



State of Community Pharmacy in Iowa

The *Pharmacy Access in Iowa Study* reflects an alarming decrease in pharmacy access from 2008 to 2022, most notably in rural communities. Michael Andreski, RPh, PhD, faculty member at the Drake University College of Pharmacy and Health Sciences, conducted this study in collaboration with The Health Professions Tracking Center at the University of Iowa Carver College of Medicine.

TYPE OF PHARMACY	2008	2022	CHANGE
Total	697	601	- 96 13.77% Decrease
Urban-all types	320	296	-24 7.5% Decrease
Rural-all types	377	305	-72 19.10% Decrease
Chain-all areas	365	354	-11 3.01% Decrease
Franchise-all areas	65	49	-16 24.62% Decrease
Independent-all areas	227	140	-87 38.33% Decrease

Notes:

75% of the losses in the number of pharmacies were in rural pharmacy.

Population of the Rural counties has **decreased by 2.5%**, the number of pharmacies **decreased by 19.1%**. This suggests that the change in the number of pharmacies is not population driven.

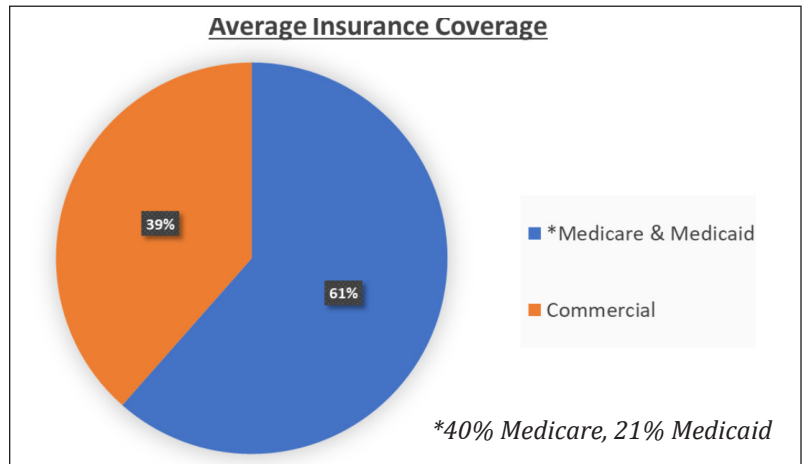
2008		*2022	
0 pharmacies	= 0	0 pharmacies	= 1
1 pharmacy	= 5	1 pharmacy	= 14
2 pharmacies	= 17	2 pharmacies	= 20
3 pharmacies	= 16	3 pharmacies	= 17
1, 2, or 3 pharmacies	= 38	1, 2, or 3 pharmacies	= 52
4 pharmacies	= 18	4 pharmacies	= 16
1-4 pharmacies	= 56	1-4 pharmacies	= 68

*See addendum for breakdown of pharmacies by county



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The *Iowa Pharmacy Association State of Community Pharmacy – 2024 Expectations Survey* was conducted between October 6-11, 2023, to illustrate the expectations of community pharmacies in Iowa with the upcoming 2024 DIR rule changes and Medicare Part D contracts. This survey includes responses from 97 independent and small regional chain community pharmacies serving over 333,000 patients, serving 61% of Medicare and Medicaid beneficiaries.



CURRENT LANDSCAPE:

45.1% of responding pharmacies report currently breaking even or operating at a loss with an average net operating margin of 2.72%.

Due to current and expected financial pressures:

- 55% have implemented a hiring freeze
- 22.5% have cut services (e.g., medication therapy management, immunizations, delivery services)
- 19.7% have reduced staff
- 19.7% have decrease salaries or implemented a compensation freeze
- 19.7% have cut pharmacy store hours

To maintain pharmacy operations:

- 29.6% have infused personal cash
- 29.6% have extended a line of credit
- 15.5% have taken out a loan
- 19.7% have used a combination of all 3

FUTURE LANDSCAPE:

The expected financial strain created by the 2024 DIR cliff and Medicare Part D contracts will lead to unprecedented pharmacy closures and network coverage gaps for Medicare and Medicaid patients.

40.8% of pharmacies reported expectations to close within the next 12 months.

Based on the sample of pharmacies surveyed, 133,200 patients will lose access to care at community pharmacies in Iowa.