



Balancing Participation With Profitability

The preferred approach.

Broad, Restricted or Preferred?

Independent community pharmacies should participate in some preferred networks so that they can offer their patients

low-cost options. But participating in every preferred network would cannibalize gross margins.

Broad networks



Include any willing provider



Offer patients the most choices

Restricted networks

A pharmacy is either in- or out-of-network



Fewer choices for patients

Preferred networks

Incentivize consumers with lower co-pays



Lower reimbursement rates for participating pharmacies



Higher co-pays for patients at non-preferred pharmacies

Focus on patient connections

Did you know the biggest predictor of medication adherence, according to the NCPA, is the patient's connection to their pharmacist? Independents stand out for high-touch patient care, and it's that level of care that can make the difference when it comes to retaining patients in preferred Part D networks.

Why? Because non-preferred pharmacies can still fill prescriptions for patients participating in a preferred network plan. And although these patients may pay a higher copay, many are willing and able to pay more to have their prescriptions filled at the pharmacy of their choice.

— In a NCPA study, —
89%
— of —
independent community
pharmacy patients
— report a —
**high level
of connection
with their pharmacistⁱ**



Adding value adds up

Preferred networks create a need for non-preferred pharmacies to differentiate themselves on quality and value. That means focusing on the health and wellness of their patients and standing out from pharmacies that could potentially fill the same prescriptions at a lower copayment. Immunizations, delivery services, wellness programs, disease-specific

education, health fairs and other patient care services can all be important ways independent pharmacies set themselves apart from the competition and add value for patients. And these differentiators become profitable retention opportunities that lead to patients choosing to stay with a pharmacy over switching to a pharmacy in the preferred network.

Learn more about preferred networks and the impact on pharmacy.

Differentiate with Value-added care



Immunizations



Delivery services



Wellness programs



Disease-specific education



Health fairs



Other patient care services



Where knowledge,
reach and partnership
shape healthcare delivery.