



NEWSLETTER

JULY 2015

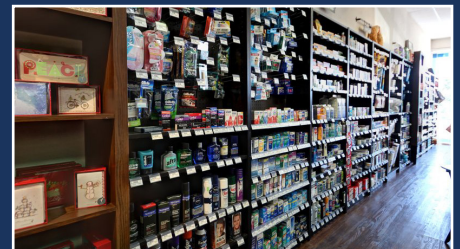
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Western States Pharmacy Coalition Launches Online Newsletter

Welcome members, to the launch of the Western States Pharmacy Coalition online newsletter. WSPC is growing and we invite you to grow with us. Our goal is to bring members relevant news and information, legislative updates and changes, pharmaceutical analysis and trends, member profiles, and suggestions from your peers on successful business strategies through both the alerts and newsletter.

The WSPC Board of Directors, management, and staff are committed to keeping members on the cutting edge of our industry. Your input is essential, with comments and topics appreciated. To share your experiences, expertise, and advice, please contact us at newsletter@WesternStatesRx.com.

As Co-Editors-in-Chief, Jerry Van Pevenage and I are excited to post our first edition. We know your time is valuable and limited. We want the WSPC newsletter to become a welcome source of your “must-read” information.

As part of its launch, the WSPC newsletter needs a name. We challenge members to be creative and have fun with entries. Please submit your ideas by July 31, 2015 to newsletter@WesternStatesRx.com. The member with the winning name will be recognized in a future newsletter.

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12585 SW 68th Ave, Suite A Tigard OR 97223	

WSPC newsletter is currently a quarterly publication, however, over time the newsletter may publish more frequently. Watch for our next edition, November 2015. Until then, Jerry and I look forward to your input and newsletter names. Our Mission is to Provide Outstanding Independent Pharmacies with a Competitive Edge.

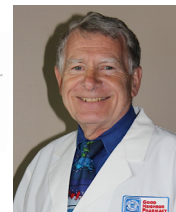
Warm regards,



Sheila Matthews
Generics, Member Services, Special Projects



Jerry Van Pevenage, RPh
Executive Vice President, WSPC Information
Technology and Member Communication



Co-Editors-in-Chief

WSPC Goal to Support Independent Pharmacies



By Mike Douglas, RPh
Chairman of the Board, WSPC

We started Western States Pharmacy Coalition so that ALL BENEFITS are returned to members. Our goal is to provide support to independent pharmacists through the rapidly changing market. With a large base of practicing pharmacists, we are able to focus on relevant problems and find solutions that will strengthen our pharmacies and their financial outcomes. The input of each of our members with ideas and suggestions is valuable and positive for the group's success. The Executive Board and the Board of Directors are available and appreciate ideas you have for improving what we do and how we accomplish our goals. WSPC is truly a team effort and you are an integral part of our team.

We have had very important wins in contract negotiations and we want you to know that you are a big part of these victories. We started our Co-Op initiative in 2009, with 20 pharmacies. We currently have more than 200 pharmacies. With your continued input and support we will grow and implement new ideas that will truly help independent pharmacies thrive, and most importantly, prosper, now and the future. Thank you Team Members. ■



Meeting of the Executive Board, Group Leaders, and Team Members in Monterey, California, February 2015.

WSPC Group Structure



By **Bob Dominguez**
President, CEO WSPC

As WSPC continues to grow and provide value added benefits to our members, I am most proud of our associates whose skill, knowledge, and experience is clearly “best in class” in our industry. I’m sincerely appreciative and grateful for their efforts and dedication to our independent pharmacies representing WSPC. Listed below is our current WSPC structure including the Executive Board, Group Leaders and Team Members.

The WSPC Board of Executive Directors consists of eight members, five current or previous independent pharmacy owners, and three with finance and business backgrounds. See attached link for more information on our Board Members, <http://www.westernstatesrx.com/leadership/>

Mike Douglas, RPh Chairman of the Board	Vince Cardinale, RPh EVP, Member Benefits & Services, Secondary Vendor Agreements	Jerry Van Pevenage, RPh EVP, Secretary, Information Technology, Member Communication
Bob Dominguez President, CEO	Don Clarfeld EVP, Marketing Strategies	Dirk White, RPh EVP, Legislative Affairs
John Bruce, PharmD EVP, GPO Development and Market Share Growth	Jay Robinson EVP, CFO, Treasurer	

Group Leaders support the Board and interface with a dozen or more area pharmacies to assist members in achieving the highest standards of quality care. Today there are fourteen Group Leaders five of which are also Board Members.

ALASKA:

Dirk White, RPh – Group Leader, Alaska
Craig Burgess, PharmD – Group Leader, Colorado,
New Mexico
Kevin DeMass, RPh – Group Leader, Northern Utah

Ken Harlan – Group Leader, Northern California Valley
Robbie Leark, PharmD – Group Leader, Los Angeles
Dana Porter, MBA – Group Leader, North Orange
County California
Michael Saad, RPh – Group Leader, San Diego

CALIFORNIA:

Gurpartap (Gary) S. Basrai, PharmD – Group Leader,
South Bay, California
John Bruce, PharmD – Group Leader, Southern
California
Vince Cardinale, RPh – Group Leader, Northern
California Coast

IDAHO - OREGON:

Mike Douglas, RPh – Group Leader, Portland
Jerry Van Pevenage, RPh – Group Leader Inland
Empire
Vic Allen, RPh – Group Leader, Oregon, Idaho
Sandy Allen, RPh, – Group Leader, Southern Oregon

Assisting our initiatives we have added a team of three highly qualified, experienced individuals that will bring additional benefits to the group and help the overall membership in achieving our mission and goals.

John LaRouche – Group Meetings, Member Services, Sales, Secondary Vendor Programs
Sheila Matthews – Generics, Member Value Added Services, Special Projects
Terry Merrill – Operations/Logistics, Membership Analytic Services, Group Leader ■

Western States Pharmacy Coalition Saves Members in Excess of 2.9M in the New FY15 Prime Vendor Agreement



By John Bruce
PharmD
Executive Vice President, WSPC

Effective March 1, the 2015 AmerisourceBergen Prime Vendor Agreement was implemented with its fifth consecutive year of enhancements and improvements offered to members. Unlike any other industry agreements, WSPC AmerisourceBergen agreement allows positive contractual changes to members each and every year.

This savings is offered to members through the new WSPC Generic Price File, the additional WSPC Special Generic Price File and additional PRxO Rebate Dollars based on compliance.

Other notable improvements include:

- After polling our members we listened to your suggestions and moved the Advertising and PIF funds into the PRxO rebates. This change will allow you to receive your earnings quicker and without the additional administrative effort of submitting receipts and advertising bills for payment.
- The delivery of a Passport Generic Rebate Tracking System to determine the on screen estimated net price after discounts, tracking discount percentages daily, based on the ratio of PRxO purchases, as compared to total Rx purchases.
- The implementation of PRxO Generic Price Increase Protection, which benefits and protects qualifying members on PRxO Generic price increases of 20% or more in one day.

Your WSPC board has direct access to the AmerisourceBergen leadership team, which improves response time, decision-making steps and action. We are very pleased with our interaction and the support we receive.

In conclusion, WSPC works tirelessly for you, its members. Your comments are important and will be considered and valued in the upcoming 2016 AmerisourceBergen Prime Vendor Agreement review.

Thank you for your continued support of WSPC.

WSPC Hosts Reception at AmerisourceBergen ThoughtSpot 2015

Attending the ThoughtSpot 2015 meeting in Las Vegas this July 29th–August 1st?

WSPC members are invited to join WSPC as we host a special reception for our members. WSPC invites participants to meet with WSPC Board of Directors, Group Leaders, Team Members, and peers. Join us for an opportunity to network and enjoy light refreshments. ■



Who: Western States Pharmacy Coalition
What: Member and Guest Reception
When: Friday, July 31, 2015
Time: 3:30PM – 5:00PM
Where: 2015 ThoughtSpot Tradeshow
MGM Grand, Las Vegas, NV
Event Room 301–302

Please look for your personal invitation enclosed with your mid-year rebate the week of the July 13th

MEMBER SPOTLIGHT

WSPC extends a warm welcome to Steve and Craig Burgess, of Piñon Family Pharmacy and Four Corners Compounding Pharmacy, Farmington, NM. Steve & Craig Burgess own and manage two pharmacies located in the same building. Piñon Family Pharmacy is a traditional pharmacy model, whereas Four Corners Compounding Pharmacy specializes in compounding medications.

Craig is a new WSPC member as well as a welcome addition to our leadership team. WSPC is delighted to welcome Craig onboard. The WSPC leadership team looks forward to Craig's expertise and involvement with our potential growth and success in Colorado and New Mexico. ■



Steve Burgess, RPh and Craig Burgess, PharmD, owners Piñon Family Pharmacy and Four Corners Compounding Pharmacy, Farmington, NM

San Diego Independent Pharmacies Thrive Despite Chain Competition

By Jim Thompson

Shelter Island and Cabrillo Drug are two of the few independent pharmacies left in the San Diego area, thriving in an environment increasingly penetrated by chains. Owners Andrea Saad, and husband, Michael Saad, RPh, believe in providing exceptional service and personalized attention, and the belief that patient care is a one-on-one relationship that should never be mass produced.

Michael expanded the stores from primarily filling prescriptions to providing clinical management, comprehensive diabetes care, patient counseling, home medical equipment, compounding and an innovative approach to front-end merchandising.

As an advocate for the importance of community pharmacies, Michael met with US Congresswoman Susan Davis (D-San Diego) to discuss how independent community pharmacies play a key role in patient lives. Michael explained that mail order and specialty drug contracts deprive patients of the quality of care they deserve.

In addition to advocacy, Michael shares his experience, feedback, and perspective as a valuable resource to:

- Good Neighbor Pharmacy (GNP) as a Regional Advisor
- Group Leader for Western States Pharmacy Coalition
- Proctor and Mentor for the University of California at San Diego (UCSD) Skaggs School of Pharmacy.

The Saads and their teams at Shelter Island and Cabrillo Drug are enthusiastic volunteers in San Diego community efforts. Notable community marketing strategies of the Saad's include manning a booth at a local private university's "New Students Day," and sponsoring and engaging in joint community outreach events with SeaWorld San Diego and the American Diabetes Association.



Andrea Saad, with husband Michael Saad, RPh, Owners, Point Loma Shelter Island Drug and Point Loma Cabrillo Drug, San Diego, CA

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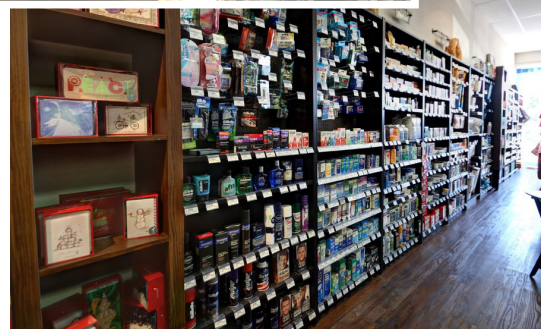
Saad's Focus on Client Healthcare and Pharmacy Business

To maintain their competitive edge with chain pharmacies, the Saads and their Shelter Island Drug and Cabrillo Drug stores have found new sources of revenue beyond filling prescriptions. Like many GNP locations, a healthy front-end makes a difference and attractive merchandizing is critical. They believe that a healthy front end can generate profit margins much higher than filling hundreds of prescriptions. **“We need to continuously look for products and new ideas that can replace the falling margins we have filling third party prescriptions,”** says Michael.

Both stores feature modern interior design and fresh merchandizing concepts. As a business strategy, the Saads attract customers to their pharmacies with unique quality products that are not available at traditional chain stores. A variety of interesting and enticing items, incorporating organic and green environmentally-friendly products, transform the stores into a shopping and gift destination.

When they opened Cabrillo Drug in 2010 the Saads used attractive, inviting wood flooring and a soothing, warm color palette. Modern displays of modular wire racks on casters that can be readily and easily rearranged enhance the flexible floor plan.

“One of my business strategies is believing that as community pharmacies we need to re-create ourselves every 10-odd-years,” says Michael. “New business ideas and total store remodels that go with the changing times and image - we try to create them for the future.” With this thought in mind, they remodeled their Shelter Island store and gave it a totally unique look. ■



Handsome hardwood floors, soothing colors, and modern modular displays create an inviting experience to Point Loma Cabrillo Drug customers.



As a successful pharmacy business model, Point Loma Shelter Island Drug showcases a comfortable, open floor plan, and displays filled with unique and environmentally-friendly gifts and greeting cards.

Scheduling Underway for WSPC Group Meetings

Group meetings are informative and helpful networking opportunities, where every member has input in WSPC functions. Talk to your area group leader or John LaRouche about dates in the near future to schedule, plan and attend a meeting. Remember, members have ownership in their area group. WSPC urges proactive participation with comments and suggestions.

The Portland Group held a Group Meeting in May led by Mike Douglas, RPh, WSPC Chairman of the Board. Discussions included social media tools available on Brand Central Station that Good Neighbor Pharmacy provides to WSPC members, advertising and events. Portland group meeting attendees, Jamie Netland, RPh and Gary Balo, RPh provide comments below:

“The best part of Group Meetings is networking and the opportunity to ask questions and learn with other owners, while in an environment outside the pharmacy in a quiet atmosphere,” said *Jamie Netland, PRh owner, Stayton and Sublimity Pharmacy, Portland, OR.*

“After working with these stores for years on advertising and other events it is always a pleasure to be able to sit and talk with no other distractions.

“The best part of the meeting was hearing about the social media tools available on Brand Central Station that GNP provides to members” said *Gary Balo, RPh, owner Paulsen’s Pharmacy, Portland, OR.* ■



Contact John LaRouche:
JLaRouche@WesternStatesRx.com or 971-313-3651.

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Medford Group Members Consider Technology and Changes in Advertising Opportunities



By Sandy Allen, RPh
Group Leader WSPC, Southern Oregon
Ashland Drug, Ashland, OR

Changing advertising strategies and best use of advertising funding were the hot topic at the Southern Oregon Group Meeting held in June in Medford, OR.

“What I like about Group Meetings,” said *Alex Frum, RPh, owner Gold Hill Pharmacy*, “and this group in particular, is that we work together to promote WSPC stores in our area. This meeting was important as stores plan future advertising.

“We were pleased that *Sasha Juenemann, from AmerisourceBergen* explained the optimum advertising options for our area, and how to customize ...television commercials.”

Medford Group Member comments include:

- Many stores only advertise through Group television opportunities. However, television viewing is changing; fewer people watch television.
- Many customers continue to watch television and view WSPC member-related commercials.
- Young, technology savvy potential customers may not be exposed to television advertising, thereby missing exposure to television commercials.
- As a minimal social media presence, an updated and relevant Facebook site is recommended. ■



At the Medford Group Meeting, *Sasha Juenemann, Advertising Manager, GNP, AmerisourceBergen*, and *AmerisourceBergen* representatives discuss advertising opportunities with Group members in the Southern Oregon area.



Television advertising versus social media advertising were timely topics explored at the Medford Group Meeting in June.

Attendees include *Alex Frum, RPh*, left, *Gold Hill Pharmacy*; *Chris Hernandez, CPhT* and *Sandy Allen, RPh*, *Ashland Drug*; *Isaac Wine, RPh*, *Christian’s Downtown Pharmacy* and *Lone Pine Drug*; and *Ben Egendoerfer, PharmD*, *Phoenix Downtown Pharmacy*.

Federal and State Pharmacy Bills Proposed; Some Become Law



Editorial By Dirk White, RPh
Executive Vice President, WSPC
Legislative Affairs Group Leader WSPC, Alaska

Early in my pharmacy practice, Sal D'Angelo, RPh from New Orleans, told me something that has stuck with me ever since.

“Get into politics, or get out of pharmacy!” That statement rings stronger every year I have been in practice. More and more we have local, state, and federal government as our business partner whether we want them as such or not.

What can YOU do?

The summer 2015 Congressional break is approaching, and our legislators are generally available locally for meetings. Contact the Senate and House of Representative offices in your area and invite your elected officials and/or their staffers to visit you and your pharmacy. Discuss the federal bills described below, and request that legislators co-sponsor part or all of the un-passed legislation.

If you don't know your legislators, find out who they are and offer to be a volunteer healthcare expert and resource for their office. Legislators may be contacted by telephone, facsimile, and email. Paper mail is accepted but takes longer to be read and acted upon due to federal security screening processes. To learn the legislators for your state, go to www.thomas.gov, www.senate.gov, and www.house.gov.

In conclusion, as pharmacists, we are excellent grass roots politicians. We hear what patients are asking and our answers and opinions are highly regarded. When we provide information to our legislators and their staff they realize that we interact daily with their constituencies.

With legislators and staffers, I always conclude conversations with an offer to help strategize how proposed legislation may impact healthcare. I want, and we want, to be healthcare resources senators and representatives trust, rather than the rhetoric of paid lobbyists.

Proposed Federal Legislation

Many bills introduced in every state die in committee and/or languish there. Each state has its own system. Depending on the state's system, these bills may be dead-on-arrival at the close of the 2015 session or be reintroduced next session.

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Ensuring Seniors Access to Local Pharmacies Act S. 1190 and H.R. 793 (bipartisan authors, both bodies)

These companion bills are “Any Willing Provider” (AWP) legislation. The bills allows community pharmacies in medically underserved areas or health professional shortage areas to participate in Medicare Part D preferred pharmacy networks, as long as independent pharmacies comply with the terms and conditions offered to “in-network pharmacies.”

Provider Status Bills S. 314 and H.R. (bipartisan authors, both bodies)

These companion bills will recognize pharmacists as providers under Medicare Part B. This bill will allow Pharmacists practicing in a medically underserved area or a health profession shortage area to provide and be reimbursed under Medicare Part B for services allowed under their state’s scope of practice.

Ensuring Patient Access and Effective Drug Enforcement Acts S.483 and H.R. 471

If enacted, the bills allows pharmacies to submit corrective action plans prior to having DEA licenses suspended or revoked. The bill seeks to build a more collaborative environment than currently exists between the Drug Enforcement Administration (DEA), other federal enforcement groups, and regulatory agencies, wholesalers, and community pharmacies.

Note: I’ve heard it said that these bills are to remind the DEA that they are a regulatory agency and not an enforcement agency.

Mac Transparency Act H.R. 244 (bipartisan authors)

This bill, reintroduced in January of this

year, will require PBMs to disclose the contract reimbursement rate and update that rate at least once every seven days to reflect market fluctuations.

Proposed and Passed Western States Legislation

ALASKA:

Senate Bill 71

This bill was introduced, moved through the legislature, and has been signed. SB71 will allow pharmacists to independently vaccinate patients without a collaborative practice agreement.

Note: Alaska Board of Pharmacy has started a regulation project to make the necessary changes to our practice act.

ARIZONA:

Senate Bill 1288

A Medication Synchronization bill has passed the legislature. This allows pharmacists to do short-fills synchronizing multiple prescriptions for a patient with two or more chronic conditions. It requires insurers to pro-rate co-pays as well as pay additional dispensing fees to pharmacies.

CALIFORNIA

Assembly Bill AB 627

On June 25, 2015 the California Assembly passed AB 627, a Bill by Assembly member Jimmy Gomez and sponsored by CPhA. The Bill is the “MAC Transparency Bill” and was introduced to establish fair standards for MAC-based pharmacy reimbursement.

AB 627 requires PBMs to update their Maximum Allowable Cost (MAC) lists weekly; requires PBMs to provide in-network pharmacies with the current MAC list upon request and disclose the sources used in establishing MAC lists; and establishes

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much-needed standards for appeals filed by pharmacies for MAC list prices that appear to be out of date.

AB 627 has been sent to Governor Jerry Brown and is awaiting his action.

IDAHO:

Effective as of April 11, 2015, final rules on interchangeable biologics. No notification necessary.

MONTANA:

Senate Bill 8

Electronic prescription of controlled substances II-V have been signed into law.

OREGON:

House Bill 2028

Clinical pharmacy testing passed the legislature and has been signed by the Governor. This bill allows pharmacists to provide medical testing.

Senate Bill 520

This bill passed legislature and has been signed by the Governor, allows pharmacists to vaccinate patients as young as seven years.

UTAH:

House Bill 279

Biologics has passed. This bill requires the pharmacist or designee to enter into an electronic database what specific product was dispensed within five days of dispensing. This entry will be presumed to be notice to the prescriber.

WASHINGTON:

Senate Bill 5441

Patient Medication Coordination (Med Synch) has been signed into law. This bill requires patient co-pays be pro-rated but no additional dispensing fees for the pharmacy.

Senate Bill 5557

Pharmacist Services has been signed into law. This bill acknowledges pharmacists as providers within the scope of their practice. The bill requires insurers to pay pharmacists for those services, if the service is a covered service.

Senate Bill 5857

PBM (MAC pricing enforcement) is in the Senate budget and may still pass during the current special session.

Senate Bill 5935

Biological Products has been signed into law. This bill requires prescriber notification in the event of an interchangeable biologic substitution until 2020. The bill requires mandatory substitution, if an interchangeable biologic is available.

Thanks to Lis Houchen Regional Director, NACDS State Government Affairs, and Matt DiLoreto NCPA Senior Director, State Government Affairs, for their assistance on this article.

For more WSPC or legislative information, email questions or comments to dirkw@whitesalaska.com and/or newsletter@WesternStatesRx.com. ■

NEWSLETTER • JULY 2015

Western States Pharmacy Coalition

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