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Contact: Chrissy Kopple

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(703) 837-4266

Major Victory for Patients and Pharmacy in South Carolina

NACDS: Law "Puts Patients First"

Alexandria, Va. - Claiming a major victory for pharmacy patients today, the National Association of Chain Drug Stores (NACDS) released a statement upon the signing into law of the South Carolina Budget bill. A provision in the law will hold pharmacies harmless from the recent average wholesale price (AWP) First DataBank/Medi-Span settlements, and pending approval from the Centers for Medicare and Medicaid Services (CMS), sets pharmacy reimbursement at wholesale acquisition cost plus (+)12.5 percent. The law also calls for an adjustment to the Medicaid dispensing fee should the federal average manufacturer's price (AMP) provision become problematic for pharmacies in South Carolina.

The FirstDataBank/Medi-Span settlements refer to litigation surrounding the publishing of drug pricing data. The effect of the settlements is to change these data in a way that harms pharmacies, even though they were not parties in the litigation.

NACDS President and CEO Steven C. Anderson, IOM, CAE, released the following statement:

"This truly is a monumental achievement for pharmacy and patients in South Carolina. The pharmacy provisions in the law put patients first by preserving their access to pharmacy care.

"The excessive rate cuts originally imposed placed a significant burden on pharmacies. The increased reimbursement rate will help preserve access to community pharmacies and maintain the vital pharmacist-patient relationship. This helps to foster medication adherence, which refers to patients' taking their medications correctly, and that maintains health and ultimately prevents the need for higher-cost forms of healthcare.

"Without the advocacy of the South Carolina Association of Chain Drug Stores and the South Carolina Pharmacy Association, patients would not have achieved this victory. We also recognize the efforts of the state legislators and thank them for their swift action in protecting pharmacies and their patients.

"As the face of neighborhood healthcare, pharmacy is a convenient and accessible healthcare provider. NACDS will continue to fight to maintain and protect patients' access to care in our nation's pharmacies."

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The National Association of Chain Drug Stores (NACDS) represents 154 traditional drug stores, supermarkets, and mass merchants with pharmacies - from regional chains with four stores to national companies. NACDS members also include more than 900 pharmacy and front-end suppliers, and over 70 international members from 24 countries. Chains operate 37,000 pharmacies, and employ more than 2.5

million employees, including 118,000 full-time pharmacists. They fill more than 2.5 billion prescriptions annually, which is more than 72 percent of annual prescriptions in the United States. The total economic impact of all retail stores with pharmacies transcends their \$815 billion in annual sales. Every \$1 spent in these stores creates a ripple effect of \$3.82 in other industries, for a total economic impact of \$3.11 trillion, equal to 26 percent of GDP. For more information about NACDS, visit [www.NACDS.org](http://www.nacds.org) <<http://www.nacds.org/>> .

Pharmacies. The face of neighborhood healthcare.