

BREAKING

Here's Why Drug Stores Are Closing In Minority Neighborhoods: Walgreens, CVS And Rite Aid Shutter More Than 1,000

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TOPLINE A spate of pharmacy closings in Boston have drawn protests as more than 1,000 drug store chain locations across the country have closed, reigniting long standing concerns that low-income, Black and Latino Americans are bearing the brunt as pharmacies continue to disappear amid increased competition and other factors.



A Walgreens pharmacy and store closing sign at entrance, Queens, New York.
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KEY FACTS

- Rite Aid, Walgreens and CVS have, over the last two years, said they'll close more than 1,500 stores, the Washington Post reported, and experts say minority communities will likely be the first to lose pharmacy access.
- The large chains have struggled in recent years—Rite Aid filed for bankruptcy in October, Walgreens stock plunged last week after the company cut its quarterly dividend and CVS has cut more than 1,100 stores since 2018—amid greater competition from Amazon and WalMart, and staffing shortages, according to the Washington Post.
- Thousands of independent pharmacies have also been forced out of the market in the last decade.
- Research conducted in 2022 by Cornell and Yale University scientists found of the 670 pharmacy deserts in New York City,

Los Angeles, Chicago and Houston, all but three were found in predominantly minority neighborhoods.



Walgreens residents protest the closing one of a location in Boston's Roxbury neighborhood on Jan. ... [+] BOSTON GLOBE VIA GETTY IMAGES

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CRUCIAL QUOTE

“In Chicago, almost a third to a quarter of the population lives in a pharmacy desert and, if you look at people who live in predominantly Black neighborhoods, that’s more than half of the people living in those neighborhoods,” Xiaohan Ying, lead author of the 2022 paper, told Forbes.

NEWS PEG

Walgreens has postponed the closure of a location in the city's Roxbury neighborhood, where Black and Latino residents make up 85.4% of the [population](#), until Jan. 31 following protests from residents, the Boston Globe [reported](#) Friday. The closure comes months after the company closed stores in Mattapan, Hyde Park and Lower Roxbury—also majority non-white neighborhoods. There are 18 Walgreens stores in Boston, according to the Globe, but only those in minority neighborhoods have closed in the last few years.

KEY BACKGROUND

In the last few years, all of the country's major pharmacy chains have announced store closures. CVS will complete the closure of 1,124 stores by the end of this year, Walgreens [in June said](#) it would close 450 of its locations across the country by August and Rite Aid's bankruptcy filing came with [announcements](#) of almost 200 store closures. Rite Aid [said](#) the stores that were closing are those that have underperformed, and Walgreens said in a statement to Forbes that factors like “existing footprint of stores, dynamics of the local market, and changes in the buying habits of our patients and customers” are why some locations close. CVS, which plans to close 300 stores this year, similarly said in a statement locations are chosen based on “local market dynamics, population shifts, a community's store density, and other geographic access points to meet the needs of the community.” In some cases, “rampant” theft has been blamed for the store's closures. In October of 2021, Walgreens announced it would close five San Francisco stores, including one in the historically Latino Mission District. But Walgreens' chief financial officer [last January admitted](#) that the company exaggerated the claims of retail theft when it relied on the excuse to close the San Francisco stores. The claims fueled rightwing anger over a rise in crime before Kehoe said on an

earnings call that the company maybe "cried too much" about retail shrinkage.

CONTRA

Jenny Guadamuz, a researcher at the University of California at Berkeley, said the stores that close are almost always in Black or Latino communities. Because minority communities are more likely to have residents on public healthcare programs like Medicaid, which sees a lower medication reimbursement rate than many private insurers, it's likely true those stores are often a cost burden when compared to others, Guadamuz said. "What they care about is maximizing profits for their shareholders," she said. "They'll make any excuse to close lower-profit stores, which are in these Black and Latino communities."

TANGENT

Rite Aid in late 2022 debuted the first of its [small-format stores](#) it says exist to combat pharmacy deserts in communities. The chain has opened several stores so far—which take up about 3,000 square feet instead of the usual 11,000 to 15,000—in rural Virginia. "They are strategically placed in areas that don't have nearby access to pharmacy-related health care services," Rite Aid said in a statement to Forbes.

SURPRISING FACT

[A study](#) in the Journal of the American Medical Association showed that those without easy access to pharmacies are more likely to fall behind on taking medications and see more medical problems than they likely would have with equitable access, "adding costs to the already overwhelmed health care system." Those without access to medications join the [estimated](#) 9 million Americans who aren't taking their prescription drugs as prescribed for a number of reasons, including a lack of health insurance and overall cost of medicine. Non-adherence to recommended medication schedules [is](#)

estimated to cost the United States between \$100 billion and \$290 billion per year.

FURTHER READING

BOSTONGLOBE.COM

Walgreens to postpone closing of Boston location, city officials say - The Boston Globe

WASHINGTON POST

Drugstore closures are leaving millions without easy access to a pharmacy

THE GUARDIAN

'Maybe we cried too much': Walgreens hints it exaggerated shoplifting surge

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