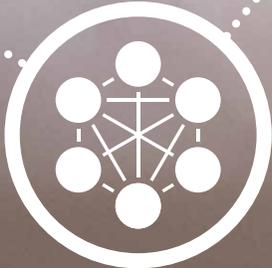


The Pharmacy of the Future

Your guide to getting there



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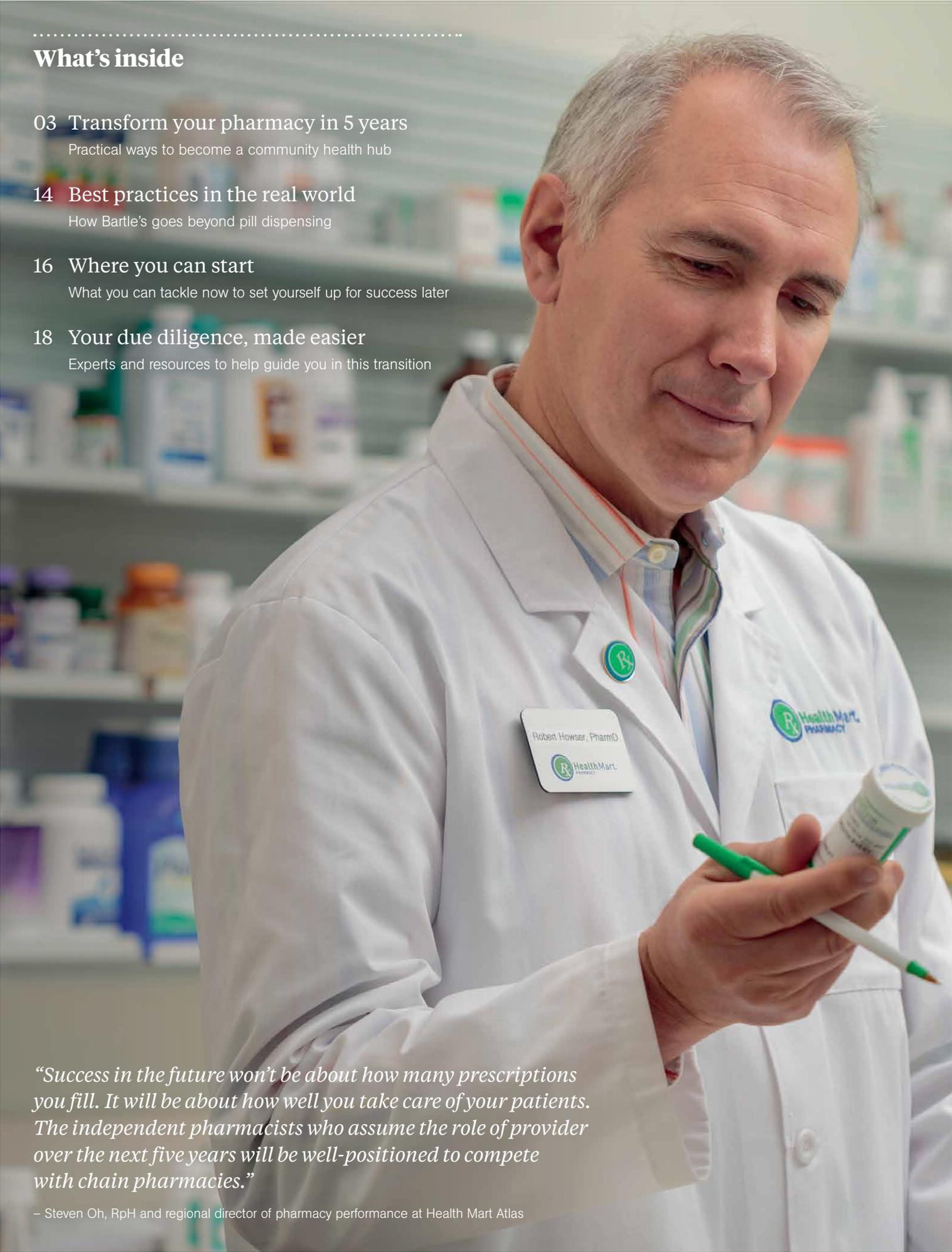
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Experts and resources to help guide you in this transition



“Success in the future won’t be about how many prescriptions you fill. It will be about how well you take care of your patients. The independent pharmacists who assume the role of provider over the next five years will be well-positioned to compete with chain pharmacies.”

– Steven Oh, RpH and regional director of pharmacy performance at Health Mart Atlas

Retail pharmacies are becoming health hubs.

People are coming to pharmacies for more than ever before—from medication to immunization to even massage. Already, many neighborhood pharmacies give out flu shots and help with chronic conditions like diabetes and hypertension. But they don't stop there.

Some pharmacies are expanding to offer more immunizations, nutrition counseling, and screenings. They're using technology to connect with customers in new ways, like digital touch-points and delivery. And they're even offering specialized services like dermatology, optometry, and massage.

Picture this:

- A person uses their phone to refill a prescription and fill a digital basket with other wellness items—all delivered to their home
- Another uses a digital inhaler, which shares data that their pharmacist and doctor use to evaluate how well it's working
- Someone caring for an elderly parent comes to your pharmacy for home health care supplies and asks about personalized pill packs

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Your community needs your pharmacy.

In the coming years, your pharmacy has a huge opportunity to do even more for your community. Your neighbors need help figuring out reimbursement for their health services. They need a convenient place for preventive care and screenings. They need licensed experts to recommend wellness products and health aids. And they need someone to notice when they aren't taking their meds—and ask why.

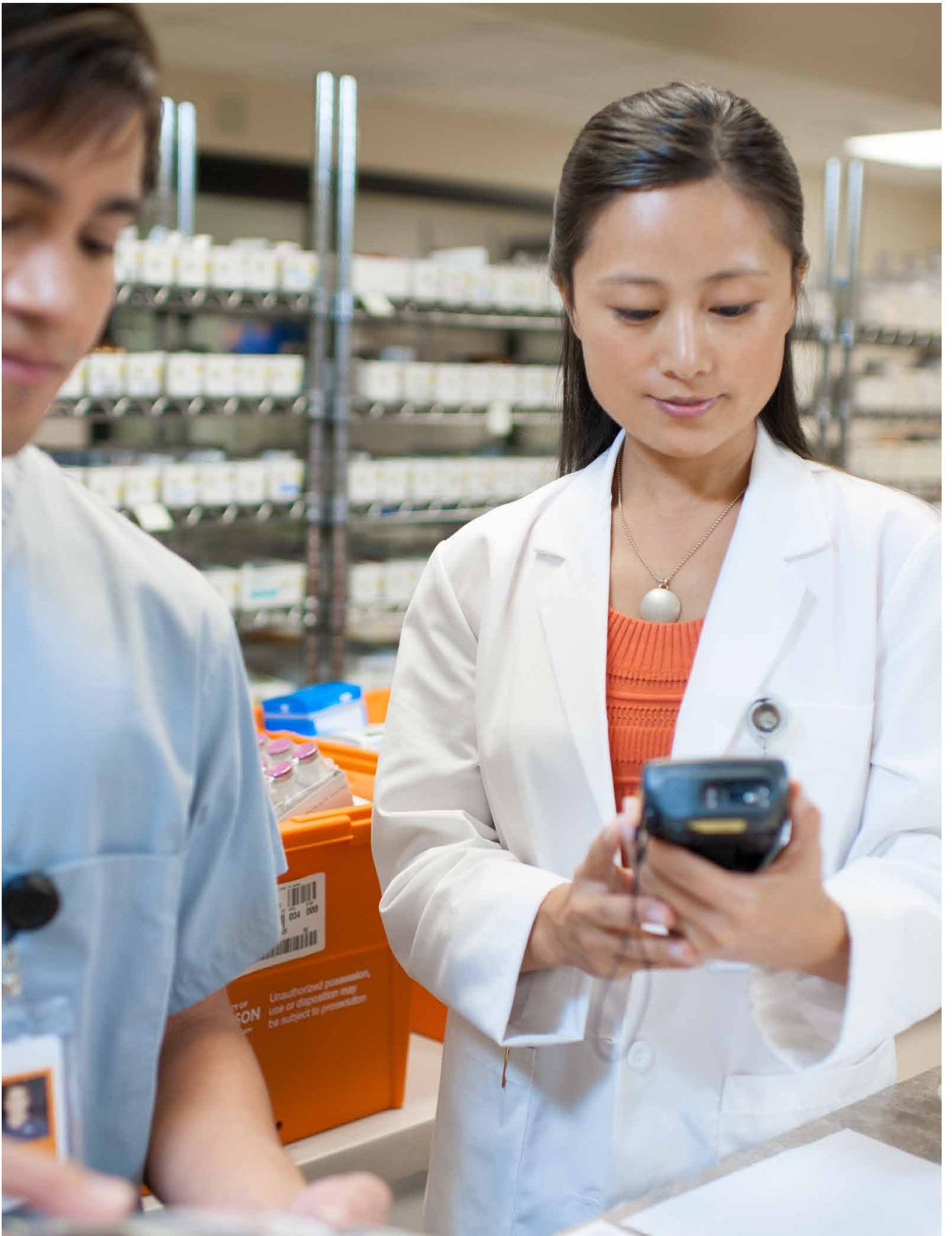
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Modernizing won't happen overnight.

The future of pharmacy is all about creating a patient-centric, digital, and personalized experience. And getting there will take effort, investment, and time. That's why we created this guide. It pulls together the wisdom of our pharmacy experts, with practical tips you can start now to lay the foundation for a bright, care-filled future.

“In the future, more pharmacists will be acknowledged as healthcare providers. They see patients, and many will be able to prescribe and monitor patients as a physician would. Technology and automation will start to pick up some of the more routine tasks that currently eat up their time.”

– Vickie Andros, Pharm D and product manager at RelayHealth



Transform your pharmacy in 5 years

Before you can become a destination for preventive care, you need to expand your pharmacy's business, staff, and capacity. And you don't have to do it alone. Our experts share strategies for handling your biggest concerns: efficiency, costs, reimbursement, cash flow, and disruptive innovation.





1. Start by getting more efficient

The future starts here. Before you can expand to offer preventive care, you need to find ways to fill prescriptions more efficiently. If you don't have spare hours—or cash—to take on new things, you're not alone. Here are some ways others have found to tighten efficiency.

Standardize your workflows.

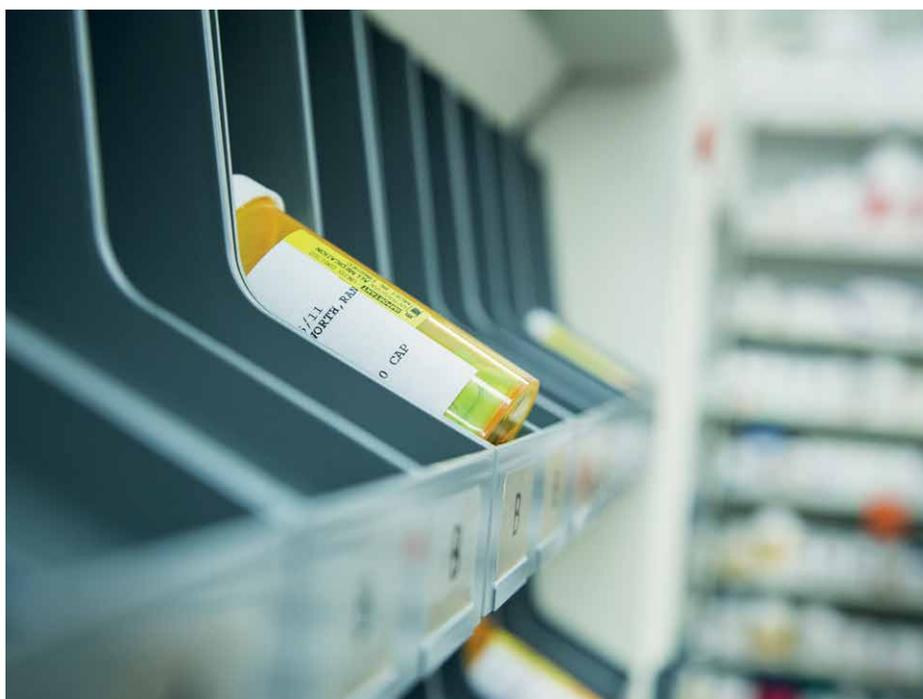
Look for ways to convert chaos into consistency. “When I walk in to the back of a pharmacy, there’s often a lot of controlled chaos,” says Steven Oh, pharmacist and regional director of pharmacy performance for McKesson’s Health Mart Atlas. “Everyone’s doing different things in different ways each time they do it. Instead, give everyone specific roles and responsibilities. Follow more consistent processes. This will reduce wasted time and effort and make people better at their jobs.”

Maximize your talent.

This is about using your staff in the right ways. “As a pharmacist, you might be doing a lot of tasks that your technicians can do instead,” says Oh. “Filling prescriptions is a great example. Your techs can do that. That leaves you more time to verify prescriptions and talk to patients.”

“There’s information clutter, physical clutter, and process clutter. When you reduce all that noise, you reduce stress. And you reduce the chance of making a mistake. This is especially important when you’re in the business of taking care of people. Our patients depend on us to make their medication use as safe and as effective as possible.”

– Joe Tamarro, vice president of sales at McKesson High Volume Solutions





2. Control labor and inventory costs

Before you can take on new things, you need to have your cash flow well in hand. “The two biggest operational costs that you can control are labor and inventory,” says Robin Page, RPh and regional franchise director at Health Mart. “What we see at some independents that are having cash flow issues are total labor costs that are too high or too much inventory on their shelves.” Here are three ways to maximize your cash flow.

Stock less of what you don’t need.

You can do several things to control your inventory costs and avoid having overstock sit on your shelves for weeks—or even months. “For prescription drugs, medication synchronization and automatic refills can help with that,” says Page. “These types of tools will tell you 3–5 days in advance how much you’ll need of which drug for each regular customer. That way, you won’t tie up money with drugs you won’t dispense for weeks.”

Same goes for over-the-counter drugs. “Pull data from your computer or point of sale system to know how much of each product is actually selling,” says Page. “If it doesn’t sell for 90 days, reduce the amount you stock and put it at the front of the store. And if it only sells during one quarter, don’t carry it all year long.”

Optimize your workload.

Inside your pharmacy, it’s about matching your staffing levels to your workload. As Page puts it: “We often see a couple of techs with little to do at certain times during the day and then see one tech backed up with six customers at other times. It’s not about getting rid of staff. It’s about using them wisely. This means having them there when you need them, and not having them there—or having them take on other duties—when you don’t.”

Deliver more efficiently.

Outside your pharmacy, controlling costs comes down to deliveries. “Are you making three or four separate deliveries to the same customer each week?” says Page. “If so, you may want to start a medication synchronization program. You can enroll that customer in med sync and make a delivery once a week or even once a month. You can also zone your deliveries so you’re making deliveries to the same neighborhoods at the same time.”





3. Help with medication adherence

This is a great first step toward taking on a broader role. When patients take their meds on schedule, it's better for their health. And it's better for the health of your pharmacy, too. Because when patients keep coming back for refills at the right times, it means more revenue for you—and a more predictable cashflow.

“You can use tools to track adherence and spot patients who aren't filling or refilling their prescriptions,” says Steven Oh. “Then you can work with them to remove any barriers and capture that drug volume.” Here are four tips to make this happen.

Focus on a few chronic diseases.

Use your pharmacy management system to find the best places to make a difference. Start with diabetes, hypertension, and cholesterol. These are critical because Medicare uses adherence scores in those three categories to set the star ratings of Medicare Advantage plans.

Target a manageable pool of patients.

Your best chance of increasing adherence is to work with patients who already take their meds at least 60% of the time. They might just need that extra nudge to get past 80%. Use your pharmacy management system to find patients who fit the bill. These are moderately adherent patients who have filled enough prescriptions over a certain time—usually 6–12 months.

Up to
41.6%
of patients don't take their blood pressure medication as scheduled.

— Hypertension, Journal of the American Heart Association

Set adherence ranges for each medication.

Next, use percentages to define what adherence looks like for each medication. Most pharmacies define adherence as how much time a patient has a medication on hand. These are the common ranges:

- Adherent patients have a supply of meds that covers 80% of the time they are prescribed to be on the medication
- Moderately adherent patients typically have a 60–80% supply
- Non-adherent patients often have less than a 60% supply

Do personalized outreach.

Put together a medication profile for each patient you've decided to focus on. This can include things like their medication history, drug needs, usage, and adherence ranges.

Then reach out to these people. Maybe there is an opportunity to offer them reimbursable medication counseling.

“It's important to be proactive and identify patients who are likely to be nonadherent. What can you do to prevent that? It may include medication synchronization or added prescription counseling. You can also use a pharmacy management system or other technology to help identify patients at risk of being nonadherent.”

— Vickie Andros, Pharm D and product manager at RelayHealth



4. Use technology to connect with customers

By embracing technology, you can free yourself up to connect with customers in new ways. “Some think that technology takes away that personal touch,” said Mark DeWoskin, Pharm.D. and regional franchise director at Health Mart. “But it’s just the opposite. By doing more things manually, you’re taking away from the time you could spend with patients.”

Order and refill prescriptions online.

“Patients research their drugs online. They comparison shop for drugs online for convenience and price. You need to make it as easy as possible for your patients to fill, refill, and get their drugs. That could be a mobile app. That could be med sync. That could be home delivery.”

– Joe Tamarro, vice president of sales for McKesson High Volume Solutions

Do routine screening and testing.

“You can use point-of-care technology to offer routine screening and testing for at-risk patients. Like for blood pressure, cholesterol, and glucose.”

– Chris Dimos, president of retail solutions at McKesson

Track adherence.

“You can use tools to track adherence and spot patients who are not filling or refilling their prescriptions. You can work with them to remove any barriers and capture that drug volume.”

– Steven Oh, pharmacist and regional director of pharmacy performance for McKesson’s Health Mart Atlas

Monitor patients remotely.

“Advances in sensors, remote monitoring, and wearables could make it possible for your pharmacy to alert patients with asthma that they’re at risk because of an area’s air quality. You could advise them to bring their rescue inhaler or stay away from that area.”

– Chris Dimos, president of retail solutions at McKesson U.S. Pharma

Manage patient info from a single place.

“Your pharmacy management system should have each customer’s medication history in it, their disease state, and other info. When that customer comes in to pick up a prescription, your system should show a message that reminds you to recommend another product or service based on their disease state, the types of drugs you are dispensing, or their age. You could do that manually with sticky notes, but it’s much easier to do with technology.”

– Robin Page, RPh and regional franchise director at Health Mart

Use medication synchronization.

“Are you making three or four separate deliveries to the same customer each week? If so, you may want to start a medication synchronization program. You can enroll that customer in med sync and make a delivery once a week or even once a month.”

– Robin Page, RPh and regional franchise director at Health Mart

Manage your inventory more efficiently.

“Unused inventory can kill your cash flow. ‘I need all this stuff on my shelves or my patients will go somewhere else.’ No, you don’t. You need inventory management tools to track product turnover. You need to know what and how much to keep at any one time. With money tight, many spend a lot of time ordering products and overseeing inventory management when there is great inventory technology available.”

– Mark DeWoskin, former pharmacy owner and now franchise director at Health Mart

“Rather than fill pill bottles, your staff can now spend time on direct patient care.”

– Melanie Christie, vice president of product management at McKesson High Volume Solutions

Automate tasks to save time—and reduce error.

“Every step in your process—from taking an order to handing a drug to a patient—creates an opportunity to make a mistake. By automating those steps, you reduce the chance of human error. You also improve workflow. Automation directly affects quality and safety. And it also gives you time back to provide more clinical services to patients. I know pharmacies that are giving 40% more vaccines because they now have the labor to do it.”

– Joe Tamarro, RPh and vice president of sales with McKesson High Volume Solutions

Automation in action: Central fill

Your pharmacy will always need to fill and dispense drugs to patients. But if you spend most of your time doing that, you don’t have much left to care for patients. One solution is to move that task somewhere else. And that’s central fill.

In this type of automation, you fill your scripts at a single site using technology. You can set up your own central fill facility. Or even license central fill services and pay a per dispense fee. Either way, this central site:

- Receives your prescription orders
- Sources drugs from manufacturers and distributors
- Fills, labels, and verifies your prescriptions
- Delivers them to your sites or directly to your patients

Students, this one’s for you

“I speak at pharmacy schools regularly, and I often talk about technology. The first question I get from students is, ‘Are you trying to put me out of a job?’ What I say to them is this: ‘If you’re basing your career on how well you can count pills, it’s probably not that great of a job to have anyway.’ Base your career on the value you deliver to your patients and to the company you’re working for. Companies aren’t going to pay you \$100,000 just because you can count by fives. What matters most is your knowledge, communication, and overall ability to make a positive impact on a patient’s health.”

– Joe Tamarro, RPh and vice president of sales at McKesson High Volume Solutions





5. Invest in preventive care

Treating illnesses as they come up will always be a top priority. But to maximize your potential as a pharmacist, you need to start thinking more broadly about patient care. Here are some of many examples of new services and programs to explore.

Practice at the top of your license.

“Pharmacists are the most affordable and accessible providers in healthcare today. When your pharmacy provides clinical services and health and wellness information to patients, and your pharmacists practice at the top of their license, you create more value for the entire system.”

– Chris Dimos, president of retail solutions at McKesson U.S. Pharma

Expand your immunization programs.

“Immunization programs are a great example of an existing service that you could expand to become a destination for the healthy. Your pharmacy probably already offers seasonal flu shots. In the future, you could expand to year-round immunizations. Your patients could access all types of vaccines for diseases like pneumonia or shingles. And you could offer travel vaccines to keep patients from contracting diseases more common outside of the U.S.

– Chris Dimos, president of retail solutions at McKesson U.S. Pharma

Administer niche drugs.

“One of the fastest-growing areas I’ve seen lately is administering antipsychotic medications. There’s a shortage of injection sites. Doctors are feeling overwhelmed, and that creates a need in your community. Collaborating with manufacturers to support, administer and bill niche drugs is a huge opportunity for independents that is just beginning to develop.”

– Mark DeWoskin, Pharm.D. and regional franchise director at Health Mart

Offer preventive health screenings.

“Patients could go to your pharmacy for basic tests like high blood pressure, high cholesterol, or high blood sugar. This is more convenient and affordable than tests at a doctor’s office or lab. With early detection, your patients might be able to prevent an illness. Or, if they’re diagnosed with an illness, they can take steps to avoid complications. You could even offer things like pharmacogenomic testing to help patients understand how their genes affect their body’s response to the medication, and which medication may be right for them.”

– Chris Dimos, president of retail solutions at McKesson U.S. Pharma

Make private appointments.

“Start setting up appointments for patients to pick up their prescriptions—and speak with a pharmacist one on one. Face to face interactions with your patients drive better outcomes. And if possible, dedicate a separate space or private office for counseling patients. They might feel more comfortable opening up about their concerns in a private setting instead of at the pharmacy counter.”

– Steven Oh, RpH, regional director of pharmacy performance at Health Mart Atlas

Offer wellness counseling.

“You can offer wellness counseling across everything from lifestyle to disease management. Maybe they’re having trouble quitting smoking or losing weight. Maybe they’re not sleeping well or are concerned about their diet. Patients might not mention these things in passing. But when you offer more of a consultation vs. a transaction, you can listen to their concerns and offer help.”

– Steven Oh, RpH, regional director of pharmacy performance at Health Mart Atlas

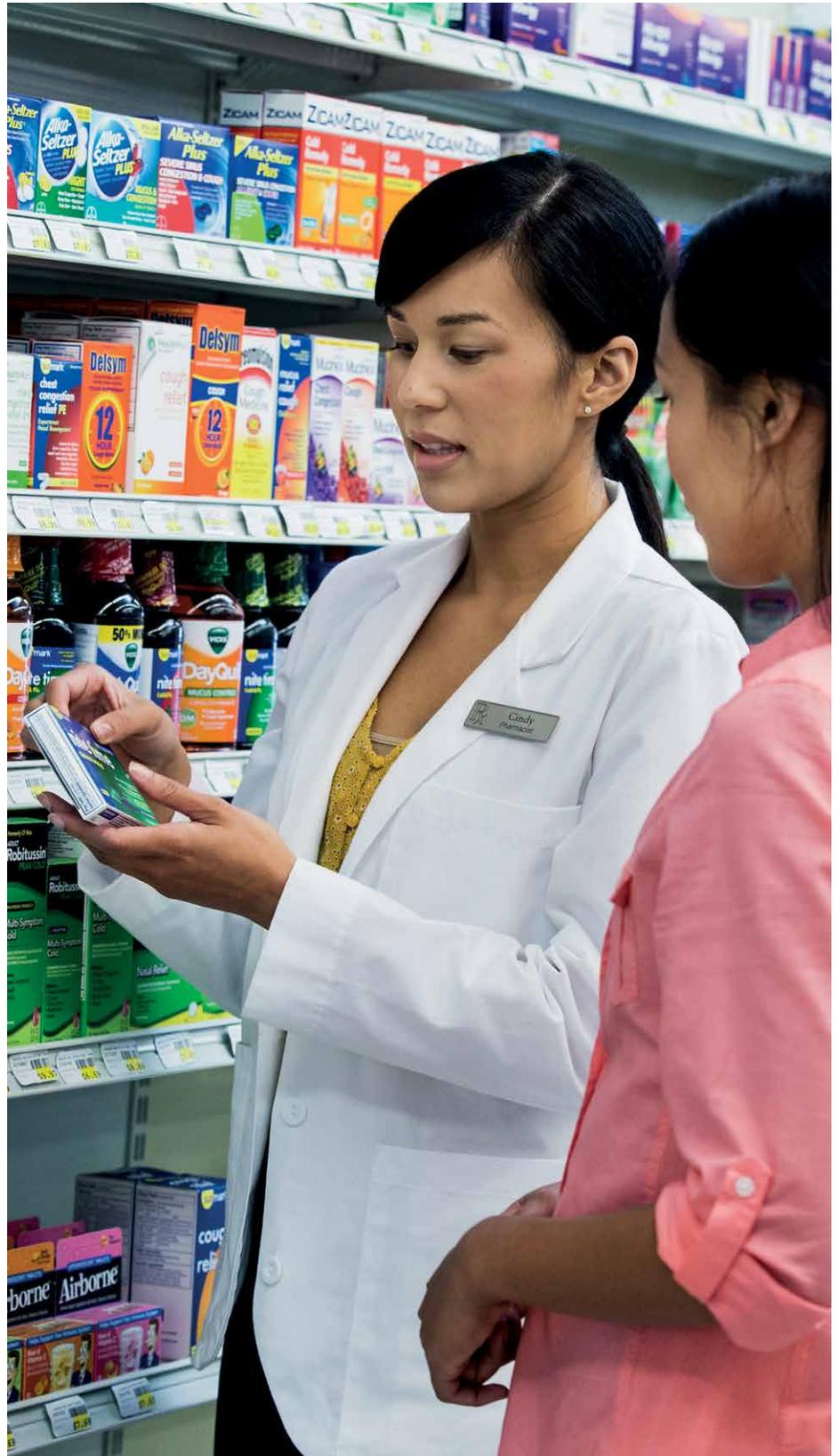
Become an all-around wellness resource.

“Your pharmacy’s future depends on being able to offer an omni-channel experience to patients. You need to offer patients multiple ways to access services and information and help them manage their health. It could be an app that connects patients to online health information. It could be face-to-face counseling with patients on things like smoking cessation, nutrition, or fitness. The trick is making it convenient for patients.”

– Chris Dimos, president of retail solutions at McKesson U.S. Pharma

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Best practices from the pharmacy of the year

Every year McKesson recognizes a Health Mart pharmacy that has been successful despite challenges. The 2018 pharmacy of the year was Bartle's Health Mart Pharmacy in Oxford, NY. It's been a trusted pillar of the Oxford community for more than 50 years. And it's stayed that way by always looking for new ways to do more for the community. Here are some examples.



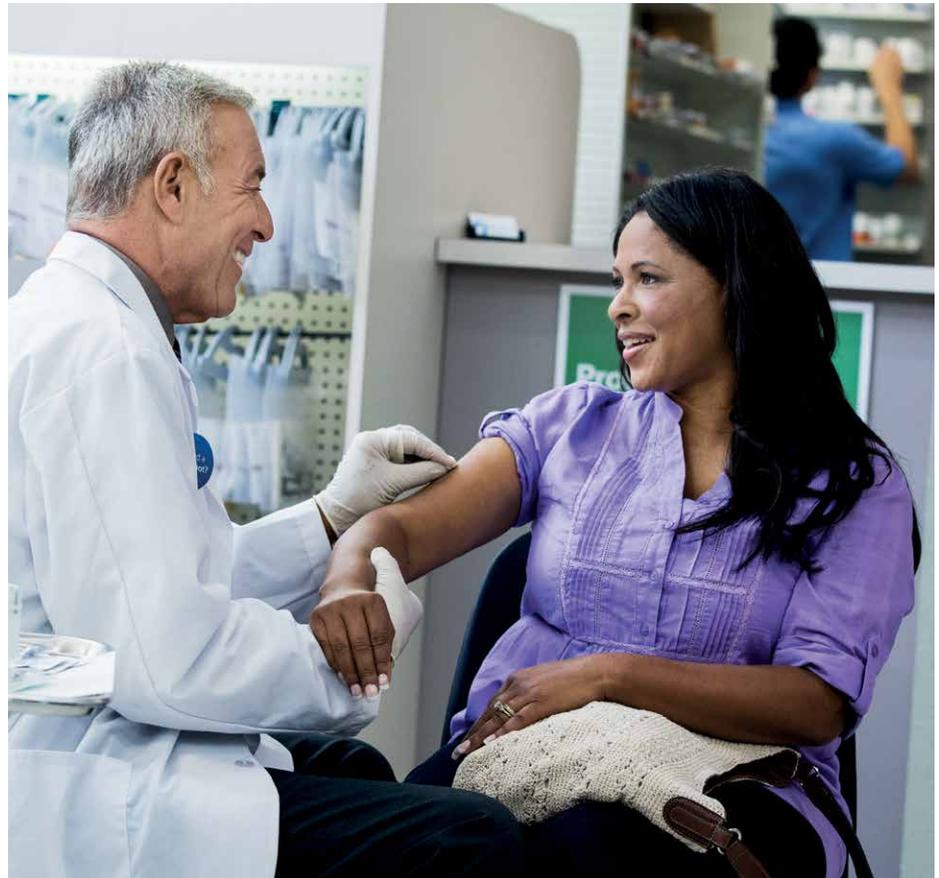
Look beyond prescription dispensing.

When customers come to Bartle's, they feel like family. That's because their pharmacists use behavioral interviewing techniques to work with each patient one-on-one. They're also open 364 days a year, with extended business hours, so they're available when the community needs them.

And Bartle's does much more than fill prescriptions. It also offers:

- Comprehensive medication reviews
- Immunization programs
- Disease-specific counseling
- Medication synchronization (med sync)
- An appointment-based model of care

For Bartle's, moving to med sync and an appointment-based model were crucial first steps. Now patients can pick up all their medications at the same time and talk through concerns. As a result, their visits feel more like consultations than transactions.



Make technology is a priority.

Plenty has changed since Brian Bartle bought his pharmacy from a neighbor in the 1960s. For one thing, it was the only pharmacy in Oxford at the time. But there's also been a revolution in pharmacy technology that some independents have struggled to keep up with. Bartle's has responded to these changes by being an early adopter of solutions such as med sync and EQuipp. Software like EQuipp gives Bartle's with at-a-glance data. It helps them keep track of patient adherence. And it shows them how they rank on performance metrics compared with other pharmacies.

Partner with providers.

Bartle's checks in regularly with its providers. This helps them get a clearer picture of a patient's health. They hear about unique challenges. And learn better ways to reach out to patients. When everyone is on the same page, patients get more personalized care—and better results.

"Bartle's is a great partner because of their willingness to have a two-way dialogue with us," says Yusuf Harper, medical director for primary care at Chenango Memorial Hospital. "We frequently make adjustments in how we deliver our care based on information that Bartle's has."

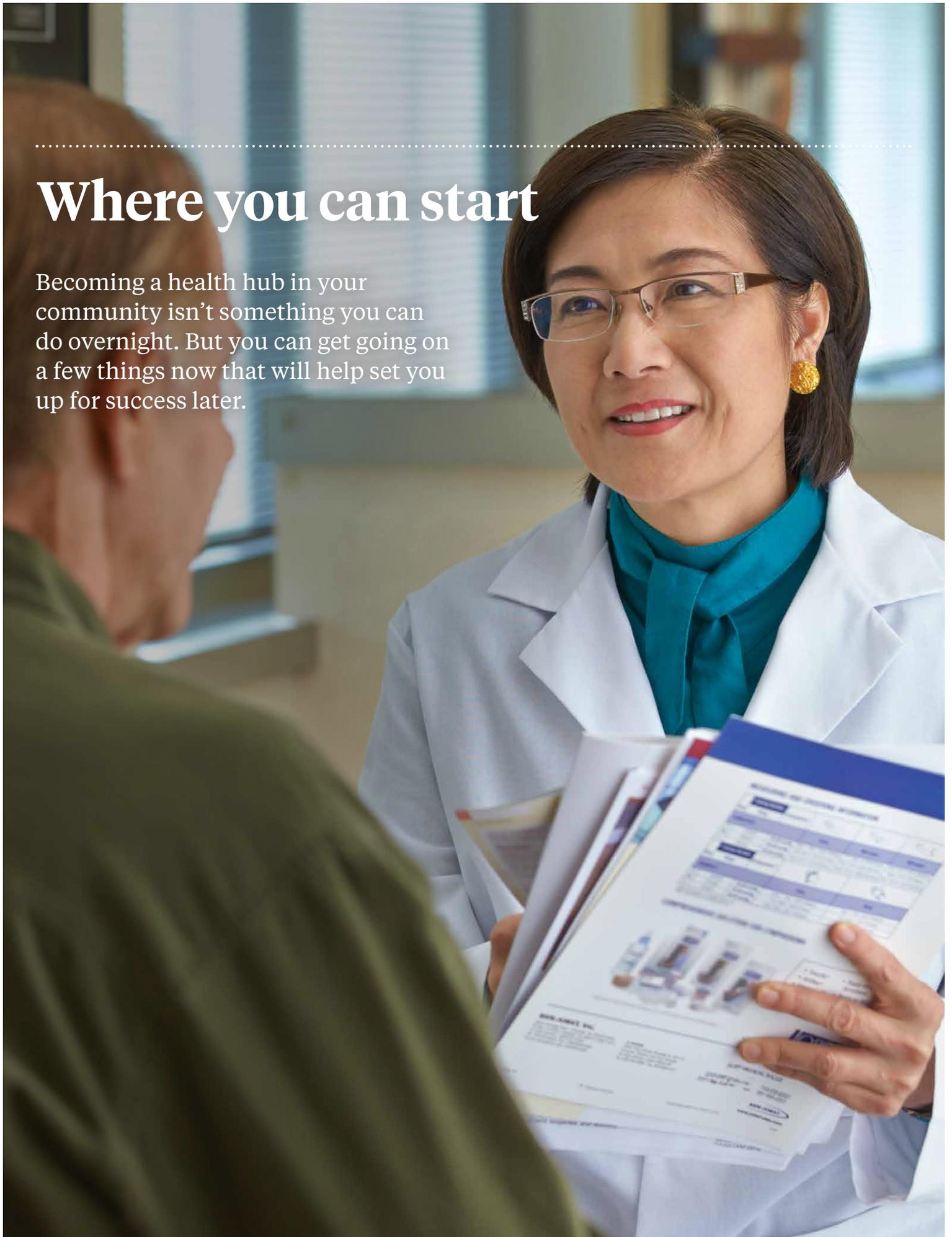
Connect with the community.

Bartle's gives back to the Oxford community in all sorts of ways, whether that's through their expertise, time, or money. As examples, they:

- Donate 3–5% of their profits to local charities
- Help other pharmacies get programs started in their stores
- Created a drug takeback program for patients to drop off unused medication
- Work closely with their state senators to help them understand how proposed laws might affect independent pharmacies
- Sit on local boards, including the Chenango Health Network

Where you can start

Becoming a health hub in your community isn't something you can do overnight. But you can get going on a few things now that will help set you up for success later.



Examples:

Create or
update your
business plan



Research how other
high-performing
pharmacies are
doing things



Consult
with experts
(page 18)



Explore your
technology
options
(page 18)



Start tightening
efficiency and
cutting costs



Know your
adherence rates
and Medicare
performance tier



Cross-train
your staff in new
services, like more
immunizations



“First up, you need a business plan. Second, you should revisit that plan at least once a year. How does it line up with your profit and loss statement? Where are your controllable expenses? Have you created a business case for the services you offer or would like to offer? You can then set financial goals and benchmarks and adjust during the year to stay on track.”

– Mark DeWoskin, PharmD and regional franchise director at Health Mart

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Your due diligence, made easier

You don't have to go through this journey alone. Through Health Mart and Health Mart Atlas, you have access to experts and resources that can help. You also have the support of your peers in the Health Mart network.

Explore your options.

See solutions and technology that can help you make the transition into preventive care.

Programs to extend your reach

- [General growth and expansion solutions](#)
- [Immunization programs](#)
- [Medication synchronization](#)
- [Customized clinical programs](#)
- [Patient adherence](#)

Technology to power your services

- [Pharmacy management systems](#)
- [Online pharmacy](#)
- [Inventory](#)
- [Automation and central fill](#)

Get inspired by how others are doing it.

Check out our recent blogs to go deeper on adherence, automation, and more:

Stories of best practices in action

- [How Bartle's goes beyond prescription dispensing](#)
- [Better patient care in the U.K.](#)
- [Data-driven innovation in Canada](#)

Patient care

- [Why the future of your pharmacy depends on patient care](#)
- [The future of the pharmacy is about the patient experience](#)
- [4 ways pharmacists can become champions of preventive care](#)

Efficiency

- [Why efficiency is crucial to your independent pharmacy's success](#)

Automation

- [Why automation is the key to your chain pharmacy's success](#)

Adherence

- [Leveraging technology for medication adherence](#)