



Improving Community Pharmacy Operations

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Contents

The community pharmacy business	2
New communications solutions for the pharmacy	4
The Vertical Integrated Communications Platform	5
Conclusion	6

As issues in healthcare delivery continue to be explored and debated, one thing is certain: the pharmacist's role is steadily evolving in importance. In the last quarter century, this role has gradually expanded from preparing and dispensing medications to delivering a wide range of patient-oriented services that maximize medicine's effectiveness.

But the pharmacist's ability to fulfill this new role has been complicated by a number of factors, including a dramatic increase in prescription sales, bureaucratic burdens imposed by insurance companies and other payers, and a critical shortage in the labor pool. All of these pressures reduce the time a pharmacist has to spend in his or her new advisory capacity as a member of a patient's integrated healthcare team. To these pressures, add the in-store realities of the community pharmacy environment: distractions, disruptions, and inefficient communications.

Today, significant advances in technology have enabled new cost-effective, integrated in-store communications solutions that can help make a pharmacist's work much more productive. In addition to intelligently sorting and routing incoming calls and streamlining the prescription refill and renewal process, such solutions offer comprehensive and automatic reporting features, which give operations executives and managers highly detailed information about the nature of these calls, as well as about caller behavior. This enables management to better understand and quickly respond to customer patterns. The results are not only greater customer loyalty through improved service, but also a dramatic containment of costs through better use of resources.

The community pharmacy business

For most Americans, the community pharmacy is their local health resource center, offering easy, convenient access to a trusted health professional. And that access is frequent: today, four out of every five patients who visit a doctor leave with a prescription.

Most of these prescriptions are filled at chain store pharmacies—the largest component of the pharmacy practice—which include over 20,000 traditional chain drugstores and an additional 14,000 pharmacies within supermarkets and mass merchant stores. In this environment, America's 100,000 community pharmacists have long been known and trusted as the healthcare delivery system's medication experts. For each prescription dispensed, pharmacists verify that the information provided by the prescriber is complete, that the new medication will not interact with other medications currently being taken, and that medication and dosage are appropriate to the patient's particular health condition.

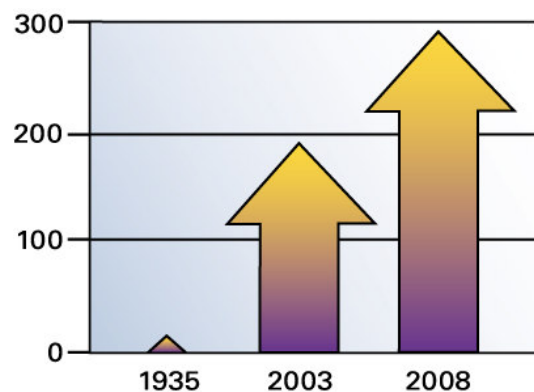
The evolving role of the pharmacist

Today, pharmacists are moving from behind the counter to play a larger, and more pivotal, role in patient care management, increasingly providing what is known as “pharmaceutical care.” This is a patient-centered, outcomes-oriented practice that requires the pharmacist to work in concert with the patient and the patient's other healthcare providers to promote health, to prevent disease, and to assess, monitor, initiate, and modify medication use to assure that drug therapy regimens are safe and effective.

And yet the transition to this expanded role is being slowed by a growing number of business issues that impose constraints on a community pharmacist's effectiveness—constraints that cut deeply into the time that he or she is able to devote to pure pharmaceutical care issues.

In 2002, an all-time high of 3 billion outpatient prescriptions were filled in retail pharmacies—a 50 percent increase since 1990. According to the National Association of Chain Drug Stores, the volume of dispensed prescriptions is expected to increase by nearly the same percentage over the next five years. In the face of this growing workload, the community pharmacy today is experiencing a critical shortage of pharmacists. As of 2002, 100,000 positions were as yet unfilled, and the number of available pharmacists is expected to grow by only slightly more than 1 percent per year for the next five years.

Within this environment, many pharmacists are forced to spend increasing amounts of time processing paperwork and contending with bureaucratic burdens imposed by insurance companies, government health plans, and other third-party payers. Prescriptions paid for by third parties now account for more than three out of every four prescriptions filled.



In 1930, each pharmacist filled an average of 11 prescriptions per day. In 2003, that number increased to nearly 200. To keep up with demand, in 2008 pharmacists will need to fill nearly 300 prescriptions per day.

Further, as medical science advances and doctors rely more and more on drug therapies, pharmacists need to continually stay abreast of information about constantly evolving and improving medicines.

The challenge of contacting the local pharmacist

On top of these demands sits the workplace reality of today's community pharmacy. Whether a chain drugstore or a pharmacy within a larger mass merchandiser, this workplace is, at its core, a retail environment. In such environments, the distractions and disruptions of a typical day often impinge on a pharmacist's ability to devote adequate time to his or her role as the expert medication advisor on a patient's healthcare team.

Many in-store disruptions may be attributed to poor communications systems, especially incoming phone calls that are improperly identified, routed, or presented to the pharmacist. Requests for prescription refills, for example—by far the most common of pharmacy calls—do not require the expertise of a technician, let alone a pharmacist. Because the information needed to complete these routine transactions—patient data, medication profile, refill status—is already in the pharmacy's database, they can be completely automated with great efficiency, not to mention great satisfaction, on the part of the patient.

Clearly, it is unproductive for a pharmacist to have to blindly pick up a ringing phone and complete a prescription refill for a patient. (Let alone, in a larger retail store, to have to deal with transferring the caller to the movie rental department to inquire about the latest DVD release!) Alternatively, it is advantageous for the pharmacist to be able to identify those incoming calls that *do* warrant his or her expertise—to know, for example, if a doctor or a patient is calling. While it is never advisable to make anyone wait too long on hold, there are business implications to being less responsive to a doctor who may be sending referrals to the pharmacy.

Business communication issues

In addition to its impact on pharmacist/patient healthcare delivery, a pharmacy's communications system can have wide-ranging effects on the business's financial and operational profiles. With pharmacists spending as much as 30 percent of their time on the phone, in-store phone traffic is a significant factor in managing day-to-day operations management. Without information about this traffic—or about how and when customers prefer to be served—it is difficult for pharmacy management to know how to staff properly, whether its store is paying too much for telecommunications services, what redundancies might be eliminated, or how to add new services, including automating answers to customer questions or automating the verification process for doctors calling in prescriptions.

What is needed is a communications solution that can streamline call handling for pharmacists, intelligently report on calling patterns, and integrate new applications for better customer service. Today, advances in telecommunications enable just such solutions: to help pharmacists become the patient advocates their profession demands and to optimize operational efficiency and profitability.

New communications solutions for the pharmacy

What are the key business and technology considerations influencing the design of new communications solutions for today's community pharmacies? There are a number of important factors.

Customer service

Because pharmacists spend nearly a third of their day on the phone, it is imperative that a pharmacy communications solution be designed to support their primary mission: serving patients and doctors.

One way to do this is with a system that can identify and intelligently route calls coming into the pharmacy. At the highest level, this means segregating calls—such as those for prescription refills—that may be better handled by automated Interactive Voice Response (IVR) systems. For the rest of the calls, the system ensures that only those from patients or doctors, and not simply from retail customers, are routed to the pharmacy. This is accomplished either by accessing pre-existing information in the network database or by using an automated phone tree, through which callers can identify themselves.

At the second level, calls from patients and doctors can then be intelligently presented to the pharmacy staff. For example, a call management feature can gather information from a patient to determine whether a technician is qualified to field the inquiry; this frees the pharmacist to handle only patient and physician calls that require medication expertise. Efficiently handling physician calls is of added importance given both the need to expedite healthcare issues and the business implications of maintaining satisfactory relationships with referring doctors.

What about new ways to automate the process by which physicians call in or renew prescriptions? This advance could reduce the time pharmacists spend resolving prescription issues by several hours a day. For those doctors with access to the Internet, this process can be done via the Web. Alternatively, a way to make the process available to even more doctors is through an automated telephone solution that can tie into back-end databases to verify the authenticity of prescriptions, identify any drug interactions, and check insurance coverage.

Finally, whereas some patients may be comfortable in talking only with a pharmacist they have come to know and trust, certain consumers may be willing to talk to a central resource, usually located in a call center. It is important, then, that any system have the flexibility to allow both contingencies.

Cost control

In today's challenging economy, the need to control costs is paramount. Newer technology has made it possible to consolidate multiple servers and applications onto a single platform, enabling retailers to reduce their equipment and operational costs significantly. In addition, automating such processes as prescription refill, prescription renewal authorization, and prescription pickup notification can save pharmacists hours of time every day.

Manageability and visibility

As important as intelligently directing incoming calls is the ability to *track* such calls, to give management greater visibility into callers' patterns. And, this functionality should be completely automated, because pharmacists should not have to become systems experts to give management the information it needs to make sound business decisions. What about, for example, doctors who abandon calls, after spending too much time on hold? The average interval before abandonment can be analyzed, so that reminders can be sent to the pharmacist to handle a call before that limit is reached. In another scenario, what happens if it is determined that a high number of calls comes in between 11 AM and noon on Tuesday mornings? Staff can be increased during this, and other, periods of increased activity.

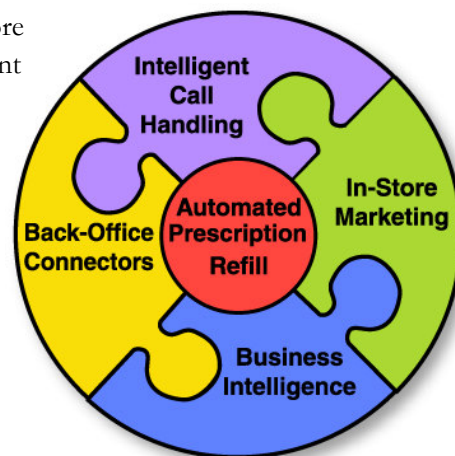
Technology trends

New communications solutions for community pharmacies are enabled by converged voice and data technologies that achieve the functionality of powerful PBX systems and high-end call centers for a fraction of the cost. These technologies can simplify the deployment, administration, and service of communications systems and applications without requiring skilled technical personnel on site. Pharmacies can take advantage of low-cost, high-bandwidth lines to increase network communications and support custom applications—exchanging information with headquarters, other store branches, customers, and suppliers—while holding down overhead. And, headquarters can remotely monitor and manage the systems for convenient changes, reporting, diagnostics, and service.

The Vertical Integrated Communications Platform

The Vertical pharmacy solution is designed to enhance, and make more productive, a pharmacy's telephone operations by leveraging its current investments in customer service—including its pharmacy refill application, customer databases, and more.

With the Vertical Integrated Communications Platform, a pharmacy can automate call handling and intelligently route calls, both within stores and to centralized call centers. In addition to supporting third-party applications such as the PDX Pharmacy System, as well as custom applications, the system can automate the entire prescription refill process, verify a prescription renewal, tie into a customer database, or route callers, when appropriate, to a centralized resource at a call center. Retailers can even customize marketing and promotional campaigns by region or location. The system allows much more visibility into caller behavior, providing new business intelligence on automated choices callers make, when calls are abandoned, and how long callers are on hold, thus enabling the pharmacy retailer to continue to refine and improve the automation process for its customers.



The Vertical pharmacy solution is built on an advanced architecture that also sets the stage for adding new applications that can enhance a pharmacy's competitive edge with high-quality customer interactions and end-to-end views of a customer across multiple channels. The strengths of the system—cost-effectiveness, reliability, and simplicity of installation, maintenance, and administration—provide a clear advantage for today's forward-looking pharmacies. In fact, powerful and flexible converged voice and data communications make sense for even the smallest stores.

The Vertical system also provides a simple, effective, and efficient way to manage and monitor a retail communications network, allowing centralized resources to schedule, monitor, and track system software configuration and application changes from a single location. This centralized administration greatly increases control over store systems while lowering system management costs.

Conclusion

Improving the operational efficiencies of community pharmacies is now possible, practical, and cost-effective, thanks to recent advances in communications technologies.

Building on integrated communications platforms such as that offered by Vertical, pharmacies can now realize a number of important benefits. Specifically, these include excellent customer service—with automated answering and intelligent call routing, both within stores and to centralized call centers—and smarter business processes for higher staff efficiencies, greater management visibility into operations, and better overall use of resources.

The result of these benefits is that pharmacists will be better able to fulfill their expanded role as trusted and expert medication advisors—thus strengthening the loyalty of their customers. At the same time, the pharmacy business itself can realize significant gains in profitability.