



Your Purchasing Strategy Clearly Defined

Review your Primary Wholesale Agreement.

As a fundamental step to the rest of the process dive into your supply agreement to better understand the key components of the agreement. Identify specific requirements and triggers within the agreement.

Items to Identify:

Brand Invoice Discounts _____(Greatest WAC)
(Wholesale Acquisition Cost – WAC)
(Ex: WAC -5%) _____(Least WAC)

Variables Impacting WAC: _____
(Ex: Quarterly GCR, 90/180 Day GPR Monthly)

Purchase Volume _____
Generic to Brand (GCR=Gx\$/Rx\$) _____(GCR)
Wholesaler Generic Percentages _____(OneStop/RTL2)
(Ratio = OneStop/Gx)
Dispensing Ratios (GPR) _____(%Dispensed Medications)
Specialty Category Purchases _____
GLP1 Purchases _____
Rebate Payments _____(Brand monthly/quarterly)
_____ (Generic Monthly OneStop)
_____ (Generic Quarterly Pharmacy Select)
_____ (Generic Other Quarterly)
Yearly Rebates _____(Patronage Cash Rebate)
_____ (Equity Rebate)

Questions to ask.

- Does your Rebate % or \$ fluctuate at the same rate as purchases?
- Do you know your rebate % (min/max range) and its impact?
- How is your rebate % displayed in your ordering system?
- Are you purchasing outside your primary wholesaler?
- Does your agreement have Brand Differential Pricing?
- What tools do you use?
- How often do you review your purchasing strategy?



Confirm your Final Costs.

Select one commonly dispensed brand and one generic.

Brand _____ Generic _____

Purchase Price \$ _____ Purchase Price \$ _____

Rebates _____ Rebates _____

(include monthly, quarterly & annual) (include monthly, quarterly & annual)

Final Cost _____ Final Cost _____

(Purchase – Rebate) (Purchase – Rebate)

Reimbursement \$ _____ Reimbursement \$ _____

Total Profit \$ _____ Total Profit \$ _____

(Reimbursement – Final Cost) (Reimbursement – Final Cost)

Tools:

- Purchase Reports - Gx Bx, GLP1
- Dispensing Report
- Rebate Statements
- Carveouts
- Alternatives
- Compliance Tools

Frequency:

What is your staff strategy and how often do you review it?
