



Integration Solutions  
*Partnerships Make It Possible*

## ChildNet In-Office Pharmacy Dispensing Program

### Increase Patient Compliance, Satisfaction, and Increase Your Revenue

Participation in the ChildNet in-office pharmacy dispensing program is available. This program is being provided through Integration Solutions LLC and Dispensing Solutions Inc.

**Why introduce in office dispensing to your practice?** There are three primary reasons to make this service available to your patients.

1. Patients like the convenience of obtaining their acute care prescriptions at the end of their office visit thus avoiding the wait times and travel to the pharmacy.
2. Patient compliance with treatment plans increase when the medications are obtained at the time of the physician visit.
3. In-office dispensing creates new revenue source and profits for the practice.

**What is the initial cost to the practice to implement?** Practices are encouraged to begin an in office dispensing program using a focused formulary of most commonly prescribed drugs available in generics. These can be cost effectively inventoried and sold on a cash basis. To begin the program, the practice selects 20 or less generics to inventory. These are prepackaged in tamper proof bottles and shipped to the practice. A sample formulary is attached for reference. Inventory should be minimal as the dispensing system will track usage and alert for reorder. The practice will need to have a PC with a high speed internet connection for accessing the DSI dispensing system and a standard printer linked to that PC. In addition to the cost of the initial inventory, the practice will purchase a hand held bar code scanner that attaches to the PC that will read the bottle labels at a cost of \$300. Available are inventory storage cabinets designed for the prepackaged drugs. These are optional but convenient, compact and lockable at a cost of \$300. One dispensing set up is required for a practice.

**Are there ongoing costs?** The DSI dispensing system has a monthly maintenance and tech support fee of \$79. There are pre-pasted bottle labels that are printed as the medications are dispensed which are available at cost of \$15/per 300. Of course, reorder of drugs as inventory is sold is an ongoing cost.

**Is a cash program financially viable?** Most primary care, urgent care and family/internal medicine practices find the program profitable. If you reference the sample pediatric formulary, you'll see that it demonstrates the financial viability of this program. Before you make a final decision to implement, you will know the precise cost to you for the drugs you want to dispense and can set your price that will best meet your patients' needs. You will be provided a suggested price and the published average wholesale price (AWP) for each drug selected. You control the margins for your in office dispensing program.

**What is the impact on staff?** Each practice will establish its own best practice. However, after several days of practice and training, staff will be able to complete a dispense in one to three minutes. Many practices have

this dispensing process happen at patient check-out. Experiences from practices are that once implemented, dispensing becomes a normal part of the patient management process.

**What is the long term commitment to the program?** There are time certain commitments. Practices may cease dispensing at their discretion. The only issue is that practices will want to complete the dispensing of their inventory before stopping their program. Practices are not required to purchase a certain number of drugs to their formulary. The only requirement is that each drug ordered has a minimal inventory order amount i.e. 10 bottles or 1 tube/suspension. By starting with a focused formulary and inventory, supporting staff through initial training, and implementing the program with the primary goals of patient convenience and treatment compliance, this program will become a valued addition to the practice for the long term.

**Can over the counter medications be included?** Yes, certain OTC medications as well as supplements like vitamins can be added to a practice's inventory. It is recommended that these items be added over time as the practice becomes familiar with the business and patient acceptance of the program.

**Will there be support available to assist?** All the way through the program, there are support services available. In developing the initial formulary and inventory, an experienced DSI staff will provide advice that will facilitate initial success of the practice's program. During the initial set up in the dispensing system, DSI staff and IS staff will provide training and help desk support so initial dispensing goes smoothly. A technical help and support desk are available during normal business hours to assist when questions arise. And, DSI is headquartered in Santa Anna, California so in many ways they are "local". A real added value to this "local" issue is that inventory reorders are shipped quickly and delivered within days of orders being placed.

**Are there any legal issues affecting in office dispensing?** There are no impediments in California to practices dispensing prescribed drugs from the office setting. You can review the CMA position paper on this topic by visiting the CMA On-Call Index at [www.calphys.org/html/on\\_call\\_index.htm](http://www.calphys.org/html/on_call_index.htm). When you enter the secure area, retrieve document number 0505, published in January of 2008.

**So what's the bottom line?** In summary, initial costs to begin are between \$300 and \$600 plus an initial inventory of medications that will vary but expected to be between \$800 and \$1,500. Ongoing monthly costs are less than \$100 for technology support and materials i.e. bottle labels. A long term commitment is not required. Patient acceptance has been good for practices that have implemented in office dispensing programs. Staff impact is minimal when initial training and support are provided. Margins off revenues are viable and can be significant.

**Ready to get started?** Here are your steps and how long will it take to get started.

1. Complete and return the NEW ACCOUNT application form, available on this website. When completing this application, should you have questions, please call our toll free number (866) 578-9776. NOTE that along with the application, you will need to provide for each prescribing physician in your practice a copy of the state license (current), DEA license (current) and your initial formulary of drugs you expect to include in initial order.
2. Along with the application, complete and return the formulary development form, available on this website. For each medication included, we will need each of the columns information completed.
3. After we receive these two items, we will begin the processing. One of the DSI staff will contact you to review your formulary and assist you in ordering your initial inventory. They will place that initial inventory for you. Within 30 days, you will be advised that your application has been approved and your drugs are being shipped. We will schedule a training plan for your staff which will happen with the delivery of the inventory. You can expect to be dispensing your first medications within that time frame.
4. You will be billed 30 days from the shipping of the medications, bar code reader and cabinet (if you ordered one) for the drugs and those items you ordered.

Again, in summary, you can implement and be dispensing your formulary from your inventory in the next 30 +/- days. Within 3 months you will know if your program is meeting your patients' needs and meeting your goals for an in office dispensing program.

We thank you for taking this important step for your practice and for your patients. Should you want additional information, please call our toll free number, (866) 578-9776.