Addressing Today’s Pharmacy Challenges

Optimizing operations and reducing inefficiencies help organizations thrive despite higher drug costs and lower reimbursements.

“The medication process is filled with steps that are much more complicated than many of us realize. In medical surgical units, experts have observed as many as 50 steps in the medication management process, and each step brings potential risk of error that could lead to negative clinical and financial implications if not managed appropriately.”

—Tom Utech
Vice President, Marketing and Product Management
BD

Pharmacy departments today face significant challenges as healthcare providers large and small navigate pressures such as rising costs, increased industry consolidation and shifting payment systems. Confronted with issues such as high drug costs and lower reimbursements, it is becoming even more imperative for pharmacies to address the operational inefficiencies that can lead to reduced productivity and even financial loss.

Statistics underscore the need for a new approach:

- Up to 38 percent of a nurse’s time is spent on nonvalue-added work such as searching for medications that are unavailable, delayed documentation and unnecessary or redundant communication, according to a 2015 article by Stephanie Allen, PhD, RN, published by Infor Healthcare.
- Over 400 calls are made per day from nursing to pharmacy at a 1,058-bed hospital, according to an OhioHealth study.
- Three to four hours per day are spent by pharmacy staff on purchasing, receiving and stocking medications, according to a May 2010 article in the American Journal of Health-System Pharmacy.

To address these significant issues, leading organizations are turning to standardized pharmacy processes to drive continual clinical process improvement, reduce financial risk and promote the quality of care.

Optimizing Inventory Management

Among the many challenges pharmacy departments face, managing medication inventory is one of the most significant. For one large acute care hospital in the South, maintaining the right level of medication inventory across multiple locations was becoming an increasing challenge for its pharmacy, which handles nearly 6 million doses of medication per year. From managing stockouts and frequent refills to trying to reduce inventory, the medical center knew it needed a new approach to help it reduce costs and improve medication availability. It looked to its medication management partner, BD, for help.

Working with BD HealthSight™ Practice Improvement services, the hospital’s pharmacy team identified opportunities to standardize inventory management processes and provide more timely visibility into inventory trends. Its team then leveraged BD HealthSight Analytics to reduce inventory levels and associated costs. The solution integrated with the medical center’s EHR and clinical processes, helping to close gaps and increase efficiencies.

“BD HealthSight Analytics - Inventory Optimization and Practice Improvement services help health systems improve inventory management and associated medication management processes across the enterprise,” says Tom Utech, vice president, Marketing and Product Management, BD. “They give healthcare systems visibility into inventory management processes and use advanced analytics to support organizations in reaching their goals, including reduced waste, improved clinician productivity and timely availability of medications delivery.”

Using these tools has improved medication inventory management at the acute care hospital while also allowing the
organization to continue focusing on its mission to deliver high-quality care.

By looking at periodic automatic replenishment levels and the criticalness of the medication, the medical center has decreased its on-hand inventory without sacrificing patient care.

Inventory management has been an ongoing challenge for hospitals. If PAR levels are inappropriately set, staff are forced to unnecessarily refill medication dispensing cabinets multiple times per day. Hospitals are partnering with BD to reduce the number of refill trips to BD Pyxis MedStation™ systems.

Improving Medication Availability
Another common—and costly—pharmacy-related challenge is expired medications, an issue known all too well at a large academic medical center in New York. The hospital’s pharmacy team calculated that expired medications resulted in hundreds of thousands of dollars of waste per year. Taking advantage of educational services provided by BD, however, this hospital developed a new inventory process for the BD Pyxis™ ES dispensing solution to ensure medications were used before they expired.

Managing inventory in efficient ways is an important part of controlling cost and improving patient safety. An early challenge identified was the number of expired medications in the medical center’s automated dispensing devices. Through its partnership with BD, the medical center developed tools, reports and new ways to look at medications throughout the hospital and experienced a significant decrease in the number of expired medications.

Appropriately Managing Medication
Many of the pharmacy challenges hospitals and health systems encounter today result from gaps that exist between isolated systems and processes, according to BD’s Utech.

“For example, pharmacy is responsible for preparing and delivering medications needed on the patient care floor, but one of the biggest challenges we hear is that nursing is often unable to locate the medications when they are needed,” says Utech. “One study [a 2010 Wolters Kluwer Health study] at a 1,000-bed hospital showed that nursing calls the pharmacy over 400 times a day. As a result, nursing time is consumed with locating medications in addition to the handoffs and other workarounds that take nurses’ focus off patients.”

Medication management challenges can not only disrupt clinical care, but they can also negatively affect pharmacists’ productivity.

“Pharmacies also lose efficiencies while trying to locate a medication or re-prepare it,” Utech adds. “Compounded medications are often the costliest, so challenges like this can have both clinical and financial implications.”

These facts underscore the importance of optimizing operations and reducing inefficiencies in the medication management process.

“As the most widely prescribed therapy, medication has a significant impact on quality of care, patient satisfaction and financial margins,” says Utech. “But, the medication process is filled with steps that are much more complicated than many of us realize. In medical surgical units, experts have observed as many as 50 steps in the medication management process, and each step brings potential risk of error that could lead to negative clinical and financial implications if not managed appropriately.”

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