

Compounded drugs give indies an edge

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By Lynn Shapiro

Compounded medicines (also called personalized solutions) have become an important element in many independent pharmacies.

"We are beginning to realize that in medicine, as in other aspects of life, one size does not fit all," said Rod Shafer, CEO of the International Academy of Compounding Pharmacists, which represents 2,000 compounders.

"While there are differing opinions by FDA and pharmaceutical manufacturers regarding regulatory and scope issues, no one argues that personalized medication is an important weapon in today's medical arsenal," Shafer said.

Whether patients are unable to take pills because of allergies, the necessity for geriatric or pediatric dosage adjustments, or drug shortages — as was the case last winter, when Tamiflu for kids was on back order and compounders rushed in to supply it — compounding is crucial to patient care, he said.

A competitive edge

As the need for personalized medicine rises, more independent pharmacists are taking courses to master the techniques of this specialized art, which gives them a competitive advantage over the chains.

For example, John Herr, owner of Town & Country Compounding and Consultation in Ridgewood, N.J., said that while retail sales are down 20%, in large part because of mail-order policies enforced by PBMs (such as Medco and Caremark), compounding sales jumped 4% last year.

One of Herr's specialties is reformulating medications for six hospices in New Jersey. "One hospice patient on Dilantin lost his ability to swallow, so we made him a rectal suppository that was just as effective," he said.

For cancer patients, Herr converts dexamethasone into a liquid or transdermal gel and also makes transdermal ondansetron for patients with nausea.

His fastest-growing business is treating kids with autism. Herr said he receives countless calls each day from parents of autistic children. "Many of these kids can't tolerate sugar, gluten, or casein in milk, and they can't tolerate dyes in pills either, so we compound their medications into sugar-free and dye-free liquids."

For patients fearing miscarriage, Herr refers patients to an infertility specialist who prescribes compounded 17-hydroxyprogesterone caproate — a medication no longer sold in the United States — into an intramuscular injection that quickly raises progesterone levels.

He also works with veterinarians, turning phenobarbital for dogs with seizures into liver-, chicken-, or beef-flavored liquids. For cats, he compounds the thyroid medication methimazole into a cream that's rubbed into the feline's ear.

Filling the niche

Christina Barnett, PharmD, owner of Westchase Specialty Pharmacy in Houston, devotes her entire operation to compounding drugs for people and pets. Recently, she's begun working with dermatologists to formulate custom cosmetics that physicians can sell under their own brand names. She'd like to market their product lines exclusively in her store. Vanity aside, Barnett said she's "passionate" about helping people with chronic pain and diabetes. "Some pain medications can be hard on the stomach, so using transdermal delivery to bypass the stomach is a great option."

For example, gabapentin, useful for nerve pain, can cause dizziness, drowsiness, and nausea. When she makes gabapentin into a transdermal cream, Barnett said, "the results are amazing." In December, she helped supply liquid Tamiflu (then on back order) for children. She bought the capsules and made liquid formulas in four "delicious" flavors.

Value to patients, purveyors

Barnett also compounds hormones for both women and men. These formulations, she said, are "truly individualized. They may be taken as a troche, sustained-release capsule, or cream." She added, "Such customized medications may be covered by insurance, but even when not, patients recognize both the cost-effectiveness and the therapeutic value of taking the exact amount of medication they need."

Speaking about market growth, Matt Osterhaus, of Osterhaus Pharmacy in Maquoketa, Iowa, concluded, "We have been compounding as long as we've been in business, for 45 years. We average 3 to 4 prescriptions a day. There is growth potential in this area and this is a major focus of our marketing efforts for 2010."

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