



## **INSTRUCTIONS FOR *TIME-SENSITIVE* SURVEY**

**All data is due back at the University of Connecticut School of Pharmacy by  
October 20, 2006  
A postage paid return envelope is enclosed**

### ***Important Information for Recipient of this Survey***

If you have any questions regarding the survey, or would like to receive this survey via email, please contact me at: [peter.tyczkowski@uconn.edu](mailto:peter.tyczkowski@uconn.edu)

If you have received this survey and need to forward it to a supervisor or corporate office, please do so ASAP so that your company's information can be included in this important survey.

### ***Pharmacies with Multiple Locations***

If you are part of a larger organization that has multiple outlets, please complete a separate survey form for each pharmacy participating in OVHA programs and allocate central costs to individual pharmacy locations.

### ***Confidentiality***

While each survey form filled out will have pharmacy identification information, this will only be used to track survey response progress and provide contact information should we need to contact you for the purposes of clarifying the information you provide. Individual pharmacy data collected in the survey will only be shared with the OVHA in a format devoid of pharmacy identification. Likewise, reports and analysis derived from survey responses will not contain pharmacy identification.

### ***Timeliness of Survey Results***

Time is of the essence in this process. Given the large changes in the pharmacy environment and the need to gather a representative sample, we are asking for data for activity during the period of **March 1, 2006 through August 31, 2006**. A report analyzing the data collected will be sent to the OVHA by November 13, 2006. To participate and be counted, your response to this important survey is due back by Friday, **October 20th**.

### ***Exclusions***

Pharmacies that have not completed at least one full fiscal year of operation as well as pharmacies that have changed ownership during the fiscal year prior to receiving this survey are asked to please return the survey noting the reason for their exclusion.

### ***Required Cost Data***

In completing this survey, please keep in mind that its purpose is to accurately determine the actual cost of preparing a prescription medication and dispensing it to a patient. For that reason, a number of elements of financial and cost information will need to be gathered and where needed, adjusted to reflect the true cost of this important service.

This survey attempts to identify all of the possible costs encountered in filling and dispensing prescription medications while at the same time separating those costs that are not related to prescription dispensing. For example, you may have a pharmacist on staff that spends a portion of his/her time dispensing medications while another portion of his/her time is devoted to the operation of a durable medical equipment portion of the operation or other duties such as ordering front store merchandise, etc. For that reason, this pharmacist's costs, and others on your staff, will need to be adjusted. We are asking you to make an accurate estimation of the percentage of time your staff spends on prescription dispensing activities.

For some expenses, you will be asked to the amount directly related to the prescription processing activity such as pharmacy license fees. For other expenses, you will be directed to include the full amount from your records and we will make an appropriate adjustment based on factors such as sales or space ratios. If there is a line on the survey that you have no cost information on or does not apply to your practice, please note N/A on the survey line so that we know you have considered this potential cost element. An example would be in the area of delivery expenses for a pharmacy practice that does not make deliveries.

## INSTRUCTIONS FOR LINE ITEMS

**All data reported is for the period of March 1, 2006 through August 30, 2006.**

### **Professional and Ancillary Staffing Costs:**

Please enter only information for those people who are involved in prescription medication preparation, delivery, ordering, reconciliation etc. Please do not report staffing costs for any owners, managers or employees who have no prescription department duties or responsibilities. For staff who spend all of their work time and effort involved in some aspect of prescription services, note 100 percent in the appropriate column. Likewise, please note a lower percent for employees who share time with other aspects of the store operation. Please pay particular attention to Consultant Pharmacists, Technicians, Supervisory, Customer Service, Bookkeeping and Reconciliation, Delivery and Cleaning/Maintenance staffs who often spend time in non prescription processing responsibilities. For any owners please report only salary, wages or drawings. Do not include profit. Please do not include individual names.

### **Overhead Expenses:**

Please report your expenses for the period of March 1, 2006- August 30, 2006 as instructed below. In many instances, expenses will be allocated based on the relative area or sales of the prescription department.

### **Depreciation (line 40)**

Please enter only data from the period 3/01/06-08/30/06 not accumulated depreciation.

### **Taxes: (line 41)**

Please enter only the taxes here that apply directly to the operation of this one pharmacy location only. Likewise, include the employer portion of FICA and Medicare taxes and unemployment taxes.

### **Pharmacy License fees: (line 42)**

Please include any fees for licenses, federal, state or local required by law to operate the pharmacy.

### **Rent: (line 43)**

Please include rent only for the pharmacy location and equipment rented at that location.

### **Insurance: (line 44)**

Please report worker's compensation, employee medical, property and casualty, flood and other insurances used to protect the pharmacy.

### **Repairs; (line 45)**

Please report store and equipment repairs. Please do not report delivery vehicle repairs (see line 61)

**Interest expense: (line 46)**

Please report interest expenses for the operation at the pharmacy location.

**Legal, accounting and professional fees: (line 47)**

Include only those fees directly related to the operation of the pharmacy location.

**Non-interest banking fees and charges: (line 48)**

Include bank fees, credit card fees and other bank non interest related expenses.

**Dues and publications: (line 49)**

Please report pharmacy professional dues, reference books and publications only.

**Bad Debt for prescriptions: (line 50)**

Please report only that portion of your bad debt due to prescription sales. You may include uncollectible prescription co-pays.

**Charitable contributions (corporations only): (line 51)**

Please report all monies, value of goods donated charitable organizations.

**Telephone, electric, heat, sewer, refuse & any other utilities: (line 52)**

Please do not include any expenses for on line claims adjudication or any expenses incurred for locations other than the pharmacy. Do include expenses for all telephone, fax and data lines used.

**Office and operational supplies: (line 53)**

Do not include prescription labels, vials and bags in this cost area.

**Advertising: (line 54)**

Please report all advertising expenses.

**Pharmacy computer expenses: (line 55)**

If your pharmacy computer is used only in the pharmacy department, please report the all costs under this heading. If the computer is used for pharmacy **and** other purposes, please report this cost under: "Other prescription related expenses not noted above (please provide details)" line on the survey.

**Container & Packaging Costs: (lines 56-59)**

Please report the costs of prescription bottles, vials, labels, bags used for prescriptions and any other special packaging (long term care blister cards, compliance packaging etc.) on the lines as noted. Do not include the cost of general merchandise bags or other non prescription related packaging.

**Pharmacy adjudication/transaction charges: (line 60)**

Please report the total expenditures for prescription on line claims adjudication paid.

**Prescription delivery expenses: (line 61)**

Please include fuel, maintenance and vehicle expenses for prescription deliveries only. If deliveries are made for other purposes, please deduct these costs from your total delivery expenses to arrive at a total expense for prescription deliveries. Likewise, if the company provides transportation for other activities or key employees/ owners, please do not include these expenses. Please do not include delivery staffing costs in this calculation as they are included in another area (line 34).

**Other prescription related expenses not noted above: (line 62)**

Please report other expenses such as physical inventory expenses or other expenses related to the operation of the pharmacy.

**Central office/corporate overhead pharmacy related expenses: (line 63)**

Please include only those expenses directly related to dispensing prescription medications that are captured and reported on a central office basis. For example, the expenses charged to a location for a third party claims trouble shooting support center may be included whereas expenses related to operation of the warehouse operation would not be.