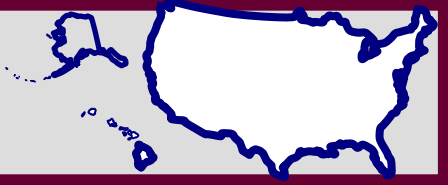


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National Center for Rural Health Works



The Economic Impact of a Typical Rural Community Pharmacy

The National Center for Rural Health Works is presenting the economic impact of a typical rural community pharmacy. A survey was sent to Oklahoma rural community pharmacy owners in Oklahoma with 23 surveys returned.

A typical rural community pharmacy is independently-owned by a local pharmacist. For the proprietor, the income ranged from a low of \$40,000 to a high of \$205,000, with an average income of \$107,635; all surveys had a one-owner proprietor.

Survey Results – Proprietor Data

Proprietor	Low	Avg.	High
Proprietor	1.0	1.0	1.0
Total Income	\$40,000	\$107,635	\$205,000

The wages, salaries, and benefits (income) for the employees are shown for pharmacist, pharmacy technician, and all other employees. All other employees include clerks, bookkeepers, accountants, insurance clerks, janitors, and delivery personnel.

Survey Results – Pharmacy Employment and Income

Category	Low	Avg.	High
Employment			
Pharmacist	0.1	1.1	2.5
Technician	1.0	2.2	5.5
All Other	0.2	2.3	5.8
Annual Wages, Salaries, and Benefits (Income)			
Pharmacist	\$50,000	\$83,455	\$112,000
Technician	\$16,000	\$22,789	\$23,500
All Other	\$16,640	\$20,562	\$33,809

The survey results in FTE's showed the number of pharmacists ranged from 0.1 to 2.5; with an average of 1.1. The annual income ranged from \$50,000 to \$122,000, with the average at \$83,455. The number of pharmacy technicians ranged from 1.0 to 5.5, with an average of 2.2; income ranged from \$16,000 to \$23,500 with an average of \$22,789. For all other employees, the number ranged from 0.2 to 5.8, with an average of 2.3; income ranged from \$16,640 to \$33,809, with an average of \$20,562.

A typical rural community pharmacy is illustrated in the next table based on the averages from the survey results. A typical rural community pharmacy includes one proprietor who is a pharmacist. The annual proprietor

income was \$107,635. In FTE's, a typical rural community pharmacy had 1.1 pharmacists, 2.2 pharmacy technicians, and 2.3 for all other employees. The average annual salary for a pharmacist was \$83,455, for a pharmacy technician, \$22,789, and for all other employees, \$20,562. A typical rural community pharmacy includes 6.6 FTE's with total income \$296,269. This results in ten full- and part-time employees.

Typical Rural Community Pharmacy - Summary of Employment and Income

Category	Number	Average	Total
Proprietor	1.0	\$107,635	\$107,635
Pharmacist	1.1	\$83,455	\$91,800
Technician	2.2	\$22,789	\$50,363
All Other	2.3	\$20,562	\$46,471
FTE's Total	6.6		\$296,269
FT & PT Total	10.0		\$296,269

Next the employment impact of a typical rural community pharmacy is shown. The employment multiplier is an average from the last ten rural community economic impact studies completed in Oklahoma. The average employment multiplier for pharmacies was 1.18. For every pharmacy employee, an additional 0.18 employees are generated in other businesses and industries in the local economy. Based on the ten FT and PT employees, the secondary impact is an additional 1.18 employees, with total employment impact of 11.8 employees.

Typical Rural Community Pharmacy – Employment Impact

	Number	Multiplier	Impact
FT & PT	10	1.18	11.8

The final table illustrates the income impact. The income multiplier is also an average from the last ten rural community economic impact studies in Oklahoma of 1.19. For every \$1 in income in a typical rural community pharmacy, an additional \$0.19 in income is generated in other businesses and industries in the local economy. The direct income is \$296,268 and secondary income is \$56,291, for a total income impact of \$352,560.

Typical Rural Community Pharmacy – Income Impact

	Income	Multiplier	Impact
Total Income	\$296,269	1.19	\$352,560