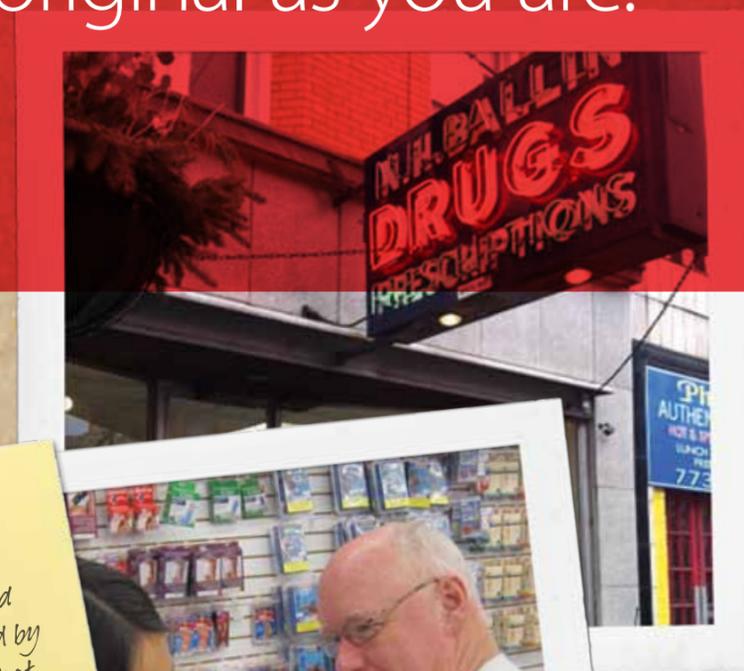
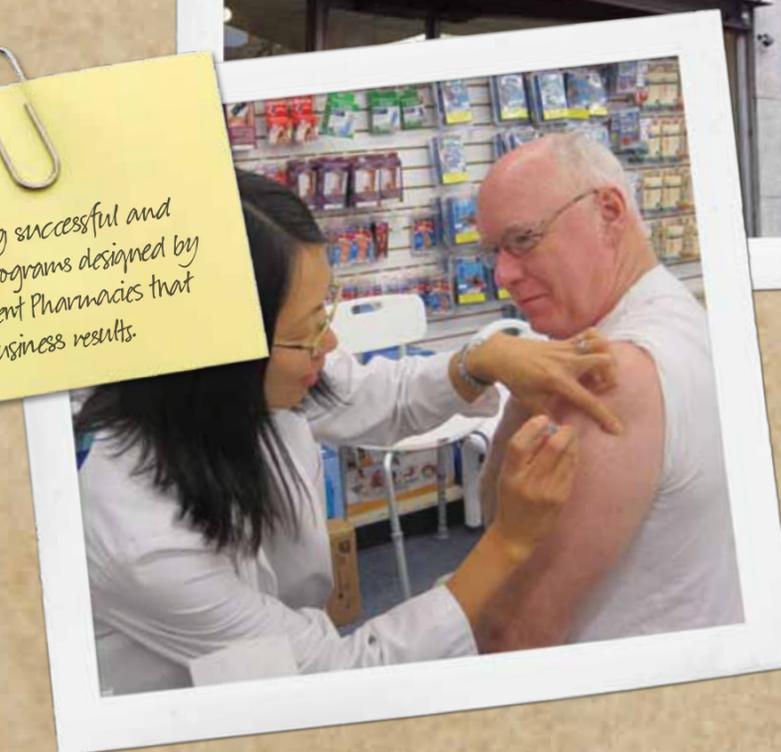


# Independent Pharmacy Best Practices 2012

Ideas as original as you are.



Showcasing successful and unique programs designed by Independent Pharmacies that deliver business results.



Independent Pharmacies across the country are recognized within the healthcare industry for the personalized care they provide to their patients and the contributions they make to their communities. By networking and sharing Best Practices, independent pharmacists can help each other be even more successful.

Cardinal Health is proud to highlight 16 pharmacies that demonstrate innovative Best Practices to improve patient outcomes, drive business results and promote community involvement.

The three Best Practices tagged with a Top Three Finalist stamp were highlighted at the 2012 Cardinal Health Annual Pharmacy Business Conference (RBC). Conference attendees voted on the winner, who received \$10,000 donated in his or her name to the pharmacy school or association of their choice.



To watch the three finalists' videos and share more Independent Pharmacy Best Practices, visit [www.myparmacyresource.com](http://www.myparmacyresource.com)

**Newsletters + Podcasts**

Island Drug  
Island County, Washington

**Teacher Immunization Program**

Reddish Pharmacy  
Nampa, Idaho

**Serum Tears**

Jeffrey's Drug Store  
Canonsburg, Pennsylvania

**Drug Awareness Program**

Medicine Place Pharmacy  
Phoenix, New York

**Family Flu Clinics**

Katterman's Sand Point Pharmacy  
Seattle, Washington

**Breast Pumps**

Ballin Pharmacy  
Chicago, Illinois

**Hospital Discharge: Project RED  
(Re-Engineered Discharge)**

The PharmaCare Network  
Western Maryland

**Independent 340B  
Administration**

Drug Mart Pharmacy –  
Home Town Drugs  
LaPine, Oregon

**Weight Management Program:  
Take Shape For Life**

The Medicine Shoppe Pharmacy  
Altavista, Virginia

**Employee  
Management + Training**

Old Main Pharmacy  
Pembroke, North Carolina

**Yearly Generic Prescriptions**

Valle Verde Pharmacy,  
Tom's Medical Pharmacy and  
Medical Pharmacy Westside  
Santa Cruz County, California

**QR Codes**

Burke's Main Street Pharmacy  
Hilton Head Island, South Carolina

**Compounding**

Jolley's Compounding Pharmacy  
Salt Lake City, Utah

**New Store Marketing**

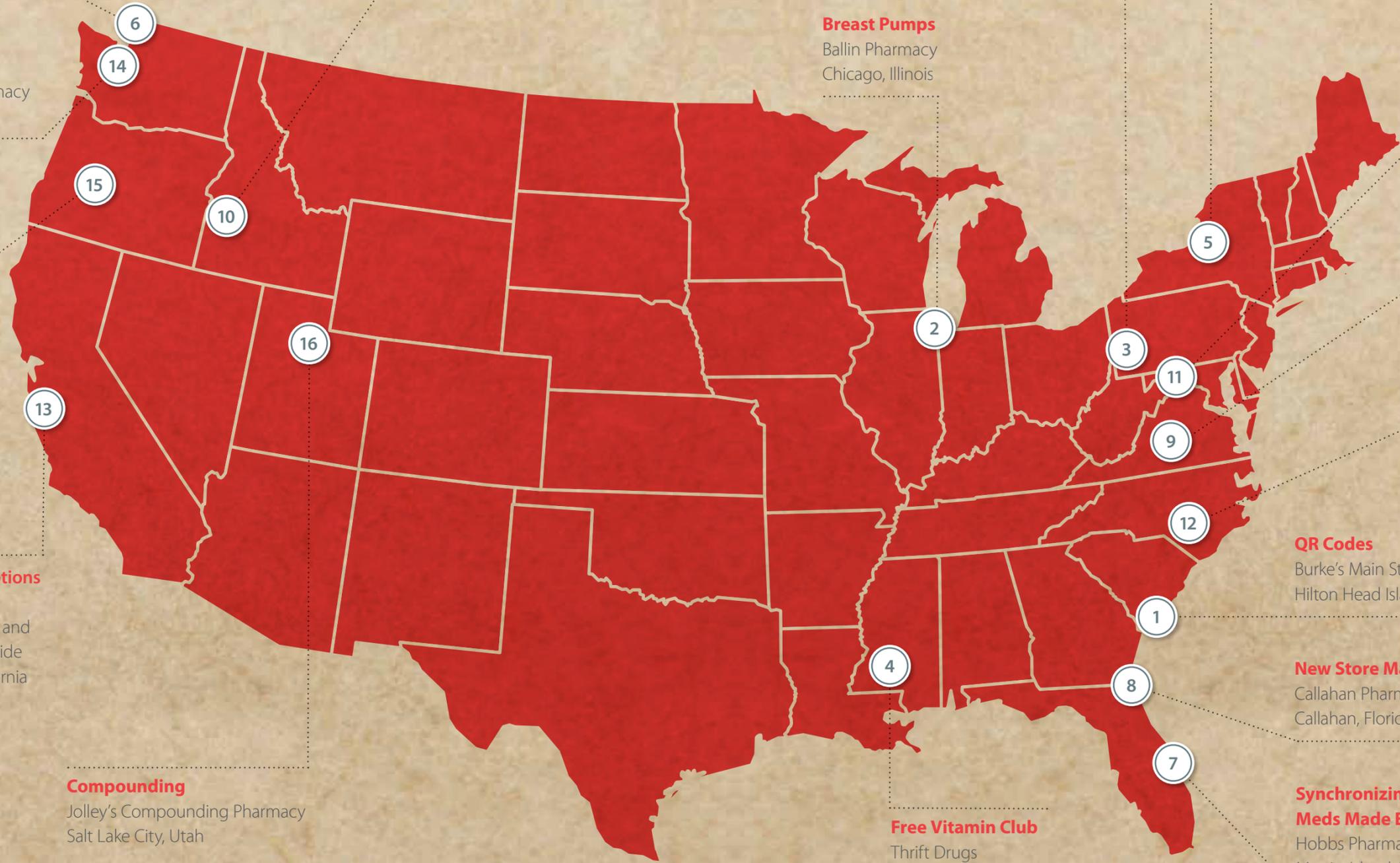
Callahan Pharmacy  
Callahan, Florida

**Free Vitamin Club**

Thrift Drugs  
McComb, Mississippi

**Synchronizing Refills:  
Meds Made Easy**

Hobbs Pharmacy  
Merritt Island, Florida



# Contents

# QR Codes

## BURKE'S MAIN STREET PHARMACY,

has been providing the Hilton Head Island area with prescriptions and medical equipment for almost 25 years. The pharmacy's motto is "large enough to serve you, small enough to know your name!" David Burke and his staff do not just serve their customers — they build relationships.



*"There is almost no barrier to entry or drawback to using these codes. Creating them is free, and my local printer made 500 QR code stickers for about \$30."*

**David Burke**  
Burke's Main Street Pharmacy  
Hilton Head Island, South Carolina  
www.burkespharmacy.com  
Years as a Cardinal Health customer: 14



◀ Snap this with your Smartphone QR app to visit [www.burkespharmacy.com](http://www.burkespharmacy.com)

**QR Code** (abbreviated from Quick Response Code) is a type of matrix barcode (or two-dimensional code). The information encoded in the black and white modules can be made up of four standardized kinds of data (numeric, alphanumeric, byte/binary, Kanji).

Below you will find out how David and his staff are using new technology to spread the word about their pharmacy and keep in touch with their customers.

### **David, how did the idea of using QR codes come about?**

In today's world you have to keep up with technology, or you're dead in the water. I attended a marketing seminar in which QR codes were discussed, and I learned that QR codes were free to set up and allowed the owner to direct the user wherever they wanted (websites, Facebook pages, etc.).

I then created two QR codes, one that went to our website and one that went to our Facebook page. We turned each QR Code into 3x3 stickers that we can stick anywhere — deliveries, correspondence, receipts, etc.

The nice thing about this was that our older customer base doesn't use our website, but they are friends on our Facebook page. I try to tailor the prescription bag receipts to the person, so our older customers receive our Facebook codes and our younger customers receive website codes. Our website also drives people to sign up for our monthly newsletter, which now has about 300 subscribers.

### **What was the initial investment required to start using the codes?**

There is almost no barrier to entry or drawback to using these codes. Creating them is free, and my local printer made 500 QR code stickers for about \$30. Our total investment, even including time, was only \$100.

### **What other ways do you use the QR code?**

We participate in many local events, from community days to food challenges. We usually distribute chili or soup in the food challenges, so we stick QR codes on each bowl that direct people to our website or Facebook page.

### **What challenges did you face with setting up your QR code?**

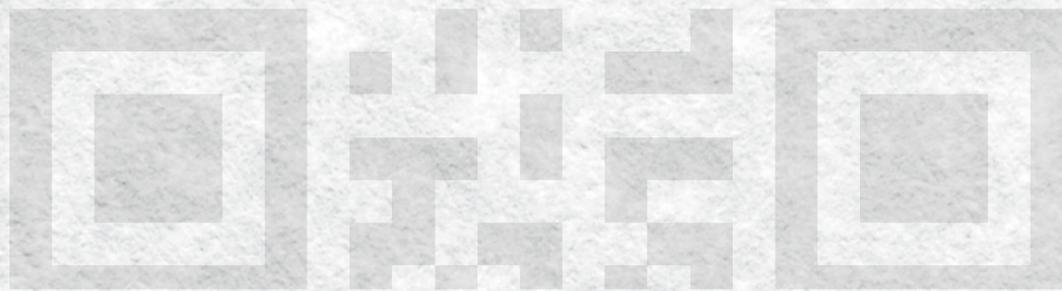
The only issue I have faced is that I made the sticker so small, once I place it on something I can't tell if it is for our website or our Facebook page. I didn't have that content put on there, and wish I would have!

### **How do you see your pharmacy using these QR codes in the future?**

I would like to have these put on t-shirts, bumper stickers and car window decals with no other text, just the sticker with the code. Making it fun for the user is what it is all about. Putting these on hearts during Valentine's Day, or Easter eggs during Easter are other ways to use this tool. There is absolutely no drawback whatsoever

### **How are these QR codes aligned with your overall marketing strategy?**

I am trying to fight the fight on all sides — a part of my customer population isn't going to use QR codes, but another part is, and this is a cost-effective way to reach those people. I am not expecting this to double my volume, but it does show people that our pharmacy is modern and up-to-date on technology, not just an old time pharmacy on the corner. We will continue using these QR codes as long as we can.



# Breast Pumps

*Bill Mattson*  
Ballin Pharmacy  
Chicago, Illinois • 773.348.0027  
Years as a Cardinal Health customer: 17

## BILL MATTSON OF BALLIN PHARMACY

has had a successful career in Independent Pharmacy. This is no easy task in downtown Chicago, where 28 pharmacies exist within one mile of his location.

Ballin Pharmacy has established a strong foundation of loyal customers by offering a wide range of products and services. Going beyond standard pharmacy dispensing, Bill has developed a niche service around breast pumps that truly differentiates him from his competition.



### **Bill, how did you identify the need for this service?**

Through networking! While attending RBC 2000, I ran into a retiring pharmacist who told me “with the neighborhood you are located in, you need to start selling breast pumps”. The market is filled with expecting mothers, so I took a chance and we are still going strong.

### **Can you describe what you have done with Breast Pumps that has made you successful?**

First and foremost, I built a relationship with Medela, a top manufacturer of breast pumps. Through this relationship, I am able to carry breast pump units that are available to rent or purchase, along with a full line of parts. Very few places carried Medela when we started, and the neighborhood dynamics are very favorable. Being able to offer a “rent” option for our customer base is a huge asset. All breast pump parts are sold at a 100 percent markup as well, which beats most of my other front-end items.

Our pharmacy also has built a relationship with three local hospitals and met with their lactation consultants, enabling us to hold small events in the hospitals for expecting mothers making them aware of our service and offering. This has been a great way to gain exposure for the Ballin Pharmacy brand!

### **What resources and connections did you need to get started?**

Leveraging the Medela sales representatives to their full potential was a big help. They essentially marketed the service for us. These reps are already out there selling these products in the hospitals, so we leveraged them to get into hospitals and speak to the lactation consultants and doctors.

Speaking to the consultants and doctors, we realized that once a new mother is comfortable with using a certain brand (Medela), they want to continue using that same brand, and the doctors then know to refer them to our pharmacy. Medela also provided rebates at the start of the process which allowed us to ensure a fair price for the customer.

### **How have you worked with and educated your staff to help support this service / practice?**

It circles back to that “partner” relationship. Medela provided initial training classes for our entire staff. In addition, our pharmacy is lucky as we have low turnover. Being a family-run pharmacy has reduced the need to do extensive training. However, all of our staff members are able to help customers with the breast pump products and answer any questions. There are times when we staff extra people in the pharmacy to ensure that someone is always there who can talk to a customer about the pumps.

### **Is this effort focused more on retaining current patients or attracting new patients?**

It is all about attracting new patients! There are many working mothers in our neighborhood who breast feed, and they socialize frequently. Word-of-mouth is huge among new mothers, especially in online communities. The young mother is extremely web savvy and uses social media to share her feelings. We work hard to make sure these moms are happy with the product and our service so the expecting mom listening will put her trust in our pharmacy.

### **What challenges did you face in implementing the breast pump business?**

About 4 years in, a major setback hit when a baby boutique selling similar products opened up 900 ft away from our pharmacy. Our staff took this negative and turned it into a positive over time by offering more comprehensive services.

### **How are you measuring the impact of this service / practice?**

We measure everything by purchase dollars. We know that if we have a steady ordering stream of product, then sales are doing well. Keeping track of inventory is crucial!

### **How long do you see yourself providing this service?**

As long as nursing is popular and women are working, breast pumps are going to be around. This service is in high demand, so Ballin Pharmacy is happy to offer it to our new mothers.

**Sterile Compounding:**

# Serum Tears

## JEFFREY'S DRUG STORE

is a family-owned pharmacy with a robust core business, filling 1,300 prescriptions weekly. Owner Gerry O'Hare has worked for the past 15 years to provide unique services to his customers, and has leveraged the pharmacy's sterile compounding capability to produce Serum Tears eye drops.

Read on to learn how Serum Tears eye drops provide Gerry with a profitable niche business that enhances patient care.

*Gerry O'Hare*

Jeffrey's Drug Store  
Canonsburg, Pennsylvania  
www.jeffreysdrugstore.com  
Years as a Cardinal Health customer: 13

*"If a pharmacy has sterile compounding capabilities, there is essentially no additional investment!"*

### **Gerry, what is Serum Tears?**

Patients who go to the eye doctor for dry eyes are usually prescribed Restasis. However, Restasis just doesn't work for some people, and it doesn't heal damage done to eyelids before treatment. For these types of patients, an ophthalmologist will prescribe Serum Tears, a solution produced from their own blood cells.

Once Serum Tears is prescribed, patients get their blood drawn at Canonsburg Hospital, our partner for this service. The hospital centrifuges the blood so the red cells are on the bottom and white cells are on top, and then delivers that to the pharmacy. We extract the white cells and mix them with saline in our sterile compounding environment. Once we have the solution, we dispense it to the patient with instructions to begin using one vial and freeze the remainder. From what we have seen, this treatment solves the problem of dry eyes better than any other method.

### **What return do you get on providing this service?**

We cannot bill insurance since there is no drug involved, so everything is based on cash pricing. We charge \$200 for the service, which is the lowest price among the pharmacies in our area (some of which charge up to \$500).

While we are in an underprivileged area where demand is not that high, we are currently doing 5 to 10 Serum Tears prescriptions per month. There is almost no additional work required of the pharmacy — we get an extra \$1,000 to \$2,000 every month for three total hours of work.

### **How are you marketing your Serum Tears service?**

We market directly to the local eye doctors who are prescribing this treatment. There is no national database for this service, but we know the local doctors and it seems that every ophthalmologist is now looking for someone to do this. We also partnered with the local hospital to transport the blood, so the patient doesn't have to wait in the pharmacy for 20 to 30 minutes while we compound the product.

### **What challenges did you face in implementing this service?**

We already had the sterile compounding equipment, so our biggest challenge was figuring out how to dispose of the blood. It is important to contract with a company to manage the disposal safely; we work with Stericycle for a nominal fee on top of our standard waste disposal.

### **What was your initial investment?**

A pharmacy must have sterile compounding capabilities to perform this service. For a pharmacy that already has those capabilities, there is essentially no additional investment.

For someone thinking about sterile compounding, the first step would be making the \$10,000 investment required to set up a clean room. Adding a clean room opens up a whole range of compounding services to a pharmacy, and has enabled us to do 1,600 compounds per month.





# Free Vitamin Club

*"The private label bottles put my pharmacy brand in patients' hands and on their shelves."*

## PHARMACIST MARTY BIGNER

is entering his fifth year as owner of Thrift Drugs, which offers compounding, durable medical equipment and vaccinations in addition to core prescription services.

Marty is always searching for ways to improve his patients' health, work with the local community and strengthen his business. The Free Vitamin Club he has implemented at Thrift Drugs is designed to address all three of those needs, and has produced very encouraging results in its first year.



### **Marty, how did the Free Vitamin Club get started?**

The idea for this program came out of a conversation with another pharmacist at the American Associated Pharmacies (AAP) Annual Conference. I got started in the summer of 2011 by contacting Mason Vitamins, as they have been known to provide private label vitamins customized for individual pharmacies.

### **How do you operate the program?**

I order children's chewable vitamins with a Thrift Drugs private label — each bottle costs me 89 cents.

Parents need to enroll their children in the Free Vitamin Club to begin receiving vitamins at no cost. When I receive an enrollment, it is entered into my pharmacy system just like a prescription for an over-the-counter item. By doing so, I track "refills" and ensure that nobody is abusing the program by coming in more than a few days early.

The private label bottles put my pharmacy brand in patients' hands and on their shelves.

### **Are there any restrictions on the program?**

The age range for this program is 2-12. Kids should begin taking adult vitamins after age 12, but there are times when I get interested parents with older children. I have to explain to those parents that the free vitamins would not be sufficient for children over 12 years of age.

### **How do you market this program in your community?**

I place ads in the local newspaper and on the local radio stations, advertise the program on my storefront sign and use signs and flyers that Mason Vitamins sends along with their private label shipments.

I also go to local health fairs and set up tables with bowls of candy. When kids come up to take some candy, I hand them flyers and ask them to take the flyers back to their parents.

### **What have been the results?**

As of February 2012, there were 287 children on the program representing more than 100 families. About half of those families had not been in our pharmacy before, finding out about the program through our marketing efforts.

### **How has your staff been involved?**

They love the program — 30 percent of the patients currently on the program were signed up based on conversations with my staff.

### **What are your future goals for this program?**

I would like to work with the local Boys and Girls Club and with the local school board to promote the program. Working with those organizations has a lot of potential not only for our pharmacy, but for our community as well.

### **What advice would you give to a pharmacist looking to implement this program?**

This program was surprisingly easy to implement. Proper staff training is important, as they have to believe in the program and understand how to administer the forms and pharmacy systems. I made a simple form with all of the information we need to enter into our pharmacy system, and then trained the staff on how to process those forms.

Overall, the program represents a very small expense (89 cents per child per month, for a total of \$3,000 a year) that is easily outweighed by the new business it brings and the loyalty it creates.

THE NATION'S FASTEST  
GROWING DRUG PROBLEM  
IS NOT ON THE STREETS,  
IT'S IN OUR MEDICINE CABINETS.



# Drug Awareness



# Program

*David  
Dingman*

Medicine Place  
Pharmacy

Phoenix, New York

Years as a Cardinal Health customer: 5

David Dingman of Medicine Place Pharmacy in Phoenix, New York identified this as a problem in his village, and he needed to address his community's concerns and create awareness.

Teaming up with the village of Phoenix, David and his staff have implemented a Drug Awareness and Testing Program that helps spread the word about prescription drug abuse.

#### **David, how did the Drug Awareness Program start?**

The Village Board recognized that children were being harmed by drug abuse and that something had to be done. We have a very tight-knit community, but like many areas, we had a running problem with prescription drug abuse in our high schools. Our police chief would often pull pills out of lockers, and I would help identify the medication.

Two years ago, I joined forces with the mayor and the village of Phoenix to try to address the problem. We talked about several options, including reclamation days, and decided to offer free drug testing kits in order to open the discussion and bring as much awareness as possible.

#### **Why were drug testing kits chosen?**

We wanted to use a tool that would open up the discussion between parents and children. Anyone can go into an auditorium and talk to kids about drug abuse, but personal involvement is critical. The message doesn't come across as seriously as it should if you're talking to a large group of teenagers, but when parent/child discussions are initiated, both parties become aware of how serious this issue really is.

#### **How was the Drug Awareness and Testing Program implemented?**

The village secured the kits through donations, including from our pharmacy. The kits were obtained from Executive Investigation and Testing Services (eitsinvestigations.com). Medicine Place Pharmacy acted as a distribution point for the kits, since there needed to be a place where the public could have convenient access. We kept no records of who picked up kits, and the police chief was behind that approach — the intent was to start discussions, not track who was asking for a kit, and the chief didn't want his presence to be a deterrent.

#### **What type of feedback did you get?**

About 90 percent of the parents who walked in the door had the deer-in-the-headlights look — they were scared, didn't know how to address the issue with their child and already suspected their child of abusing prescription drugs. There is a lot of counseling that goes along with this, and being a parent myself helped me have those discussions. I would also offer to talk to someone over the phone if they were uneasy about talking in person.

There were some naysayers who felt that it was an invasion of privacy, but ultimately, I had no way of knowing how many of the kits ended up being used. I cared more about parents having the conversation and enabling their children to make decisions based on good information, rather than misinformation they are getting online or from their peers.

I also ended up being contacted by KNOW, a company in Florida that manufactures EZ To Use Drug Tests. These kits have a magnetic backing so they can be placed right on a refrigerator door, which can be a great conversation starter with teens. They had heard about what I was doing through the news, told me they wanted to help and sent me about 40 of their kits.

#### **How has this program impacted your business?**

While we have no way to quantify the impact since we intentionally kept no records, our pharmacy became a lot more visible at career days and other community outreach events, and we have had more engagement with people in the community approaching us with questions. Those opportunities wouldn't have been available otherwise.

As an independent pharmacist, I don't have to work backwards from a certain bottom-line number — I do what it takes to get the job done. This program helped make our pharmacy more trusted and approachable, and demonstrates the level of personal service we provide.

#### **How did you involve your staff?**

Educating our staff was crucial as they needed to know about the program in order to handle and communicate with patients coming into the pharmacy. They also had to help catch those who tried to abuse the program by picking up multiple kits, even if they had no children (we found that some people would take multiple kits to use for personal drug testing).

#### **Do you see yourself making another push for kit donations?**

Yes, although distributing the kits gave us connections to get engaged in other efforts (such as medication takeback days) that we are focusing on currently.

#### **What advice would you give to another pharmacist looking to get involved in a program such as this one?**

Don't be afraid to fail. If it's a monetary issue, it doesn't take a lot to make a phone call. Every time there is an election, I sit in on a village board meeting and introduce myself to the new members, offering my services. That takes a half-hour, and it helps build relationships within the village. It's helpful to not only have the personal connections, but the business ones as well.

## THE GOAL AT ISLAND DRUG IS SIMPLE: MEET PATIENTS' NEEDS AND PROVIDE THE BEST CUSTOMER SERVICE POSSIBLE.

Aaron Syring and his staff are taking customer service to the next level by providing weekly newsletters and podcasts that keep their patients informed about events in the pharmacy and in the world of healthcare.



*Aaron Syring*

Island Drug  
Island County, Washington  
www.islanddrug.com  
Years as a Cardinal Health customer: 4

# Newsletters + Podcasts

### **Aaron, how did you identify a need for this service?**

When we bought our first pharmacy in 2004, we needed a way to communicate effectively with our customers. We started collecting emails at the register when patients picked up their prescriptions, and our email database has grown from a few hundred at the start to around 4,000 among our three stores.

### **What is the content of the newsletters?**

Every week we send out a short email announcing pharmacy specials, new programs and pharmacist podcasts. Our podcasts feature one of our pharmacists speaking on specific topics that he or she chooses, which often tie in to national or local events. For example, when H1N1 was having an impact, we were able to provide flu shot information through the newsletter — within five minutes of sending out that communication, we had people in our pharmacy.

### **How does your staff play a role?**

I play the editor role, but all our pharmacists and front-end staff are involved and can submit items throughout the week. After the content is submitted and any specials are entered into our POS (Point of Sale) system, I review everything before we send it to our customers. We have produced a newsletter once a week for the past seven years, and that regular cadence has given us a sense of discipline to make sure we constantly put out new, fresh messages. The culture within our team has been built so everyone knows that if they want to communicate something to our customers, they need to place it in the newsletter.

### **What technology do you use to produce the newsletters?**

We design the newsletter in-house. I personally have done the Hypertext Markup Language (HTML) coding for six of the past seven years. We just hired a cashier last year who has a degree in design, and she now does the design work and prepares the HTML. I then edit and send it out.

The email distribution list originally lived in an Excel spreadsheet, but we now use ConstantContact.com. For \$50 per month, that service provides reporting on the newsletter's performance and enables our customers to subscribe or unsubscribe automatically and safely without risk of getting spam. We use their reporting to track how many people open each newsletter (open rate) and how many people click on items within the newsletter (click rate).

ConstantContact also provides benchmarking data, so we know that we are consistently right around the industry average of 20 percent open rate. Changes in that rate tell us how effective our subject lines are. We have found that the most effective subjects either include the word "FREE" or mention very timely topics, such as product recalls or flu shots.

We are also able to display information and ads from the newsletter on the customer-facing side of our POS system, so people who read the newsletter and then visit the pharmacy see consistent messaging.

### **How do you produce the podcasts?**

Once a week, a pharmacist from one of the three stores picks a topic and will speak to it on the podcast. This keeps the pharmacist fresh and educates our patients. We record the podcast using a standard microphone that can plug into a computer, and using software called Audacity (<http://audacity.sourceforge.net>). Along with the podcast, we post the transcript so the patient can read along or read at a later time.

### **How does this newsletter affect your patient relationships?**

Once we get a patient's email address in our system, the newsletter does a good job of educating patients about all aspects of our pharmacy. It helps bridge the front and back of store very well, as we use it to cross-sell our own services. This includes our flu shot service, which continues to grow each year. The newsletter allows for tremendous retention of flu shot business and conversion of those patients to full pharmacy customers.

Recipients see Island Drug in the subject line of their emails every Wednesday, so whether they open it or not we are getting some free advertising. We also push the newsletter topics out to our Facebook and Twitter pages.

### **What was the initial investment for this newsletter?**

Besides putting in a little time to get this off the ground, there was no money involved at all. When we first distributed the newsletter we used Microsoft Outlook, so there are many delivery options even if a pharmacy does not have the budget for a third-party service.

### **What challenges have you faced?**

The challenges are learning something new and figuring out the best way to utilize it. I love learning new things, and we are always looking for new ways to create tangible benefits for our patients.



*Jessica Beal*  
Hobbs Pharmacy  
Merritt Island, Florida  
www.hobbsrx.com  
Years as a Cardinal Health customer: 6



## HOBBS PHARMACY

first opened its doors in 1964 to serve the astronauts, engineers and their families that moved to Merritt Island, Florida with the expansion of the space program. Over the years, Hobbs Pharmacy has thrived by diversifying and implementing new services for its patients. Pharmacist Jessica Beal manages one of their newest services, Meds Made Easy, which provides multiple benefits to patients and the pharmacy by synchronizing refills.

### **Jessica, what prompted you to explore a program like Meds Made Easy?**

We were trying to figure out a way to manage our high script volume patients (those with 15-20 scripts) by synchronizing their refills. Previously, such patients had to call the pharmacy for refills almost every day, making it difficult to manage our internal workflow and forcing them to make multiple trips each week. Many of these patients were also confused about their medications.

The key was to do something more than an automatic refill service, as patients using those services may still need to come in three or four times per week — we wanted patients to come in once or twice per month.

### **How did you implement this program?**

We began piloting the idea in early 2011 by working with five of our more complex patients who have difficult medication regimens. After starting those patients on the program and seeing the benefits, we expanded to all patients.

Since synchronizing a patient's refills involves some partial fills, we ask them to count all of the pills that they have on hand or bring all of their pills into the pharmacy. This process can take anywhere from 5 to 45 minutes, depending on the number of prescriptions.

We then match up the dates for their next refills based on their most expensive co-pay. For example, if a patient is on two brand medications that could be filled on the same date, we match everything to that date to avoid having to partial fill an expensive drug.

After printing out a report with all of the pill counts, we then go to the prescribing doctors and ask for prescriptions to fill the gaps (typically for 10-14 pills). We explain what we are doing along with that request, and all of the doctors are very appreciative of our efforts to try to keep patients on track.

### **How do you track patient refill schedules?**

We use Microsoft Outlook as our tracking system, setting recurring calendar reminders every 30 days (or 90 days for some patients). These events contain each patient's prescription number and medication list, and are set to occur five days before refills are due. As changes occur to a patient's regimen, we can easily update the details of the event.

### **What is your process when a patient's reminder comes up?**

When the event comes up, we call the patient or caretaker who manages the medications and ask if there have been any changes, recent doctor visits or hospitalizations, and update our records accordingly. We then call the doctor to get any new prescriptions or refills that are needed, and make sure that everything matches — occasionally, patients have been prescribed medications that they never filled, and those cases get caught by this process.

Because we call the patients five days prior to the refill date, we have enough time to work through these issues, along with any prior authorization or insurance issues that arise. All of the patient's prescriptions are then filled on the day before they are due, giving us time to order and receive any out-of-stock product by the time the refills are picked up (**increasing our service levels**).

### **What other benefits have patients and doctors realized from this program?**

Meds Made Easy enables us to better identify adherence issues and improves our communication with doctors. When patients on the program call to tell us that they are out of medications, we know that they are taking those drugs more frequently than prescribed. On the other hand, if patients tell us that they do not yet need refills when we make our regular follow-up calls, we know the patient is not taking enough or is skipping doses.

Both of these cases prompt us to alert the doctor and confirm the correct dosage. Based on that conversation, we can either obtain an updated script (if the doctor did not send one to us) or educate the patient on the correct way to take the drug.

### **How has Meds Made Easy benefited your pharmacy business?**

We receive fewer phone calls, have fewer deliveries and have much more predictable inventory needs. We also avoid ordering high-dollar meds until the day before the scheduled refill, helping us minimize our inventory costs.

We are still trying to figure out how to precisely measure the cost savings, but the time savings has given us the capacity to offer other services. In terms of growing our patient base, at least 25 of our patients have come to us because of Meds Made Easy, and those patients typically have 12-15 prescriptions.

### **Are there any patient fees or criteria for this program?**

No, we offer the program free to everybody. Even if a patient only has one medication but struggles with remembering to get it refilled, we will add them to the program, as it saves us time and provides value to the pharmacy and the patient.

### **How have you marketed Meds Made Easy?**

One of our biggest markets has turned out to be the so-called "sandwich generation" — the 40- to 50-year olds who serve as caretakers for both their parents and their children. That generation is trying to manage their parents' medications while still maintaining their own lives, so Meds Made Easy works very well for them. We can call the children / caregivers and let them know we will deliver or have their parents' medications ready the next day, so they only have to make one trip to fill the pill box.

To better target this demographic, we have started going to Moms' groups, churches and health fairs. We also advertise by placing signage within the pharmacy, placing flyers in our prescription bags and posting on our Facebook page.

Meds Made Easy has also given us an entry point to assisted living facilities and independent living communities for seniors. Nurses at these facilities like it because it enables us to provide feedback on their patients and reduces the number of deliveries required. We have been able to secure a couple of long-term care contracts as a direct result of this program.

We also have a part-time marketing person who promotes our compounding services to local doctors, and she is now also equipped to talk to doctors about Meds Made Easy.

### **How does the pharmacy staff help support the program?**

Our lead pharmacy tech is able to set people up on the program, so she backs me up when I am unavailable. When interested patients talk to other members of the staff, they collect as much of the necessary information as possible; we do still ask that they set up an appointment or phone call with our tech or with me to go through the full details.

### **What resources or connections did you need to get started?**

There was very little required to get started. From a technology standpoint all we needed was Microsoft Outlook. We did need a pharmacy tech who understood the ins and outs of insurance issues with partial fills, but that tech does not have to spend their full work week on Meds Made Easy. The overall time required to manage the program runs between 1-4 hours per day.

### **Have there been any drawbacks?**

We have had some patients who don't like the program — they want to fill what they want, when they want. Out of about 70 patients who are on Meds Made Easy, around 5-10 patients have dropped out.

Also, it can be difficult when patients return our calls when neither our lead tech nor I are in the store, so you do end up playing some phone tag.

### **What are your goals over the next few years?**

One of the markets we are still trying to get into is our local AIDS doctors, since compliance is so critical to the effectiveness of HIV drugs. We have worked with a couple of their patients and spoken to the nurse practitioners, and they like the program so far.

Some of our Meds Made Easy patients who have been hospitalized have called to tell us that they are in the hospital and are getting discharged. The hospital can then provide us with discharge orders, enabling us to update their records and reconcile any differences in their medications before and after hospitalization with the prescribing physicians. This has led us to explore additional ways in which we can work with local hospitals and regional health plans on discharge and compliance.

That work has begun with one of the health plans, as we asked them to tell us which of our current patients are hurting their star rating due to non-compliance. Those patients have been enrolled in Meds Made Easy, and both the health plan and the patients agree that it has been beneficial. We are now trying to determine how to bring patients who do not already use Hobbs Pharmacy onto the program in a HIPPA-compliant manner, and how to help the health plan measure results.

# Synchronizing Refills: Meds Made Easy



# New Store Marketing

CALLAHAN PHARMACY WANTS TO PROVE THAT YOU CAN HAVE OUTSTANDING CUSTOMER SERVICE AND STILL MAKE A PROFIT. READ ON TO LEARN HOW ABDALLA ADAM HAS GROWN A SUCCESSFUL BUSINESS BY EXEMPLIFYING THE PRINCIPLES OF COMMUNITY PHARMACY.

## **Abdalla, how did you begin making connections and promoting your pharmacy?**

I started by joining the local Chamber of Commerce, which advertised me as one of its members. Since there were many small business owners who were also members, I offered them deals including delivery to their locations and financial assistance for employees without prescription plans.

## **What is your overall marketing strategy?**

Supporting the community is my primary strategy. In a small community like Callahan, everybody knows everybody, so I have been able to direct funds towards community efforts that would have to be spent on advertising in a bigger city. Many of my efforts have involved working with local schools, churches and libraries.

**Schools:** When I first contacted the Callahan school board in 2010 and mentioned my interest in supporting the community, the teachers said that they run a program called All Pro Dad that hosts educational breakfasts on the importance of parenting. I came to an agreement with the local Wendy's that I would pay for these breakfasts if they gave me a discount on the food. This sponsorship enabled me to establish new patient relationships with parents.

The following year, the government in Florida cut the school budgets so they could no longer afford the fluoride mouthwash that they had always provided to the elementary and middle school students. The school told me that it would cost about \$1,200 annually to administer this program. I encouraged two national chains to split the cost of the program with me, and I wrote a check for \$400 to the school for my share. As a result, the school wrote an article about me in their welcome newsletter and placed a notice on the school board website telling people to do take their prescriptions to Callahan Pharmacy.

This was a real breakthrough — thanks to this effort I now dispense the majority of the childrens' prescriptions in the area, especially for ADD/ADHD.

**Churches:** When Thanksgiving came around in 2010, I contacted two small churches (who had not previously even heard of Callahan Pharmacy) and offered to buy 10 dinners for needy families, costing about \$250. At the dinner, 11 members of the church came forward to thank us for pledging the money, and they ended up transferring a total of 50 prescriptions to my pharmacy.

Then, following the suggestion of a local newspaper (the West Side Journal), I took one Sunday per month to go to a local church and perform in-person medication reviews. These reviews focused on educating people about the importance and effects of the drugs they are taking and helping them understand what they needed to ask their doctors. This was great publicity for Callahan Pharmacy, and visits to four local churches brought in about 25 new patients, each of whom averaged 11 prescriptions.

**Libraries:** I purchased a small business membership in the local "Friends of the Library" program, giving me visibility at the front of the library. The following year, when the library could not afford to provide Internet service on its own, I contributed \$650 to help maintain that service. As a result, signs were posted at all of the library's computers thanking Callahan Pharmacy for the support.

## **What has been the overall impact of these efforts on your business?**

While I don't have a lot of signage or traditional advertising for my pharmacy, using these techniques has helped me start from scratch to now filling 200-220 scripts per day. I have been named Member of the Year by our Chamber of Commerce two years in a row, and the two newspapers in the area have written a combined 12 articles about Callahan Pharmacy and the positive impact Independent Pharmacy has on the community.

In February 2012, we were chosen as the Business Partner of the Year by Callahan Elementary School. We saw an immediate jump in our script totals during the following week, averaging over 250 scripts per day.

*Abdalla Adam*  
Callahan Pharmacy  
Callahan, Florida  
Years as a Cardinal Health customer: 2

In early 2010, Abdalla Adam learned through his Cardinal Health Pharmacy Business Consultant that there was not an Independent Pharmacy in Callahan, Florida. The community had showed interest in welcoming such a pharmacy, so Abdalla opened Callahan Pharmacy in May of that year.

GREATER NASSAU COUNTY  
CHAMBER OF COMMERCE

The Greater Nassau County Chamber  
Proud to Present "Member of



Callahan Pharmacy is an independently owned community oriented, price oriented, and service oriented business. We offer a wide variety of services, including Medicare, Medicaid and other insurances, and their generic price. You will feel the difference when you use the pharmacy. They take time to get to know your needs and treat you as an individual. They take time to get to know your needs and treat you as an individual. They take time to get to know your needs and treat you as an individual. They take time to get to know your needs and treat you as an individual.

Callahan Pharmacy joined the Greater Nassau County Chamber of Commerce soon after opening for business. In the past year they have been a sponsor and a fund raising event we have presented. They are committed to our Community. We are proud to have the Callahan Pharmacy as our "Member of the Year."

Located at 450077 State Road 200  
Callahan, Florida  
Phone # 904-628-0365 Fax # 904-628-0360



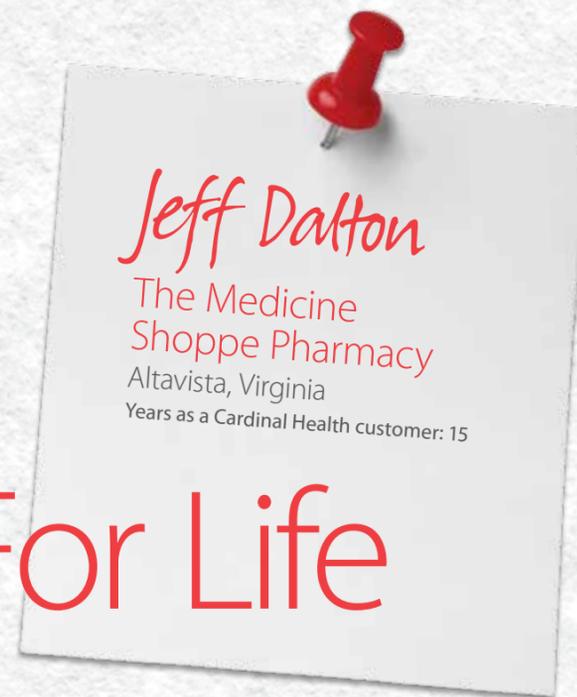
Owner & Pharmacist, Abdalla Adam & Our 2011 President, David Cobb



# Weight Management Program: Take Shape For Life

AS A VITAL MEMBER OF THE SMALL COMMUNITY OF ALTAVISTA, VIRGINIA, PHARMACIST AND MEDICINE SHOPPE FRANCHISEE JEFF DALTON IS ALWAYS LOOKING FOR WAYS TO IMPROVE THE OVERALL HEALTH OF HIS COMMUNITY WHILE GROWING HIS BUSINESS.

Read on to learn how Jeff has taken ideas developed by networking with other pharmacists and successfully implemented them in his own pharmacy.



## **Jeff, how did you get started with the Take Shape for Life program?**

We held diabetes education classes in our pharmacy, and I was looking for a way to help our patients with one of the key aspects of managing diabetes, weight management. At RBC 2010, I happened to speak with another Cardinal Health customer who had implemented the Take Shape For Life program and they recommended it to me.

My wife and I started on the program ourselves, and were amazed with our own results, so we decided in October 2010 to offer the program in our store. We already had some word of mouth about the program since people had seen our personal results, and when New Year's Resolution time came around in January 2011, we got another influx of patients.

There was a lot of natural growth via word of mouth over the first few months as people began to notice how differently they felt, and soon the area doctors took notice of what was going on and asked their patients about the program. I began to receive phone calls from doctors who were excited by the progress they were seeing in patients' lab results due to their weight loss, so they are now sending patients with weight loss needs to us. This gave us new patients, but also improved our rapport with area doctors.

Through these methods, the program has really become the talk of the town!

## **How many patients have joined the program?**

At first, we had about 2-3 people who had just asked us what we had done for ourselves to lose weight – we peaked at 70 patients, and currently have 40-50 in the program. At the peak, we had so many people involved that we needed to get some help, so some of the more engaged patients became "health coaches" (those who administer the program for others) themselves. The program took off much more quickly than we expected, so we had not planned for that exact scenario — in retrospect, we might have planned differently, but we were able to obtain enough help.



## **What are the core components of the program?**

While we often describe it as a weight loss program, it is really about making lifestyle changes. For the patient, it incorporates Medifast meals, nutrition education, healthy habit development and personal coaching sessions. The program provides a clear, consistent method for health coaches to deliver the training and information, and there is a required competency exam for coaches 30 days after beginning. Compensation for health coaches is issued weekly based on clients continuing to purchase the Medifast meals.

## **What resources are required to begin with this program?**

The Take Shape For Life program isn't designed to take a lot of time. When someone starts the program, our staff helps them set up their first meal replacement order. Then, for the next three or four days, we give that person a five-minute phone call to support them through that process – patients typically feel a little tired at the beginning as their bodies adjust to the change in diet. Once their bodies switch over to a fat-burning mode, you can hear the increased energy in their voices. At that point, we switch to weekly five-minute calls to get a patient's weigh-in — they do not have to come into the store, although we have scales setup if they prefer.

In total, each established client requires about 20 minutes a month. Time can become a factor with a large number of clients, but I would recommend getting a staff member who is interested to help out if needed.

The coaching kit is \$199, with the option to purchase additional promotional materials like business cards. There is a cost of \$30 every six months to maintain your coaching status, and an optional \$15 fee every three months to have a newsletter produced that you can distribute to your patients. The fee to maintain your coaching status also includes a custom website (mine is <http://jeffdalton.tsfl.com>).

The program provides you with a file folder system to keep track of patient information, although I took it upon myself to build a database with that information instead as I am more comfortable with using a computer than with using paper files.



*"While we often describe it as a weight loss program, it is really about making lifestyle changes. For the patient, it incorporates Medifast meals, nutrition education, healthy habit development and personal coaching sessions."*

## **How has this program impacted your pharmacy business?**

Over 50 percent of the patients who joined this program were not originally customers of my pharmacy. I have picked up more new business through Take Shape For Life than through any other single program that I have run. As a side benefit, through referrals to family and friends, I have been able to coach patients from outside my area (including from other states) since the coaching and weigh-ins can be done over the phone.

The only "downside" in terms of prescription volume is that some patients may be able to reduce their weight-related medications.

Overall, Take Shape for Life has given our pharmacy business a boost at a critical time.

## **Is your staff involved in the program?**

My wife and I basically handle the program on our own. The pharmacy staff was very skeptical at first, but after seeing the number of success stories that we have had over the past year and a half, they have started to become more engaged.

## **What are some potential drawbacks to implementing this program in a pharmacy?**

While it's a good problem to have, having over 70 patients required an overwhelming amount of time, so encouraging successful patients to become coaches themselves was critical. It is also easy to wander off in your discussions with patients and take up more time than was intended.



# Teacher Immunization Program



Established in 1976,  
**REDDISH PHARMACY**

is a family owned pharmacy in Nampa, Idaho that has received many awards for their service to the profession of pharmacy. Owner Kevin Reddish and his staff are dedicated to providing their patients with the service they expect and deserve.

**The immunization program that Kevin runs for employees of his local school district is one of the newest ways that Reddish Pharmacy shows its dedication to customer service.**

**Kevin, how did you get started providing immunization services for the local schools?**

We jumped into the immunization business after getting certified at RBC 2010. For that first year, we projected that we would need 200 vaccines for regular customers. We also secured a contract with a local senior center, who informed us that they would need another 100 vaccines.

Unfortunately, only 10 patients from the senior center ended up attending our flu clinic, so we needed to find a way to dispense the remaining vaccines. This issue was a blessing in disguise, as I was stuck with extra doses and needed to get rid of them.

Our pharmacy has several patients who are teachers at the local school, and had missed the flu clinic offered at the school. Since I had extra vaccines available, I contacted the schools closest to the pharmacy and offered to do another clinic. The nurse at one of those schools informed me that their current flu clinic provider was an out-of-town pharmacy that only provided five clinics for our 27 local schools.

After receiving that tip, I contacted the school district office and started working with their head nurse. I explained to her that I own a local pharmacy, have children in the local schools and support many of the district's programs, and asked if I could get the business.



*Kevin Reddish*  
Reddish Pharmacy  
Nampa, Idaho  
www.reddishpharmacy.com  
Years as a Cardinal Health customer: 9

The schools were on board and gave me the business. Since availability of the clinics was an issue before, I offered to do a clinic for any school that would have a minimum of 20 teachers, staff and family members. To my surprise, the head nurse ended up booking me for 25 flu clinics over the course of a month and a half. Based on her predictions, I pre-ordered 400 doses for the schools and 200 for our regular customers.

By the end of the season, we had used all of our vaccines and had to reorder an additional 250 doses — we increased our vaccine business from 200 to over 850 in the span of just one year, mainly due to the business we gained from our local school district.

**How have you marketed this service?**

A month before the clinics began, we created laminated posters advertising the flu clinics and posted them alongside sign-up sheets in the teachers' lounge of each school. Coincidentally, the school district's pharmacy benefits were through Express Scripts and many of the teachers went to Walgreens, so we took the opportunity to try to earn the teachers' prescription business as well.

To encourage signups for the auto-fill program (called the Total Convenience Plan), we explained on our posters that for teachers only, we would do monthly deliveries of their completed orders directly to the school for free. The Total Convenience Plan started two years ago, and now has about 250 patients enrolled.

**What supplies were required for you to get started?**

I created my own traveling immunization kit with everything that I needed for a clinic. Before each clinic, I prepared a Ziploc bag for each immunization containing a cotton ball, an alcohol swab, a band-aid (with the outer wrapper removed) and a prepared syringe. We did have a large number of walk-ins (15 at one location), so I took an extra 20 doses to every clinic.

A portable partition comes in handy because even though all of the pre-registration materials reminded patients to dress accordingly, at least one person at each location wore a long-sleeved shirt that was not loose enough to allow access to the upper arm. The partition created a professional appearance and provided the extra privacy needed by patients who had to remove their shirts.

I learned the hard way that pre-filled syringes are a must, even though they take up more fridge space. The time required to draw up 40 or more syringes each night for the following day's clinic was not worth the small savings.

**How did you manage registration for the clinics?**

I created a sign-up sheet that I gave to each school, asking them to fax the sheets back two days prior to the clinic. The sheet asked for each teacher's name, date of birth and phone number. With that information, I was able to use my pharmacy system (Rx30) to look up their insurance information. This meant that the billing was completed by the time we arrived at the school, so if any claims did not go through for some reason, I could highlight the patient's name on the sign-up sheet and collect the needed information at the clinic.

This was a huge time-saver at the clinics, and it also enabled us to mention to the clinic patients that they were already "in our system", so it would be very quick and easy for them to bring prescriptions to our pharmacy.

**How involved was your staff in the immunization process?**

Our pharmacy business is usually slower in the evenings, so I had one of my techs prepare the Ziploc bag kits. The location of each clinic was written on our pharmacy's dry-erase calendar, so a tech would also call each school two days beforehand to collect the sign-up sheets. I did most of the billing last year because we were shorthanded at the time.

At the clinics themselves, I administered all of the vaccines while my wife checked people in and explained our pharmacy's programs and services.

**What drawbacks have you had with this service?**

Knock on wood; we have never had a problem. The main thing we have had to do is coach people that the process of the immunization isn't hard. Every clinic had patients who were afraid of needles, so learning some techniques to distract them, being prepared myself and talking with the patients were all important.

I am currently checking with the insurance company to see if they will cover the nasal spray vaccine. If so, we will offer that next year as an alternative to the shots.

**What business results have you seen from the program?**

We performed a total of 854 immunizations after gaining the school district business, which was over 600 more than the previous year. Each of the 25 clinics took about 60 to 90 minutes to complete and produced \$400 in profit (\$10,000 total profit).

We have also gained new prescription business from the flu clinics, and we are working on ways to market our core pharmacy services at next year's clinics. During our first year with the school district immunization business, our script volume increased for the first time in four years.

**Are you looking to expand this program in the future?**

Absolutely — my next goal is to offer flu clinics to some of the smaller outlying schools. The districts that I have contacted expressed interest, and we are currently working through the details for this coming season.

Most school districts have one head nurse in charge of vaccinations for the entire district, so contacting and being able to sell yourself to that person is key to getting your foot in the door.

## Mobile Flu Clinic Kit

- 3 drawer Sterilite container
- 1 portable partition (portablepartitions.com)
- 2 sharps containers (CIN 3023231)
- Leader® cotton balls (CIN 3260080)
- BD Alcohol swabs (CIN 1237551)
- BD 25g x 1 inch needles (CIN 1941236)
- Leader® nitrile gloves (CIN 4194189)
- Sheer strip bandages (CIN 2175131)
- Sandwich bags – used to put 1 alcohol swab, 1 cotton ball, 1 needle, 1 band aid
- 1 can of Gebauer spray (topical anesthetic skin refrigerant) (CIN 3582434)
- BD 25g x 5/8 inch needle for the elderly or children with small arms (CIN 1371640)
- Leader® Blood Pressure Monitor (required) (CIN 4535423)
- Leader® Diphenhydramine 25mg capsules (required) (CIN 1134717)
- Emergency Medical Protocol for Allergic and Anaphylactic Reactions (required)
- Emergency Record Worksheet (required)
- Epi-pen auto injectors 2-pak (CIN 3214152)
- Gold Bond hand sanitizer (CIN 4249165)
- Hershey's Nugget Chocolate/toffee candy



# Hospital Discharge: Project RED

(Re-Engineered Discharge)

WHAT BEGAN AS A SMALL RETAIL PHARMACY NEXT TO A GROCERY STORE HAS GROWN INTO A DESTINATION FOR PATIENT CARE.

The PharmaCare Network opened its first pharmacy in 1977, and has built itself into an area leader in supplying pharmaceutical products and services.

**Keith Pirolozzi, a member of the PharmaCare staff, leveraged a relationship with the local hospital system to improve healthcare delivery in their community.**

#### **John and Keith, how did Project RED get started?**

In late 2009, Western Maryland Health System began seeing issues with readmission rates increasing to over 20 percent. The number one cause of readmissions is a lack of medication adherence following discharge, so the health system approached us to help with discharge planning. They had reviewed a model provided by Boston University Medical Center called Project RED (Re-Engineered Discharge), which includes in-depth medication plan reviews with patients and specific directions for post-discharge follow-up.

PharmaCare has an ongoing relationship with the Western Maryland Health System, and has a pharmacy location in their newest hospital. While this pharmacy was originally built to help the health system with employee prescriptions, it provided a perfect location for us to engage with discharged patients.

#### **How was the current process for Project RED developed?**

We decided to do this program on a limited trial basis starting in January 2011. Initially, nurses would bring down demographic sheets and prescriptions, we would fill the prescriptions, and the nurses would take the medication back to the patient with instructions. However, we found that we were not getting the benefit of direct consultation with the patient, so that March we moved to a model that included direct pharmacist contact.

As part of that change in approach, we made the decision to add a second pharmacist to our staff. We assigned one pharmacist to have primary responsibility for the pharmacy itself, and the other to work in the pharmacy and also take medicines to the floor and talk to patients prior to discharge. The second pharmacist spends approximately five hours per day working during the hospital's "discharge hours", so we negotiated with the hospital to be paid \$65/hour for that time. This creates an additional revenue stream for us and provides the hospital with services that they cannot perform, so it is a real win-win.

#### **How does Project RED impact the admission process?**

The hospital's admission process was changed to include asking the patient whether they currently have a primary pharmacy (since medical and pharmacy coverage do not always coincide). This step provides a way to bill insurance if needed, but also ensures that we can obtain a full list of medications that the patient is on if it is not provided. This enables us to prepare any known prescriptions ahead of time, saving time and reducing the risk of missed medications due to an incomplete list from a patient or caregiver.

To be compliant with the Patient Bill of Rights and respectful of other pharmacies in the community, we developed a consent form that made it clear to patients that they would be participating in Project RED. Participation includes follow-up calls from the hospital after discharge, and the option to receive their discharge medications from PharmaCare or from another pharmacy. Patients who choose PharmaCare receive a pharmacist consultation in their room, and have their discharge medications billed to them with 20-30 days to pay, rather than requiring payment up front.

**"We have what everyone has been talking about for the last 20 years: real pharmacist participation in the care of the patient."**

#### **What steps do you perform in the pharmacy for a discharge?**

We have access to the health system's in-house software, Meditech, so that when patients are discharged we can look up their demographics, determine their Medicare eligibility, and determine their insurance coverage. The hospital's inpatient pharmacy also provides us with barcodes that tie back to patient electronic Medication Administration Records (eMARs). We put those barcodes on the front of each bag, enabling nurses to document that the medications were dispensed correctly by scanning the patient's bracelet, then the bag.

#### **What does your pharmacist do on the floor for discharges?**

When our pharmacist goes out to the floor with a basket of discharges, the first thing he does when he gets to the first patient's room is check the patient's chart. The hospital uses a "Discharge 84" form that shows the admitting diagnosis and any other diagnoses, as well as admitting medications and home medications. Our pharmacist reviews that form to ensure that no home medications are being duplicated and that nothing is being missed that needs to be continued.

After reviewing the chart, the pharmacist then counsels the patient and walks him or her through the full medication regimen. Each medication is shown directly to the patient while the pharmacist explains its purpose, directions and potential side effects. At that point, some patients even recognize medications that they are already on, but did not have listed on their paperwork. This process ensures that the patient, along with any family or caregivers that are in the room, understands the need for each medication, how to realistically maintain the prescribed regimen and what side effects to expect.

John Balch +  
Keith Pirolozzi  
The PharmaCare Network  
Western Maryland  
www.pharmacarenetwork.com  
Years as a Cardinal Health customer: 12



If the discharge includes any controlled substances, we apply a tamper-resistant tape on top of the medicine and on the bag itself while we are in front of the patient. This assures the patient that if the seal is broken when they get home, it was not by anyone involved in this process.

While out on the floor, our pharmacist will also work with the hospitalists to review patient regimens and consult on alternatives and interactions. It is very easy for doctors to get into a mode of writing scripts for specific situations without a comprehensive review, so our strong relationships with the doctors have allowed us to address medication issues as we identify them.

#### **What impact has Project RED had on patient care?**

The primary goal of this project is to decrease the hospital's readmission rate, and that number has dropped 28 percent year-over-year — Western Maryland Health Systems was 24 percent over their expected readmission rate last year, and they are now 3 percent under their expected rate. We expect that rate to decline even further, as we have only targeted the hospitalists' service so far (to make sure that we are able to work out any kinks in the process).

Patients have also provided very positive feedback through the hospital's discharge surveys. Specifically, patients' ratings of their medication education and discharge instructions shot up from around 65 to over 90 percent.

An additional benefit of the program is that we now know how much a patient's prescriptions will cost when they leave the hospital. As a result, the hospital will help shoulder some of the cost of extremely expensive drugs in order to promote adherence. We also use manufacturer-sponsored patient assistance programs to help ensure that patients are financially capable of filling those prescriptions after their initial discharge. These efforts ultimately reduce readmissions by minimizing cases in which patients fill none of their prescriptions or only fill the cheapest ones.

Seeing the early results of Project RED has been very encouraging — it's a very rewarding experience.

#### **How has Project RED impacted your regular pharmacy business?**

While we don't diminish the regular pharmacy business that we've received through this program, we are ultimately gauging success based on decreasing readmission rates. We view a day with only four discharges as being just as successful as any other day if those patients don't show up again in the hospital for months.

One downfall of the hospital location is that it is relatively tough to access compared to a typical community pharmacy setting. Nevertheless, around 20-30 percent of patients will ask if they can continue to get their medications from us, and we have been able to capture some business from patients' family members who have seen the care that we have provided.

Our second pharmacist is also an asset to the pharmacy outside of Project RED, enabling us to dedicate the necessary time to customer service.

#### **How is the relationship with the hospital?**

Our presence has helped the hospitalists, and between the nurses, pharmacists and doctors, we have what everyone has been talking about for the last 20 years: real pharmacist participation in the care of the patient.

Our relationship with the health system goes far beyond these services, as we provide pharmacy services for their nursing home, infusion and chemotherapy. Providing these additional services to them helped us capture the location in the hospital, and that location has now helped us be successful with Project RED.

## OLD MAIN PHARMACY

opened its doors in May of 2009, and has since grown into a successful Independent Pharmacy offering a wide range of patient care services. Owner Justin Daniel attributes this success to building, educating and empowering his employees. Read on to learn about Justin's approach to hiring and developing a talented team.

### **Justin, how did you decide to become an Independent Pharmacy owner?**

I toyed with the idea of ownership while I was in pharmacy school, and it was always in the back of my mind as I worked in hospitals and chains. When I decided to go the independent route, I was helped tremendously by a pharmacy owner in the area, David Hester. David offered me a junior partnership as we opened Old Main Pharmacy, and I learned a lot from David during our time working together.

This past year, I took over sole ownership of the pharmacy, but I can't thank David enough for helping me get started in realizing my dream.

### **How has the pharmacy business grown?**

When we first started, we were averaging 40 to 50 scripts per day. We now average over 200 scripts a day on weekdays (often hitting over 300) and 50 to 100 on weekends. We are still growing and seeing new customers on a daily basis, so the growth is consistent.

### **How did you develop your management approach?**

My overall experience during pharmacy residency was negative. I was constantly micromanaged by multiple people, and the processes required to get anything done were inefficient and frustrating. I disliked it so much that I thought about quitting.

However, I decided to take those moments as learning experiences; I told myself that when I had an opportunity to be a leader, I would never take that approach. I knew I wanted a team of confident, empowered people who I could trust.

When I first started, I didn't know how to do everything, so I relied on my techs to help me learn. We worked together — I learned from them, and they learned from me. We operate as a true team.

### **How would you describe your management style?**

I would describe myself as a "macro-manager". I try to give my staff a sense of ownership by delegating responsibility to them and coaching them through their tasks. I put their needs above my own and am always there for them when needed. At the same time, I trust them to do their individual jobs and just check in occasionally to make sure they are on the right track.

### **What is your approach to identifying and interviewing talent?**

My approach has evolved over the years. Instead of waiting for applications to a job ad, I scout for talent by observing employees in other stores and getting referrals through my professional network. I am looking for people who are problem solvers, can think on their feet and can figure things out on their own. This approach allows me to handle my day to day tasks while being confident that my employees are handling theirs.

During interviews, I challenge candidates to think quickly with simple mental math problems that have pharmacy applications. For example: a prescription comes in for a liquid to be taken in 2 teaspoon doses, 3 times a day for 7 days – what is the volume?

I also see how they react to interpersonal situations by asking what they would do if a patient started yelling and cursing at them in the pharmacy. These are simple questions, but when I ask them while they are "on the spot" in the interview, I get to see how they think.

### **Once you deem someone to be a good fit for your pharmacy, how do you get them acclimated to the culture of your business?**

At the beginning, I communicate my expectations to the new employee verbally. I then team up that employee with a successful staff member who models my desired behaviors. Finally, the employee begins performing his or her regular tasks, with assistance from a teammate.

This approach ensures that every new employee has been told what I expect, has seen what I expect in action and has had a chance to put it into practice. This process covers the main styles of learning – auditory, visual and kinesthetic.

### **How do you identify projects to delegate?**

I like to observe people in different situations, especially by observing them from afar to see how they handle those situations without my direct involvement. This helps me determine an individual's strengths and weaknesses, which I then use to match them to the right project.

For example, if someone demonstrates that they are great with people, I may assign them to work on marketing initiatives or building our long-term care relationships. Someone who is technically inclined may be a great fit for managing our Reconciliation reports. Aside from those projects, I also have employees tasked with durable medical equipment and compounding. Each technician has full ownership of the project, so they manage the relationships, billing, reporting, etc.

All employees are cross-trained on other tasks, and stay fresh on the necessary skills by rotating over to help during busy times. This ensures that my pharmacy doesn't fall behind or lose any capabilities while someone is out.

To help manage the workload between core pharmacy tasks and these projects, one of my technicians is a supervisor who schedules the remaining techs to ensure that all of our functions are adequately staffed.



*Justin Daniel*  
Old Main Pharmacy  
Pembroke, North Carolina  
Years as a Cardinal Health customer: 4

# Employee Management + Training

*"I try to give my staff a sense of ownership by delegating responsibility to them and coaching them through their tasks. I put their needs above my own and am always there for them when needed."*

## TOMMY DEMBSKI'S PHARMACY

STORY BEGAN AS A KID DELIVERING PRESCRIPTIONS FOR HIS FATHER, EARNING A DOLLAR PER DELIVERY RIDING HIS BIKE THROUGH THE NEIGHBORHOODS OF SANTA CRUZ, CALIFORNIA.

Now an owner of three Independent Pharmacies himself, Tommy prioritizes patient care in everything he does. In late 2011, Tommy began working with a local doctor on a program that helps patients adhere to their medications and helps him retain business.

### Tommy, how did you get started offering yearly generic prescriptions?

It started when one of my regular patients didn't come into the pharmacy for quite a while. I spoke with the patient's wife, and she mentioned that her husband was now receiving large mail order shipments for medications to treat diabetes, hypertension and high cholesterol. Each medication cost him about \$15 every three months (\$60 per year).

I told the patient that I would fill a year's supply of those medications for \$40 each, so he could save money and not have to deal with refills for another year. The patient was willing to transfer, so I worked with his doctor to move the prescription over. Now, all he has to do is walk into the store once a year and walk out with all of his medications.

That patient's doctor is part of a local group that I have worked with for about 35 years, and that doctor was very excited about this idea. She asked me for a list of drugs for which I could do this, so I put together a list of 30 standard generic drugs we could fill for \$40 per year, and some additional drugs (such as basic thyroid and osteoporosis medication) that we could do for \$80 per year. We are only doing this for drugs that are appropriate to fill for a whole year (for example, Coumadin would not be appropriate as the dosage changes too frequently).

Since implementing this broader list, I have had four to five patients come in every week who were referred by the same local doctor.

### What benefits have you found?

Both the doctor and I are concerned about medication compliance. This program helps patients remain compliant by maintaining their relationship with their community pharmacist and reducing the number of times they have to go through the refill process. Patients also have a monetary incentive to fill their medications, as the program creates a "sale" feeling since it is less expensive than mail order.

From a pharmacy business standpoint, it costs around \$10 to fill a prescription (including overhead, staff, etc.) — I now only have to absorb that cost once per year instead of four times per year. All of the drugs that are involved are generics, so it drives my generic volume and enables me to push more volume through my robot. In total, I make \$15 on every \$40 yearly prescription **while enabling patients to save money over mail order.**

### What would you recommend to a pharmacist looking to establish a program like this?

Since everything for me is based on the relationship with the doctors, I have sold the program as a way to emphasize community, improve compliance, save patients money and reinforce the pharmacist-patient relationship. For other pharmacists, I would emphasize that this program makes me competitive with mail order on all fronts in the patient's eyes — cost, convenience and patient care.

# Yearly Generic Prescriptions

Tommy Dembski

Valle Verde Pharmacy, Tom's Medical Pharmacy and Medical Pharmacy Westside

Santa Cruz County, California

Years as a Cardinal Health customer: 6

"In total, I make \$15 on every \$40 yearly prescription while enabling patients to save money over mail order."



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# Family Flu Clinics

## KATTERMAN'S SAND POINT PHARMACY

has been a vital part of its neighborhood since opening in 1965. The pharmacy's motto is "Serving the community for good health", and owner Beverly Schaefer continues to search for new ways to promote healthy living in her community.

Learn how Beverly has made an impact on her community and on her business with an innovative approach to seasonal flu clinics.

### **Beverly, how did you develop the idea for Family Flu Clinics?**

My daughter Katie and I attend the Cardinal Health Annual Pharmacy Business Conference (RBC) every year. We always spend one extra day at each year's destination, not just to lay by the pool and relax, but also to strategize about our business.

Competition from chain pharmacies offering flu shots has dramatically increased. We wanted to give people a good reason to patronize a locally owned Independent Pharmacy.

At last year's RBC, my daughter suggested getting our local schools involved with our fall immunization program. Katterman's Sand Point Pharmacy is situated among five grade schools, and unlike many pharmacies, we immunize children. We wanted to take advantage of our location and capture additional business by bringing whole families in for their seasonal flu shots.

Our idea was to open the pharmacy on Sunday nights in October and host "Boo to the Flu" clinics. We would dedicate each night to one of the five local schools, and donate \$3 to the school for every person immunized on that school's night. Our flu shots are normally \$30, and we chose to maintain that price for these events.

We chose Sunday nights from 6 p.m. - 8 p.m. to ensure that all family members could come in (avoiding conflicts with work, school or sports). We were hoping to generate new business as well as immunize our existing patients.

### **How did you promote the flu clinics?**

We originally approached the schools by saying we wanted to partner with them in a fundraising effort. Their reaction immediately told us that we were using the wrong terminology, as "fundraising" meant forming a committee and significant effort on their part.

However, they did react positively when we repositioned it as a way to keep our neighborhoods healthy and generate donations for the school. **Promoting good health is the core of our brand identity**, so it only made sense to talk about our flu clinics in those terms.

Once the schools were on board, we asked them to include information about the clinics in their newsletters and bulletin boards (and for the Catholic school in the group, their parish bulletin). We also used the theme of promoting good health in the neighborhood to communicate the events to the local public health department and through neighborhood blogs.

### **How did you prepare for the clinics?**

We really had no idea how many people would come — we figured out that we needed at least 30 people each night (150 total) to make the clinics profitable, but we were prepared for any number from 30 to 300. Our staff was on hand, and we recruited help from pharmacy students at the University of Washington.

We created a fun atmosphere in the pharmacy by setting up a game table and having staff dressed up in costumes to entertain the families. We had Popsicles, lollipops, puzzles and word games on hand to give to the kids after the vaccinations.

*Beverly Schaefer*

Katterman's Sand Point Pharmacy  
Seattle, Washington  
www.kattermans.com  
Years as a Cardinal Health customer: 8



*On the first night, 45 people came in; amazingly, 38 of those 45 people had never been in our pharmacy before.*

### **What were the flu clinic results?**

On the first night, 45 people came in; amazingly, 38 of those 45 people had never been in our pharmacy before. That night was associated with the local Catholic school, and most of the business ended up being parishioners from the church rather than families with kids.

During the following four weeks, we saw many more families come to the clinics. Over five weeks, we did 180 total immunizations (hitting our profitability target), and **145 of those were brand new customers.**

We generated tremendous neighborhood goodwill for the donations. One of the schools had recently reopened after being closed for several years, so they had very few resources for things like their Parent Teacher Association. That school's principal came, which encouraged many of the families to bring their kids to their night.

### **What was your return on investment?**

Our expenses for all five flu clinics, including the school donations, dinners and promotional materials (but excluding staff time) totaled \$700. Our revenue from the immunizations was \$5,400 (180 patients paying \$30 each), and the total vaccine cost was \$1,800. The events alone provided \$2,900 in revenue, and they also gave us great exposure to the community and direct contact with new patients.

### **How did you keep your staff engaged?**

My daughter involved our staff from the beginning, so they were ready for the flu clinics. We catered a dinner for our staff and the pharmacy student volunteers between our regular Sunday closing time and the start of the flu clinic.

### **What would you recommend to other pharmacists considering this idea?**

Give it a try, but have modest expectations; it's unlikely that everything will be perfect on your first attempt at something. Schools are looking for ways to better partner with their communities. Rather than creating fundraising fatigue by asking for donation after donation, events like this provide income for PTA treasuries while enabling schools to support local businesses.

### **What are some potential pitfalls?**

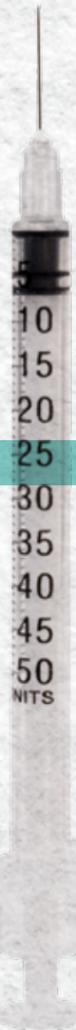
Another pharmacy in the area tried a similar approach to ours with a family flu clinic, but with results far below expectations. They ran their clinic from 4 p.m. - 6 p.m. on Saturday nights, which conflicted with what is typically a very busy time (especially since these flu clinics occur during football season).

Some states have laws restricting a pharmacy's ability to immunize children under a certain age (often either 14 or 18 years old). Pharmacies in those states could hold flu clinic events with donations to schools, but target it differently - for example, as a "kids, bring your parents in" event with treats or activities for the kids while the parents are immunized.

### **What will you do differently next year?**

Quite a few people came on one school's night but asked to donate to another school. As a result, we are considering changing the model from dedicated nights for specific schools to two or three nights on which people can donate to any of the local schools.

We also want to start promoting the clinics earlier in the season and use more electronic communications, especially with the school newsletters.



INDEPENDENT PHARMACY OWNERS  
LEAH BISHOP AND LEE LAND  
HAVE BEEN LEARNING ABOUT AND  
WORKING WITH 340B FOR OVER A DECADE.

# Independent 340B Administration



*Leah Bishop + Lee Land*

Drug Mart Pharmacy – Home Town Drugs  
LaPine, Oregon

Years as a Cardinal Health customer: 25

In late 2010, Leah and Lee began working directly with nearby covered entities to grow their business while supporting the mission of the 340B program — helping uninsured and underinsured patients.

**Read on to learn about Leah's and Lee's unique approach to 340B administration.**

***Leah and Lee, how did you get started with 340B?***

Drug Mart Pharmacy — Home Town Drugs has pursued and learned about 340B ever since it was featured at RBC 2002.

In a 340B contract pharmacy arrangement, the covered entity is fully responsible for the product — in a very real sense, they are responsible for running a pharmacy. There is typically an “administrator” involved that manages the contract and handles payments between the pharmacy and covered entity. As we gained more experience with 340B, we realized the need for an administrator that provided a fair return to Independent Pharmacies and to covered entities.

We created a model in which the pharmacy is the administrator — we operate the pharmacy on behalf of the entity as if it were our own. This arrangement leverages our expertise as pharmacists and owners to provide a fair return for all parties and enable the covered entity to focus on patient care.

***How do you determine whether to pursue a contract pharmacy relationship with a covered entity?***

We look at several factors, such as patient payer mix (cash, Medicare, Medicaid, private insurance, etc.), number of providers, number of prescriptions and geographic location. We then decide whether or not we can serve that entity, and therefore whether to go forward with negotiations.

We present the financial realities of our pharmacy to covered entities when negotiating fees. We show the covered entity what our actual cost is to fill prescriptions, and then work on an amount that will satisfy the entity. This fee is never less than what our pharmacy makes currently, and is usually greater. This approach makes more money available to those who are providing patient care.

***What services do you provide to the covered entity?***

When we start working with a covered entity, we guide them through the formation of a pharmacy and therapeutic (P&T) committee with the doctors. Through this committee, we build a formulary specific to the entity.

While the covered entity is responsible for the inventory, we use our pharmacy experience to assist them with their replenishment orders and insurance payment tracking.

We have also created preset formularies, so if the covered entity is already registered with the government, we can start serving them as a contract pharmacy within a week. Adhering to a formulary enables us to hold around \$15,000 of inventory for the covered entity.

***What developments in 340B are creating pressure on Independent Pharmacies?***

The biggest challenge we face is reversing the existing trend of covered entities being pursued and locked into contracts by third-party administrators. Third parties are able to go to entities that have no experience running a pharmacy and quote them an amount that they will earn on 340B prescriptions. All too often, entities sign the contract without knowing what they are leaving on the table, as “any money at all” is perceived to be better than nothing. Once the financial structure is locked in place, third-party administrators then offer contracts with low dispensing fees to area pharmacies on a “take it or leave it” basis, forcing pharmacies to further compress our margins.

Competing for 340B prescriptions is also becoming more and more important to our overall business. In the past, almost all 340B covered entities were clinics that served rural or medically underserved populations. Now, large health systems with many doctors are becoming 340B-eligible. These health systems are also increasingly buying up independent physician groups.

If such a health system contracts with an administrator who imposes an unreasonable fee structure or will only work with one store, then we could effectively lose access to patients or be forced to take a loss in order to fill their prescriptions.

***How do you get covered entities to contract with you?***

It all starts with investing time in professional relationships with local doctors. When a facility becomes a 340B covered entity, the relationship should naturally cause the doctors to ask a pharmacist for guidance.

Our biggest tool in marketing to facilities is references — both from the covered entities that we already serve and from those that are using other models and not earning as much as they could. We cannot compete with a national administrator on marketing spend, so we leverage our relationships with doctors to get in front of them and walk them through the financial implications.

***What financial results do covered entities see from your relationship?***

Depending on the patient mix and number of prescriptions, entities can earn from \$3,000 to \$32,000 per month in revenue. With an effective formulary to minimize inventory expenses, it is not uncommon for an entity to net \$25,000 per month while not needing to worry about any of the day-to-day operations of the pharmacy.

***How does this relationship benefit your pharmacy?***

Because we negotiate directly with covered entities, we are able to earn fair dispensing fees while driving patients to our pharmacy. Performing these services for entities also strengthens our position as part of a healthcare team alongside our local doctors.

## THE JOLLEY FAMILY

has owned and operated community pharmacies in Salt Lake City, Utah for over 50 years. They continue to push the envelope with modern, innovative services. Dean Jolley's dedication to patient care is captured by his pharmacy's motto, "Enhancing traditional pharmacy with superior compounding service."

**Below is an account of how Dean and his family have built a successful compounding business from the ground up.**

### **Dean, how did you get started with compounding?**

Shortly after I graduated from pharmacy school in 1980, a customer came into our pharmacy whose wife had progesterone suppositories shipped to her from England. He had heard that there was a place in Texas that would train pharmacies to make progesterone suppositories, and he wanted to know if we would work with them so his wife's medications could be obtained locally in Utah.

The next year, my father and brother went down to Houston, Texas to meet with Walter Hayhurst, the founder of Professional Compounding Centers of America (PCCA). We joined PCCA and were trained on how to make progesterone suppositories — we became the first Compounding Pharmacy in Utah.

That original patient, along with her doctor, then founded the *PMS Clinic of Utah*. The business from that clinic had us making 400mg progesterone suppositories as fast as we could, and that was the start of our compounding business.

### **What compounding services do you now offer?**

We have grown from our original progesterone formula to 10,000 formulas. More than half of those formulas are hormone-related, but we also compound a wide variety of other medications for doctors and patients. Jolley's Compounding Pharmacy now does 50 compounds per day as well as 100 standard prescriptions.

# Compounding

### **What initial investment was required to get started?**

It cost us less than \$5,000 to get started with PCCA back in 1982. That amount included a progesterone kit, compounding training and a PCCA membership. We now buy the drugs, molds and bases separately to support a wider range of formulas.

In the early 1990s, we built a sterile clean room with a Class 100 hood, enabling us to do sterile injectables and eye drops. The investment for the clean room and supplies was approximately \$30,000. By that point, we were compounding thousands of different formulas.

### **How do you market and operate your compounding services today?**

We market our compounding practice directly to doctors, rather than going through newspapers or radio. When speaking to a doctor, we ask about their needs, their specialties and areas in which they cannot find treatments — essentially, areas in which we can fill a niche. We then follow up directly with doctors that express interest.

When doctors ask about a medication need, we let them know that we can help. If we do not have the necessary formula available to us, we leverage the PCCA hotline. This enables us to network with their consultants and 3,000 other compounding pharmacies to determine the correct formula and fill the script.

We now have a marketer, my youngest brother Kennion Jolley, on staff to visit doctors on behalf of our five pharmacies. We use pre-printed sheets targeted to doctors' areas of practice (e.g. gastrointestinal, ob-gyn, veterinary) with 5-10 different compounds that their peers are using. This makes doctors aware of options that are relevant to their patients' needs, and prompts them to contact one of our pharmacists to discuss medications.

There are 50 doctors in our referral network for hormone balancing, which can be found on our website. 10 of these make up about 50 percent of our compounding business. But we have thousands who have written for one or more compounds.

### **How has compounding impacted your patient base?**

Our patient base has significantly grown as a result of offering compounding services. Turnover has been high through the years, but new patients keep coming in through doctors' referrals.

We are also able to create referrals to local doctors out of conversations with our non-compounding patients. For example, if a patient mentions a sore shoulder that isn't responding to oral ibuprofen, we can refer them to a doctor with the recommendation of a topical pain cream. Once doctors see a particular issue treated successfully, they will then prescribe that compound to other patients with the same issue, creating a snowball effect.

### **What would you recommend to a pharmacist looking to enter into the compounding business?**

Getting into compounding requires a huge commitment. A pharmacist needs to be willing to make the financial investments, go through appropriate training, market their services and spend the time required to do the compounding. Just signing up and hoping prescriptions will come in will not work.

I would highly recommend joining PCCA. This group provides the most comprehensive program for a pharmacy, enabling high-quality compounding and providing operational support. Entering into compounding without the proper training and support can be extremely risky.

In order to become profitable, I feel a pharmacy needs to set a goal of performing 15 or more compounds per day. At that point, one can establish a system and flow within the pharmacy and can take advantage of some efficiencies of scale by making bigger batches.

In addition, I would recommend talking to other compounding pharmacies to share ideas and build relationships. My personal philosophy is that pharmacists who enter this market should strive to create new compounding opportunities and new relationships with doctors to advance compounding as a whole, rather than trying to undercut existing compounding pharmacists on price.

### **What challenges have you faced?**

Compounding is unpopular with some agencies and entities, largely for financial or perceived safety reasons. Pharmacists are licensed to compound medications in order to meet patient needs, so we need to stand up for our right to do so.

### **What is the return on investment?**

Overall, compounding represents one-third of Jolley's script count, but half of our profit. Once you have made the initial investment in training and mechanisms, your cost to fill a compounded prescription is essentially the ingredient cost plus labor. An average compound costs about \$10 to make and is sold for \$50, so there is \$40 in margin for an average script. The key in pricing is to identify where the market is currently and to determine whether you will accept third-party payers.

*Dean Jolley*  
Jolley's Compounding  
Pharmacy  
Salt Lake City, Utah  
jolleyscompoundingpharmacy.com  
Years as a Cardinal Health customer: 8

The majority of the 35 compounding pharmacies in Utah were originally recruited into the market by my older brother Mardy while he was working for PCCA, so our name is well known across the area. Mardy is a past recipient of the PCCA Eagle award, an award given to a handful of people who have influenced the growth of compounding.



Cardinal Health provides effective solutions and services to help Independent Pharmacies manage all of their pharmacy business needs:

To be successful in Independent Pharmacy, you need an industry-leading partner you can count on — one who understands your business, the challenges you face and the passion you have for your life's work. Cardinal Health is that partner.



Improving  
***Reimbursements***

Increasing  
***Market Share***

Diversifying  
***Revenue Streams***

Managing  
***Business Operations***

Leveraging  
***Scale***

To learn more about Cardinal Health and how we can help your Independent Pharmacy be more successful, contact your Cardinal Health Pharmacy Business Consultant.