



Recession Boosts Pool of Available Pharmacists
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By CHRISTINA VEIDERS

Indications are that the recession, which officially began in December 2007, has given some relief to supermarkets in their efforts to recruit pharmacy professionals.

Since 1999, there has been a severe shortage of pharmacists in community pharmacy, which has forced supermarkets to vie with other retail formats to entice pharmacists with attractive salaries and signing bonuses.

However, the severe economic downturn and high unemployment has led to a loss of health insurance for many consumers and fewer prescriptions being filled and picked up at the pharmacy counter. According to IMS Health, Norwalk, Conn., prescription drug sales growth slowed to a crawl in 2008 with just a 1.3% increase over the previous year. The result, in some cases, is less demand for pharmacists' services and fewer work hours for pharmacists.

"Up until six months ago, pharmacy graduates faced great job opportunities and received multiple offers and sign-on bonuses," said Katherine K. Knapp, Ph.D., professor and dean of the College of Pharmacy at Touro University, Vallejo, Calif. The market for pharmacy jobs has since fallen off, she said, with graduates in areas hard hit by the recession, such as Michigan, finding it difficult to find positions.

The Aggregate Demand Index for Pharmacists, sponsored by the Pharmacy Manpower Project - a monthly survey in which panelists directly involved in hiring pharmacists report the difficulty in filling open positions in states where they operate pharmacies - shows a fairly large drop in hiring demand for pharmacists when comparing March 2009 with March 2008.

The national ADI for March 2008 was 4.05, rated as moderate demand in filling open pharmacy positions. The national ADI for March 2009 was 3.80, rated as demand in balance with supply. The ADI has been declining since summer 2008 in parallel with the economy, said Knapp.

At Scolari's Food & Drug Co., Sparks, Nev., David Chan, director of pharmacy, who oversees 14 pharmacies in the 19-store chain, reported improved availability for hiring pharmacists in his area.

Last year's CVS Caremark merger with Longs Drugs resulted in some Longs store closings in the area, and some pharmacists were laid off. The economy also has forced pharmacies to scale back on pharmacists' hours and schedules. One local hospital cut pharmacists hours by 10%, Chan said.

While pharmacist availability remains high, the benefits paid to pharmacists at Scolari's has remained steady. "It's not escalating as it was in the last five years. Now everything is on hold. However, there has been a change in strategy in terms of sign-on bonuses and other incentives to bring individuals in. From the employer standpoint, the employer is in the driver's seat more than before," said Chan.

Knapp, however, expects the improved availability of pharmacists to last only as long as the economy remains weak. "We think the downturn is demand-driven and not supply-driven in any way," she said.

Cathy Polley, vice president, pharmacy services, Food Marketing Institute, Arlington, Va., expects staffing over the long term be a challenge across the entire retail pharmacy industry. However, she said supermarket pharmacies remain attractive to pharmacists.

"The supermarket environment allows the pharmacist to work with consumers on their total health," she told SN. "Pharmacists practicing in the supermarket setting have a unique opportunity to help patients blend their food, nutrition and medication needs. The health and wellness initiatives that many supermarkets are undertaking are anchored in the pharmacy.

"This allows the supermarket pharmacist to help patients make wise choices in every aisle of the store. It creates a practice environment that is attractive to today's pharmacists wanting to help shoppers sort through health and nutrition information so they can make informed food choices that complement their prescribed medications."

Chan, who recruits locally and through universities, said supermarkets, especially smaller regional chains like Scolari's, are able to provide good support to the pharmacy staff. "The management understands staff needs and can respond immediately. The pharmacist can feel good about being part of an organization rather than just someone who is a number."

Knapp views supermarkets as a "wonderful practice opportunity."

"Often there is lower script volume [at supermarkets] and pharmacists have time to work with patients, and we see the most innovative training programs happening at supermarket pharmacies because prescription volume is not the whole goal of the operation."

According to FMI statistics, supermarkets continue to grow their pharmacy business, with 71% of supermarkets reporting to have pharmacies, up from 51% 10 years ago. The growth rate of the number of prescription drugs dispensed was 4% from 2003-2007.

According to the Bureau of Labor figures on supermarket pharmacists, the average starting salary for a pharmacist in 2007 was \$104,000.

1.3%

Growth in prescription drug sales in 2008.

Source: IMS Health