good medicine
Retail Independent Pharmacy | Celebrating Success 2015
Dear reader,

I’m excited and proud to share with you the fourth edition of the Cardinal Health Best Practices magazine. This publication is all about you. It’s about your strategies to improve patient care and outcomes, drive business results and promote community engagement.

I flipped back through the previous years’ magazines and was overcome with pride at how passionate and committed independent pharmacists have always been. In 2012, we showcased a free vitamin club, medication synchronization and a teacher immunization program. Two years ago we talked about hormone testing and treatment programs, an auto-fill solution and a diabetes university. In last year’s magazine, we celebrated 40 innovative and unique programs that covered a pharmacist and nurse partnership, how to approach competitive bidding and boosting medication adherence. In the pages to follow, you’ll read how one pharmacist reinvented her pharmacy with a travel immunization program, how another pharmacist literally took his pharmacy beyond the building and into the home, and you’ll learn about the change another independent pharmacy owner made to modify a drive-up service window to a restaurant-style pager system. All unique, all yours.

I talk to people about living and leaving your legacy. These best practices are your legacy. These are your original ideas and I thank you for allowing us to share them.

Steve Lawrence
Senior Vice President, Independent Sales

[ Share your success ]

Independent pharmacists across the country are finding innovative and exciting ways to service their communities. This magazine is dedicated to sharing those ideas with you.

Want to be featured in next year’s magazine? Send us your success stories throughout the year to: shareyourstory@cardinalhealth.com.
Contents

4 Retail Advantage
Discovering your competitive edge with distinct retail strategies

Adventures and success in travel care vaccines
Katterman's Pharmacy
p6

12 Wellness Advantage
Listening to the health needs of your community

Providing care beyond the four walls of your pharmacy
The Medicine Shoppe® Pharmacy of Whiting, NJ
p14

20 Business Advantage
Adopting technology to drive business initiatives and patient care

Paging customer service
El Dorado
TrueCare Pharmacy
p22

Conquering the conversion conundrum, p5
Steve Light

STARting to look at pharmacy performance, p13
Elie M. Bahou, PharmD, MBA

We will all be techies, p21
Todd Treon

Community pharmacies as healthcare destinations ......................................................... 3

A dream of success ........................................................................................................ 28

Big ideas ....................................................................................................................... 30
Sharing innovative, unique programs and initiatives

A commitment to your community ............................................................................. 32
Ken Wurster Community Leadership award finalists

No moral dilemma in incremental revenue ................................................................. 35
Whether your customer is leaving the hospital or is already home, Cardinal Health can help make the transition a smooth one. With nearly 100 years of experience, Cardinal Health provides medical products and services to many of America’s most prestigious medical institutions. Now the same hospital-quality products are available on your retail shelves for the customer’s home sweet home.

Visit cardinalhealth.com/products to learn more about our Hospital Quality at Home™ products.
Community pharmacies as healthcare destinations

Some believe that community pharmacies are transforming into healthcare destinations. This foreseen transformation into healthcare destinations will require many community pharmacies to travel along a path of change.

It won’t be easy to overcome the gravitational force of the status quo, but the healthcare environment is pressing change. Payers are driving toward quality measures, like Star Ratings. The Centers for Medicare and Medicaid Services announced its intention to leverage quality and move toward value based reimbursement methods.

Organized pharmacy prepared for this pressure. Pharmacy education changed to a fully clinical focus with the all-PharmD curriculum. Recently, all state and national pharmacy organizations came together to form the Patient Access to Pharmacists’ Care Coalition. The Coalition is working to enact federal legislation that would enable patient access to, and reimbursement for, Medicare Part B services by state-licensed pharmacists in medically underserved communities consistent with state scope of practice law. When this happens, pharmacists will be able to bill Medicare (52 million people) for providing services within the limits of the pharmacist’s license (see the list of potential services). Some are mentioning that in collaboration with a physician, pharmacists will be offering patients their Welcome to Medicare preventive visit and yearly wellness visit.

But, pharmacists don’t need to wait for Medicare to give permission to deliver these services. Forty-seven states and the District of Columbia allow pharmacists to provide patient care services within the scope of their licenses or in collaboration with physicians. Go to pharmacistsprovidecare.com for more information.

Some pharmacists feel unequipped due to lack of time, resources and skills to provide clinical services, but even small steps can have major impact. Try hiring a part-time pharmacist clinician — have them deliver patient care services in your store just one day per week or deliver your current Medication Therapy Management case opportunities. Once these are established and revenue is beginning, you can expand into additional services like a full suite immunizations; point of care testing, and other screening services. Soon, you’ll have built a sustainable clinical service model in your store and have become a community healthcare destination.

Potential Medicare Part B services

- Bone mass measurement (bone density)
- Depression screening
- Flu shots
- HIV screening
- Pneumococcal shot
- Cardiovascular disease screenings
- Diabetes screenings
- Hepatitis B shots
- Medical nutrition therapy services
- Tobacco use cessation counseling
- Colorectal cancer screenings
- Diabetes self-management training
- Hepatitis C screening test
- Obesity screening and counseling

Mark Pilkington
Vice President, Managed Care Product Strategies
Cardinal Health
Make your store the preferred destination for healthcare, wellness and convenience in your community. Our nimble solutions help you implement retail best practices, from planograms and point-of-purchase materials to monthly ad programs.
We know you became a pharmacist because you care deeply about improving healthcare in your community. We are here to help you do just that. For every 100 customers walking out of your pharmacy’s door, 56 are leaving with only their prescription in hand. That’s 56 missed opportunities to do what independents do best, nurture and build relationships. This is what we call the conversion conundrum and we are dedicated to helping you implement solutions because we know you care deeply for each and every one of your patients. You know their names and their health risks. You want them to live the healthiest life possible.

Your passion for helping your patients is what differentiates you from chain stores. Your level of understanding each customer allows you to provide them with wellness solutions, products, supplements and so much more, all with personalized guidance.

Your responsibility as a trusted healthcare advisor in your community gives you a great advantage to capture the 56 people leaving your store with just their prescription and give them all the resources they need so that you can easily fulfill with your retail offerings. You have strong customer relationships and are perfectly positioned to be sure every customer leaving your store has everything they need to live the healthiest life possible.

Steve Light
Vice President, Consumer Health,
Cardinal Health

Conquering the conversion conundrum
If you ask Beverly Schaefer at Katterman’s Pharmacy her secret for success, she is excited to tell you. She puts it simply — it’s all about reinvention. Beverly and her partner, Steve Cone, strive to reinvent their business every three years.

The pharmacy’s newest reinvention is all about the adventure of travel. The pharmacy taps into a niche market; travelers looking for a quick, convenient way to receive necessary travel vaccinations. Not only do they provide the immunizations, but they also carry an extensive line of travel items to support the needs of this clientele. The results? People come from far and wide to visit their store and an uptick in consumer spending.
“On average, our travel vaccination customers spend $300 for goods and services.”

How long have you been administering immunizations?

We were one of the first in the country to start doing immunizations back in 1996. I knew there was a need for patients to have easy access to the flu vaccination and I thought, why not? There was no rule that said I couldn’t administer them. So, we ordered the vaccinations and put up a sign in our window that said “flu vaccinations.” We planned for around 300 immunizations for the flu season the first year and ended up administering 1200!

What was your strategy behind expanding to Travel Vaccinations?

Our strategy was really more of a progression of growth. We saw the high demand for the flu immunization and naturally went on to other adult immunizations. As more people travel out of the country, they need expertise to advise them on how to stay healthy while traveling — everything from immunizations to malaria prevention, altitude sickness and seasickness prevention, sunburn protection and more. We knew many primary care doctors didn’t have the specific expertise to offer travel advice for specific countries. We acquired the knowledge to make specific immunization recommendations and then obtained prescriptive authority for a dozen legend drugs used by travelers to prevent or treat diseases related to travel. Many travelers don’t actively plan for the vaccinations they need until 1-2 weeks prior to their trip. It can take 4-6 weeks to get an appointment with other healthcare locations that offer travel immunizations. By offering the immunizations in our pharmacy, we are able to capture a larger number of these last minute vaccinations.

When did you add the travel care section to your pharmacy?

We always carried a small line of travel-sized products, toothpaste, shampoo and other cosmetic items. We quickly realized our customers loved the convenience of one stop for all their travel needs. We now have an entire travel section that includes travel medications, Eagle Creek brand packing items, compression hose, electrical adapters, travel pillows, sun hats and money belts.

How do you decide what items to offer?

My daughter Katie and I are retailers at heart. We love the hunt for the next item that will have our customers coming back for more. We do a lot of research simply by looking at what others are selling. We stop at airport shops to see what’s new and what customers are buying. We also look to other pharmacies and learn from them. When we find an item we are interested in selling, we look at the back of the package to find the supplier information and go from there. It’s really fun and exciting for us to source new products.

How has offering this service impacted your business?

It’s been great. On average, our travel vaccination customers spend $300 for goods and services. Nine times out of ten we are administering vaccines for two or more travelers, so we are looking at $600-$1200 in sales and consultation fees for each travel vaccination appointment. The consultation fees are cash basis so it’s an immediate debit to your bottom line. We have travelers coming in from over an hour away to get vaccinated and we do zero marketing for this service. All of our traffic comes from word of mouth or from Google search results for where to receive yellow fever vaccines. Plus, we just love taking care of our community in this fun, unique way.

Beverly’s advice to other pharmacists interested in an immunization program:

1. Take baby steps. Start small by offering flu vaccinations.
2. Research other vaccinations pharmacists may administer according to state regulations and build your immunization offering accordingly.
3. Market your program with a large sign on your front door that says “This pharmacy offers immunizations.”
4. Start with your own customers—capture them first. Once they are onboard they will sell your pharmacy for you through word-of-mouth.
5. Consider your front-end products and create synergy with your vaccination offerings.
6. Listen to your community and reinvent based on its needs.
Discovering your competitive edge with distinct retail strategies

The best practice pharmacies on the next page are growing their business and adapting to their environment by implementing creative and innovative front-end solutions to drive sales and provide a broader array of healthcare options for their patients. This year’s winners reinforce the fact that one size does not fit all, and as independent pharmacists, you have insight into your community’s needs and can provide the tools your patients need for healthier lives.
You have strong customer relationships and are perfectly positioned to be sure every customer leaving your store has everything they need to live the healthiest life.

**Rightway Pharmacy**

Ken Patel of Rightway Pharmacy, located inside a medical building in Sun City, Arizona, understands the power of the word “free.” With the new pharmacy’s access to elderly patients visiting the medical building, Rightway Pharmacy seized the opportunity to help these patients and launched a free vitamin program. However, the real success comes from how Rightway promotes the program. With carefully placed signs that simply read “free” located throughout the front-end of the store, the pharmacy sparks curiosity among customers. Customers often stop to ask about the signs and in turn end up purchasing over-the-counter (OTC) products including walkers, braces and more. Since starting the program, the pharmacy’s prescription count increased 25 percent. Ken says the sales from the OTC product more than cover the cost of the free vitamins.

**The Robbins Pharmacy**

The Robbins Pharmacy, Mercer County’s largest family owned independent pharmacy, is surrounded by multiple big chain pharmacies with more and more popping up each day. Marc Robbins needed a competitive edge to thrive in this saturated market. How did he respond? He expanded the pharmacy and created a one-stop shop experience for his customers. The retail section of Robbins Pharmacy has a large OTC area, a UPS store, a contract station and a full line of unique gifts. The gift section includes candy, candles, frames and the pharmacy’s two top sellers — jewelry and clothing. His retail strategy and exceptional patient care make the pharmacy the community’s preferred healthcare destination.

**Buford Street Drug**

Marion Patton and Brad Bailey took an unusual, but successful approach to the retail section of their pharmacy. In an effort to promote good health and proper eating habits, they added a fresh fruit and vegetable stand inside their Buford Street Drug Store pharmacy located in Gaffney, SC. The pharmacy also sells local jams, dried beans, honey and more. Their unique approach makes them stand out among the competition, drives higher front-end sales and delivers health benefits to the community. The owners plan to continue building the pharmacy’s reputation as a health food shop with signage to highlight the health benefits of the variety of fruits and vegetables.
What other pharmacies are doing

Retail and marketing strategy

Preferred customer card

**Center Drug**
Hopkins, MN

This two-store company uses the Retail Management Solutions’ Point of Sale (POS) software to reward points for non-prescription purchases. Customers get one point per dollar spent, plus bonus points on certain items. Customers receive a $10 certificate in the mail for every 250 points. The Preferred Customers program has 5,500 members and issues an average of 100 reward certificates monthly.

In addition, the store offers ‘free with purchase’ coupons on overstock items, such as paper towels, with the redemption certificate. “It is something small on our end, but the customers really walk away with the feeling that we did something great for them, which also increases their loyalty and support of our store,” says owner Chris Beckman. The store sees an incredible 51 percent redemption rate on the certificates.

Catering to demographic

**S&B Pharmacy**
Tallulah, LA

S&B Pharmacy goes the extra mile to accommodate the needs of the community of Tallulah, LA. Scott Nunnelee initiated a strategy to ensure his pharmacy offered quality service to the Latino members of his community. The pharmacy started with a four foot by eight foot section offering over-the-counter medications and products that cater specifically to this population. In addition, Scott is also learning Spanish and in the meantime, uses a translator app to communicate more effectively and build stronger relationships with his patients. Serving this niche population keeps him relevant in the community and he plans to continue to build his strategy to support other diverse populations in the community.

Children’s boutique

**Midtown Pharmacy**
Whitsett, NC

“The front-end of your pharmacy is your customer’s first impression,” says Rob Cockman of Midtown Pharmacy. This is the reason the pharmacy offers a broad mix of products in their front-end to meet the needs of its community. The most popular section of the pharmacy is the children’s boutique. This section offers a variety of clothing and gifts from birth to 3-year-olds. Rob says the idea came from being a father to four children and wanting to fill a need for the community. The pharmacy sells items that aren’t available in large retail stores and offers monograms and professional gift wrapping to enhance the customer experience. In addition to increasing foot traffic into the pharmacy, the boutique offers a higher profit margin than traditional OTC products.

Marketing expertise

**Medicap Pharmacy of Newport News, VA**

Banyo Ndanga opened her Medicap pharmacy in 2006 with excitement to implement her innovative ideas. However, she struggled to gain access to patients and build awareness for her pharmacy. To help her develop a marketing strategy, Banyo hired Barrett Franklin, a local marketing expert. Barrett’s grassroots strategy included participation at multiple community events and visits to local group homes, doctor offices and hospitals to highlight the pharmacy’s unique offerings. Building strong relationships with the local doctors has been the biggest win for the pharmacy with more and more referrals coming in each day. The pharmacy almost doubled its revenue within the first year of implementing Barrett’s marketing techniques.

The Consumer Health Retail Academy gives you program solutions, industry news and product education in quick and engaging videos, which will empower you to try new innovative solutions to help your patients.

With just a few minutes of your time each week, you can gain insight into ways to change patient lives and help develop your front-end.

Check out the Retail Independent page on Facebook for video postings.
You care about your community. We help you champion healthier lifestyles. We’ll equip your pharmacy with the programs and solutions to lead your community in wellness.

Wellness Advantage
The landscape of healthcare is changing. Industry pressure on managing costs, reimbursement as well as outcomes of patient care is growing, prompting you to take a close look at pharmacy performance.

The cost of prescription drug non-adherence in the United States is estimated at $290 billion annually.\(^1\) This unsustainable growth in healthcare costs is placing increasing pressure on healthcare organizations and providers to find new, innovative and more cost-effective ways to deliver high quality care to patients. Community pharmacies are greatly impacted by these trends, especially as payers make changes to improve care quality and contain costs. Nowhere is this impact more evident than with the rise of “narrow networks”— prescription benefit networks in which consumers are given either “limited access” to a finite number of low-cost pharmacies or “preferred access” to specific pharmacies through monetary incentives.

The Medicare Star Rating system is part of CMS’s efforts to define, measure and reward quality healthcare. Community pharmacists contribute to approximately one-half of a health plan’s Star Rating performance measures. In 2012, a weighting system for Star Ratings was implemented. Of 10 triple-weighted ratings, five are related directly and indirectly to medication therapy and thus have the potential to be improved by pharmacist intervention.

Plan ratings can have a substantial impact on beneficiary enrollment. Since very small improvements in performance measures can translate into large effects on star ratings, concerted efforts to improve pharmacy-related measures could move a plan to a higher star rating; conversely, inattention to areas such as high-risk medications, anti-diabetic pharmacotherapy, and medication adherence could lower a plan’s star rating.

The pharmacist’s ability to work directly with patients to improve medication use is a critical factor in improving wellness and health plan Medicare star ratings. Health plans and community pharmacies must forge partnerships based on well-defined goals and innovative tactics to ensure care quality consistent with evolving public and private payment models.

1  www.nehi.net
Transition from a nursing home back into the patient’s own home can be very stressful for the patient and for the family. Al Patel, owner of The Medicine Shoppe Pharmacy of Whiting, NJ, continually saw patients and families struggle and knew something needed to be done. He set out to provide a service to help make the transition easy for all parties involved and in return has helped the community lower hospital readmission rates while creating a successful business model for his pharmacy.

What is Discharge Rx Care?

Discharge Rx Care is a solution that I provide to patients that makes the transition back into their home from a nursing care facility easy for the nursing home staff, the patient and the patient’s caregivers. The program is divided into two parts. Part one: we work with the nursing home to prepare the medications for the patients prior to their discharge. All the medications are packaged in special adherence packs for morning, noon, evening and bedtime doses with days labeled for easy administration. The most important part of the program is that the pharmacy visits the patient’s home and personally delivers the medications on the day of discharge. The pharmacist arrives with a special medicine box marked with a picture of the pharmacy and a picture of the nursing home.

Part two: once in the home, our staff reviews all of the medications with the patients and their caregivers in a comfortable relaxed environment. We show instructional videos on iPads to the patients for devices such as insulin pens, nebulizers and inhalers to ensure the patient fully understands the proper way to administer the medications. The pharmacist also does a full reconciliation and cleans up the patient’s medicine cabinets, removing expired medications or those that could cause harmful interactions. Our staff follows up with the patients on a weekly basis to answer questions or note any side effects of the medications.

Q&A

Five tips from Al on implementing a program to help support the needs of your community:

1. Think outside the four walls of the pharmacy.
2. Understand and listen to your community.
3. Get buy in from your staff. Without the commitment of your staff, your program(s) will never succeed.
4. Provide the proper training for your staff to execute the program.
5. Never give up. Face the challenges and problem solve when issues arise.
Why did you start this program?
My pharmacy is centralized in an area with the highest number of senior population in a 10 mile radius within the state of New Jersey and we have numerous nursing homes and hospitals nearby. I noticed a pattern every time a patient was discharged from a facility. The discharges frequently happened over the weekend when family members were able to travel to help with the transition. When they would come to the pharmacy to pick up all the medications, the family members, often children of the patient, would feel confused about all of the parent’s medications. They would have a short period of time to try to understand, and then an even shorter time to explain to their parents how to take the medications. I came up with the idea for my discharge program because I knew there had to be an easier way.

How has this program helped patient adherence?
When we go into the home and review the prescriptions with the patients, we find they are more receptive to the information. Previously, when the information was provided in the nursing home or in the pharmacy, the patient was often tired and anxious to get home. Once they are home, not only are they able to understand the information better, but the medications are packaged in a way that makes it easier for them to remember to take them. The weekly follow-up calls have helped as well, as it serves as reminders and let us take control of refills for the patient. We keep the prescription, and the patient takes the right drugs at the right time.

What challenges have you faced?
There are ongoing everyday challenges — at times we have several discharges at the same time. We stay in continuous contact with social workers and discharge managers in order to pre-plan and schedule accordingly. I have an extremely dedicated, courageous and passionate staff. I know that together there isn’t a challenge we can’t overcome as a team. As a result of this practice, we are now a preferred discharge pharmacy for one of the ACO hospitals in New Jersey — which is a dream come true for us.

Cardinal Health Solutions
Adherence Advantage
Dispill® Multi-dose Packaging
Medication Therapy Management

4 years as a Cardinal Health customer
The Medicine Shoppe Pharmacy of Whiting, NJ
Al Patel
Whiting, NJ
732.570.6712
www.medicineshoppe.com
alok_30@hotmail.com
Listening to the health needs of your community

This section features pharmacies that are meeting the demands of the healthcare environment through innovative approaches to wellness. Demonstrating the need to listen to your community and taking proactive steps to transform into healthcare destinations, these pharmacies exemplify best practices.
The unsustainable growth in healthcare costs is placing increasing pressure on healthcare organizations and providers to find new, innovative and more cost-effective ways to deliver high quality care to patients.

**Anderson Family Drug**

Anderson Family Drug, located in East Texas, uncovered a true necessity for the citizens of Athens and surrounding rural areas. “Patients in need of medical attention did not have access to a walk-in clinic within 30 miles,” says pharmacist-in-charge, Steve Basore. To provide accessible, convenient care for the community, Steve and co-founder Robert Hoover added Quick Care Medical Clinic. The clinic provides walk-in care under the supervision of a licensed nurse practitioner inside the store. Steve notes that although Quick Care Medical Clinic is a financial success, the true satisfaction comes from the tremendous amount of positive feedback from patients and the ability to provide walk-in medical care to the community.

**AuBurn Pharmacy**

AuBurn Pharmacy took a proactive approach to raise awareness to eligible patients about the importance of the shingles vaccine. The pharmacy obtained protocols with local doctors to allow the pharmacist to immunize patients through a collaborative practice. The store started generating reports via their software system every quarter to identify eligible patients for the shingles vaccination. Employees create prescriptions for each patient, process test claims on the patient insurance and enter the notes on the patient profile. When the pharmacist accesses the patient profile, the notes remind them to engage the patient about the vaccination and associated cost. Since starting the notes system, the store has increased shingles vaccinations from 206 to 596 in four months, which resulted in $17,880 increase in margin.

**Tri-State Medical Group**

JJ Bernabei, owner of the Tri-State Medical group, stays true to the pledge he took as a pharmacist to help his community and patients live healthy lives. In response to a recent influx of Buprenorphine drug abuse in the pharmacies, West Virginia and Ohio communities, JJ implemented a strict reporting procedure for his staff. JJ says “We feel there is a place and need for this drug, but also strongly feel that we have a responsibility to dispense it with the utmost accountability.” Staff must verify and record specific patient information prior to dispensing Buprenorphine to patients. Patients must be a local resident and have proper identification. The staff retrospectively reviews every prescription and if any are inadvertently filled outside the guidelines, the pharmacist verifies the reason for the exception. By following the reporting procedures, Tri-State Medical helps patients receive the appropriate medication and leads the community in recovery and prevention of drug abuse.
What other pharmacies are doing

Patient care

Immunization destination

Bert’s Pharmacy
Hastings, NE

When Bert’s Pharmacy was up against tough competition with eight other pharmacy locations, including Walmart and Walgreens, in their rural community of Hastings, Nebraska, they found a key offering that set them apart from the rest. Bert’s found its competitive edge with Zostavax vaccinations. Bert’s was the first pharmacy in the area to offer the flu vaccinations and to host off-site clinics at local schools and businesses. The independent pharmacy now administers 1,300 flu vaccinations each season and is the community’s immunization destination.

MTM house calls

Blount Discount Pharmacy
Maryville/Alcoa, TN

In anticipation of the Centers for Medicare and Medicaid Services’ (CMS) Five Star Quality Rating System, Blount Discount Pharmacy hired a full-time pharmacist to council patients on their medication management. The pharmacy is located in a small town with a larger geriatric patient demographic. With many of their patients homebound, the pharmacy offers house calls for the MTM sessions. Hamilton Borden, Blount Discount’s MTM pharmacist, says that the ability to relate and connect with the patient in their home builds trust that the patients don’t have with other healthcare providers. Over the past one and a half years, he has been able to transfer or bring in about 500 new prescriptions from patients who value the service and would like to fill their prescriptions at Blount Discount Pharmacy.

Medication synchronization

The Medicine Shoppe of Denison, TX

Jana and Randy Bennett wanted to help patients achieve wellness by increasing adherence to prescribed therapy. In an effort to meet their goal, the store implemented Ateb’s Time My Meds® medication synchronization program. The store started medication synchronization to help manage 40 of its 340B HIV patients. The store saw immediate results and expanded the program to the general population, promoting it via social media, in-store signage and ads in the local newspaper. The program has grown from 40 patients to more than 500 patients. Sales growth is the highest in recorded history for the store, exceeding double-digit percentage growth in just one year of implementation. The pharmacy continues to draw in new patients every day and prescribers now view the pharmacy as leaders in the community in the use of technology and providers of pharmaceutical care.
Cardinal Health Adherence Advantage

Solutions for your most complex patients

You know that providing exceptional patient care involves more than just dispensing product to your patient. It’s also about making sure your patient is adherent to their medications. We help you do just that.
Our experts act as your allies in effectively growing and managing your business in a dynamic environment. We support you with trusted expertise and proactive solutions designed to help you protect your core business — the prescription.
How familiar are you with the term “Internet of Things?” If the concept is a bit fuzzy, you are not alone. In fact, as recently reported, the majority of consumers (87 percent) have not heard of the term. Here is a common definition from Wikipedia:

*The Internet of Things (IoT) is the network of physical objects or “things” embedded with electronics, software, sensors and connectivity to enable it to achieve greater value and service by exchanging data with the manufacturer, operator and/or other connected devices. Each thing is uniquely identifiable through its embedded computing system but is able to interoperate within the existing Internet infrastructure.*

As one CEO stated, “it is not science fiction anymore, it is science fact.” With that said, here are a few compelling IoT predictions and statistics to consider:

1. **In 2008, there were already more “things” connected to the Internet than people.** Market researcher, Gartner, predicts Internet connected devices will reach 26 billion units by 2020.

2. **Connected homes will be a huge part of the Internet of Things.** By 2019, companies will ship 1.9 billion connected home devices. Google, who recently acquired thermostat maker Nest Labs, may have an early lead. However, Samsung recently announced their goal — 90 percent of Samsung’s devices — from smartphones to refrigerators will be able to connect to the Web by 2017. And, by 2020, all Samsung “things” will be connected.

3. **More than two-thirds of consumers plan to buy connected technology for their homes by 2019,** and nearly half say the same for wearable technology.

4. **The connected kitchen is expected to contribute at least 15 percent savings** in the food and beverage category by 2020.

5. **Digital pills may transform the drug development and approval process** — Proteus and Oracle recently launched integrated software for ingestible pill sensors that measure a patient’s adherence to drug protocols and identify optimum dosing regimen for recommended usage.

As the underlying IoT technology continues to advance, the impact on all of us will be unfolding rapidly, especially as it relates to health and wellness. Yes, change is inevitable. As a trusted healthcare provider, you need to consider how you will adapt within your pharmacy to these technology advancements and the myriad of new choices that lie ahead. Cardinal Health is here to help. With trusted expertise and proactive solutions designed to help you protect your core business — the prescription, we help guide you through the changing healthcare landscape.

*We will all be techies*

Todd Treon
Vice President, eCommerce and Digital Technology,
Cardinal Health
When El Dorado TrueCare Pharmacy realized the pharmacy’s drive-up window service was causing patients more pain than convenience, owner Mike Bellesine knew he had to find a viable solution or risk losing business. His unusual answer, a restaurant style pager system, took customers by surprise, but in the end has proven to be a driver for new business.

When did you realize your drive-up service window was a pain point for your customers?

My first pharmacy was an 800 square foot converted gas station that I purchased in 1982. I had a steady stream of business. In 2000, I purchased a friend’s pharmacy business and had a 98 percent retention rate, which grew my 140 prescriptions a day to 287 prescriptions. I needed a new location to handle the increase in business, so together with a friend of mine, an optometrist, who was also in the market for a new location, built a 10,000 square foot building. During the building process, I planned the flow of my pharmacy, which included only one drive-thru window. It wasn’t soon after we opened the new location that I realized I should have built two drive-up windows.

On some busy days we fill more than 900 prescriptions, and it wasn’t unusual for the drive-up window to have a line of cars out to the street. My staff would actually walk outside to service patients to try to speed up the process, but that didn’t always work, especially on bad weather days. Customers were starting to complain and we were losing business. Like many independent pharmacies, our high level of service gives us a huge advantage over our competition, but the drive-up window had slowly become the worst aspect of the customer experience at our pharmacy.

Be creative and inventive

I look at what others are doing from my direct competitors to other successful business leaders. I stay connected with my customers and talk with them to understand how to service my community.

Continue to learn

I find inspiration by attending conferences like Idea Exchange. I am an adjunct professor for the local pharmacy school that allows me to train students in my store. Students provide great insight into the future of pharmacy.
What sparked the idea to use a pager system?

It was actually an epiphany of my wife who is the pharmacy’s store manager. We were at a restaurant one night and the hostess handed us our pager. My wife looked at me and it was like a light bulb went off. She said “Mike, why don’t we use this type of system for our drive-up window!” The very next day, we ordered the pagers from Amazon.com. They cost around $150 and have been worth every penny.

How does the system work?

We provide patients using the drive-up window with a numbered pager that will reach anywhere in our parking lot. These patients are given the same priority as any other patients who are waiting inside the store. When a patient’s prescription(s) are ready, we activate the pager, which lights up to notify the patient to come back to the drive-up window.

How did your customers react?

Patients were hesitant to accept a pager then go park in our parking lot to wait, especially when they didn’t perceive there was a wait due to no other cars being in line. We explained that the system reduces wait times as it allows us to collect the prescriptions and start the filling process sooner and that others were already in the parking lot waiting, which is why they didn’t see a line of cars. Customers quickly learned that the system really works and significantly reduces their wait time.

How has this improved your business?

We received one to two complaints a day before implementing the pager system. That number has dropped to maybe one complaint a month. Patients have even started to switch to our pharmacy just to take advantage of the fastest and most efficient drive-up window in town. The number of register transactions at our drive-up window has also increased dramatically from an average of 50 per day to more than 120.

80% of Americans agree that smaller companies place a greater emphasis on customer service than large businesses.

Source: www.helpscout.net
Adopting technology to drive business initiatives and patient care

Technology is changing the way pharmacists manage patient care. The pharmacies highlighted in this section are on the forefront of this movement. They have turned to technology for specialty drug management, business-to-business marketing and patient counseling. The strategies behind the technology have created dynamic, calculated results and continual awareness of pharmacies as patient care destinations.
As a trusted healthcare provider, you need to consider how you will adapt within your pharmacy to technology advancements and the myriad of new choices that lie ahead.

Regents Pharmacy
John Han was looking for a way to market his start-up pharmacy, Regents Pharmacy. In his search, he discovered a website, RX Vantage, which allows doctors to dictate when they want to meet with sales professionals. John uses the site to schedule one-on-one meetings with local doctors in the area to promote Regents Pharmacy. This marketing tool helps the store build rapport with the local doctors, gain new patients and increase prescription count. The pharmacy gained 21 new prescriptions in just ten days and now averages 18 prescriptions per day.

Barney’s Pharmacy
Barry Bryant and his three daughters own and operate Barney’s Pharmacy in Augusta, GA. As they began to build out the pharmacy’s specialty drug offerings, they turned to Mevesi, a pharmacy data automation software. The pharmacy uses the software to separate out specialty drugs from normal workflow and market services to select physician offices. Sales for 2014 from this niche offering exceeded $6 million and profits are averaging over $20,000 per month. The store focuses on Hepatitis C, HIV and Rheumatoid Arthritis disease states and receives an average of 30-40 new patient referrals a month for these specialty drug prescriptions. The store is able to convert many of its specialty drug patients into full-time customers of the pharmacy.

Michael’s Prescription Corner
What do you do when a community 40 miles away is without a local pharmacy? If you are Michael Raburn, owner of Michael’s Prescription Corner, you work with city leaders to open a satellite location to service the rural community. With the help of the Special Hospital District Board, Michael opened the state’s first satellite pharmacy in Eunice, NM. The location allows patients to video conference directly with Michael to approve prescriptions or perform consultations from his main pharmacy in Lovington, NM. The satellite pharmacy services over 2400 new customers and fills an average of 160 prescriptions per day. The success of the satellite location is spreading and Michael has recently been approached about opening locations in other rural communities.
Pharmacy franchise leader talks about decision to go tobacco free.

Smoking remains the leading cause of preventable death worldwide, according to the Centers for Disease Control and Prevention. In an effort to help curb these trends, nearly all Medicine Shoppe® and Medicap Pharmacy® franchises recently committed to not sell tobacco and tobacco-related products.
You have more than 500 franchisees in the Medicine Shoppe and Medicap Pharmacy franchise system. Was it a challenge to get owners to agree to go tobacco free?

Actually, a large portion of our franchisees have always been tobacco free. So, making this policy official was a natural next step. Our franchise owners are focused on personalized patient care and they want to encourage patients to make decisions that promote a healthy lifestyle. Being a tobacco-free pharmacy is just part of that commitment to their communities. We had an overwhelmingly positive response from our franchise system when we asked for their input on this policy.

What impact do the franchise owners expect to have on their communities by implementing this policy?

Each Medicine Shoppe and Medicap Pharmacy franchise is owned by a neighbor in the community it serves. Medicine Shoppe and Medicap franchise owners, pharmacists and staffs all know the health challenges their customers face, and they strive to provide services to address them. It’s no secret that smoking is still the leading cause of preventable death worldwide, and that it kills more than 480,000 Americans each year. And we see this as a problem we can take a stance on helping to solve. Not selling tobacco and tobacco-related products in our communities will hopefully help discourage use of those products.

So, why is now the time for most Medicine Shoppe and Medicap Pharmacy locations to go tobacco free?

Most of Medicine Shoppe and Medicap locations have long been smoke-free. But when a major managed care organization began to assess additional co-pays on patients for using pharmacies that aren’t tobacco free, that move made it all the more important for us to make a more formalized commitment to being tobacco free.

This is a significant step toward tobacco-free communities; what future plans do Medicine Shoppe and Medicap Pharmacy franchises have to make a healthy impact in their local communities?

Our Medicine Shoppe and Medicap Pharmacy franchisees pride themselves on being community healthcare destinations. Most of them aren’t competing with the local grocery or gift store they’re focused on providing health products and services that help them improve the health of their communities. And as retailers, our stores feel they have a responsibility to play a role in limiting access to tobacco and tobacco-related products — and, ultimately, in helping to prevent the diseases and health problems those products can cause. In fact, many Medicine Shoppe and Medicap Pharmacy locations sell cessation aids such as nicotine replacement gum and nicotine patches, and many offer comprehensive smoking-cessation education programs. Some even partner with local smoking-cessation programs to fill prescriptions for medications that help patients successfully quit smoking.

What other ways do Medicine Shoppe and Medicap Pharmacy franchisees try to improve the health of their communities?

Well, each store is different because they offer healthcare services that reflect the unique needs of their communities. To give you an idea, some franchisees have diabetes services that include counseling and diabetes management training. Another invaluable offering that many patients appreciate is our Medication Therapy Management (MTM) services to help ensure patients have a thorough understanding of how, when and why they should take their medication. Other Medicine Shoppe and Medicap pharmacies are helping to improve the health of their community by providing immunizations, screening, evaluations and education as part of the high-quality care that customers have come to rely on.

We sat down with John Fiacco, vice president of Medicine Shoppe International, Inc., to hear his insight on why the pharmacy franchise took this important step, and to discuss where he sees the Medicine Shoppe and Medicap Pharmacy franchises focusing in the future.

John Fiacco
Vice President, Medicine Shoppe International, Inc.

Want more articles like the ones that appear in this magazine?

Visit the thought leadership section of our website for the latest in healthcare hot topics, best practices and expert advice.
A dream of success

You opened your pharmacy because you had a dream — a dream to provide quality care to your community.

But, as you know, running your pharmacy takes more than the dream of success. It is not just hiring the staff; it’s the payroll, taxes and employee benefits. It’s not just paying the rent; it’s paving the parking lot, installing security systems and monthly utility expenses. It’s not just the sign on the door; it’s deciding if and when to use social media, mobile apps, or to support a local little league baseball team. You are the chief executive of a multi-million dollar enterprise that saves lives, employs others and serves your community as few other businesses can. It’s not simple.

It never has been and it seems to be getting harder. But, you had a dream. A dream to lead and to be the number one healthcare resource for your community. Every day brings with it new choices. This magazine highlights the choices your peers have made. These choices all have one thing in common — community. Each of the pharmacists featured in the magazine from Retail, Wellness, to Business are gaining an advantage by tapping into and listening to the needs of the community.

Cardinal Health is proud to recognize those who choose to be an independent pharmacy owner. Those who choose to lead, because for pharmacists like you, dreams do come true.

Ron Clerico
Vice President, Marketing
Cardinal Health

High fives, hugs and healthy food

Cardinal Health is going upstream … helping children develop to their fullest potential and, long-term, reducing chronic diseases.

We are all aware that how we live our lives and how we raise our children makes a big difference in our long-term health. The exciting news is there is new science that confirms access to good nutrition, creative play and caring adults, not only lead to better health but also shape children’s personalities and helps them to be more resilient, and more successful in school. Even more encouraging — it is never too late to begin.

Good4Growth is a new partnership between the Cardinal Health Foundation, American Association of Pediatrics, American Dairy Association Mideast, and Action for Healthy Kids that gets this new science, put into very simple language, into the hands of everyday people. Good4Growth includes practical tools and tips to help anyone who touches a child’s life give that child a great start. We invite healthcare providers, dietitians, pharmacists and the business community to help spread the word in local communities.

Visit good4growth.com to learn more.
What makes someone a healthcare expert?

Take a brilliant mind and add education, experience and a passion for patient care.

Elie M. Bahou, PharmD, MBA
Ask me about
PBM, chain pharmacies; pharmacy benefits within Medicare, Medicaid and commercial markets; leveraging community pharmacy as a strategic asset.

Mary Baxter, MBA, R.Ph.
Ask me about
Leveraging the hospital pharmacy as a strategic asset; population health management; healthcare strategy; hospital operations.

Brad Tice, PharmD, MBA, FAPhA
Ask me about
Medication Therapy Management; population health management; pharmacy clinical services; outcomes measurement; quality measurement.

Mark Pilkington, MS, R.Ph.
Ask me about
Leveraging community pharmacy as a strategic asset; pharmacy benefits within Medicare, Medicaid and commercial markets.

A variety of perspectives, a wealth of experience.

Only at Cardinal Health.

Meet our experts cardinalhealth.com
See what other pharmacies are doing:

», A seasoning of care
Dirk Anderpont from the Medicine Shoppe in Opelousas, LA wants to provide healthy alternatives for his patients. One way he does this is by packaging a healthy alternative to a common Cajun seasoning we all use in our kitchens. Dirk shares this special packaged salt with new customers in his store and to patients who sign up for his newsletter and specialized care centers. Customers can also purchase the seasoning salt in the pharmacy. The seasoning is a nice gift for doctor detailing and other community marketing activities. The widely recognizable Medicine Shoppe logo on the container is a constant reminder to Dirk’s customers that his pharmacy cares beyond the prescription.

», A scoop of appreciation
During July, the hottest month of the year, Center Drug in Hopkins, MN hosts a Root Beer Float Customer Appreciation Day. On this day, the pharmacy scoops up root beer floats and offers double reward points to their customers. It’s a summer highlight for the pharmacy and community. “It’s just another way for us to say thank you to our customers for shopping with us,” says owner Chris Beckmann.

*turn to page 10 to learn more about the pharmacy’s reward program
A sprinkle of tutus

Each year during the month of October, Valley Drug of Stevensville, MT participates in the “Sprinkle Pink Campaign,” which raises money to fund mammograms for women in the community. In addition to decorating the entire store pink, the employees of Valley Drug wear pink tutus every Tuesday and the pharmacy donates $2 for every customer who also comes in wearing a tutu that day.

Backpacks for kids

Amy Carothers, owner of Spoonful Pharmacy, started “Guthrie Pride” to support the children of her community. The program provides backpacks filled with the supplies needed for the school year to over 350 elementary students. Spoonful Pharmacy also offers the “Cardinal Health Free Children Vitamin Program” to her community, giving away around 100 bottles of Leader® Brand Vitamins a month.

Discounts, donations and “Doggie Day Saturdays”

Each month, Horsham Square Pharmacy highlights a particular section of the store with a 20 percent off discount coupon. At the end of the month, the store donates a percentage of the proceeds to a local charity. The Pharmacy also hosts “Doggie Day Saturday,” where customers are treated to a fresh off the grill all beef hot dog and soda for a dollar. In addition, the owner, Tom Friedman, who is also the musical director of the locally renowned Jenkintown Music theatre, brings the group to retirement communities including Ann’s Choice, annually to perform for the residents. The proceeds from the performance fund the community benevolent fund that aids financially compromised residents.

Rock around the block

Edward Christofano, R.Ph., President and CEO of Hayden’s Pharmacy Group, started an annual “Rock Around the Block” fundraiser event at his Mount Pleasant pharmacy location to highlight the business district in the community and to mark the pharmacy’s anniversary. The event, hosted by Hayden’s Pharmacy, includes an antique and classic car show, food at 1950s prices, live entertainment and a family night for all at the pharmacy on Main Street. All the donations and proceeds from the event support the Mount Pleasant Fourth of July fireworks display for the residents.
Ken Wurster was a community pharmacist in the Tampa, Florida area who passed away in 2008. In honor of his commitment to his community and his customers, Cardinal Health and the National Retail Advisory Board created the Ken Wurster Community Leadership Award.

Each year at RBC, an independent pharmacist who demonstrates a commitment to promoting the principles of community pharmacy receives this noble award. This section highlights the services of the 2015 recipient and top four finalists.

### Highlights of his service:

1. Invested in 13 community pharmacies to provide a higher level of service
2. Donated over $315,000 to various community charities, organization, projects and causes
3. Contributed and raised over $100,000 for two scholarship endowment funds that he started for the community
4. Instrumental in working with CMS and NCPA to bring to light the recent case against Aetna/ Coventry for providing erroneous information to federal Medicare officials
5. Worked to gain approval for the construction of a new Anderson County Hospital in Garnett and led the charge for the construction of a new Garnett Elementary School

### The Paganelli brothers

Roger, Armand and Michael

Mt. Carmel Pharmacy

### Highlights of the brothers’ service:

1. Started the annual Heroes Holiday Parade to honor the men and women of the FDNY, PDNY, NY EMT and U.S. Armed Forces
2. Feed over 1,500 community residents and deliver meals to homebound individuals every Thanksgiving
3. Fund and host an Annual Christmas Spectacular for the community including horse-drawn trolley rides, petting zoos and a visit from Santa Claus, and provides food and gifts for over 500 students at Lady of Mt. Carmel Church

---

Auburn Pharmacy

Ken Wurster award recipient

Michael Burns

WINNER
Highlights of her service:
1. Donates proceeds to notable causes such as the AIDS Walk of Los Angeles and the AIDS LifeCycle, and partners with 10 other local organizations to provide resources to patients living with HIV/AIDS.
2. Volunteers with Project Angel Food to provide nutritious meals to HIV+ patients.
3. Collaborated with the Alliance for Housing and Healing on a wellness program to provide homeless HIV+ patients with free over-the-counter items.

Highlights of her service:
1. Started the Angel Care program that allows anonymous donors to help cover the cost of medications for those who cannot afford them.
2. Serves on and belongs to more than seven community/state committees and was instrumental in bringing the topic of prescription drug abuse to the Michigan Pharmacy Association.
3. Received the Technician of the Year Award, the MPA Fred W. Arnold Public Relations Award, and became a member of the Pharmacy Hall of Honor in 2007.

Highlights of his service:
1. Single-handedly started an Exceptional Children baseball league and organized a group of volunteers to help coach and manage the league for his son, DJ, who has Cerebral palsey and other special needs children.
2. Helped start and support a Miss Amazing pageant in the community for children with disabilities.
3. Started a Pin Pals bowling league for children with disabilities that runs weekly during the summer, hosting 25 players in 2014.

Thank you for your service and commitment to your community.
Helping communities address prescription drug misuse

The nation’s fastest growing drug epidemic is not on the streets — it’s in our medicine cabinets. Cardinal Health is committed to doing our part in the fight against prescription drug misuse. Together with our partners, we’ve created Generation Rx to increase awareness and encourage action in communities across the country.

Spread awareness with Generation Rx

• Educational materials are simple for anyone to understand and use.
• Educate in an engaging way with ready-made presentations and activities.
• Download all the materials for FREE.

Educational Programs

Generation Rx resources are designed to educate people of all ages within your community.

Why is Generation Rx important?

The misuse of prescription medications can be prevented. Use Generation Rx resources to help change these statistics:

- More than 6 MILLION AMERICANS age 12 and older have used a prescription drug non-medically in the past month.
- DRUG OVERDOSE is the leading cause of accidental death in the United States.
- Approximately 5,500 AMERICANS misuse a prescription medication for the first time every day.

Learn more

Visit generationrx.org to download the free materials and start educating your community today!
No moral dilemma in incremental revenue

My oldest son faced a moral dilemma. Brady, a sixth-grader, and I were going to a movie earlier this summer when he found a $20 bill that someone had dropped. Should he pick it up or should he walk by it? Should he pick it up and ask the next nearest person if the money was his? If he did pick it up, should he spend it or should he give it to a charity, church, or a homeless person? There are a growing number of opportunities for community pharmacies to pick up incremental revenue and there is no such moral dilemma like Brady faced. The National Community Pharmacists Association’s Annual Meeting will be about recalibrating how community pharmacists look and think about opportunities and problems to come up with new solutions. Our programs will tap into knowledge of experts and your peers who have shown the business acumen to make both new and old services pharmacies have offered more profitable.

I like to break down the issues NCPA works on into two categories. First, the “here and now” issues, which encompass many of NCPA’s advocacy efforts like MAC, any willing pharmacy and pharmacist as provider legislation. Work on the “here and now” is essential to make sure there is a future. Secondly, we focus on the “seeing around the corner” issues, those issues that need to be planned for now to help make your business more proactive. NCPA’s Annual Meeting will spotlight the “seeing around the corner” issues while also letting you know how to affect the “here and now.”

The keynote speaker is Steven Levitt, co-author of *Think Like a Freak: The Authors of Freakonomics Offer to Retrain Your Brain*. The *Idea Incubator* (think the ABC television show *Shark Tank* but for pharmacy) is back for a second year and we are adding All About Your Business breakfasts and lunches. NCPA’s Annual Meeting is October 10-14 at National Harbor near Washington, DC.

NCPA and Cardinal Health have an aligned interest in helping you succeed. Register for NCPA’s annual meeting this fall to help you discover new revenue and pathways to success; for more information, please visit www.ncpanet.org.

B. Douglas Hoey, R.Ph., MBA
National Community Pharmacists Association
Chief Executive Officer

---

Reinvest in your business:

- Networking with your peers
- Best business practices for making more profit
- How to build profitable niches and attract new patients
- The latest products and services from top vendors to help you stay ahead of the game

**Recharge. Reimagine. Reinvent.**

---

Keynote Speaker
Steven Levitt
Economist and bestselling author of *Freakonomics*, *SuperFreakonomics* and *Think Like a Freak*

---
Ditch the lease.

Our new app is available through the app store free of charge for your iPhone, iPod Touch or iPad.

Once you download the app, your device will act as a scanning tool to build daily orders or perform physical inventory.

The Order Express app is fast, intuitive to navigate and replaces your need for leased scanner hardware. Simplify your job with immediate access to over 100,000 catalog items, giving you more accurate orders and inventories than ever before. Additional features include full or partial inventory, decimal and metric count.

Tired of paying to order?

We heard you loud and clear at the 2014 Cardinal Health Retail Business Conference. Say goodbye to relying on leased hardware and take control of your technology future!

It’s easy to download through the app store and even easier to use. Go on, try it out today.
Cardinal Health, in recognizing our independent pharmacists in our “Good Medicine” magazine, makes no representation or gives any guarantee that these practices will result in any particular level of success for any one pharmacy.

Appendix of Cardinal Health Solutions that support your best practices —

- Adherence Advantage – 15, 19
- Consumer Health products – 7
- Dispill® Multi-dose Packaging – 15
- Immunizations Specialized Care Center – 7, 17, 18
- Local Store Marketing – 10
- Medication Therapy Management – 15, 18
- Reach for the Stars – 13
- Retail Academy – 5, 11
- Retail Solutions – 5, 7
- Travel Health – 7

Cardinal Health, in recognizing our independent pharmacists in our “Good Medicine” magazine, makes no representation or gives any guarantee that these practices will result in any particular level of success for any one pharmacy.