

Pharmacy Automation and Technology: What Is Holding You Back?

By Christopher Thomsen, president of The ThomsenGroup Inc.

It has been more than three decades since the first computerized pharmacy management system was installed in a community pharmacy. More than 25 years since the first automated counting system was tested. And nearly a decade since the first robotic prescription dispensing system made its debut.

Clearly, pharmacy technology is here to stay. Yet why are many pharmacies so eager to accept some technologies, and so hesitant to adopt others? Especially when technology can literally change a pharmacist's life, not to mention raise his or her profits.

Today, there is not a single viable pharmacy that does not have and use an automated pharmacy management system. Even interactive voice response systems (IVR) are now in widespread use. That is just not the case, however, for automated counting, robotic and workflow systems.

A 2003 ThomsenGroup survey of more than 500 community and outpatient pharmacies revealed that the implementation and upgrade of pharmacy automation was a top priority for the next 2-3 years. Almost 80% of the respondents without an automated counting system, 60% without an automated workflow system and 30% without a robotic prescription dispensing system noted that they planned to purchase and install these types of systems in their pharmacies over the next two years.

It is now 2005, two years after our survey, and retail pharmacies as a whole have barely scratched the surface. Again, we must ask, "Why the hesitation?"

Granted, there are thousands of pharmacies that have adopted a variety of automated systems that address the drudgery of counting, filling, labeling and tracking a prescription, but there are tens of thousands of pharmacies that are sitting on the sidelines in fear of technology or are waiting for the arrival of that "perfect" system or moment to arrive. While barely one in three pharmacies have some kind of an automated counting machine, the utilization rate of more advanced technologies is abysmal. The penetration of robotics and automated workflow in community pharmacies is barely 6%.

Are pharmacists still waiting for proof of concept? Still demanding concrete evidence that they'll recoup their investment? Because the proof is here, as The ThomsenGroup has seen. Thousands of pharmacists have made an informed and educated decision to implement automated counting, robotic and automated workflow systems in their pharmacies and technology and report that they are now experiencing a better quality of life because they made the right decision. Many of these technology adopters note that there will never be "just the right time" or "the perfect system." But, they do note that taking that first step with even the simplest counting system can provide an immediate improvement in efficiency, productivity and accuracy. With improvements in efficiency and productivity, many pharmacies report that both their pharmacy and their front end sales have increased significantly.

One independent pharmacy in Oregon reported that after installing an automated counting and workflow system, his sales of OTC products shot from \$7,000 a month to \$40,000 a month. The pharmacists now had the time to develop the interpersonal relationships between themselves and their customers.

Another pharmacy in New Jersey indicated that the investment in a robot and an automated workflow system was in-step with their goal of building the family business into a legacy that would grow with every passing generation. They also noted that in 2006, when the new Medicare regulations are in full force, they will take full advantage of medication therapy management (MTM) services. They also pointed to the explosion in assisted living and over-55 communities. They are in an excellent position to service that population. This very same pharmacy has already seen the sales of surgical supplies increase by almost 30 percent since the implementation of their automation more than a year ago.

Consider this: The average U.S. community pharmacy dispenses about 82% of its daily prescription volume from bulk tablets and capsules, and the other 18% in the form of unit-of-use packages. A robotic system with 200 or more cells, is capable of handling 45% or more of the total daily volume. With barcode scanning and onscreen drug image verification as an integral part of nearly all robotic systems, this is big step toward addressing a larger portion of the dispensing process and providing controls to ensure accuracy and patient safety.

Many other community pharmacies point to the profitable and rewarding business of compounding. They quickly point out, however, that a pharmacy can not even begin to consider this opportunity if they are manually counting, filling and labeling prescriptions.

A pharmacy can not effectively increase its volume or business without either increasing its staff or investing in the right technology. An investment in technology, however, can mean that each of the pharmacy staff is properly utilized, that increasing prescription volumes are welcome and that every prescription is checked for accuracy before dispensing.

If you still seek the answer to the questions, “When is the right time?” or “What is the perfect technology?”, the answer is simple. There is no single perfect technology solution or a perfect time. There is, however, a logical sequence of technology and automation that, when properly integrated, can provide operational improvements, a realization of greater revenues and profitability and increased patient safety and satisfaction.

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