



Designing a Mail Order Pharmacy for Employee Prescriptions

By Trena Yielding, PharmD

The Adventist Health System (AHS) comprises 37 hospitals in ten states with a total of 6300 patient beds. We also have 17 affiliated extended care centers within the long-term care division, as well as 20 home health care agencies. The AHS serves nearly 4 million patients annually and has 43,000 employees. While not in the business of pharmacy benefit management (PBM), AHS has embarked on a unique approach to provide for the long-term prescription drug needs of its 43,000 employees and their family members.

Employee Pharmacy

Located in a freestanding structure in Sanford, Florida, the AHS employee pharmacy caters to the maintenance prescription drug needs of all employees and their family members who belong to the health system's drug plan. Our employees can fill their short-term prescriptions and the first 30-day supplies of maintenance medications at any retail pharmacy. After the initial prescription is filled, all continuing maintenance prescriptions must be filled through us, while Caremark, our PBM, adjudicates the claims and provides all required credentialing. We provide all prescriptions via mail or UPS and while we do not accept any walk-in business, our pharmacists are available to employees for questions via phone and through our website.

Operations

We began the AHS drug benefit program on a small scale in 2001, providing long-term prescriptions for the employees of five AHS hospitals in Volusia County, Florida. Initially, we were housed in a retail pharmacy in DeLand, adjacent to the AHS hospital in that city with approximately 1200 square feet of space.

After successfully providing this service on a small scale for five years, corporate was convinced we could realize even greater savings by providing the service system-wide. In 2006, we launched the program to cover all 43,000 AHS employees from the same location.

Our function is not to create profit but to contain costs. The mechanism of cost-containment is simple: the medications are purchased at the health system's wholesale price and because there is no mark-up, the hospitals ultimately pay that same wholesale price for their employees' prescriptions. In 2008, we saved AHS almost \$7 million, while processing 132,000 prescriptions.

As a result of our success we faced new challenges. Having a staff of 14 filling up to 500 prescriptions per day in a 1200 square foot space was both inefficient and unproductive. A staff increase was necessary to manage the increasing number of prescriptions but there was simply no space to accommodate an additional computer terminal. We also



The use of customized, modular casework, coupled with our design layout insures efficient workflow processes today, but also provides for future expansion.

Photos courtesy of R.C. Smith Company

lacked sufficient drug storage space to meet our expanding needs.

We are different from a standard hospital pharmacy in our drug storage needs because we purchase approximately \$120,000 worth of drugs per day, and while the majority of those are then shipped to our customers on the same day as their arrival, the drugs still must be shelved upon receipt, prior to being shipped out. In addition, we maintain about \$300,000 of overstock at all times. As a result, significant shelf space is required to run this system efficiently. As our business grew it became impossible to turn orders around quickly because there simply was not enough space on the shelves to store the drugs.

New Facility

These growing pains prompted the move to our current space, a 9,600 square foot facility in Sanford. While we are offsite, we are relatively close to the member hospital that provides our IT support. We currently fill up to 600 prescriptions per day with a staff of 20, including four pharmacists, seven technicians, a bookkeeper, as well as customer service and shipping department staff.

The transition into the new facility went smoothly because of the significant upfront efforts expended in designing the space. While it was initially a challenge to find a design firm that understood our unique needs—because we are neither a pure hospital pharmacy nor a retail pharmacy—we eventually chose RC Smith Company to aid us in the

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design phase. With their broad experience, they understood our needs and addressed our challenges with unique design solutions. Once budget approval was obtained from corporate, implementation and construction moved quickly.

Designing for Automation

We currently use Kirby counting machines and a Baker LAFW. We are considering adding a robot in the next year, should our processing volume justify the purchase as more cost efficient than adding more pharmacists on staff. With these considerations in mind, we planned a flexible layout that would accommodate the addition of more automation down the road.

Design Elements

Our main design goal was to produce an efficient space that would support an effective workflow and increase productivity. We began by creating workstation “pods” that accommodate two, two-person teams (one pharmacist and one technician) situated on either side of the workstation. Each team is responsible for initiating orders, printing labels, and filling prescriptions. To support the process, we designed drawers within the pods to contain a sufficient supply of vials, and to unobtrusively store the waste containers. Computer touch screens, mounted on poles, can be moved up and down or swiveled to accommodate the position of the pharmacist. This has increased overall productivity, eliminated the need for a mouse and simplifies NDC checks. The pharmacists now have ample space to manage their multiple tasks, and furthermore, the Kirby counting devices are located closely to the pods, allowing for efficient workflow.

We also built custom controlled substance cabinets, which are designed to look like every other cabinet to discourage theft in the event of a break-in. These CII cabinets are also located in an open space, allowing for constant monitoring, which deters staff diversion.



A well-thought out workflow is the key to maintaining an efficient pharmacy, and this is especially true for a high-volume mail order pharmacy. Proper design is the building block for efficient workflow. Our main production processes occur in

a purposely compact area, which provides sufficient workspace, but limits wasted movement. For example, the coolers used to ship temperature sensitive products such as insulin are located in a special storage area within reach of the refrigerator and freezer. This credo of compact, yet sufficiently spacious, was translated to the shipping department as well. This department ships approximately 400-500 packages a day, so every packaging component needed to be laid out on the counter within reach.

Our design insures efficient workflow processes today, but also provides for future expansion. We purposely ordered extra shelving to accommodate future growth and our flexible layout will accommodate additional automation equipment in the future as well.

Conclusions

Workflow is a key consideration in designing any new pharmacy. With a quality design, workflow interruptions and inefficiencies that eat up time can be avoided. When staff members are not competing for counter space or computer access, prescriptions are filled more efficiently. Providing ample storage space is also important. After moving to this much larger facility, we were amazed at how quickly we filled our space. With sufficient space, efficient workflows, and quality design, optimal pharmacy productivity can be realized. ■

Trenia Yielding, PharmD, earned her Doctorate of Pharmacy at the University of Florida in 1998. She began her career with Adventist Health System and was soon promoted to director of pharmacy at Florida Hospital DeLand. Dr. Yielding proceeded to open Rx Plus Pharmacy, a small retail pharmacy located next to the hospital that not only serviced the public but also provided maintenance medications for the employees of five local Adventist Hospitals. This program proved so successful that Rx Plus Pharmacy discontinued servicing the public and began providing maintenance medications for the entire health system, full time. At that point, Dr. Yielding left her position at Florida Hospital DeLand and became administrator of the prescription plan for the health system, where she is currently the director of AHS Corporate Prescription Plan, Rx Plus Pharmacy.

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Staffing in Ambulatory Care

By Carlo Lupano, RPh, MBA

The Valley Hospital is a 451-bed hospital in Ridgewood, New Jersey. Our main ambulatory center, the Robert and Audrey Luckow Pavilion, located in Paramus, is a 128,000 square foot satellite facility serving 440,000 people in northern New Jersey, which has been in operation since 2002.

To determine staffing needs for an ambulatory pharmacy, it is important to first define what operations are considered ambulatory. In our organization, anything that is not an inpatient service is automatically considered part of ambulatory care. Therefore, our ambulatory pharmacy is responsible not only for the retail outpatient pharmacy, but is also responsible for the emergency room, the catheterization lab, the dialysis center, same day surgery, the community anticoagulation management service, and the same day infusion center. Overall, ambulatory pharmacy services account for approximately half of our health system's drug budget.

Staffing Criteria

When staffing new ambulatory services, it is generally recommended to start out lean and then build staff as services grow. We work in conjunction with our human resources and executive staff to determine staffing levels, however it is key to outline the functions of each position up front, to avoid having pharmacist positions that are simply distributive. For example, the infusion pharmacist is responsible for distribution functions, such as drug preparation, labeling, and checking for interactions. However, these are not the primary functions of the position; the infusion pharmacist is also responsible for developing protocols, providing patient consultations, educating other health care team members in new modalities, etc.

The most valuable skills to look for in a candidate for an ambulatory pharmacy position are not his or her clinical knowledge and previous experience, rather it is the willingness to put the patient first and the hospital second, an ability to embrace collaborative practice, and excellent communication skills that mark the best candidates. While clinical protocols can be taught, innate resourcefulness and a passionate approach to work cannot.

The ability to communicate with administration is very important, as the monthly reports we provide to our executive committee serve to demonstrate the efficiency and value we bring to the organization. Our monthly reports cover, among other data, the number of prescriptions and doses filled, staff hours used, and the amount and value of floor stock charged by area. Because outpatient pharmacy differs from inpatient pharmacy, it is key to educate your administrators on the differences. For example, most hospitals review their drug budget as a cost, so if the drug budget is exceeded, the cost per admission rises and adversely affects profit. In the outpatient pharmacy, however, drugs are marked up at a profit. Therefore, when the budget is exceeded, costs do rise, but revenue also rises. Educating administrators to review the outpatient budget with an eye toward these differences is very important.

Growth Opportunities

In addition to providing excellent clinical care for patients, ambulatory pharmacists must also provide superior service to the physicians and nursing staff they work with. Reach out to your physicians to learn what areas they are interested in expanding into. Perhaps there is a new therapy you can provide that will attract a new niche of


patients. Learn which office-based therapies the physicians find burdensome and would prefer to move to the ambulatory center. Ask if there are any products they struggle to source. Our retail pharmacy, for example, began stocking hard-to-find OTC supplements to support bariatric surgery patients. Keeping this dialogue open can result in additional revenue streams, increased caseloads, and growth opportunities for your department.

Ambulatory care centers rarely look the same—often providing different services, with various staffing models—making comparisons among them difficult. Despite the differences, the long-term success of any ambulatory pharmacy is predicated on its ability to provide superior service to patients, physicians, and nursing staff. When pharmacy embraces this attitude and creates a superior experience, it creates a convincing statement for the value pharmacists bring to the bottom line.



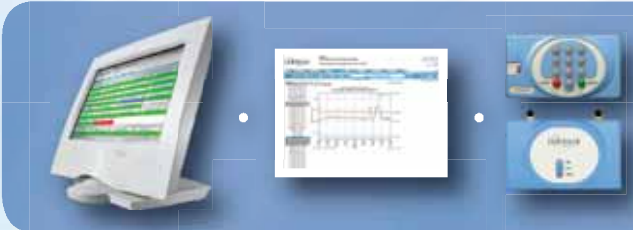
Carlo Lupano, RPh, MBA is the pharmacy manager for ambulatory services at the Valley Hospital in Ridgewood, New Jersey, where he has worked for eight years. Carlo received his pharmacy degree from St. John's University and his MBA in Health Care Administration from Bernard Baruch College and the Mount Sinai School of Medicine.

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