



Delivering Patient Care While Boosting Pharmacy Efficiency

Health system pharmacies can save time and money with the right distribution partner

Health system pharmacies are unique in their needs. Compared to retail pharmacies, their often medically fragile patients present with conditions that are more acute and complex. Health system pharmacies manage life and death decisions daily with significant pressure to ensure that inventory shortages don't restrict their ability to meet patients' needs.

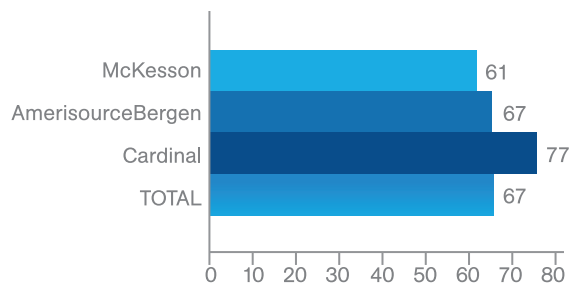
Frost & Sullivan, a global growth consulting firm with decades of experience in healthcare, recently completed an engagement with McKesson to evaluate the experience that healthcare system pharmacy leaders have had with their wholesale distributors.



After summing the aggregate value of time savings across six metrics tracked, **McKesson customers performed their tasks 10% more efficiently** than AmerisourceBergen customers, and 18% more efficiently than Cardinal Health customers.

TOPIC HIGHLIGHTS

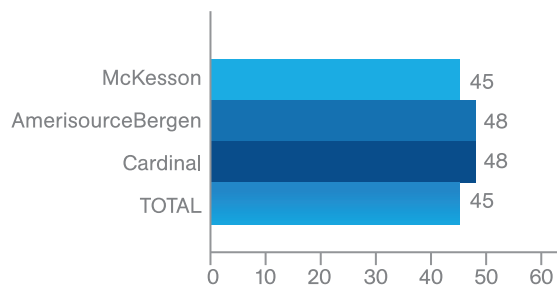
Time spent placing
a single order
(minutes)



“The most important thing I am looking for from a distributor is good communication and a seamless ordering process, ensuring the least amount of shortages”

— Health System Pharmacy
Services Director

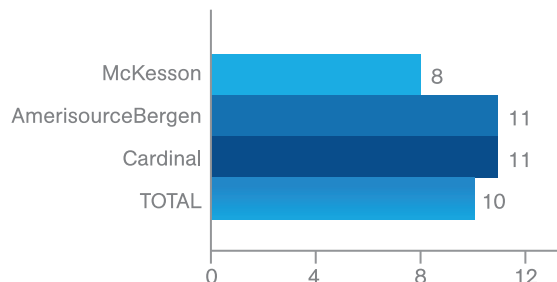
Time spent receiving
and stocking each day
(minutes)



“The most important goal for our pharmaceutical distribution and supply chain is to have proper drug ordering in stock medication to maximize usage, sales and distribution of the hospitals.”

— Health System Pharmacy
Services Director

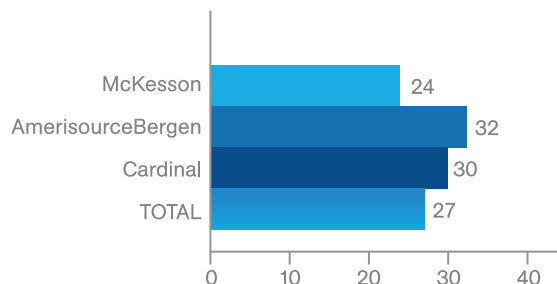
Items not available
per month
(#)



“Deliveries arrive at the expected day and time, and products are accurate.”

— Health System Pharmacy
Services Director

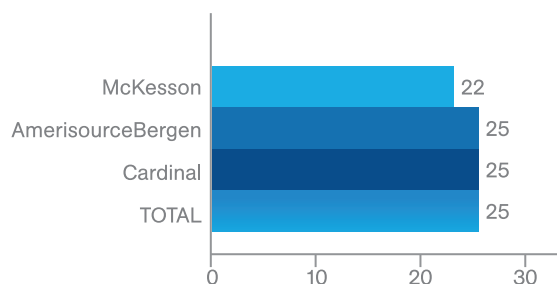
Time needed to
find and order an
unavailable item
(minutes)



“I would like to get info from distributors, a good heads-up. Like, right now, there are IV shortages because of coronavirus, and we are preparing for that. Email or phone call would be good, but a short email. The allocation should be to normal purchase quantities. I don't care to buy 100 if I only need three, and just for drugs we commonly buy.”

— Director of Health System Pharmacy

Time spent resolving
questions and
incorrect items
(minutes)



Metric	Total	McKesson	Amerisource Bergen	Cardinal Health	Assumptions
Time spent placing a single order (<i>min</i>)	\$19,023	\$17,319	\$19,203	\$21,862	13 orders per week, 52 weeks per year, \$.042 per minute
Time spent receiving and stocking each day (<i>min</i>)	\$6,899	\$6,899	\$7,358	\$7,358	365 days per year, \$.042 per minute
Time needed to find and order an unavailable item (<i>min</i>)	\$1,361	\$968	\$1,774	\$1,663	# items not available per month, \$.042 per minute
Time spent resolving questions (<i>min</i>)	\$504	\$333	\$504	\$504	Frequency of contacting distributors (per month), \$.042 per minute
Time spent resolving incorrect items (<i>min</i>)	\$423	\$423	\$393	\$423	Assumes 3 incorrect items per month
Time spent resolving each incorrect charge (<i>min</i>)	\$223	\$202	\$116	\$184	Frequency of incorrect charges (per month), \$.042 per minute
TOTAL	\$28,432	\$26,143	\$29,169	\$31,994	

CONCLUSION

The best distributors strive for continued excellence and anticipate their customers' needs. Health system pharmacies should expect more from their distributors. Choosing McKesson as their primary distributor can help them achieve more.



Download the full white paper here

McKesson Corporation
Pharmaceutical Services and Solutions
 6555 State Hwy 161
 Irving, TX 75039
healthsystems@mckesson.com
mckesson.com/healthsystems
415.854.8662

© 2020 McKesson Corporation and/or one of its subsidiaries. All rights reserved. All other products mentioned may be trademarks, service marks or registered trademarks of their respective owners. MHS-851946-12-20

MCKESSON