Providing affordable medications for people in need.

2016

Chris B., Rx Outreach Pharmacist
29 Years of Experience
"Shouldn’t everyone have access to the medications they need?"

At Rx Outreach that is what we believe and that is what we do!"

Darryl Munden
President, Rx Outreach
To our friends and supporters,

Rx Outreach is committed to changing people’s lives through affordable medication. What many people do not realize is that the need for affordable medication is far reaching. It impacts the people that we work with, our neighbors, our church members and even our family members. We do not have to search for someone experiencing this problem; we encounter them every day. According to the Centers for Disease Control and Prevention, approximately 45 million people did not fill a prescription last year due to the cost of medications. When people we know and love do not take their medications as directed, the repercussions can be severe and even life threatening.

Rx Outreach is the only nationwide nonprofit mail order pharmacy in the United States. We now offer more than 350 brand and generic medications for free or very affordable prices. In 2016, approximately 70,000 low income individuals and families used our program for their medication needs. Doing so saved them over $98,000,000. Yes, the savings are important, but what is also important is the joy, hope and relief that people experience. Anita B. expressed her sentiments to us in a note and said “Thank you so much for providing this service for those of us who do not have prescription insurance and need medications that cost more than we make. At least I can finally afford to purchase my medications.”

Changes to healthcare are looming on the horizon and these changes stand to put millions more people at risk of not being able to afford the medications they need; thereby, putting them in a position to choose between filling a prescription and feeding their families.

Thank you for continued support. Together we have made a difference; however, much work remains.

Yours in Christ,

Darryl Munden, President
Our Mission:

To provide affordable medications for people in need.

Our Vision:

A world where every person has access to the medications they need.

Our Values:

- **Serve Others**: Honoring God by serving those in need. Providing a high level of service because our patients deserve it and often, they have nowhere else to go.

- ** Respect**: Treating one another with respect in all of our interactions.

- **Integrity**: Adhering to high ethical and professional standards in all of our relationships.

- **Care**: Caring for our patients and one another.

- **Stewardship**: Controlling costs so that we can provide affordable medications.

- **Confidentiality**: Protecting patient information.

“Our pharmacy is one of a kind. Carefully selected medications managed and compassionately dispensed by highly trained pharmacists. People are in need, so we are here.”

Brian Newton, RPh
Pharmacist in Charge
easy
What Rx Outreach Does:

Providing affordable medications for people in need.

What Rx Outreach Does Not Do:

We do not charge additional or hidden fees.

- No enrollment fees
- No membership fees
- No standard shipping fees
- No hidden fees

Our providers, clinic partners, and patients pay ONLY for the medications they need.

We truly believe and are committed to everyone having access to affordable medications.

“We are a family here at Rx Outreach. A family that cares. A family that works hard every day to help others get the medications they need.”

Roy Whitley, Director of Operations
trusted
## Rx Outreach Compared

**Affordable. Easy. Trusted.**

<table>
<thead>
<tr>
<th>Program Description</th>
<th>GENERIC DRUGS</th>
<th>BRAND DRUGS</th>
<th>GENERIC DRUGS</th>
<th>BRAND &amp; GENERIC DRUGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rx Outreach</td>
<td>Low-cost or free drugs</td>
<td>Individual Brand Manufacturers</td>
<td>K-Mart, Target, Wal Mart, local and regional retailers</td>
<td>CVS, Walgreens, local and regional retailers</td>
</tr>
</tbody>
</table>

### Program Requirements

<table>
<thead>
<tr>
<th>GENERIC DRUGS</th>
<th>BRAND DRUGS</th>
<th>GENERIC DRUGS</th>
<th>BRAND &amp; GENERIC DRUGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 300% Federal Poverty Level</td>
<td>• Most allow up to 200% of federal poverty level</td>
<td>• Prescription</td>
<td>• Membership (some charge enrollment fees)</td>
</tr>
<tr>
<td>• Completed application</td>
<td>• Completed application</td>
<td>• Payment</td>
<td>• Prescription</td>
</tr>
<tr>
<td>• Prescription</td>
<td>• Financial/supporting info</td>
<td></td>
<td>• Payment</td>
</tr>
</tbody>
</table>

### Medication Costs

- **As low as $20** for a 180-day supply for many drugs
- **Free or assistance with co-pay** for specific drugs. Prices higher for some doses and strengths
- **$4 for 30-day supply**
- **% Discount** Discounts for brand and generic drugs
- Savings vary. Savings amount not known before purchase

### Getting Medications

- Shipped to Patient or Clinic
- Free home delivery to any US address
- Shipped to Patient, Clinic or Pharmacy
- Some programs only ship to physician’s office
- Patient Pick-Up
- Medications must be picked up from local pharmacy
- Patient Pick-Up
- Medications must be picked up from local pharmacy

### Available Medications

- More than 800 Medications
- Includes all strengths, 45 therapeutic categories
- Specific to Manufacturer
- Drugs per program vary by manufacturer
- Varies by Retail Pharmacy
- Limited list of medications, may vary by retail pharmacy
- Retailer Specific
- Retail discount cards apply to multiple drugs

### Physician Completion of Forms

- Not Required
- Required for Some Programs
- Not Required
- Not Required

### Supporting Documents

- None
- Except for controlled substances
- Required
- Proof of Income: Social Security, Tax forms, Paychecks, Citizenship
- None
- Varies by Program

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This information is provided as a general guideline. For specific information, refer to the individual program.

“We are really making a difference here. By partnering with providers and clinics across the country, thousands of people get the medication they need.”

Marsha England, Director of Clinic Services
caring
The Rx Outreach Numbers

1 Mission

7 years of committed service

70 dedicated employees

350 affordable medications

800 different medication strengths

245,728 patients served

2,379,826 prescriptions filled

$463,000,000 in patient savings

“Working in the ever changing field of IT is challenging. However, IT here at Rx Outreach is different. I’m truly rewarded every day because IT here means service for those that are often left out.”

Jeff Clark, Chief Information Officer
service
2016

**Impact on the Community:**

- 66,764 people received medication at a significantly reduced cost or for free
- 349,711 prescriptions were dispensed
- Dispensed the equivalent of 1,398,844 months of medication
- Saved our patients more than $98,802,080 on the medications they needed (compared to retail cost)
- Customer service call quality received a rating of 96.6%
- Customer service agents took 417,840 calls to assist people with enrolling and obtaining medications
- 56 new medications were added to the formulary at affordable costs for our patients
- More than $30,000 worth of medications were distributed for free to over 250 people at a NAFC CARE Clinic
- The Health and Wellness Outreach program partnered with 89 community organizations to provide wellness education for more than 2,000 low-income people
- Maintained A+ rating with the Better Business Bureau

"I am blessed to work with pharmaceutical manufacturers who care about people and are committed to making medicine accessible to all.”

Julie Reed, Chief Development Officer
Rx Outreach is fortunate to receive the support from numerous pharmaceutical manufacturers that share our common interest of increasing access to lifesaving medications. In fiscal year 2016, Rx Outreach received in-kind drug donations from pharmaceutical manufacturers, which are reported as “In-Kind Contributions.” The vast majority, or 98% of our total public support of $55 million, was received in the form of in-kind drug donations. These donations are dispensed to patients for free or at a low cost.

In accordance with Generally Accepted Accounting Principles (GAAP), we are required to record the Fair Market Value (FMV) of in-kind drug donations as revenue at the time of the donation. In addition, when the donation is dispensed to a patient, the expense is recorded at FMV. This can create significant fluctuations in the reported change in net assets, as receipt and dispensing of donated medications does not always occur in the same reporting period. This anomaly is noted in an effort to be conscientious of the pharmaceutical resources entrusted to us and to provide clarification of the financial statements.

Rx Outreach is strongly positioned to broaden our relationships with pharmaceutical manufacturers, healthcare organizations, nonprofits and corporate sectors. We believe by expanding our partnerships, we will increase our reach to those in our communities most in need. Together with the exceedingly generous support of donors and partners, Rx Outreach is able to fulfill our mission and positively change lives.

“As CFO, I am empowered to protect and manage our charitable assets for our patients, board and community partners to ensure we provide affordable medications for people in need.”

Kim Stemley, Chief Financial Officer
## Community Report

### Statement of Activities

<table>
<thead>
<tr>
<th></th>
<th>AS OF DECEMBER 31, 2016</th>
<th>AS OF DECEMBER 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$760,760</td>
<td>$921,714</td>
</tr>
<tr>
<td>In-Kind Contributions</td>
<td>54,681,256</td>
<td>64,451,546</td>
</tr>
<tr>
<td>Program Revenue</td>
<td>10,941,944</td>
<td>11,488,993</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>1,061</td>
<td>1,460</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>66,385,021</strong></td>
<td><strong>76,863,713</strong></td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Expenses</td>
<td>$62,521,679</td>
<td>$67,143,653</td>
</tr>
<tr>
<td>Fundraising</td>
<td>33,135</td>
<td>36,185</td>
</tr>
<tr>
<td>Management and General</td>
<td>1,765,878</td>
<td>1,766,586</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>64,320,692</strong></td>
<td><strong>68,946,424</strong></td>
</tr>
<tr>
<td><strong>NET</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess in Net Assets</td>
<td>$2,064,329</td>
<td>$7,917,289</td>
</tr>
</tbody>
</table>

*Majority of Net Assets are In-Kind Inventory Contributions.*

### Statement of Financial Position

<table>
<thead>
<tr>
<th></th>
<th>AS OF DECEMBER 31, 2016</th>
<th>AS OF DECEMBER 31, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$1,950,819</td>
<td>$2,863,364</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>85,372</td>
<td>54,141</td>
</tr>
<tr>
<td>Pledges Receivable</td>
<td>470,000</td>
<td>-</td>
</tr>
<tr>
<td>Inventory</td>
<td>33,629,257</td>
<td>31,692,002</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>132,309</td>
<td>92,746</td>
</tr>
<tr>
<td>Property and Equipment</td>
<td>2,045,027</td>
<td>1,998,696</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>38,312,784</strong></td>
<td><strong>36,700,949</strong></td>
</tr>
<tr>
<td><strong>LIABILITIES &amp; NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$1,409,225</td>
<td>$1,859,612</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>427,825</td>
<td>429,932</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>1,837,050</strong></td>
<td><strong>2,289,544</strong></td>
</tr>
<tr>
<td>Investment in Property/Equipment</td>
<td>$2,045,027</td>
<td>$1,998,696</td>
</tr>
<tr>
<td>Undesignated</td>
<td>34,419,874</td>
<td>32,395,754</td>
</tr>
<tr>
<td>Temporarily Restricted</td>
<td>10,833</td>
<td>16,955</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>36,475,734</strong></td>
<td><strong>34,411,405</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>38,312,784</strong></td>
<td><strong>36,700,949</strong></td>
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</table>

Financials are based on audited results for the year ending December 31, 2016. Audit conducted by Rubin Brown LLP.
respect
Frequently Asked Questions

**What is Rx Outreach?**
We are the nation’s largest, fully licensed nonprofit pharmacy.

**What do we offer?**
Rx Outreach offers more than 800 medication strengths that cover most chronic diseases. Since we are a mail order pharmacy, we are able to ship medications directly to our patients’ homes. To make it simple and cost-effective for our patients, we usually ship enough medication for 90 or 180 days at a time.

**Who is eligible?**
Rx Outreach is available to qualifying individuals and families. Patients can quickly check their eligibility online. Patients can be on Medicare, Medicaid or other health insurance and still receive medications from Rx Outreach.

**How does Rx Outreach work?**
Patients or their advocates can complete a simple enrollment process online, by phone, or with our paper application. Once we receive the patient’s prescription and payment, we do the rest. Medications are generally received about a week after prescriptions are approved. When it’s time for a refill, we’ll send a reminder.

**How much does it cost?**
Through Rx Outreach, patients pay an affordable price for medications. There are no additional enrollment fees, membership fees, or standard shipping fees.

**Will Rx Outreach save patients money?**
Since 2010, Rx Outreach has saved our patients more than $463 million on their prescription medications. Use our Savings Calculator (savingscalc.rxoutreach.org/savingsCalculator/show) to find out how much can be saved on specific medications.
integrity
Testimonials

I am so very blessed to be part of the TEAM here at Rx Outreach, doing good things for good people who are in need of affordable medication.”

Pete Wyatt, Chief Marketing Officer

I love the messaging on the bottle cap.

- Sheryl

Thank goodness for Rx Outreach.

- Toni

When my husband got sick, we didn’t know how we were going to afford the medicine. Thank God for Rx Outreach and the people that work there.

- Natalie

Rx Outreach makes it easy.

They take care of everything and give us peace of mind.

When you find a good thing, you keep it.

- Janice & Carl

Thank you Rx Outreach. I’m happy I could go to bat for my parents.

- Roger

Thank you seems like not enough to say to you and the entire staff for what you have done. After the loss of my dear husband, my life seemed to have no meaning. My health as well as my finances were at an all time low. Not knowing how I would be able to afford any of my medications, we made a desperate appeal to Rx Outreach. The rest is history. My meds were overnighted. Please accept my gratefulness to you. You will forever be in my prayers.

- Muriel

I appreciate the blessing given to me by the Rx Outreach program. I take 13 prescription medications, and due to our low income, I am able to get most of them from you for considerable savings. We save approximately $280 a month by getting them from you. Thank you so much for helping people get the medications they could not otherwise afford. It is my belief that you are truly honoring God by serving others. May He bless you.

- Iris
Rx Outreach Board Members

Michael Holmes  
*Board Chairman/Founder*
Rx Outreach

Benjamin Akande, PhD  
*President*
Westminster College

Omar Maldonado  
*Financial Associate*
Thrivent Financial

Thomas Manenti  
*Vice Chairman*
MiTek, Inc.

James Buford  
*Retired President, Principal, Human Resources Programs*
Urban League of Metropolitan St. Louis and National Urban League Trustee

Steven Miller, MD  
*Senior Vice President, Chief Medical Officer*
Express Scripts, Inc.

Lakesha Butler, PharmD, BCPS  
*Treasurer*
Clinical Associate Professor, Department of Pharmacy Practice  
Southern Illinois University Edwardsville  
School of Pharmacy

Kenneth Dude  
*Principal, Human Resources Programs*
Edward Jones

Richard White, MD  
*Executive Medical Director, Clinical Performance Improvement Center*
SSM Health Care

Linda Martinez, JD  
*Secretary*
Partner, Bryan Cave LLP

Johnny Furr, Jr.  
*President*
St. Louis CARES

Rodney Gee  
*Retired Director of Human Resources*
Edward Jones

Michael Holmes  
*Board Chairman/Founder*
Rx Outreach

Kevin A. Green  
*Attorney*
Sims & Bailey, LLC

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*Treasurer*
Clinical Associate Professor, Department of Pharmacy Practice  
Southern Illinois University Edwardsville  
School of Pharmacy

Linda Martinez, JD  
*Secretary*
Partner, Bryan Cave LLP

Major General Elder Granger  
*Chief Medical Officer*
US Army (retired), MD, FACP, CPE, FACPE, CMQ, FACHE  
President/CEO  
The 5Ps, LLC

Johnny Furr, Jr.  
*President*
St. Louis CARES

Linda Martinez, JD  
*Secretary*
Partner, Bryan Cave LLP

Rodney Gee  
*Retired Director of Human Resources*
Edward Jones

Kevin A. Green  
*Attorney*
Sims & Bailey, LLC

Contact Rx Outreach

**Phone Number**
1-888-RXO-1234 (1-888-796-1234)
Our Patient Advocate Center is open 7:00am – 5:30pm CST Monday through Friday. Voicemail inquiries will be responded to within two business days.

**Fax Number**
1-800-875-6591

**Email Inquiries**
questions@rxoutreach.org

**Physical Address**
3171 Riverport Tech Center Drive  
Maryland Heights, MO 63043

**Mailing Address**
P.O. Box 66536  
Saint Louis, MO 63166-6536
Providing affordable medications for people in need.

www.RxOutreach.org
1-888-RXO-1234
questions@rxoutreach.org
P.O. Box 66536
Saint Louis, MO 63166-6536