

RETAIL Pharmacy Management

McMahon Publishing Group 

Defining Best Practices for the Drugstore

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OPERATIONS/MANAGEMENT

Lack of Faculty Threatens To Prolong Rx Shortage



As the persistence of the retail pharmacist shortage has set in, executives are finding numerous

ways to deal with it, from pharmacy automation and the increased use of technicians to central-fill facilities and remote dispensing.

At the same time, though, retail pharmacy management is counting on pharmacy schools to ramp up the number of graduates and eliminate the shortage over time. Pharmacy school enrollments have increased as the schools have expanded program sizes, and new pharmacy schools are gradually being created.

But now a new problem is revealing itself—a significant shortage of pharmacy faculty that is expected to

▶ see *LACK OF FACULTY*, page 12

PHARMACY TECHNOLOGY

Telepharmacy Making Headway in Remote States

Every day, patients can walk into Beach Pharmacy and New England Drug in rural towns Beach and New England, N.D., pick up a prescription and receive counseling from their pharmacist.

While the exchange sounds like one in any other retail pharmacy in the United States, what makes it atypical is that at Beach Pharmacy and New England Drug, patients speak not to a pharmacist behind the counter, but to one on a video monitor—to the pharmacy owner Jody Doe, RPh.

Though the technology setup may sound more like a scene from *Star Trek*, telepharmacy provided an answer for Mr. Doe when he decided two years ago to expand his business. He is also owner of Kildeer Pharmacy, located in Kildeer, N.D., which

▶ see *TELEPHARMACY*, page 4

IN THIS ISSUE

- 10 **Diabetes Care:** Changing the way we think about diabetes education
- 20 **Front End Trends:** Analgesics category sees effects of strong private-label sales
- 21 **Generic Drugs:** Push for additional rebates could change Medicaid participation

Results of Retail Pharmacy Management's Exclusive Annual Reader Survey

Patient Care Compromised

Retail pharmacists' ability to provide quality patient care is under attack,

threatened by third-party interference, overwhelming prescription demand and the chronic pharmacist shortage.

At a time when the value of retail pharmacists and their role in providing healthcare is central to debates over reimportation issues, Medicare Plan B and mandatory mail order, this is troubling news.

According to *Retail Pharmacy Management's Annual Reader Survey*, two-thirds of all pharmacists who completed the survey—74% of respondents at chains and 61% of respondents at independents—say that pressures behind the bench affect the quality of patient counseling (Table 1, page 14).



▶ see *READER SURVEY*, page 14

PHARMACY TECHNOLOGY



Automated Dispensing Machines Mimic ATM Functionality

Consumers rushing to catch a plane routinely use machines similar to automated teller machines (ATMs) to check in for their flights, check luggage

and get their boarding passes.

Similarly, ATMs have enjoyed predominance in banks, shopping malls, movie theatres, bars, restaurants, grocery stores and delis, and most transactions take place without hesitation.

So why wouldn't patients appreciate the convenience of walking into a pharmacy and picking up prescription

refills from a machine that lets them pay and go?

This latest automation technology is now available from two start-up companies: San Diego, Calif.-based Asteres Inc. and San Marcos, Calif.-based Distributed Delivery Networks Corporation, also known as ddn.

With physical measurements similar to an ATM, both the Asteres ScriptCenter and ddn Corp.'s Automated Product Machine (APM) can be electronically integrated with a pharmacy's management system and point-of-sale system (POS), making it possible for customers to use credit or debit cards in conjunction with a password or other form of identification, to pay for and pick up their refills.

▶ see *AUTOMATED DISPENSING*, page 18

In this issue

RETAIL PHARMACY MANAGEMENT RECOGNIZES ITS TRUE CARING GRAND HONOREES pages 8-9

PASS IT ALONG

Please pass along this issue to your staff.

Telepharmacy Making Headway in Remote States

continued from page 1

serves as his primary facility.

With a rural population of 1,100 in Beach and 600 in New England, it was cost-prohibitive for Mr. Doe to employ a full-time pharmacist at either location. Yet, still recognizing that both towns needed such healthcare access, and hoping to expand his customer base, Mr. Doe saw telepharmacy as a solution.

So, he hired a technician for each telepharmacy and trained them to work within this operation. Mr. Doe oversees the technicians during the filling process and verifies each prescription. Then, when customers come in to pick up their prescription, Mr. Doe, using a high-speed Internet connection and a Web camera, talks with his patients and answers questions.

"Telepharmacies help retail pharmacies keep the prescriptions they might otherwise lose to mail order," said Mr. Doe. "They help extend your marketing reach, but the primary reason that I implemented the service was to give people in remote communities access to a pharmacist."

State Laws Begin To Adapt

Mr. Doe's pharmacies are among a total number of six retail community pharmacies providing telepharmacy satellite services to nine remote sites in North Dakota, the first state to establish telepharmacy regulations in 1999. The other retailers with telepharmacy operations are Dakota Pharmacy, Forman Drug, Hankinson Drug, Thrifty White Drug and Larsen Service Drug.

All the telepharmacies in North Dakota were developed with the assistance of a federal grant that is now in the process of

being renewed for a third year.

Nationally, although telepharmacy is not expected to grow dramatically until the majority of state pharmacy boards have written regulations overseeing the process, deployments of telepharmacy for retail community pharmacy settings are increasing.

Maple Grove, Minn.-based Thrifty White, a 65-unit drugstore chain that already has three telepharmacies in North Dakota, will begin a pilot project for the first interstate telepharmacy service: a remote Thrifty White drugstore in northwestern Minnesota will be serviced by a Thrifty White pharmacist based in Fargo, N.D. According to Howard Anderson, RPh, executive director of the North Dakota State Board of Pharmacy, Thrifty White is expected to open the Minnesota telepharmacy soon. Thrifty White will also dedicate one pharmacist to supervise all of its telepharmacies.

"Minnesota might call that a test," said Mr. Anderson, "but in North Dakota, we're way past the pilot stage."

The North Dakota State Board of Pharmacy recently approved rules to allow contiguous state telepharmacies, and the Minnesota Board of Pharmacy, which had previously granted intrastate telepharmacy sites with the Fairview Health System for their outpatient clinics, has now given its OK to the retail interstate project.

Other Implementations

Besides community pharmacy settings, retail pharmacists have also opened telepharmacies to service military bases, clinics, hospitals, institutions and long-term care facilities.

One example is independent retail

pharmacy PGPA Pharmacy in Okemos, Mich., which has been providing automated telepharmacy services to a federally funded community family health clinic located 60 miles from Okemos in Battle Creek, Mich. In PGPA's case, it relies on Vernon Hills, Ill.-based Telepharmacy Solutions, Inc.'s automation, the Automated Drug Delivery System (ADDS) remote dispensing product line of AutoMed Technologies, Inc., a division of AmerisourceBergen, to prepare prescriptions. The ADDS system, essentially a robot, stocks 50 to 90 prepackaged medications. When a pharmacist, working from a remote location, is ready to dispense a medication, he or she activates the robot, which then selects a bar-coded, prepackaged medication and releases it to a technician, who labels it and gives it to the patient.

Software in the telepharmacy's computer is interfaced with the individual pharmacist's pharmacy management software. The pharmacist can then talk to and counsel the patient at the remote location through an audio/video hookup.

Bill Adrian, RPh, president and co-owner of Pharmacy Group Practice Associates, a professional corporation that owns PGPA, said the company opened its telepharmacy in 1996, the same year that it opened their drug store.

It took about three years for PGPA Pharmacy to financially break even



Nathan Schlecht, RPh, owner of Forman Drug in Forman, N.D., is the first pharmacist to open a "telecounseling" pharmacy, Gwinner Gifts and Telepharmacy in Gwinner, N.D.

with its investment, with the first several years dedicated to software development and upgrades, notes Mr. Adrian. Currently, the telepharmacy fills between 60 to 80 prescriptions a day, bringing PGPA's total daily prescription volume to 250 to 300 scripts a day.

Mr. Adrian said he would like to service more telepharmacies and perhaps put some into retail settings, but won't expand until the Michigan Board of Pharmacy issues regulations governing telepharmacies.

"Our state laws really don't address this, although they are working on it," said Mr. Adrian, "but until the legalities have been ironed out, I am not comfortable expanding. Telepharmacy provides a very necessary service to underserved populations, but there are very complex issues involved in how each state chooses to regulate telepharmacy."

continued on page 13

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Telepharmacy Making Headway in Remote States

continued from page 4

Number of Installations Increases

Carl Geberbauer, vice president of sales and marketing for Telepharmacy Solutions, Inc., said that in the last two years, the company has deployed 50 of their automated telepharmacy ADDS systems, and now has approximately 150 total deployments, the majority being used in federally funded community healthcare clinics, clinics operated by the Department of Veterans Affairs and hospital outpatient pharmacies and emergency rooms.

Yet, Mr. Geberbauer said about a quarter of their deployments have been to independent pharmacy retailers who are using telepharmacy to provide remote pharmacy services, not primarily in retail stores yet, but in federally funded community clinics whose pharmacy services these independents manage. He also noted the company has worked "with practically every state board of pharmacy in the county," and estimated that 15 states currently either have approved telepharmacy regulations or approved telepharmacy pilot sites, while 20 more are actively working on or investigating telepharmacy regulations. The remaining 15 have virtually no current activity centered on telepharmacies.

ScriptPro's president and chief executive officer, Mike Coughlin, said they have successfully deployed their telepharmacy solution, which is an extension of their SP Central workflow software, in a Department of Veterans Affairs clinic, and are now in the early phases of "working through some of the planning aspects of using telepharmacy in a broader basis in the commercial sector."

According to Mr. Coughlin, ScriptPro's interest in telepharmacy was a natural outgrowth of the company's mission to empower and expand pharmacists' role in healthcare. "[Telepharmacy] is successful," said Mr. Coughlin, "and now we're preparing to expand it, but it's premature to discuss details."

Not All Roses

While telepharmacy meets some patients' needs and provides for additional pharmacy revenue, in practice it can be challenging. For Kildeer Pharmacy's Mr. Doe, the travel between the primary pharmacy and two telepharmacies has made the management of all three businesses difficult and time-consuming. "Our pharmacy law requires me, as the supervising pharmacist, to visit there at least once a month," he explained.

The service "definitely meets a need," he noted. It is popular with patients, and increased his prescription volume significantly. It is also "a lot of work for one man to manage." Kildeer Pharmacy, Mr. Doe's central pharmacy, fills about 70 to 75 prescriptions a day while his satellite pharmacies, New England Drug and Beach Pharmacy, fill 30 to 35 and 55 prescriptions a day, respectively.

"If you ask me if I'd do it again, I'd probably say no," Mr. Doe explained. "If it were only a matter of counseling patients

and dispensing medications, it would be different, but you can't have your fingers in the business the way you need to."

Despite the hurdles, other pharmacies continue to pursue the option. An independent pharmacy in Oregon is expected to become the first pharmacy retailer to install a Telepharmacy Solutions automated telepharmacy system into a remote retail pharmacy in

that state, according to Mr. Geberbauer.

"Right now you're seeing more telepharmacy deployments into community health and government settings, but each year we're seeing more interest from retailers. They are talking about putting telepharmacies into community pharmacies that have either lost their pharmacist or never had one and who have to drive 60 miles or more one way to get to a

pharmacy," said Mr. Geberbauer.

Mr. Geberbauer said a pharmacy can put an automated telepharmacy into an existing store at about 15% of what it would cost to open a new store and staff it with a technician, as in the North Dakota model. In most situations, he noted, a pharmacist could break even doing an average 30 prescriptions a day.

—Liz Parks

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