

EXPANDING PHARMACY SERVICES WITH REMOTE PHARMACY MODELS WHILE CONTROLLING COSTS

IDEAS THAT MATTER

- Remote pharmacy models provide hospitals with innovative approaches to accomplishing their goals—while also delivering operational, financial, and cultural benefits.
- Remote pharmacy models can be utilized to supplement a hospital's on-site pharmacy team in multiple ways, even supporting projects like technology conversions. Remote teams can support tasks such as order entry/verification duties and support lean staffing due to recruiting challenges and/or to support trainings/technology conversions needs.
- Increasingly, hospitals use remote pharmacy models to free up on-site pharmacists for patient care activities—including interacting with patients, implementing clinical initiatives, and more. Results include improved quality and satisfaction scores, and cost savings by controlling labor costs.

Overview

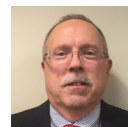
In a November 2018 webinar, Cardinal Health's Kelly Morrison described trends impacting hospital pharmacies, dispelled myths about remote pharmacy services, and summarized benefits of remote pharmacy models. Dr. Bala Chandrasekhar and John Coggins shared their organizations' journeys in leveraging remote pharmacy models.

Remote pharmacy models are increasingly playing a key role in supplementing on-site pharmacy teams. With remote pharmacist support for tasks such as order entry/verification duties, on-site pharmacists are freed up to focus on interacting with patients and implementing key clinical initiatives.

FEATURED SPEAKERS



Dr. Bala S. Chandrasekhar
Chief Medical Officer
Methodist Hospital of Southern California
Arcadia, California



John Coggins
Director of Pharmacy
Mary Washington Hospital
Fredericksburg, Virginia



Kelly Morrison
Director, Remote & Retail Pharmacy Services
Cardinal Health
Houston, Texas

Key Takeaways

Five key trends are impacting hospital pharmacies:

1. **The “new normal” is doing more with less.** This is now a reality for hospital pharmacies.
2. **There is an increased need for pharmacy-led clinical programs** to drive hospital cost savings initiatives, reduce readmissions, and increase patient satisfaction. This includes medication reconciliation programs, antibiotic stewardship programs, and transition of care initiatives such as discharge counseling and meds to beds programs.
3. **Technology conversions often have a negative impact on operating income.** The expectation when implementing new technologies—like electronic health records (EHRs) or computerized physician order entry (CPOE)—is to gain efficiency and lower costs. But often conversions increase costs due to unanticipated spikes in labor during and post-conversion.

4. **An increased focus on retail strategies.** While historically hospital pharmacies have focused on patients within the hospital, leaders are increasingly focused on patients after they leave the hospital—and often existing pharmacy teams are not staffed with the appropriate level of resources to support this extension of patient care.
5. Despite the activity and trends within healthcare, and growing expectations of hospital administration, **personnel and project budgets are flat.**

While there has been broad adoption of remote pharmacy models, myths and misconceptions persist.

Among the myths and misconceptions about remote pharmacy models are:

MYTH	REALITY
It costs more to outsource than to hire additional FTEs	In most cases healthcare facilities can generate savings by using remote pharmacy models. In the remote model pharmacists often are more productive because they aren't interrupted. Many hospitals are creating a "hybrid" model of on-site and remote pharmacists. It is also generally more cost-effective than hiring additional on-site staff.
To use remote pharmacy services requires a long-term agreement	Hospitals can leverage remote pharmacy services to assist with a short-term need , such as a spike in labor during a project. Some remote pharmacy providers have flexible contract terms .
We already have a 24/7 pharmacy, so there is no need for remote service	Hospital pharmacy's role is expanding with the execution of new clinical initiatives that require pharmacists to work outside of the pharmacy, engaging directly with patients. In addition, pharmacy also becomes responsible for order entry in new areas such as the ED and procedural units post CPOE that increase the order volume. This results in the need for additional pharmacists to maintain service levels, and leveraging remote pharmacists is a cost-effective alternative to increasing FTEs.
Remote pharmacists are "generalists" who will not be able to handle the complexity of our patient population	Remote pharmacists should have the same qualifications as on-site pharmacists and can perform the same interventions. Many come from large academic medical centers. They are well versed at providing care to complex patient populations.

Remote pharmacy should be on the radar for hospital leadership as they look to reduce and/or maximize the two largest pharmacy expenses—drugs and labor.

— Kelly Morrison, Cardinal Health

Remote pharmacy provides operational, financial, and cultural benefits.

Hospitals are using remote pharmacy models to help them execute against their goals. Since every hospital has different goals, remote pharmacy is leveraged in different ways. Common benefits are:

- **Operational.** Leveraging a remote team to supplement the on-site team enables pharmacies to **focus on the most important operational priorities** with no distractions, such as implementing a clinical initiative or a technology conversion. It also ensures a consistent level of service.
- **Financial.** Remote pharmacy eliminates costs associated with recruiting, training, and benefits. Because remote pharmacy can scale up and down as needed, it often results in **cost savings**.
- **Cultural.** Remote pharmacy increases **patient satisfaction** due to more direct interaction with pharmacists and increases **employee satisfaction** by showing leadership's commitment to pharmacists' work/life balance.

METHODIST HOSPITAL CASE STUDY

Methodist Hospital, about 20 miles from downtown Los Angeles, is a medium-sized, standalone, full-service community hospital.

Methodist's leadership team is focused on quality, safety, and excellence. As a result of multiple quality and safety initiatives, Methodist has been recognized as one of the highest quality, safest hospitals in the country. Methodist's most recent strategic plan calls for sustaining **and improving on** the hospital's position as one of the safest places in the nation to receive care.

Elements of Methodist's strategic plan are:

- Expanding the clinical pharmacists' roles in patient education
- Optimizing the antibiotic stewardship program
- Expanding medication reconciliation and discharge medication review
- Improving patient experience and HCAHPS scores

Top challenges faced in the hospital pharmacy included increasing costs (both staffing and drug costs), flat HCAHPS scores, minimal involvement of pharmacy staff in patient-centered care, and clinical pharmacist resources were underutilized and not operating at the top of their license.

In an environment of "do more with less," Methodist leveraged remote pharmacy to support its strategic plan by supplementing on-site pharmacists with remote pharmacists.

Utilizing a remote pharmacy enabled Methodist to:

- Leverage remote pharmacists to process 40% of the total monthly order volume
- Train and transition on-site pharmacists to patient care units to work directly with patients, physicians, and nurses
- Provide a consistent level of care during short-staffed periods

As a result, on-site pharmacists are now delivering far more patient interventions, including antibiotic- and anticoagulation-related interventions, patient and family counseling, and discharge medication counseling.

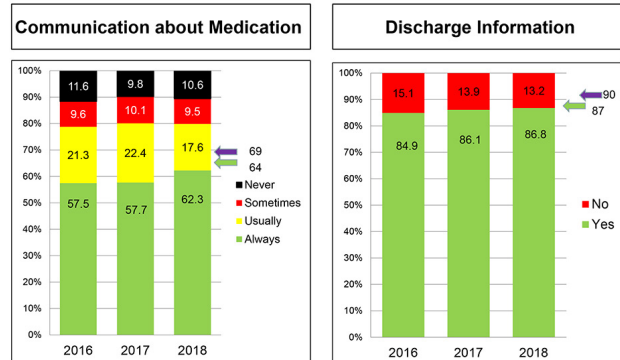
In addition, HCAHPS scores improved in 2018, after being flat in previous years.

Methodist also experienced a dramatic decrease in antibiotics costs, saving about \$42,000 per month, annualizing at savings of about \$500,000 per year.

Methodist concluded that leveraging remote pharmacy helped:

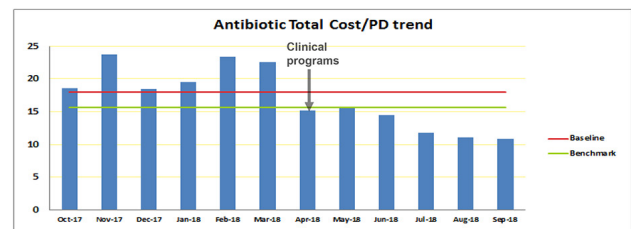
- **Decrease drug costs**
- Successfully **implement clinical initiatives**
- **Increase the interaction** of pharmacists with physicians, nurses, and patients
- **Improve the patient experience and HCAHPS scores**

Improved Patient Experience and HCAHPS Scores in 2016



Our use of remote pharmacy has enabled us to decrease drug costs, especially in terms of utilization.

— Dr. Bala S. Chandrasekhar, Methodist Hospital of Southern California



MARY WASHINGTON CASE STUDY

Mary Washington is a two-hospital system in Fredericksburg, Virginia. Mary Washington Hospital has 450 beds and Stafford Hospital has 100 beds. Mary Washington began using remote pharmacy services about three and a half years ago. Factors influencing the decision to use remote pharmacy were:

- Staffing burden: Retaining two pharmacists on the night shift was difficult and recruiting was challenging, based on Mary Washington's location.
- Technology conversion: Mary Washington needed additional staffing support as the hospital prepared for a new EHR conversion.

The solution was to leverage a remote pharmacy team to supplement Mary Washington's on-site pharmacy staff and to support the EHR conversion. Mary Washington:

- Leveraged remote pharmacy to process 65% of overnight orders
- Transferred overnight orders from Stafford to remote pharmacy
- Maintained one pharmacist on-site and supplemented this with one remote pharmacist
- Used on-site pharmacists to do clinical consults and manage the on-site pharmacy
- Scaled up remote support during the EHR conversion to ensure time for on-site staff to prepare

Results included:

- **Increased patient and staff satisfaction**, as order entry turnaround times decreased dramatically
- **Improved productivity** due to the ability of remote staffing to scale up or down as needed
- **Savings** of \$26,000 to date, due to reduced overtime

When we look at our past three and a half years, we've had a number of issues where we've had some staffing challenges . . . and the remote pharmacy team was always there.

— John Coggins, Mary Washington Hospital

ABOUT CARDINAL HEALTH

Cardinal Health is a global, integrated healthcare services and products company, providing customized solutions for hospitals, health systems, pharmacies, ambulatory surgery centers, clinical laboratories and physician offices worldwide.

The company provides clinically proven medical products and pharmaceuticals and cost-effective solutions that enhance supply chain efficiency from hospital to home. Cardinal Health connects patients, providers, payers, pharmacists and manufacturers for integrated care coordination and better patient management. Backed by nearly 100 years of experience, with approximately 50,000 employees in 46 countries, Cardinal Health ranks among the top 25 on the Fortune 500.

- Click [here](#) to learn more about Remote Pharmacy Services.
- Contact Kelly Morrison at: kelly.morrison@cardinalhealth.com