FOR IMMEDIATE RELEASE
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PSI Cooperative Buying Group Merges with PMP to Improve Service to Independent Pharmacies and Strengthen Buying Power

The Pharmacy Services Inc. (PSI) Board of Directors has been evaluating options for the PSI Cooperative Buying Group since September 2013, considering multiple partners and wholesalers. After conducting a comprehensive evaluation, the PSI Board of Directors has entered into an agreement with Pharmacy Management Partners (PMP), whereby the PSI Cooperative Buying Group will be merging into PMP and no longer operating as an independent buying group.

The merger, which became effective on July 1, 2014, was a result of combining two strong, independent pharmacy buying groups into one to strengthen buying power. Both buying groups hold similar philosophies, focusing on member needs, full disclosure and transparency, sharing revenue back to their membership, and supporting Michigan Pharmacists Association (MPA) and its efforts. The core values that PMP operates on are as follows:

- PMP is member-driven. While they have a Board of Directors, which will be comprised of PMP and PSI leadership who will help guide their organization, the members are involved in final decisions.
- PMP operates as a transparent organization, sharing financials with all members on a bi-annual basis.
- PMP believes in equitable distribution of revenue; they keep only what they need to efficiently operate, keep a minimal profit and provide financial support to PSI and MPA in support of their professional initiatives. Any balance remaining is distributed equally amongst its members on an annual basis.

In addition to holding values comparable to those of PSI, PMP is a Michigan-based buying group and several past MPA presidents are part of their organization. PMP understands the needs of independent pharmacies and the importance of the support PSI has been able to provide to MPA and the profession through modest profits generated by the PSI Cooperative Buying Group. Through this merger and the endorsement of PMP as the organization’s official buying group, PMP will provide sponsorships to MPA, Michigan Pharmacy Foundation and the Michigan Pharmacy Political Action Council, which were formerly supported by the PSI Cooperative Buying Group. They will also provide PSI with a nominal monthly endorsement fee, allowing PSI and the Association to continue to operate other aspects of the whole organization particularly those that benefit independent pharmacies. Other benefits and services, including MPA membership, will continue through Dec. 31, 2014.

Additional benefits achieved by the merger of PSI and PMP buying groups are detailed below. If you have any questions, please contact PSI at (517) 853-2799.

Benefits of PSI and PMP Merger

- Larger volume and great generic compliance rates to leverage when negotiating with wholesalers
- Greatly improved pricing and rebates for independent pharmacy members
- A more competitive, attractive buying group to promote to prospective members
- Ability to combine the best products and services from both buying groups and provide them to all members
- Combined resources of two influential Michigan buying groups that will lead to overall growth
- Maintenance of financial resources to ensure the organization can continue with its routine daily operations
- PSI Director of Business Development will be joining the staff of PMP to help maintain a high standard of service to all PSI and PMP members
- MPA and PSI staff resources previously concentrated on cooperative buying group efforts can be redirected to other areas of need after the transition is finalized