



Mercer Government Human Services Consulting

Pharmacy Delivery Fee: COVID-19

FLASH

Meeting the Challenges of COVID-19

As a part of Mercer's efforts to support states with the challenges of COVID-19, the Mercer Government's Pharmacy sector and Reporting and Monitoring group have investigated the cost of prescription delivery. The Centers for Medicare & Medicaid Services (CMS) disaster relief State Plan Amendment [template](#) includes an entry on page six for states to adjust the professional dispensing fee paid to the pharmacy to compensate for increased delivery expenses related to COVID-19. This FLASH provides assistance to states wishing to make this adjustment. States could use this FLASH as the documentation needed to justify the additional fees.



Pharmacy Delivery Fees Research

Mercer Government has conducted research into prescription delivery fees in light of the new business reality brought about by COVID-19. Our standard Cost of Dispensing (COD) survey requires pharmacies to report their number of delivered prescriptions and their costs related to prescription delivery.



Reporting Fields

Using the reported fields from three of our recent state COD surveys, Mercer Government calculated an average cost of delivery of \$1.70 per prescription (table below). These numbers are calculated on limited data – independent pharmacies that conduct business through delivery reported only delivering 13% of their total prescriptions and the chains only 1%. We do not have new statistics to understand what percentage of prescriptions pharmacies are delivering due to COVID-19, how much it costs to deliver them, or how many prescriptions on average are delivered in a single delivery.



Data Validation

Mercer conducted discussions with CVS, Walgreens, and Walmart to request updated figures regarding delivery to validate or revise our findings. All three chains are interested in assisting, but due to other

COVID-19 priorities, they currently do not have capacity to provide the updates.



Three State Summary – Per Prescription Delivery Cost

The table below shows the combined totals from the three recent COD surveys referenced above.

	Total Respondents	Total <i>with</i> Delivery	Total Prescriptions	Delivered Prescriptions	% Prescriptions Delivered	Delivery Cost
Independent	686	495	41,056,627	5,214,457	13%	\$ 7,635,078
Chain	2,111	653	176,044,992	1,695,224	1%	\$ 4,085,296
Total	2,797	1,148	217,101,619	6,909,681	3%	\$11,720,374

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