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Democracy Dies in Darkness

Drugstore closures are leaving millions without easy access to a pharmacy

Over the past two years, Rite Aid, CVS and Walgreens have signaled plans to shutter more than 1,500 stores, and public health experts say there's already been fallout

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After decades of expansion, the nation's largest drugstore chains are closing hundreds of stores as they reorient their operations against rising competition, a crush of opioid lawsuits and other forces — turning many already vulnerable communities into pharmacy deserts.

Rite Aid, which filed for [Chapter 11 bankruptcy protection](#) last week, CVS and Walgreens have signaled over the past two years plans to collectively shutter more than 1,500 stores. Public health experts have already seen the fallout, noting that the first neighborhoods to lose their pharmacies are often predominantly Black, Latinx and low-income.

“According to our estimates, about one in four neighborhoods are pharmacy deserts across the country,” said Dima Qato, an associate professor at the University of Southern California who studies pharmacy access and health equity. “These closures are disproportionately affecting communities that need pharmacies most.”

Pharmacies can be lifelines in rural or low-income areas, particularly in [food deserts](#) — areas that have limited access to healthy and affordable food. Pharmacists are often the most accessible health care professional for these communities, said Lorece Edwards, a professor of public health at Morgan State University who focuses on health disparities.

But for national pharmacy chains, retrenchment has been a long time coming, retail analysts say, as increased competition, changing consumer behaviors, retail crime, staffing shortages and minimal store investment come to a head. They're also feeling a comedown from pandemic-era sales of [coronavirus](#) vaccines, at-home test kits and other products.

“The economics of running those stores have just unraveled, and they’re not as profitable as they once were,” said Neil Saunders, managing director of the analytics company GlobalData Retail. “Retailers are looking to offload them.”

Pharmacies facing whiplash

In a different era, the corner drugstore was the model of convenience, the place to not only fill prescriptions but also buy snacks, birthday cards and household staples. In the 1990s and early 2000s, CVS and Walgreens started putting down roots across the country, edging out the independents. Today, the nation’s two largest pharmacy chains have more than 9,000 and 8,700 locations, respectively, and a combined \$455.2 billion in sales in 2022.

But now consumers have more options, analysts say, many of which are cheaper and more convenient. They’re also more cautious as inflation — which shot up to 40-year highs in 2022 and remains elevated — weighs on discretionary spending.

“Now we’ve got players like Dollar General that’s moved in, we’ve got expansion of supermarkets, and Walmart is more of a destination in many of these areas. So that’s really cleaned off some of the trade of these stores,” Saunders said.

And moving more merchandise behind plexiglass barriers to discourage theft and violence has lent a dystopian feel to some locations. Front-of-store sales at Rite Aid fell 4.4 percent in the latest quarter. CVS saw a nearly 2 percent sales decline.

Meanwhile, retail giants like Amazon and Walmart have beefed up their pharmacy and medical treatment offerings, and typically offer more competitive pricing on such household essentials as toothpaste, paper towels and laundry detergent. (Amazon founder Jeff Bezos owns The Washington Post, whose interim chief executive, Patty Stonesifer, sits on Amazon’s board.)

Nor has the sector been immune to the labor unrest that set off a frenzy of activism from Hollywood writers to Detroit autoworkers. Pharmacy employees at CVS and Walgreens have staged walkouts, alleging that poor working conditions are putting them and patients at risk. Pharmacists, technicians and support staff claim that increased demands on understaffed teams — such as administering vaccines while battling hundreds of backlogged prescriptions — have become untenable and are impeding their ability to do their jobs responsibly.

Drugstore chains are “shooting themselves in the foot” by failing to invest in pharmacy staffing, Saunders said, because the pharmacy is the one thing about these chains that sets them apart from other retail competitors. If service is bad or prescriptions are delayed, it will put customers off even further, he said.

The pharmacy giants have sought to shore up their positions through consolidation and by syncing up with insurance companies in ways that steer patients back to them. Aetna patients can go to any pharmacy, but they'll get a better deal at CVS, which acquired the insurer in 2018. Blue Cross Blue Shield clients have a similar setup with Walgreens. Rite Aid, has no such relationship with an insurer.

Independent pharmacies with no corporate umbrella, which make up 19,432 locations nationally as of Oct. 15 — more locations than any one branded pharmacy chain — are also left out in the cold, industry officials say.

“This landscape of vertical integration of businesses across different services has put pharmacies who cannot participate at a huge disadvantage,” said Mariana Socal, associate scientist at Johns Hopkins University’s Bloomberg School of Public Health.

The ‘urban health penalty’

For Patrice La Vigne, a freelance journalist in rural Healy, Alaska, filling a prescription means a two-hour drive.

The town has no year-round clinic, hospital or drugstore, she says. That means her husband, who has a chronic illness, must head north to Fairbanks for in-person treatments. It’s a familiar trip for most of Healy’s roughly 1,000 year-round residents, who use Facebook to coordinate trips to Walgreens, Safeway, Fred Meyer or Costco.

“For us, it’s a trade-off of living in a remote area of Alaska,” La Vigne, 45, said. “I think for the most part the community ... would prefer to have a pharmacy here.”

A rural area can be considered a pharmacy desert if residents are more than five miles from the nearest drugstore, Qato said. But in urban centers, where residents may be reliant on public transportation, the radius shrinks to half a mile.

Though the number of pharmacies in the United States has hovered near 64,000 since 2014, there’s been a “distribution shift,” according to Jenny Guadamuz, an assistant professor of public health at the University of California at Berkeley. Pharmacies are leaving low-income and majority Black and Latinx neighborhoods and expanding in predominantly White and middle- to higher-income areas, she said.

Public health experts are concerned this redistribution could worsen long-standing racial and economic disparities in health care outcomes, too. It’s what Edwards calls the “urban health penalty.”

“This has been going on historically, and that pretty much just exacerbates preexisting health disparities,” she said. “It interrupts care and interrupts all the access to medical advice, access to vaccines, access to food, access to staples.”

Racial minorities in the United States already are at a higher risk of diabetes and high blood pressure, for example. Children in low-income areas have higher rates of asthma and mental health issues, Edwards said.

And studies have shown that pharmacy access directly affects how closely people adhere to medication regimes set out by their doctors, Guadamuz said. Seniors with complicated health issues are more prone to become dependent on a pharmacist with whom they have a face-to-face relationship.

“Patients have long-term relationships with their pharmacies,” Guadamuz said. “When a pharmacy closes, they have to find a new one that meets all their needs, that takes their insurance and is affordable, but in neighborhoods with people of color, and rural areas ... they’re just less likely to exist anymore.”

Pharmacies also offer needed medical equipment, over-the-counter drugs and food, Edwards said, and many also have self-service blood pressure monitoring machines.

“All of these things are coming out of communities that are already distressed,” Edwards said.

More closures coming

The retailers have also grappled with a wave of lawsuits tied to the opioid epidemic, which has claimed more than 300,000 lives in the United States since 2000.

Walgreens and CVS reached settlements of \$10 billion with multiple states, and Kroger agreed to pay \$1.2 billion. Rite Aid reached a \$30 million opioid settlement in 2022 with the West Virginia attorney general’s office but faces numerous consolidated cases in U.S. District Court for the Northern District of Ohio and with the Justice Department.

Rite Aid, which said it lost \$1 billion in the months leading up to its Oct. 15 bankruptcy filing, is shutting 154 locations of its remaining 2,100 stores, according to a filing Thursday in U.S. Bankruptcy Court in New Jersey. This includes 39 locations in Pennsylvania, 31 in California, 20 in New York, 19 in Michigan and six in Maryland. Many of the initial closures appear in suburban outposts of major metro areas, including Detroit, Los Angeles and Philadelphia. This is on top of the more than 200 stores the Philadelphia-based retailer has closed over the past two years.

In a statement to The Post, Rite Aid said it is committed to improving access to critical health services across its markets. “Our small-format store pilot is specifically designed to provide access to pharmacy services in ‘pharmacy deserts’ and underserved communities.”

As part of its bankruptcy court-supervised store closures, the company said that it has “conducted additional research to help ensure we do not create pharmacy deserts in the communities we serve.”

Walgreens, which announced in June that 150 U.S. locations would close by the end of next summer, said in a statement that it is committed to driving equitable access to its pharmacy care and that it utilizes targeted pharmacy services like same-day prescription delivery to help underserved areas.

“We also engage in key alliances to reach vulnerable populations, as we have a long history of working with local churches, civic groups and national public service organizations to deliver lifesaving vaccines to medically underserved populations.”

In 2021, CVS announced it would shut down approximately 900 stores over the next three years. From 2018 to 2020, it closed 244 locations. CVS did not respond to The Post’s request for comment.

Independent pharmacies are under pressure, too, due to many of the same forces buffeting their corporate competitors. A recent survey from the National Community Pharmacists Association shows independent pharmacies reported the slimmest profit margins since the organization started collecting that data 10 years ago.

Upcoming changes to how the government handles Medicare payments could worsen matters, says Ronna Hauser, senior vice president for the trade group. A rule taking effect Jan. 1 is expected to reduce pharmacy payments, she said.

“Cash flow is going to be a real concern” the first three to six months of 2024, Hauser said. “We are concerned that there could be closures due to this cash flow crunch ... and we’re very concerned about access points for patients.”

David Ovalle contributed to this report.

