

Louisiana Independent Pharmacies Association: Independently Owned Pharmacies Face an Uncertain Future in Louisiana Due to Federal Budget Cuts

Louisiana Pharmacists Look For Hope In Passage of House Bill To Rectify Federal Budget Cuts

BATON ROUGE, LA – May 8 (SEND2PRESS NEWSWIRE) – With drastic federal cuts impending, most independent community pharmacies face a very uncertain future. “I’ve been in business for 10 years and this is the first time I’ve truly feared for the future of my business,” said Ricky Guidry of Guidry’s Pharmacy in Iowa, Louisiana.

The federal government is cutting up to 40% of the Medicaid reimbursement that allows pharmacies to profitably serve this needy population. This cut will have the affect of cutting the profitability of most independent locally owned pharmacies by upwards of 60%.

“These cuts will have a direct bottom line impact that will likely cause us to lay off workers and cut back on our ability to service our patients,” stated Allen Cassidy of Cassidy’s Pharmacy in Jennings, Louisiana. Most of the revenue of locally owned locations comes from filling prescriptions. A large portion of those prescriptions are from patients utilizing Medicaid.

The average independent pharmacy will realize a significant drop in profitability, and some of the most needed pharmacies, those in small towns and rural areas, will become unprofitable all together. “If nothing is done, we will have many communities that will lose their ability to fill prescriptions without having to drive up to 50 miles away,” stated Kyle Ardoin, President and CEO of the Louisiana Independent Pharmacies Association. “People will see services dry up and locations disappear if nothing is done.”

Louisiana patients rely on locally owned community pharmacies for over 30% of the prescriptions filled in this state. This is twice the national average for reliance on locally owned pharmacies. In many areas well over 50% of the prescriptions come from these independent pharmacies. “Several parishes have one pharmacy, an independent pharmacy,” noted Ardoin.

There is current legislation proposed by House Speaker Joe Salter (D-Florien) that would partially alleviate this situation. HB 1262 would set a minimum state Medicaid reimbursement at \$15.00 per prescription filled. The current maximum is at \$5.77. “This legislation could, literally, save dozens of independent pharmacies,” concluded Ardoin.

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