PHARMACISTS AND PHARMACY TECHNICIANS: FACTS AND FIGURES

In today’s volatile climate of health care reform, pharmacists and pharmacy technicians remain an integral part of our health care system. Generally, pharmacists dispense medications, counsel patients on the use of prescription and over-the-counter medications, advise patients about general health topics, and often complete third-party insurance forms and other paperwork, serving as an important liaison between the patient and a complex insurance regulatory system. Pharmacy technicians assist in this important process. Under the direct supervision of a registered pharmacist, they compound medical prescriptions, perform clerical duties, verify stock, and enter data to maintain inventory records.

This fact sheet outlines: general workforce information, prevailing wages and wage differentiations, women and minorities in pharmacy, the current labor market, the implications of an aging population, government programs, online pharmacies, and union benefits for pharmacists.

Vocational Trends

- In the United States in 2011, there were approximately 272,320 pharmacists\(^1\) and 343,550 pharmacy technicians.\(^2\)
- Between 2003 and 2011, the number of pharmacists in the workforce increased by 57,290 (21 percent increase).\(^3\) The number of pharmacy technicians increased by 132,280 (39 percent increase) during the same period.\(^4\)
- According to the U.S. Bureau of Labor Statistics projections released in January 2012, there will be an additional 69,700 pharmacists (25.4 percent increase) and 108,200 pharmacy technicians (32.4 percent increase) by 2020.\(^5\) Employment for pharmacists between 2010 and 2020 is expected to grow faster than the average for all occupations.\(^6\) Employment for pharmacy technicians is expected to grow much faster than average.\(^7\)
- Contradictory reports indicate that trends in supply and demand in the pharmacy labor force are hard to predict. While some reports claim that there will be a shortage of pharmacists in coming decades, the growing number of pharmacy graduates (12,000+) per year is expected to exceed the number of openings per year due to growth and replacement by 2020. In fall of 2011 alone, total enrollment in first professional degree enrollment was 58,915 (nearly 22 percent of the current number of employed pharmacists).
- Nearly all states have a legal limit on the number of technicians who can work under a pharmacist at one time. In some states, technicians have assumed more medication dispensing duties, resulting in more technicians per pharmacist. Changes in these laws could
directly affect employment, resulting in employers hiring more pharmacy technicians (at a much lower cost) than pharmacists.

**Employment Overview**
- In 2010, about 62 percent of pharmacists worked in retail pharmacies that were either independently owned or part of a larger chain, store, or merchandiser. The majority of these pharmacists were salaried, though some are self-employed owners. About 23 percent worked in hospitals, while others worked in clinics, mail-order pharmacies, wholesalers, home health care agencies, or the Federal government.  
- In 2010, about 73 percent of pharmacy technician and aide jobs were in retail pharmacies, either independently owned or part of a drugstore chain, grocery store, department store, or mass retailer. About 18 percent were in hospitals. A small proportion was in mail-order and Internet pharmacies, clinics, pharmaceutical wholesalers, and the Federal government.
- About 21 percent of pharmacists worked part-time in 2010. Because there are many pharmacies that are open 24 hours a day, some pharmacists work nights and weekends. Technicians work similar hours, though as their seniority increases, technicians often acquire increased control over the hours they work. In both retail and hospital settings many technicians work part-time.
- In 2012, Gallup Poll measured public perceptions of professional ethics and honesty and pharmacists were voted into the second highest position, just after nurses, with 75 percent of participants responding that pharmacists have “very high” professional ethical standards.

**Wages on the Rise**
- In 2011, median annual earnings for pharmacists were $113,390. The lowest 10 percent earned less than $85,000 while the highest 10 percent earned more than $144,090. These wages demonstrate a rise from 2005, when the median annual earnings were $89,820, the lowest 10 percent earned $64,350 and the highest 10 percent earned over $113,310.
- Median annual wages for pharmacy technicians in 2011 were $28,940. The lowest 10 percent earned less than $20,500, and the highest 10 percent earned more than $41,500. These wages demonstrate a comparatively small rise from 2005 when median annual earnings for pharmacy technicians were $24,390.
- Median earnings vary minimally for pharmacists when the specific type of employment is considered. In 2011, median earnings for pharmacists at drug stores, grocery stores, general medical and surgical hospitals, department stores, and other general merchandise stores ranged from $109,240 to $118,630.
- Median earnings for pharmacy technicians vary slightly between grocery stores, drug stores, and other general merchandise stores (from $27,300 to $29,040) and rise to $33,830 for those employed by general medical and surgical hospitals. Earnings can also vary for certified technicians and for different shifts.

**Women and (Low) Minority Presence**
- In 2011, 55.7 percent of pharmacists were women.
- By 2020, approximately 62 percent of active pharmacists will be women.
- The pharmacist workforce is 7.1 percent Black or African American, 15.3 percent Asian, and 4.4 percent Hispanic or Latino.
In Schools:

Compared to our nation’s population and despite growth over the last 15 years, underrepresented minority enrollment remains low in U.S. colleges and schools of pharmacy. Of the 12,274 pharmacy graduates in the 2010-2011 class, the female and minority student demographics were:

- 61.8 percent women
- 6.9 percent Black or African American
- 4.3 percent Hispanic or Latino
- 0.5 percent Native Americans or Alaska Native

There is no national training standard for pharmacy technicians, but employers favor applicants who have formal training, certification, or previous on-the-job experience. Currently, there are 129 accredited colleges and schools and 360 accredited continuing education providers with pharmacy technician programs.

Industry Outlook Strong

- Despite the tough economic times and slowing sales growth, pharmacy services are still in demand due to their structural importance in the health care delivery system. Walgreen’s prescription sales during the third quarters of FY 2008 and 2012 increased by 1.4 billion dollars (12 percent increase).
- In 2012, independent and community pharmacies represented an $88.5 billion marketplace. Together they sold 40 percent of the nation’s retail prescription drugs.

Reports of Worker Shortages Gradually Fading

- For most of the early 2000s, the pharmacy field was marked by increased vacancy rates and difficulties in hiring; however, in recent years, reports indicate that the market has transitioned from a candidate-driven market to an employer-driven market. To offset recessionary impact, many employers are hiring more pharmacy technicians and fewer pharmacists.
- The Aggregate Demand Index (ADI), created by the American Association of Colleges of Pharmacy’s Pharmacy Manpower Project, continues to show moderate demand for pharmacist jobs from summer 2011 to summer 2012.
- However, ADI data has trended toward lower demand levels for pharmacists since late 2006, paralleling the U.S. economic downturn. While nationally the labor market remains promising, 38 of the states reported a balance in supply and demand for pharmacists in April 2012, a dramatically different picture from the height of the shortage in 2000. Four states reported that demand is less than the pharmacist supply available.
- The high demand in the early to mid-2000s led to the opening of many new pharmacy schools. In 2000, there were 82 pharmacy colleges and schools, 92 in 2005, and 129 in 2012.
- Student pharmacist enrollments have continued to rise for 10 consecutive years. Annual increases were 8.4 percent in fall 2002, 10.7 percent in fall 2003, 5.1 percent in fall 2004, 6.0
percent in fall 2005, 4.4 percent in fall 2006, 4.3 percent in fall 2007, 3.9 percent in fall 2008, 3.8 percent in fall 2009, 3.9 percent in fall 2010, and 3.6 in fall 2011.  

- The tightening ADI is strongly linked to U.S. unemployment rates. When unemployment rises, fewer people have health insurance and the demand for most health services, including medications and pharmacy-related services, decreases. An increase in employment levels could potentially reverse the downward trend in demand for pharmacists, as more people regain access to health insurance and health services.

The Upcoming Challenges of an Aging Population

Pharmacists will continue to serve an integral role in health care as the U.S. population ages.

- The population of middle aged and elderly people, the biggest users of prescription drugs, is increasing.
- Over the next 20 years, about 10,000 baby boomers will reach retirement age every day.
- More than 37 percent of pharmacists were over the age of 55 in 2009, according to the 2009 National Pharmacist Workforce Survey.
- Should service shortages occur, the impact will be felt by underserved or vulnerable people, such as the elderly, residents in rural areas, the mentally ill, and those who rely on publicly-supported services. Pharmacists would also have less time for patient counseling, which is especially important when dealing with prescription drug plans and complex medications.

Public Policy

- The recent Patient Protection and Affordable Health Care Act (P.L. 111-148) will gradually make prescription drugs more affordable, increasing access to pharmaceutical services. Within this new framework, the pharmacy lobby has pushed for various issues important to the industry and community pharmacists.
- While independent pharmacies often join consortiums to buy cheaper supplies, since the implementation of Medicare Part D, intensified price competition from chain pharmacies and delayed reimbursements have caused problems for independent pharmacies. The National Community Pharmacist Association (NCPA) wants Congress to allow small pharmacies to pool together to negotiate drug prices directly with the Federal government.
- The NCPA and the National Association of Chain Drug Stores are against government mandates that would force patients enrolled in government health programs to use mail-order pharmacies, as pharmacists often offer indispensable dosage and treatment guidance and help reduce prescription drug costs with generic brand alternatives.

Online Pharmacies

The rise in online pharmacies could hinder job growth for pharmacists and pharmacy technicians. Prescriptions can be outsourced, because health care organizations promote the use of lower cost prescription drug distributors and retail chains such as CVS and Walmart have websites that function as virtual pharmacists.

- It is very difficult to estimate the number of online pharmacies, people buying online, the volume of drugs traded, and the revenue or the profits generated by online pharmacies.
However, the National Association of Boards of Pharmacy estimates the number of prescribing sites to be over 5,859 in 2010.\(^3^9\)

- Regarding access to drugs online, a 2006 Pew survey “Online Health Search,” showed that “prescription or over-the-counter drugs” was the fifth most widely searched health topic on the Internet.\(^4^0\)
- In a recent Food and Drug Administration survey of more than 6,000 adults who have made online purchases, more than 23 percent of respondents reported using the Internet to buy prescription medicines. Twenty-one percent of those respondents reported buying from an online pharmacy based outside the United States.\(^4^1\)
- A recent study conducted at Washington University in St. Louis showed that purchasers of prescription drugs from online pharmacies suffer higher rates of adverse effects, largely due to lack of physician oversight among other reasons.\(^4^2\)

**Unionization**

- In 2011, an estimated seven percent of pharmacists were union members, down from eight percent in 2010. A higher percentage of technicians and pharmacy aides are unionized. For example, in 2011, nearly 14 percent of pharmacy aides were union members.\(^4^3\)
- In 2011, pharmacists in unions earned an average of $2,329 per week, compared to $1,887 for non-members.\(^4^4\)
- Organized pharmacists and pharmacy technicians can be found in unions such as the United Steelworkers, Retail, Wholesale and Department Store Union, Office and Professional Employees Union, the American Federation of Teachers, and the American Federation of Government Employees.
- Income is not the only factor encouraging union membership in pharmacy. Growing insecurity, deskilling, speedups requiring prescriptions to be filled at record levels, outsourcing, changes in technology, and increasing job stress prompt pharmacists and pharmacy technicians to turn to the collective power of unions for support.

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20. BHS
21. Ibid.
28. Ibid.
The Department for Professional Employees, AFL-CIO (DPE) comprises 21 AFL-CIO unions representing over four million people working in professional and technical occupations. DPE-affiliated unions represent: teachers, college professors and school administrators; library workers; nurses, doctors and other health care professionals; engineers, scientists and IT workers; journalists and writers, broadcast technicians and communications specialists; performing and visual artists; professional athletes; professional firefighters; psychologists, social workers and many others. DPE was chartered by the AFL-CIO in 1977 in recognition of the rapidly-growing professional and technical occupations.

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