

Kentucky Dept of Insurance & Board of Pharmacy

Cost of Dispensing Analysis

April 15, 2026

Study conducted by Ideal Health Strategies

Objective: To assess the cost, in dollars, for a Kentucky pharmacy to dispense a non-specialty prescription in the retail pharmacy setting.

Study Design: This study was based on a previous study commissioned by the National Association of Chain Drug Stores (NACDS), the National Association of Specialty Pharmacy (NASP) and the National Community Pharmacists Association that evaluated nation-wide dispensing data from 2018 to determine the cost to dispense a prescription¹.

Pharmacies in the State of Kentucky were required to submit summary data for calendar year 2025 to assess the overall cost to the pharmacy. Data requested fell under three categories (complete data collection form attached):

- Direct costs
 - Labor costs
 - Supplies and material costs
- Indirect costs
 - Facility costs
 - Operational costs
 - Other costs like marketing and other fees
 - Depreciation and amortization
- Prescription volume

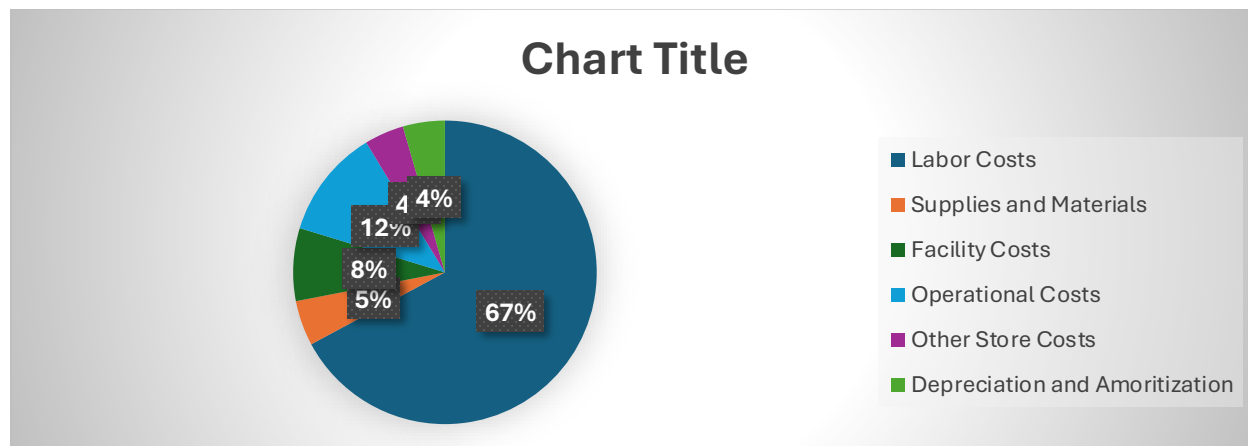
Total costs reported were divided by the total number of prescriptions to arrive at a per prescription dispensing cost.

As this study was focused on costs to dispense traditional medications in the retail setting, pharmacies that were identified as “specialty” or “mail-order”, as well as “hospital”, “infusion” or “long term care” were excluded. Additional, any retail pharmacy that reported more than 10% of the total claims as “specialty” or “mail order” were also excluded.

Results: A total of 329 data collection forms were received from pharmacies by the March 1, 2026 deadline. One hundred twenty-seven forms were excluded from the study for a number of reasons, including the above specialty and mail order exclusions, data not submitted in required format, incomplete data (specifically, lack of pharmacy volume) or

blank forms. Thirty-nine claims were submitted with no pharmacy identification, but with completed cost data. These 39 were included in the study.

The pharmacies reported a total cost for 2025 of \$270,795,729.03. The distribution of the expenses over the cost categories is below.



The pharmacies reported filling a total of 16,598,709 retail prescriptions in 2025, for average dispensing fee of \$16.31 per filled prescription. This would be in line with the previously referenced study that showed the average cost of \$12.59 to dispense a prescription in the State of Kentucky.¹

Summary: This study evaluated the cost to dispense a traditional prescription in Kentucky retail pharmacies. Data from over 200 respondents revealed 16,598,709 prescriptions filled in 2025. Non-medication costs reported by the pharmacies totaled \$270,795,729.03. Based on this data, the average cost to fill a prescription in Kentucky retail pharmacies in 2025 was \$16.31.

Reference:

Shoemaker-Hunt S, McClellan S, Bacon O, Gillis J, Brinkley J, Schalk M, Olsho L, Taninecz G, Brandt J. Cost of Dispensing Study, January 2020. Abt Associates; 2020.