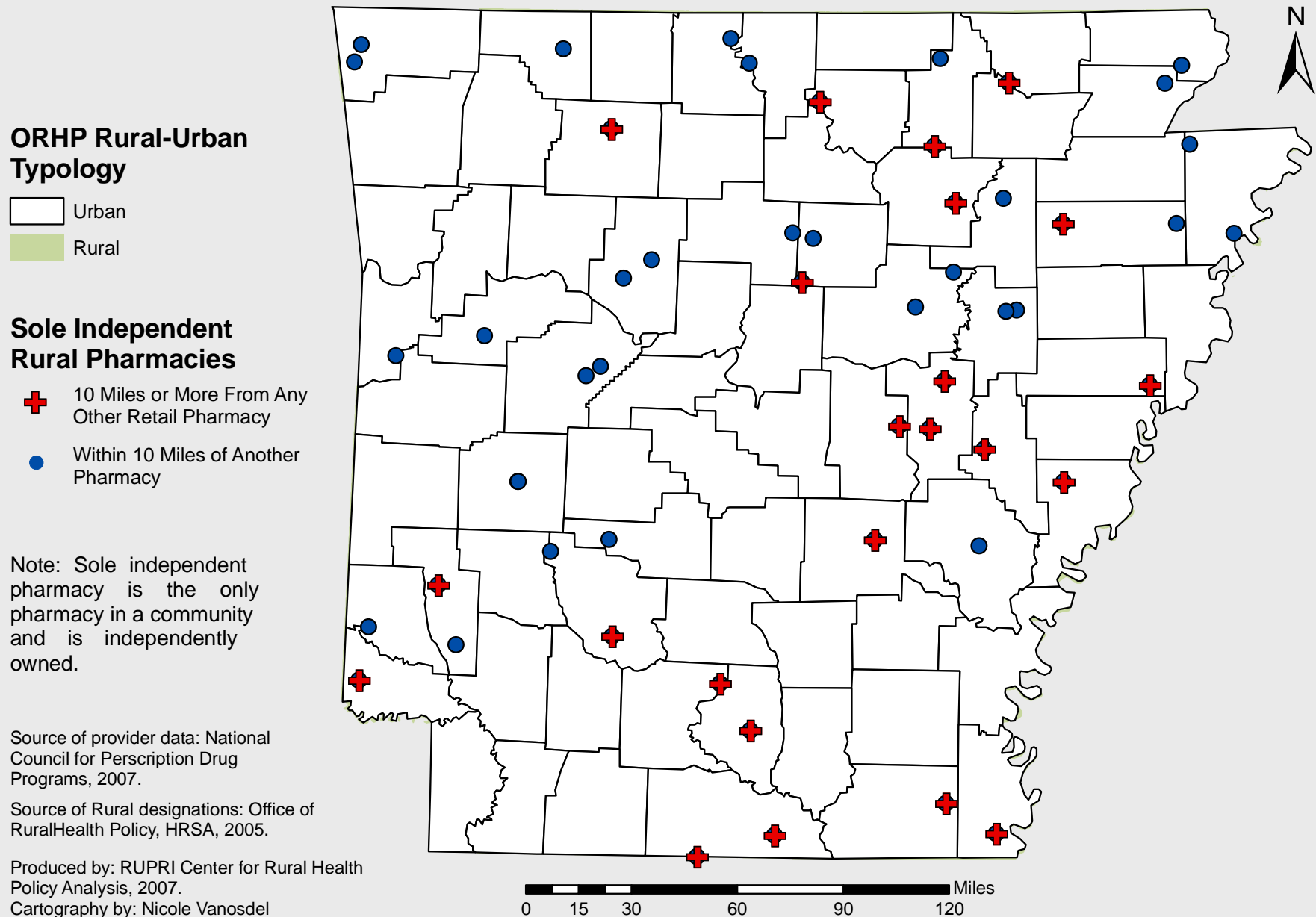


Note: Sole independent pharmacy is the only pharmacy in a community and is independently owned.

Source of provider data: National Council for Prescription Drug Programs, 2007. Source of Rural designations: Office of Rural Health Policy, HRSA, 2005.

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# Location of Sole Rural Community Independent Pharmacies in Arkansas





# Location of Sole Rural Community Independent Pharmacies in Wyoming



## ORHP Rural-Urban Typology

-  Urban
-  Rural

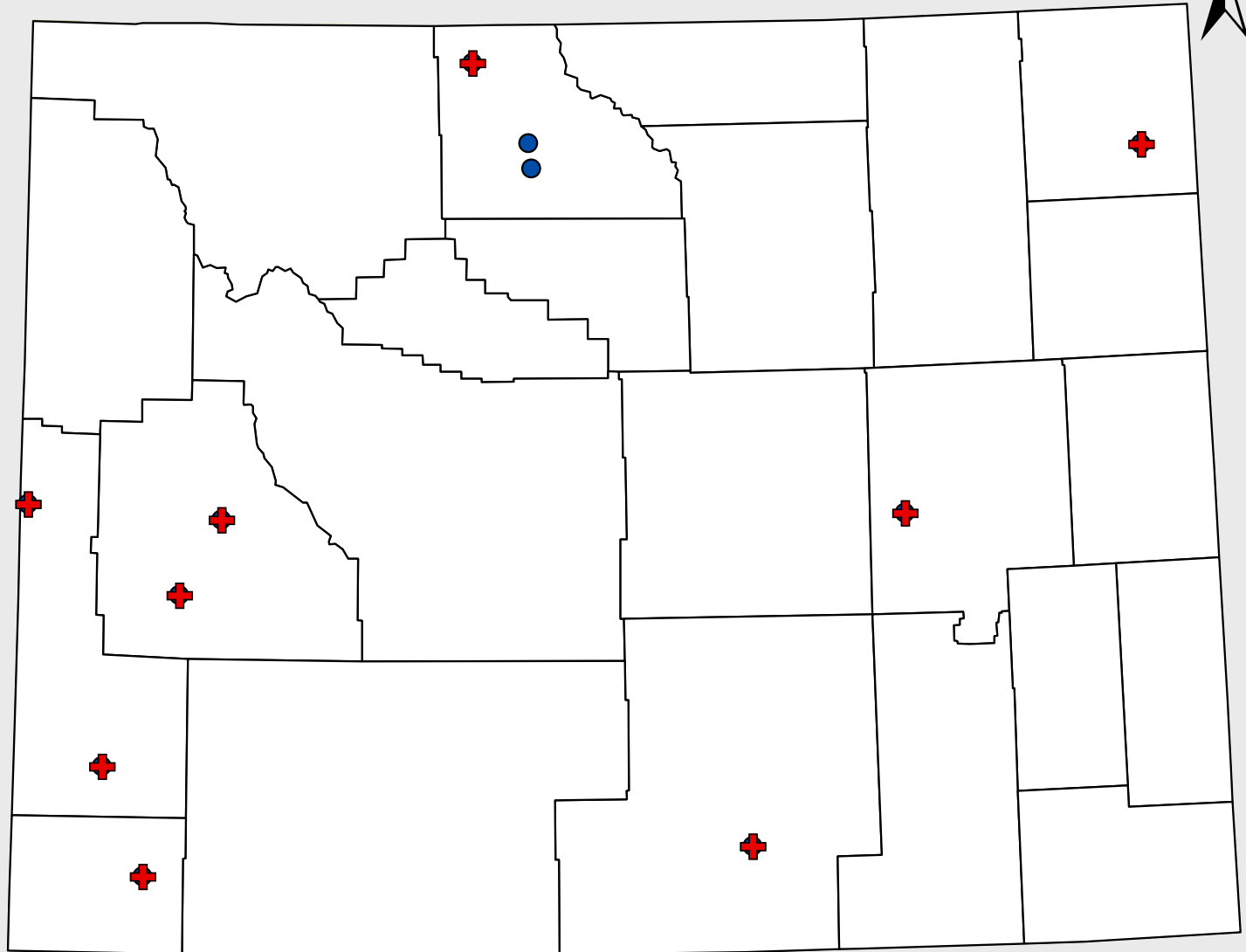
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-  Within 10 Miles of Another Pharmacy

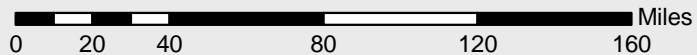
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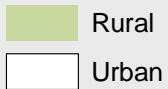


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# Location of Sole Rural Community Independent Pharmacies in Missouri

## ORHP Rural-Urban Typology



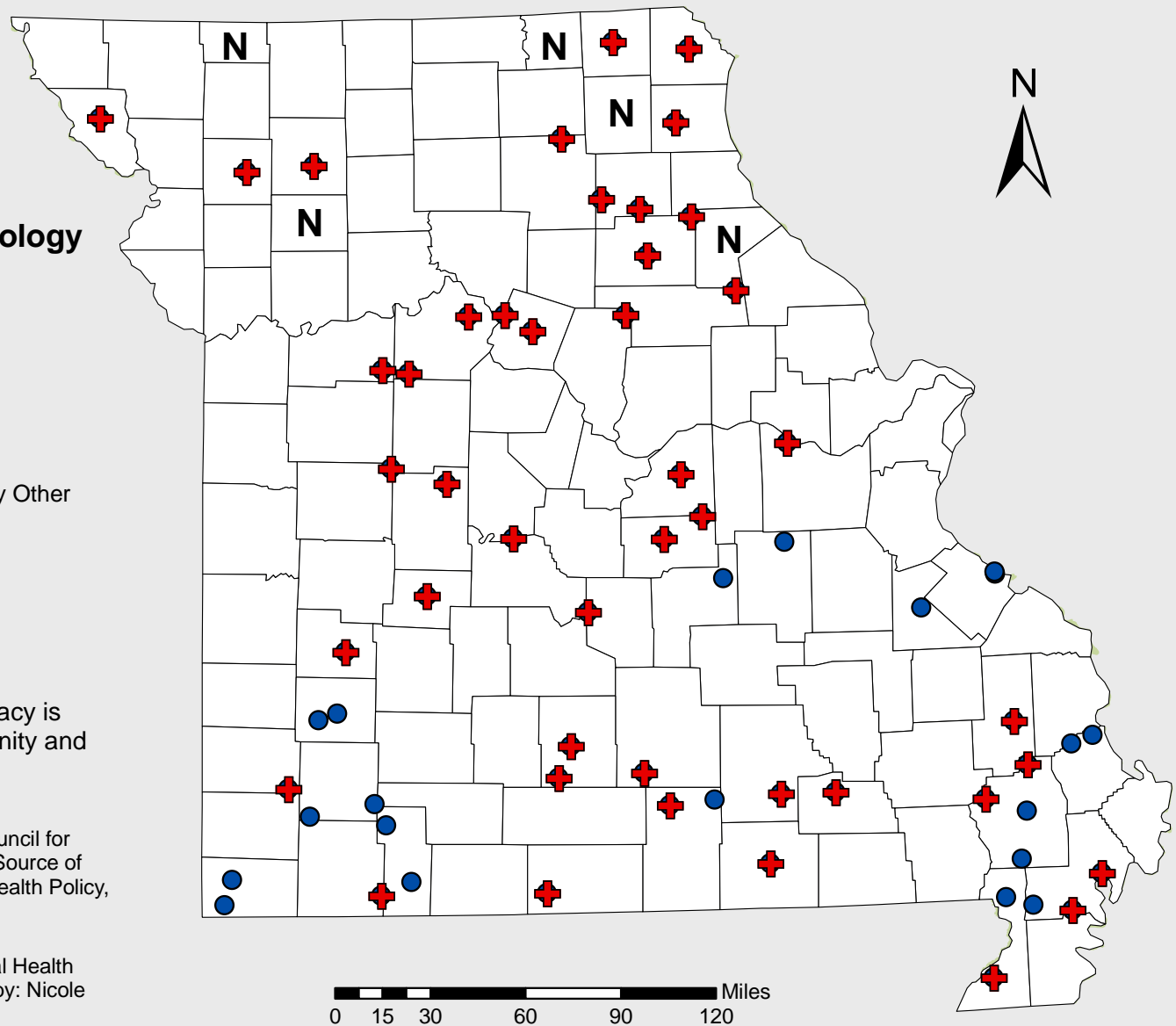
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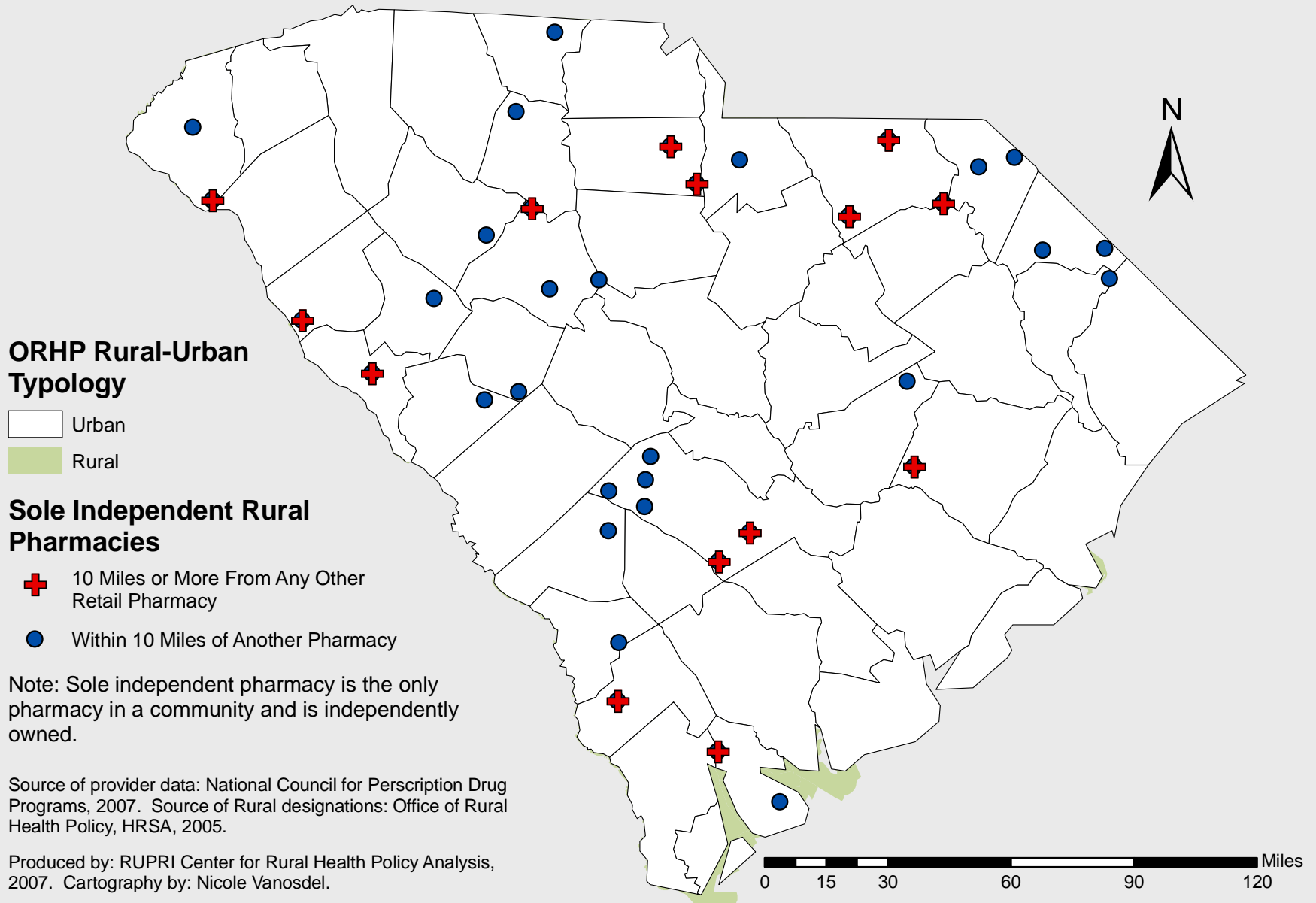
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# Location of Sole Rural Community Independent Pharmacies in South Carolina



# 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

Source: MD Shambaugh-Miller, N VanOsdel and KJ Mueller. "Sole Community Pharmacies in Rural America." *Rural Policy Brief* RUPRI Center for Rural Health Policy Analysis. Forthcoming.



# 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

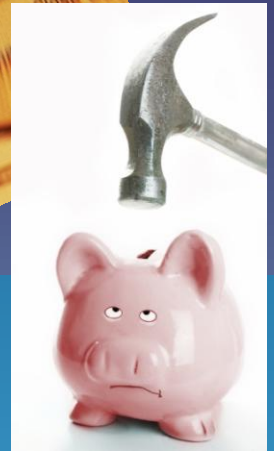


- Auto-assignment a problem for portion of patients dually eligible
- Dealing with multiple plans' formularies and need to obtain prior authorization for Part D patients



# 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/](http://www.shepscenter.unc.edu/research_programs/rural_program/)