

A FRESH LOOK AT TECHNOLOGY FOR YOUR PHARMACY

Implementing technology in your pharmacy can increase efficiencies and lead to enhanced profitability for your business. In fact, most pharmacy experts agree that technology provides the biggest and surest return on investment – if chosen wisely and implemented correctly. Although the benefits are clear, selecting the right use of technology for you can seem like a daunting, and often confusing, task. To get started, review the following common technology-related questions and information. Along with reviewing your store's immediate situation, this information will help you overcome the technology-selection learning curve and choose the best option for your needs.

IS MY PHARMACY TOO SMALL FOR AUTOMATION?

Probably not. Consider that an over count of one $\frac{1}{4}$ tablet once a day costs the pharmacy \$21 per week, or \$1,092 per year. A simple counting system eliminates that chance. Consider that a retail pharmacy filling 250 Rx/day commits an average of four errors per day. Most of those could be decreased or eliminated by some form of workflow system, whether part of a counter, robotic dispenser or software alone. *Important consideration:* Any automation frees up time for other functions (including customer care) and ensures accurate dispensing which boosts customer trust.

WHAT ELSE SHOULD I CONSIDER WHEN CONTEMPLATING AUTOMATION?

As you get serious about bringing in automation, make sure you have considered these steps:

- **Know your objective.** Decide and rank order your needs such as error reduction, filling speed increase, standardizing the entire filling process, removal of manual steps or a combination.
- **Know your budget range.** It's nice to dream about the shiny new contraption or the sweeping software platform, but you should know what you can put aside.
- **ID your technology team.** Assign a capable staff member or members to serve as co-planners, implementers and trainers.
- **Know your automation partner.** Go beyond just the purchase or rental price and have pointed conversations about the impact of any technology, including maintenance costs, service records, training, remodeling costs, inventory impacts, etc.
- **Set your timeline.** This may be impacted by the above factors.

DO I JUST NEED FAST, ACCURATE COUNTING?

Simple tabletop or floor-mounted automated counting devices can and do provide very real and affordable dispensing solutions for a tremendous range of pharmacies: for those filling 75 Rx/day all the way up to those filling



400 Rx/day. Automated counting devices can reduce fill times by as much as 48 percent and can increase filling capacity by as much as 16 percent. Plus, automated counting devices range from \$5,000 up to \$15,000, require little counter or floor space and remodeling is almost never required. Some of these systems even include elements of advanced workflow management such as fingerprint verification, barcode scanning between the Rx label and stock bottle and onscreen drug image verification. *Important consideration:* Some counting systems include verification and workflow functions, so you may be able to get a low-cost tool that also provides the other medication safety functions that you desire.

DO I NEED HIGH-SPEED, HIGH-VOLUME FILLING?

Robotic dispensing systems – not a novelty anymore – automate many of the prescription filling steps: selecting the correct vial, filling, queuing, labeling, interfacing with your pharmacy management system and some even cap the finished prescription. Robots are designed to fill your top-moving oral solids, typically about 45 percent of your daily orders, and range in price from \$100,000 to \$200,000 or more. It is also important to point out that, while robotic dispensers are not for every pharmacy, they do perform several manual functions simultaneously and accurately. But the flip side of increased efficiency and productivity is the fact that robotics do require a little more attention, like cleaning, regular inventory replenishment of their cells or cassettes (200 or more for most systems), and planning with regards to location and installation of these larger and more sophisticated systems. *Important consideration:* Be prepared for some remodeling costs, possible relocation of fixtures and a little time with the vendor to ensure that you find the best location for the robot and success with your pharmacy team.

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DO I NEED WORKFLOW MANAGEMENT?

Some pharmacy owners recognize the benefits of standardizing the entire dispensing process – from adjudication all the way through will call. The answer may be workflow software, generally defined as software modules or products that automate and divide tasks of the dispensing process into separate steps so they can be consistently performed by one or more people. Workflow software initially was offered only by automation vendors, but more and more pharmacy management systems (PMS) offer partial or full workflow. Regardless of vendor, the software provides a standardized protocol that is utilized by everyone in the pharmacy. There is a wide range of functionality and pricing (from \$8,000 add-on modules from a PMS provider to \$100,000 for full-blown systems from pharmacy automation vendors) and the look and functionality is very different from one system to the next.

A workflow system's value may justify the investment, especially considering that lost or misplaced prescriptions cost the average pharmacy \$60 to \$100 per day in labor, and those could be drastically reduced or eliminated by workflow software. Start the discussion with your PMS provider, which may offer pieces of what you need – or the entire system. *Important consideration:* Watch out for “technology paralysis.” Like any technology, many workflow systems started out simple but might have become over-engineered and rigid. You'll be happiest with a system that can be molded around your own pharmacy's needs. A system that forces your technicians through 10 steps versus what used to take you five steps may not be the right system for you. Also, consider simpler counting and verification systems that may have workflow components embedded already – at no extra cost.

DO I NEED TO FINALLY INVEST IN IVR?

While a majority of retail pharmacies employ an interactive voice response (IVR) system, some still are holding out, fearing that its impersonal nature will scare off customers, or biased that an IVR is just a glorified answering machine. This is not true anymore. IVRs

can handle 60-70 percent of refill orders and mundane questions about store hours and location – calls your pharmacist doesn't need to be taking. IVRs are handling calls 24 hours a day, when it is convenient for a customer to call it in. An IVR is also an efficient way to allow patients and doctors to get immediately in touch with the pharmacist. *Important consideration:* Even if you have an IVR already, talk to the provider to see if you are maximizing its usage. Many IVR systems today can be located in your pharmacy or hosted remotely and can be used to automatically place refill reminder calls, flag generic availability during a refill order and engage patients (if they choose) for clinical trials.

HOW CAN I BETTER USE THE INTERNET?

The Web can be a great tool for your pharmacy. A store site can offer many patient benefits such as refill ordering and status, medication information, links to helpful sites and compliance reminders. The site can advertise product or service promotions. In-store PCs or kiosks can be immediate sources of medication and disease state information for patients. *Important consideration:* If your pharmacy offers specialized services like compounding, diabetes care or immunizations, a store Web site can be an invaluable patient resource and advertising opportunity for your store.

DO ALL BUSINESS SOLUTIONS NEED TO BE HIGH TECH?

Not at all. Here are several low-tech methods to improve efficiency and save money and time, and ultimately improve customer care:

- Improve lighting – this can trim up to 1 percent of filling errors
- Take the filling function off the front counter, where too much activity is happening already
- Assign all filling to the technicians – studies show that the most efficient pharmacies are those that leave 90 percent or more of the filling task to the technicians
- Know your top 200 moving medications, and organize them in a designated (and easily accessed) space in the pharmacy adjacent to the filling area, versus organizing stock alphabetically. Adjust the top 200 quarterly or by season
- Loosen packed shelves – studies show that content errors are associated with over-crowded shelves and will-call bins

- Eliminate extra vial sizes. Find the best three-to-four sizes and eliminate the rest to speed filling and save space. Most retail pharmacies are best suited with 12, 20, 30 and 40 dram sizes, for example
- Use workflow baskets – inexpensive trays for all orders, versus laying out Rx sheets with stock bottles and vials. Consider color coding for rush, refills, etc.

WHAT NEW TECHNOLOGY IS COMING?

Presently, most automation companies are working at making their systems better, easier to operate, smaller and more fully integrated with the PMS. Incorporating workflow software is very prevalent. There are also a few major innovations down the road, such as self-checkout kiosks for refills that are being tested, gradually accepted and utilized in community pharmacies.

SHOULD I SPEND THE MONEY ON AUTOMATION WHEN THE ECONOMY IS TIGHT?

Work with your accountant and/or a financial advisor to answer this one, but also look at technology as a way to manage certain labor costs, attract customers, reduce shrinkage and increase accuracy. The real benefit of automation is standardization of the process, organization and a peace of mind. Effectively using technology can comfortably place more routine tasks in the hands of the technicians, and broaden the pharmacist's role and value with patient care, including:

- Medication therapy management (MTM)
- Active counseling, which leads to better customer retention
- Specialized care that requires more monitoring such as diabetes
- Increased focus on growing front-end business

If you have any questions regarding the best use of technology in your pharmacy, contact the Information and Assistance Center at 1.800.407.8055. 🍷

*** Article provided by Christopher Thomsen, founder and president of The ThomsenGroup Inc. The ThomsenGroup provides consultation and product market expertise related to automation and technology.*

*** Article sponsored by Kirby Lester, providers of affordable, accurate, reliable and simple counting technology. See a demonstration of Kirby Lester systems at the Cardinal Health RBC in July or call 1.800.641.3961.*