



## Six tips to boost pharmacy efficiency

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*As pharmacists switch from reimbursement based on a fee-for-service model to value-based care, these best practices can help maximize efficiency despite budget constraints and lean staffs.*



Delivery of patient-centered care is a priority for clinicians and healthcare leaders alike. Making the switch from reimbursement based on a fee-for-service model to value-based care is changing everything.

Clinicians' workflow is being streamlined to enable them to focus on improving outcomes. This focus on efficiency is also applying itself to pharmacy, as pharmacists look for ways to maximize time spent on patient-care initiatives. From medication therapy management (MTM) to transition-of-care programs, the role of pharmacy has never been more critical. However, in a time of budget constraints and cost-containment measures, when staff cannot be added, this poses a management challenge for day-to-day pharmacy operations.

### Evolving roles

To deliver high-quality patient-centered care, hospital and pharmacy leaders need to maximize the efficiency of their pharmacy operations in support of overall hospital initiatives and goals.

**Pharmacy staff must be involved in supporting critical strategic mandates** such as reduction of unnecessary readmissions and extension of the continuum of care. Specific areas of focus include integration of pharmacists into care transitions, improvement of post-discharge medication adherence, and provision of clinical pharmacy services in ambulatory care environments.

**Pharmacists and technicians need to practice at the top of their licenses and/or certifications** to provide the greatest possible value. Efficiency will not be optimized if pharmacists perform tasks that could be accomplished by technicians or if technicians spend time on work that could be automated.

**Pharmacies need to adopt appropriate levels of automation** so that staff can focus on the highest-priority clinical initiatives.



## Best practices

Using proven tools and best practices, many hospital leaders and health-system pharmacy executives have worked with outside partners to help streamline pharmacy operations and redeploy staff. Here are six practices that can be implemented with minimal time, effort, and expense.

**1. Use technology to simplify drug-spend management.** The creation of reports to analyze drug spend or track pharmacy initiatives is a time-consuming process. One study found that the process of creating a report that would yield meaningful information to analyze drug spend took 3.9 hours on average.<sup>1</sup> Since hospital pharmacies in this study produced 11 reports per quarter on average, staff may spend more than 40 hours per quarter compiling and rearranging data to create meaningful reports.

Automated drug-spend analytics technology can produce these reports, requiring minimal staff time. Instead, pharmacy staff can use the time saved to analyze results and identify opportunities for savings.

**2. Avoid reinventing the wheel.** Pharmacy staff often spend significant time developing clinical initiatives or policies and procedures, as well as on other administrative tasks. For example, a thorough drug-class review prepared for a hospital's Pharmacy and Therapeutic Committee may require the creation of a complex document, which can take up to 200 hours.<sup>2</sup>

However, by maintaining a robust, regularly updated repository of standardized documents that have been created and thoroughly reviewed by several experienced pharmacists, pharmacy staff can modify preexisting documents instead of developing them from scratch. Examples of such standardized documents include drug-class reviews and interchanges, medication guidelines, competencies, and policies and procedures. Analysis among hospital pharmacies using such document repositories has found that on average, nine documents per quarter are accessed, saving more than 550 hours.<sup>3</sup>

**3. Use analytics tools to optimize purchasing.** As a result of meaningful-use requirements, most hospitals are adopting barcode technologies that will scan medications at a patient's bedside. McKesson experts estimate that approximately 80% of oral solids are packaged in unit doses with barcodes. The other 20% should be repackaged.

Increased use of barcode scanning technology generates an immense amount of data about the drugs being purchased and administered. Analysis of this information for the valuable insights it can yield often does not occur, however, and when it does, it is extremely time-consuming, taking months of a technician's time. Sophisticated analytical tools can make recommendations to help a pharmacy optimize its practices for purchasing oral solids. These automated purchasing recommendations are produced efficiently and can help a health system streamline its drug purchases.

**4. Use a perpetual inventory system in concert with automated systems.** Hospitals often keep their pharmaceutical inventory in various locations and use different systems to track this inventory. When such systems are not linked, the result is inefficient ordering and receiving processes.



Using a perpetual inventory system in conjunction with automation systems means that electronic orders are processed automatically, reducing order-creation time by up to 75%. Such systems can help reduce by 50% the time spent receiving and restocking drugs, help increase inventory turns by more than 40%, lead to a 30% reduction in inventory costs, and help a pharmacy maintain its formulary.<sup>4</sup>

**Â 5. Optimize processes related to 340B.** Management of drug purchases related to the 340B program is extremely complex. Historically, aspects of patient eligibility, drug purchasing, and inventory were handled manually. Software tools have helped pharmacies manage 340B patient eligibility, drug eligibility, and pharmacy replenishment, but often have not been integrated with a health system's drug-purchasing system.

New 340B systems integrate patient and drug eligibility for 340B with purchasing systems to give users greater visibility of their 340B accumulation data and availability of a supplier's inventory at the wholesaler's distribution center. This level of integration can help a health system better manage its purchasing of items in short supply in the market, as well as streamline the purchase of items requiring special management, such as controlled substances and drop-ship items.

**Â 6. Automate the NDC update process.** It can be difficult and time-consuming to keep national drug code (NDC) information up to date within pharmacy information systems. However, incorrect NDC data can adversely affect decision-making and billing, as well as nursing workflow and patient safety.

Solutions now exist to automate the NDC update process, so that the NDC data used throughout a health system are accurate and up to date. Accurate NDCs can help reduce or eliminate NDC-related pricing errors, maximize bar-code scan rates, and improve overall workflow and efficiency.

## The goal

Realizing efficiencies from these technologies and best practices is not the ultimate goal. Achievement of greater efficiency will allow pharmacists to spend more time on high-value-added activities, such as direct patient care and MTM across the continuum of care. These efforts support the entire health system in adapting to and succeeding in a value-based environment.

## References

1. McKesson Pharmacy Optimization Independent Analysis, 2012
2. Ibid
3. Ibid
4. Shack, J., Tulloch, S. (2008), *Integrated pharmacy automation systems lead to increases in patient safety and significant reductions in medication inventory costs* [Shore Memorial Hospital] (Case Study). Fairport, NY: Shack & Tulloch, Inc.

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# NACDS Presenters Discuss Top of Mind Pharmacy Trends, Forecasts

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*IQVIA experts discussed the key takeaways from their NACDS Total Store Expo presentation.*

**Drug Topics®:** Hi, I'm Gabrielle Lentile for *Drug Topics®*. Today I'm speaking with Doug Long, vice president of industry relations at IQVIA, and Scott Biggs, director of supplier services at IQVIA. Doug and Scott presented the latest pharmaceutical trends, issues, and forecasts for the pharmacy industry during the 2021 NACDS Total Store Expo. Today, they'll be highlighting some of those key trends and forecasts pharmacies should be aware of.

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In 2020 we were hearing a whole lot about telemedicine, how we're in the golden age of telemedicine now, but the data you shared was showing something a little different. Can you discuss those trends in telemedicine that you've been following through 2020 and what we might expect going forward?

**Long:** If you think about this is that telemedicine didn't really exist too much in January in February, pre COVID. It really came on the map in March of 2020. And it peaked one week in April, when about 20% of all the health care visits were telemedicine.

Now, it was peaking at the time that offices were shut down, institutions were shut down, so it really came to the forefront. It was the only option for people in some cases. It continued through the year and now we're starting to see - we're comparing it to last year, and it's down about 2 or 3% versus the comparable period last year.

I think telemedicine is finding what its appropriate level of will be. It's definitely not going to go away. It will be a big part of health care going forward. The disadvantage of telehealth is they don't have the vitals and the labs and diagnostics that would make physicians comfortable to prescribe new therapy. And so, that's why you see in telemedicine, this telemedicine visit does not generate as many new prescriptions as would a visit to an office or an institution.



**Drug Topics@:** Influenza (flu) season is coming. In your session, you shared some really interesting forecasts based on the Australian flu season. Can you discuss those?

**Biggs:** The Australian flu season has been an indicator for what the United States flu season will look like. The last flu season was a very weak season. So far this year, it's kind of started out weak also. We had a very weak season last year, so we're going to continue to watch it, see how it goes.

**Long:** And so was a weak flu season. One of the things Scott and I have been looking at is what the vaccination rate has been in Australia, because we're coming into the flu vaccination period in the US, and their vaccination rates for flu are exactly the same as they were last year, which means probably we're going to see a big flu vaccination period this year. Of course, some of that's going to intersect with COVID-19 booster shots.

**Biggs:** September and October will be the peak of flu vaccinations. Now that we're talking about a September release for a COVID booster, we expect to see that intersection rates at the same time.

**Drug Topics@:** So, how do you expect pharmacies to kind of deal with this dual rollout of these 2 vaccines?

**Long:** They've proven that they are up to the occasion. Just think about it - they went from zero miles an hour to 90 miles an hour on testing. And they went from zero miles an hour to 90 miles an hour on COVID-19 vaccinations. And I'm sure that they will step up and be able to do both. It will be difficult, but they've proven their worth and I think they can do it again.

**Biggs:** COVID-19 vaccinations last year were a historic first for retail. Obviously, in the past year, we saw about 51 million flu vaccinations given in the retail setting: a 37% increase over the prior year. And one of the hypotheses out there was that last season, there was so much lockdown, so many offices closed, many office's employers had offered in the past flu vaccination clinics. So, retail rose to that challenge, really served the communities, because they are in sync with the COVID-19 vaccine. I don't see any reason why they would not continue to rise to the challenge.

**Drug Topics@:** So, of course, let's talk about COVID-19 vaccination in itself. On the topic of COVID 19 vaccination rates and the populations that also haven't yet been vaccinated for COVID, due to hesitancy or otherwise, can you delve a bit into what you've been seeing on the COVID-19 vaccination front? And you mentioned some updated numbers as well.

**Long:** Well, we've seen a resurgence of COVID-19 vaccinations. Over the last few weeks, it's really accelerating right now, right at the time that the Delta variant started to spread through the unvaccinated population.

Our thought process is, it's probably the unvaccinated finally decided to get vaccinated. Because when we got to July, basically anybody that wanted to be vaccinated, was vaccinated, and anybody that didn't want to be vaccinated, wasn't vaccinated. And so, some people are starting to second guess their decision not to be vaccinated and got the COVID shot. We've seen an acceleration of that, not to the levels that we saw in April, but it's trending in a positive path.

In terms of the dynamics, the Asian population is the most vaccinated, followed by the white population, followed by the Hispanic population, followed by the Black population. And all those numbers are accelerating. For the people that haven't been vaccinated, some have a lot of social determinants of health



(SDOH): low income, low education, dense housing situations and things of that sort. But we're seeing an increase in vaccinations. Scott tracks every week – why don't you talk about the cases and deaths, Scott?

**Biggs:** We've started to see an increase in the number of cases and the number of deaths, but nowhere near where we were last summer. But we are seeing an increase in both in cases and in deaths.

**Long:** But looking at the numbers that I looked at today, it looks as though the 7-day moving has peaked and is now flattening out, which may mean it is not going to get any worse, that we may we may have reached the top.

**Drug Topics®:** We talked about flu, COVID-19 and telemedicine. But your presentation was really comprehensive and impressive that you shared at NACDS Total Store Expo. What was one other trend or forecast that you really want the attendees and our audience to take from your session?

**Long:** I think at the end of the presentation, when you see that the pharmacies see patients 10 times more frequently than other health care providers. And the JD Power study came out, it says that patients are getting very engaged with their pharmacies and when they're engaging in pharmacies, they spend more money in the rest of the store. I'd say that pharmacies really stepped up and continue to step up and they've picked up a lot of new things they can do. And I don't see the genie going back in the bottle on that.

**Drug Topics®:** Awesome. Well, Scott and Doug, those are all the questions I have for you. Thank you so much for taking the time to do this today. It was really great to speak with you on these topics.

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