

# Fit for the future in pharmacy business



Unlocking potential – Achieving success



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## Goals



At the end of the workshop you will be able to:

- List opportunities for maximising income through dispensing
- List areas for minimising losses in the dispensing process
- List actions that will improve efficiency and profit.



## Workshop agenda



- Maximising your reimbursement
- Understanding your business better
- Improving dispensary efficiency



# Maximising your reimbursement



Pharmacy Stamp	Age	Title, Forename, Surname & Address
	Dob	
<b><i>Erythromycin / Zinc acetate lotion 40/12 90ml</i></b>		
Signature of Prescriber		
<input type="checkbox"/>	<b>PATIENTS – please read the notes overleaf!</b>	



## Part VIII



- Price you will be paid for generic medicines
- Three categories
  - A – Commonly used products, prices volatile
  - C – Prices based on a brand, prices volatile
  - M – Most commonly used products, fixed prices for three months



## Category M



- The tool used to manage agreed purchase profit
- Adjusts the reimbursement prices of 500 generics
- Calculates margin using “factory gate” prices and volumes from manufacturers and dispensed volumes from NHSBSA
- Higher or lower than agreed margin is resolved over the following 3 months
- This is a blunt tool that does not help cashflow



# Quantity to be supplied



- “Quantity ordered by the prescriber”
- Special containers
  - Nearest to quantity ordered
  - Halfway rule

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Pharmacy Stamp	Age DOB	Title, Forename, Surname & Address
<i>3x30ml</i>	<b>Erythromycin / Zinc acetate lotion 40/12 90ml</b>	
Signature of Prescriber	Date	
<input type="checkbox"/>	<b>PATIENTS – please read the notes overleaf!</b>	


**Product choice**  
3\*30ml £27.75  
1\*90ml £20.02

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Pharmacy Stamp	Age	Title, Forename, Surname & Address
	Dob	
<b>Co-codamol 8/500 tab 160 2 prn</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	<b>PATIENTS – please read the notes overleaf!</b>	

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Pharmacy Stamp	Age	Title, Forename, Surname & Address
	Dob	
<b>Malathion Liquid 200ml MDU</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	<b>PATIENTS – please read the notes overleaf!</b>	

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**Product choice**  
 4\*50ml £17.04  
 1\*200ml £9.91

Prozep  
(£12.95/£3.34)

Quantity ordered  
105ml  
Special container  
70ml

Only 70ml  
reimbursed

Pharmacy Stamp	Age Dob	Title, Forename, Surname & Address
<b>Fluoxetine 20mg/5ml oral solution SF 20mg od – 3 weeks supply</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	PATIENTS – please read the notes overleaf	



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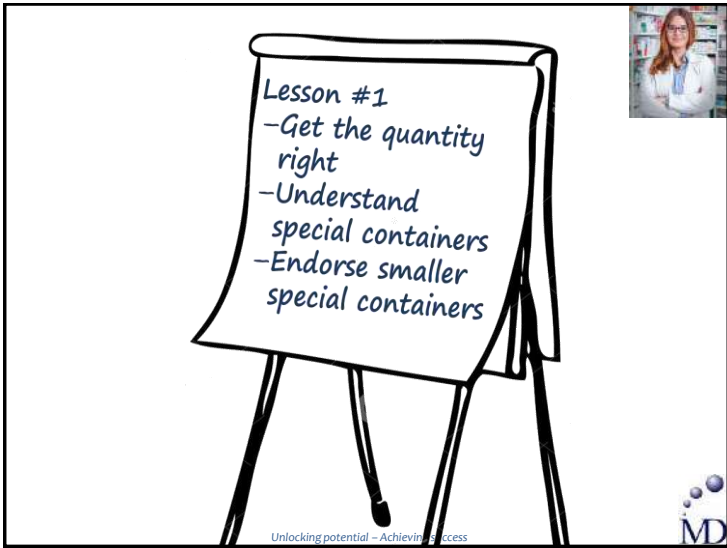
Pack sizes  
200 or 180  
Both  
special containers  
1 x 200 (200)  
2 x 200 (400)  
200 + 180 (380)  
2 x 180 (360)

Pharmacy Stamp	Age Dob	Title, Forename, Surname & Address
<b>GTN 400mcg pump spray 300 doses</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	PATIENTS – please read the notes overleaf	



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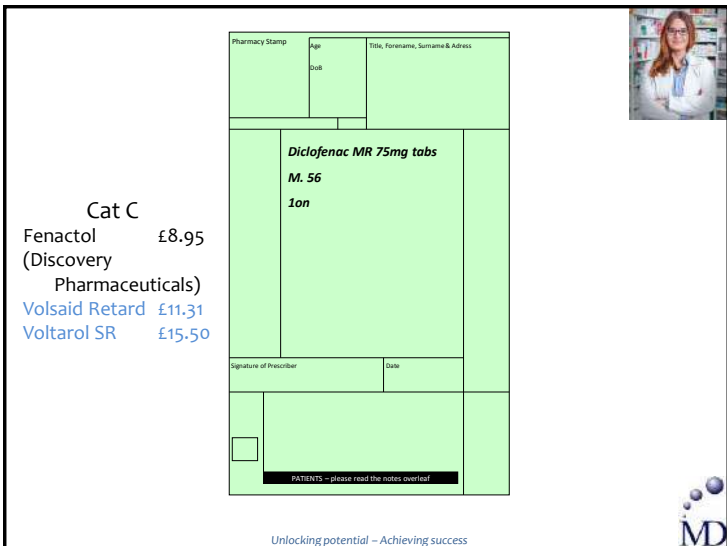




Lesson #1

- Get the quantity right
- Understand special containers
- Endorse smaller special containers

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Cat C

Fenactol £8.95  
(Discovery Pharmaceuticals)

Volsaid Retard £11.31

Voltarol SR £15.50

Pharmacy Stamp	Age	Title, Forename, Surname & Address
	DOB	
<b>Diclofenac MR 75mg tabs</b>		
<b>M. 56</b>		
<b>1on</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	<b>PATIENTS - please read the notes overleaf</b>	



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Two entries in Part VIII

Asacol (84) £27.45  
Octasa (90) £16.58

Pharmacy Stamp		Age	Title, Forename, Surname & Address
		DOB	
		<b>Mesalazine 400mg GR</b> <b>120</b> <b>1qds</b>	
Signature of Prescriber			
<input type="checkbox"/>		<b>PATIENTS – please read the notes overleaf!</b>	






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Reimbursement  
3 x 28

Dispensing options  
3 x 28  
1 x 84

Pharmacy Stamp		Age	Title, Forename, Surname & Address
		DOB	
		<b>Carbamazepine 200mg tab</b> <b>1tds</b> <b>M. 84</b>	
Signature of Prescriber			
<input type="checkbox"/>		<b>PATIENTS – please read the notes overleaf!</b>	

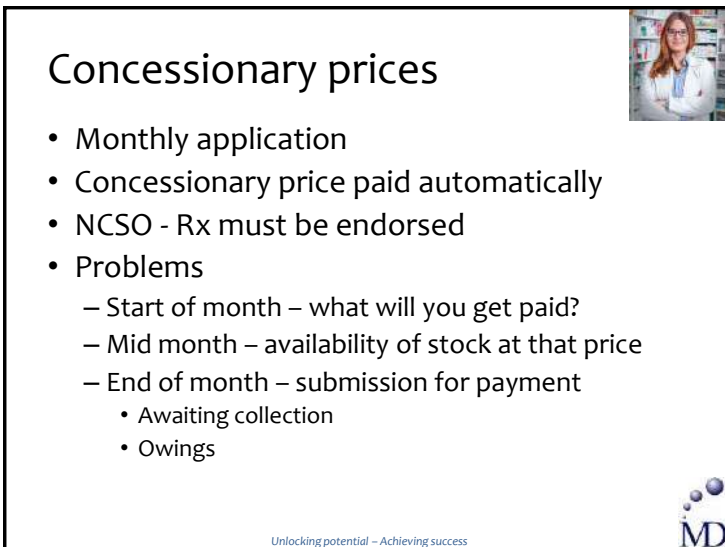
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Lesson #2

- Pick the right product
- Cat C choices
- Pack size


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## Concessionary prices

- Monthly application
- Concessionary price paid automatically
- NCSO - Rx must be endorsed
- Problems
  - Start of month – what will you get paid?
  - Mid month – availability of stock at that price
  - End of month – submission for payment
    - Awaiting collection
    - Owings


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## Concessionary prices



Fexofenadine 120mg tablets (30)	£2.88
• DT (Cat M)	£1.53
• Telfast	£5.99
• Zentiva	£6.23
• Teva	£5.98
• Alliance	£2.45
• AAH	£2.75




Lesson #3  
- Manage  
concessionary  
price products  
effectively



Pharmacy Stamp		Age Dose	Title, Forename, Surname & Address
		<p><b>Glycopyrronium bromide</b>  <b>200micrograms/5ml</b>  <b>oral liquid</b>  <b>(peppermint flavour)</b>  <b>100ml</b>  <b>mdu</b></p>	
Signature of Prescriber		Date	
<input type="checkbox"/>	<p><b>PATIENTS – please read the notes overleaf</b></p>		

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## What is a special?

<p><b>Special</b></p> <p>Unlicensed medicine</p> <p>Produced by specials manufacturer</p>		<p><b>Special obtain</b></p> <p>Licensed medicine</p> <p>Obtained on your behalf</p>
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## Part VIIIB



The product

What product variations are included

The minimum you will get paid for

Product	Formulations covered by tariff	Minimum volume	Price for minimum volume (p)	Price for each extra mg above minimum volume (p)
Acetazolamide 250mg/5ml oral suspension	STD, SF, LF, CF, NSP, AF, FF	100ml	10236	41
Acetylcysteine 10% eye drops	STD, PF	10ml	4290	
Acetylcysteine 5% eye drops preservative free	PF	10ml	3737	
Allopurinol 100mg/5ml oral suspension	STD, SF, LF, CF, NSP, AF, FF	150ml	8288	42
Amisulpride 25mg/5ml oral solution	STD, SF, LF, CF	100ml	10602	4
Amisulpride 25mg/5ml oral suspension	STD, SF, LF, CF, NSP	150ml	14176	1
Amisulpride 10mg/5ml oral solution	STD, SF, LF	150ml	3842	7
Amisulpride 10mg/5ml oral suspension	STD, SF, LF, CF	100ml	9536	1
Amisulpride 10mg/5ml oral solution	STD, SF, LF, CF	150ml	12681	3
Amisulpride 10mg/5ml oral suspension	STD, SF, LF, CF, NSP	70ml	12856	5

Endorse **SP** for procurement fee

The price you will get paid for anything above the minimum

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## Non Part VIIIB special




- Produced for an individual patient
- Endorse product details
  - invoice price minus discount
  - manufacturers MHRA license no.
  - batch no
  - pack size
- Endorse **SP** for procurement fee


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Pharmacy Stamp		Age	Title, Forename, Surname & Address
		Dob	
	<b>Glycopyrronium bromide</b> <b>200micrograms/5ml</b> <b>oral liquid</b> <b>(peppermint flavour)</b>  <b>100ml</b> <b>mdu</b>		
	Signature of Prescriber		Date
<input type="checkbox"/>		<b>PATIENTS – please read the notes overleaf!</b>	

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cream (Formula A)					
Glycopyrronium bromide 2.5mg/5ml oral solution	STD, SF, LF, CF, NSF, AF, FF	100ml	28909	1	
Glycopyrronium bromide 2.5mg/5ml oral suspension	STD, SF, LF, CF, NSF, AF, FF	200ml	11423	1	
Glycopyrronium bromide 200micrograms/5ml oral solution	STD, SF, LF, CF, NSF, AF, FF	100ml	9164	1	
Glycopyrronium bromide 200micrograms/5ml oral suspension	STD, SF, LF, CF, NSF, AF, FF	100ml	5220	1	
Glycopyrronium bromide 5mg/5ml oral solution	STD, SF, LF, CF, NSF, AF, FF	100ml	6641	1	
Glycopyrronium bromide 5mg/5ml oral suspension	STD, SF, LF, CF, NSF, AF, FF	50ml	3725	17	
Glycopyrronium bromide 500micrograms/5ml oral solution	STD, SF, LF, CF, NSF, AF, FF	100ml	11670	5	

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Pharmacy Stamp	Age	Title, Forename, Surname & Address
	Dob	
SP Solution	<b>Glycopyrronium bromide</b> <b>200micrograms/5ml</b> <b>oral liquid</b> <b>(peppermint flavour)</b> <b>100ml</b> <b>mdu</b>	
	Signature of Prescriber	Date
<input type="checkbox"/>	PATIENTS – please read the notes overleaf!	

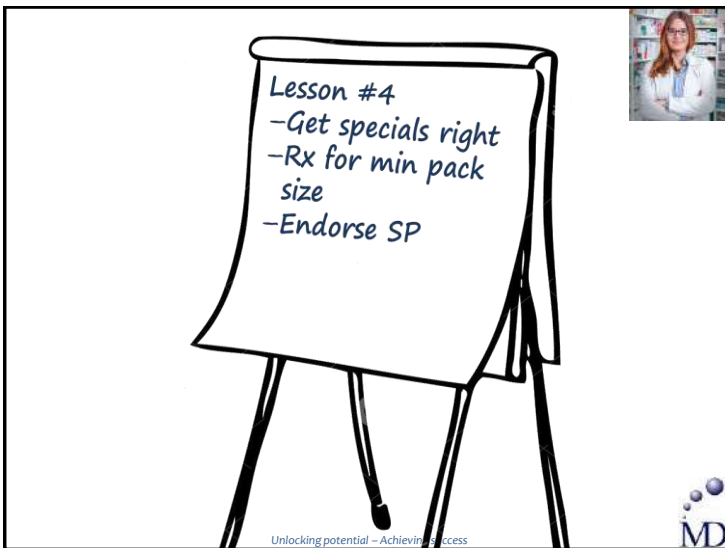
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Pharmacy Stamp	Age	Title, Forename, Surname & Address
	Dob	
SP Net price Licence Batch Pack	<b>25% w/w Liquid paraffin</b> <b>in WSP</b> <b>250g</b>	
	Signature of Prescriber	Date
<input type="checkbox"/>	PATIENTS – please read the notes overleaf!	

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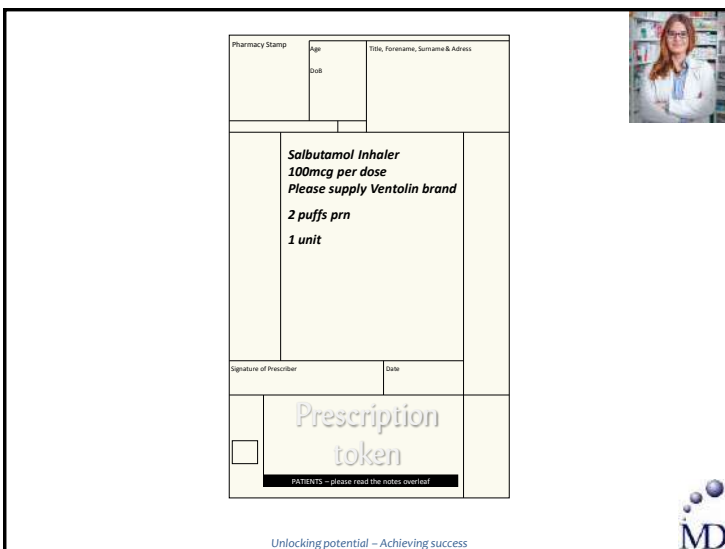


Lesson #4

- Get specials right
- Rx for min pack size
- Endorse SP

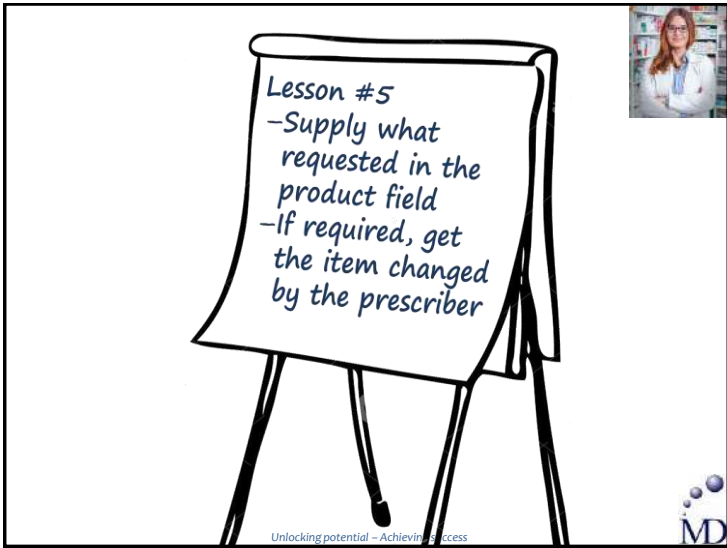
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Pharmacy Stamp	Age DOB	Title, Forename, Surname & Address
<b>Salbutamol Inhaler</b> <b>100mcg per dose</b> <b>Please supply Ventolin brand</b> <b>2 puffs prn</b> <b>1 unit</b>		
Signature of Prescriber		Date
<b>Prescription token</b> <small>PATIENTS – please read the notes overleaf</small>		

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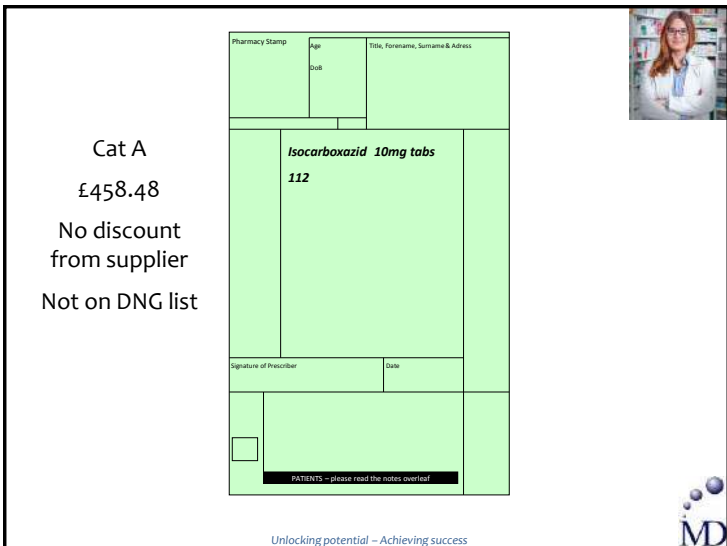




**Lesson #5**

- Supply what requested in the product field
- If required, get the item changed by the prescriber

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Cat A  
£458.48  
No discount from supplier  
Not on DNG list

Pharmacy Stamp	Age DOB	Title, Forename, Surname & Address
<b>Isocarboxazid 10mg tabs</b> <b>112</b>		
Signature of Prescriber		Date
<input type="checkbox"/>	<b>PATIENTS – please read the notes overleaf!</b>	

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## Calculation for payment



- Total cost of drugs, appliances, etc.  
*less*
- Discount scale (5.63 - 11.5%)  
*plus*
- Fees  
*plus*
- Consumables and containers



## Discount not given




- Eligible products
  - Schedule 2 or 3 Controlled Drug
  - HazChem: Product
  - Cytotoxic or cytostatic item
  - Cold-chain storage item
  - Unlicensed Specials
  - Other products
    - the manufacturer, AAH and Alliance do not offer a discount
    - fewer than 500,000 items per year are dispensed
    - average net ingredient cost (NIC) per item is more than £50
- No endorsement required or accepted



Cat A  
 £458.48  
 No discount  
 from supplier  
 Not on DNG list  
 Loss of £44.10

Pharmacy Stamp		Age	Title, Forename, Surname & Address
		DOB	
		<b>Isocarboxazid 10mg tabs</b> 112	
Signature of Prescriber		Date	
<input type="checkbox"/>	PATIENTS – please read the notes overleaf		



MD

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Lesson #6

- Check discount on invoices
- Report products you don't get discount on




MD

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## Other claims on the prescription



- Out of pocket expenses
- Broken Bulk
- Measured and Fitted

Not available on Category A & C, specials or Part IX A appliances. Available on any branded product

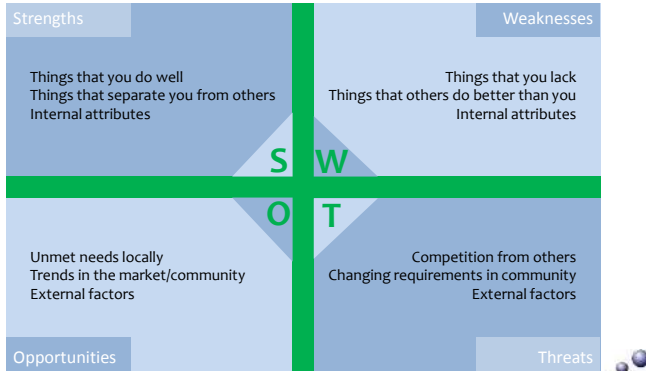
Not available on Category A & M product < £50, specials or Part IX A or R appliances. Available on any branded product



## Understanding your business better



# SWOT



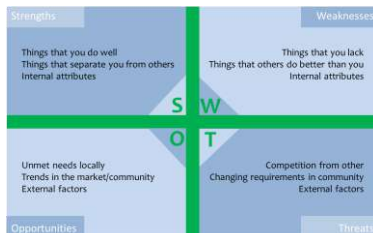
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# Undertake a SWOT analysis



## Community pharmacy vs Pharmacy2U



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## SWOT – SO What



- Use your strengths to maximise your opportunities
- Use your strengths to minimise your threats
- Use opportunities to minimise weaknesses
- Minimise your weaknesses to avoid threats



## Proactively manage the dispensing process



- Do you know your prescription numbers?
  - Walk in
  - Collection
  - EPS
  - Homes
  - Repeat Dispensing
- How can you manage dispensing these prescriptions more efficiently?



## Monitoring payments



- Total items
- Advanced service payments
- Other service payments
- Switched items / fees
- Out of pocket claims
- Expensive items



## Communicating with the GP practices



- What do you need to communicate?
- When and how is the best way of communicating?
- Communicate problems and solutions



## Key stock measures



- You can't compare this year's turnover to last year's turnover
  - Price fluctuations and reimbursement prevent comparison
  - Compare purchase costs to FP34 drug and appliance totals
  - Compare prescription numbers year on year
  - Compare total fees year on year (this can be broken down further)



## Review purchase history



- Concessionary prices
  - Compare purchase costs against reimbursement prices
- Top 50
  - What are your top Cat C products?  
(Are you supplying the best product?)
  - Compare top Cat A&C generics to DT prices





## Improving dispensary efficiency



EasyJet changed aviation by not accepting industry norms and finding ways to do things differently

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## Improving dispensary efficiency



- Proactively manage prescription volume
- Model day
- Manage interruptions
- Electronic Repeat Dispensing
- Using skill mix effectively
- Use tools to improve efficiency

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## Model day



- Create a daily task planner
- Identify
  - When something should be done
  - Who should do it
- Mark it has been completed
- Improve efficiency and governance



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## Manage interruptions



- How much time would your team save if they weren't being interrupted during dispensing?
- How can you remove interruptions?
  - Separate operations and customer service teams
  - Separate area for repeat dispensing
  - Dedicated “trouble shooter”
  - Out of hours dispensing



## Electronic Repeat Dispensing



- Two thirds of prescriptions issued in primary care are repeat prescriptions
- 80% of all repeat prescriptions could be replaced with repeat dispensing



## eRD - benefits for the pharmacy



- Improved stock control.
- Increased efficiency.
  - Slaves do not need to be clinically checked
- Effective time management.
  - Proactive control of dispensing process
- Reduction in managed repeat workload.
  - Reduced administration
- Fewer trips to collect prescriptions from GP practice.

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## Community pharmacy ... ..the four questions



- Have you seen any health professional (GP, nurse or hospital doctor) since your last repeat was supplied?
- Have you recently started taking any new medicines either on prescription or that you have bought over the counter?
- Have you been having any problems with your medication or experiencing any side effects?
- Are there any items on your repeat prescription that you don't need this month

Based on the patient's answers to these questions, the dispenser will make a clinical decision to either dispense the medication or refer the patient back to their prescriber. If a patient doesn't require an item, the pharmacist will mark it as "Not Dispensed".

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## Using skill mix effectively



- What do you do that could be done safely by others?
- What tasks can be delegated?
- What can be safely pushed further down the hierarchy to release more time?
- What can you do with the time you create?

Delegation skills



Training skills

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## Be strategic



- Plan which products to use for concessionary prices
- Plan Category C product choices
- Agree a process with your local practices; what, when, how, who?
  - Short supply
  - Patient issues
- Find ways to be more efficient and effective

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## Maximise income from all sources



- QPS
- MURs
- NMS
- Flu vaccination
- Locally commissioned services
- Private services
- Sales
- Monitor your payments

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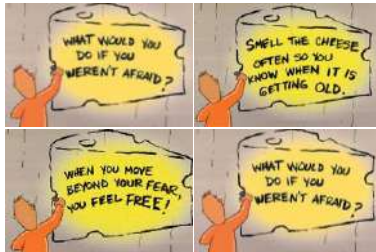
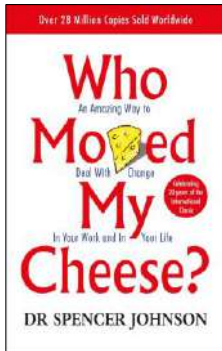
## Don't leave anything on the table!



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# Who moved my cheese?



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# The accountability ladder



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## What will your business look like...

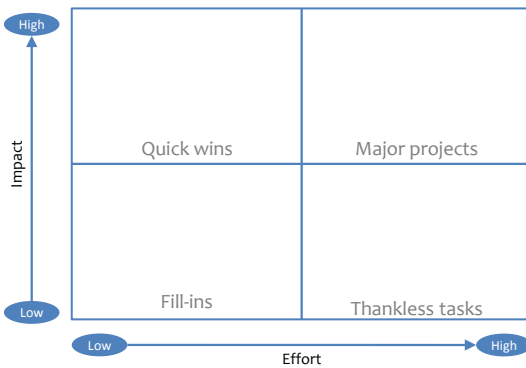
- In 12 months
- In three years
- In five years



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## The Effort – Impact Matrix



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# Fit for the future in pharmacy business



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