

Pharmacy Owner Story Mountain

Introduction

Charles has a master's degree in pharmacy leadership from The Ohio State University. He bought the independent pharmacy in the town he grew up in 8 years ago. He employs three pharmacists and an intern. Business has picked up considerably because of the new housing developments in the area.

Buildup

DIR fees are rising dramatically. He is concerned about making a profit. He has been losing money over the last two years.

Charles initially reaped a profit of \$9.49 for selling prescription eye drops that cost \$145.53. The total price was divided between \$7.75 from the patient co-pay and \$147.27 from the PBM. Weeks later, however, he noticed another \$8.09 charge for the prescription, which cut his profit for that product by 85% to \$1.40*.

Problem

At a meeting for independent pharmacy owners, a speaker presented information on DIR fees. According to the fiscal year 2022 budget justification estimate sent to Congress by CMS, pharmacy DIR fees increased by 91,500% between 2010 and 2019. For context, a \$4 gallon of milk increased by that much would cost \$3,660**. Charles recently laid off one of his pharmacists. He is considering selling his pharmacy.

Resolution

Charles is working more than he wants to.

He was told by another pharmacy owner to investigate the McKesson prescription reimbursement dashboard to offset climbing DIR fees.

Charles contacted his McKesson representative and spoke to him at length about the prescription reimbursement dashboard.

Ending

Charles signed up for free monthly online McKesson group training, Q&A sessions, and online one-on-one coaching. He sent an email to his McKesson representative asking if he could pay for in-person training.

ONE MONTH LATER: The reimbursements are coming in and starting to off-set some DIR fees. He has a way to go but he is hopeful.

"I going to have to lay off someone. I hate doing this. I feel so guilty."

"I really want to buy another pharmacy in Circleville so I can help more people."

"I cannot believe this is happening."

"Over the weekend, Maya made a mistake due to working 12-hour shifts and a new baby. Luckily, the student intern caught it."

"In the pharmacy owner group, my McKesson rep presented a lot of new ways to get reimbursements!"

*Ross, Megan, "Pharmacies Face Financial Hardship with Rising DIR Fees" 2 November 2015 (<https://www.pharmacytimes.com/view/pharmacies-face-financial-hardship-with-rising-dir-fees>)

**NCPA, <https://ncpa.org/newsroom/news-releases/2021/06/03/its-not-typo-91500-increase-fees-heaped-pharmacies>