

Get Smart: How to Get Started with Pharmacy Intelligence & Analytics



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Quick Summary

- 1 Data insights from pharmacy intelligence can lead to increased profits and adherence, but learning how to gather and use it is a not an overnight process.
- 2 While many pharmacy management systems offer data analysis and even limited reporting capabilities, they would often take more time to utilize than the average pharmacist can spare.
- 3 The most important step — and the one where many pharmacists stumble — is putting aside doubt and making the choice to get started.
- 4 Gathering data is not enough; you have to do something with it. Dedicating as little as ten minutes a day to following up on data insights can reap benefits.
- 5 Don't let too many cooks into the kitchen; you'll get the most benefit if you choose one person to manage your data insights and opportunities and let them own it.
- 6 Don't be afraid to think outside the box. Analyzing data and following up on opportunities doesn't have to be done by a pharmacist. A pharmacy technician or part-time employee could easily take on the project.

Learning to Crawl

More information leads to better answers. That's the entire idea behind data gathering and analytics. The more you measure, the better you can improve. Used properly, analytics can make it easier for pharmacies to take better care of their patients and provide financial security for their business.

We sat down with Jeff Harrell, co-owner of Peninsula Pharmacies, Inc. and renowned pharmacy technology influencer. As we talked, he offered his thoughts on why pharmacies should embrace data-driven insights and how to get started in the world of pharmacy analytics.

It turns out, you have to crawl before you can walk, and you have to walk before you can run. With pharmacy intelligence, the ones who have learned to run are regularly adding thousands of dollars of profit every month by following up on data insights. You can get there, too.

So let's get crawling.

Spotlight: Jeff Harrell, Pharm.D

A leading authority on technology innovations in the pharmacy industry, Jeff Harrell is the co-owner of Peninsula Pharmacies, Inc. in Washington state. He also serves on the Board of Directors for both AAP and NCPA. Harrell also doubles as Peninsula Pharmacies' computer specialist and has been featured in Computer Talk magazine for technology innovations in pharmacy practice and pharmacy security.

Step 1: Move Beyond Your Pharmacy Management System

The price of light is less than the cost of darkness.

Arthur C. Nielsen

Establish your starting point. The first step in improving and growing your pharmacy is to know where you're starting. To paraphrase 19th Century mathematical physicist William Thomson (better known as Lord Kelvin), you can't improve what you don't measure.

There are a few quick metrics that all pharmacies should be running to measure the health of their business. These include **prescription count, revenue per prescription, open claims, and refill frequency.** MyDataMart, EnlivenHealth's pharmacy intelligence solution, tracks each of these plus more than a few others to take your pharmacy reporting to the next level.

Many pharmacists wonder if they could track these metrics manually on a spreadsheet, or if they could just use the reports built into their pharmacy management system to get this kind of insight. And the answer is, absolutely. But working this data manually requires time the average pharmacist doesn't have, and using the reports built into many PMS's often leaves much to be desired.

When Joel Aylor of Ohio-based Kettering Health Pharmacy tried to pursue missed refills without a pharmacy intelligence solution, he found the process tedious with no real way to prove ROI. "I had no way of tracking the results," he said. "I was doing it manually, more or less, via a list of reports."

Your pharmacy management system isn't enough. Yes, it may have its own reports, but the majority of those barely skim the surface of what you can do with your data. Using a dedicated analytics tool helps you get the most out of the information your PMS is collecting.

In April 2022, the average pharmacy using MyDataMart saw an 826% return on their monthly investment in the solution.

This first step is where many pharmacists stumble. They worry about the difficulty of learning a new system or that they won't see results quickly enough to justify the monthly expense. They're even concerned that the data won't be accurate due to factors like changing drug acquisition and patient data errors.

Harrell dismisses the latter point: "As a pharmacist, you'll know what's right and what isn't. You can look at a report and say 'No, I didn't lose \$40 on that medication... oh, but I did lose \$60 on this one.'"

As for the rest? "The most important thing is just getting started," continued Harrell. "You can figure out the rest once you've done that."

To really hit the ground running, Harrell recommends running three simple reports that give you a quick glimpse into the financial health of your pharmacy.

Missing Refills:

Identify prescriptions that are due for a refill but have yet to be filled. Some patients forget, while others simply choose not to refill. Whatever the reason, you owe it to your patients and to your pharmacy business to investigate.

Prescriptions Sold at a Loss:

Learn which prescriptions are being reimbursed for less than their cost to the pharmacy.

Missing Patients:

When a patient hasn't refilled one prescription, it's likely an oversight. When they haven't filled any of their prescriptions, it could be an adherence issue or a patient lost to another pharmacy. Find out at a glance which patients haven't filled any of their prescriptions for a lengthy period of time.

"Those three alone will pay for [the analytics software] and put money in the pharmacist's pocket," says Harrell.

Get started with analytics as soon as possible. Don't overthink the data; just gather it.

Step 2: Do Something with Your Data

The goal is to transform data into information and information into insight.

Carly Fiorina

Analytics have no value without action. Gathering data on your day-to-day operations can be exciting. To have every transaction, every fill, and every profit opportunity documented and presented in hard numbers, complete with charts and graphs showing your progress, can feel fulfilling. But all those numbers are worthless if you don't do anything with them.

Data provides insight, but insight alone is not enough. You have to take that insight, and use it to build a plan of action. "The data doesn't lie," says Harrell. "If you can measure it and you can count it, then you can — and should — do something with it."

To start with, go for quick wins. Harrell suggests utilizing a report that identifies missing refills, then sorting that list from most profitable to least profitable for the pharmacy. After you have your list, follow up with the top 10 patients on the list. A total of 20 minutes on the phone could mean hundreds — possibly thousands, depending on the prescription — in additional revenue for your efforts.

Joel Aylor of Kettering Health Pharmacy saw a **\$732k annual revenue increase** in his pharmacy by targeting missed refills.

There is no limit to what you can do with the right data insights. But the trick is, you have to do something about it. So gather your data, make your plan, and crush those goals.

Let your insights drive your process, not the other way around. We know, we know. You've been doing things your way for years, and you're getting along just fine. But you're interested in what your pharmacy data can reveal (which is why you're reading this), and we're willing to bet you'll find at least one thing in those initial reports you probably weren't expecting.

When it comes to using data insights to make decisions, there's one thing you must remember. Data is data, and facts are facts; they're not open to interpretation. Bending or cherry-picking the data to justify your existing process won't help your pharmacy. Go into your data mining with an open mind, and be prepared to change your processes based on what you find.

Just remember, anything you do as a result of data insights is something you weren't doing before. "You're not going to get 100 percent of this," says Harrell. "We're just moving the needle. Every day you move the needle it's like compound interest, because we do this every month. If you change one script at \$100, that's \$1,200 for the year. Do that ten times, that's \$12,000."



Gather your data, then make your plan. Don't do one without doing the other.

Step 3: Choose Your Pharmacy Data Advocate

The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint to keep from meddling with them while they do it.

Theodore Roosevelt

Innovation requires focus; becoming data-driven is not a side project. Think of the kitchen in a high-end restaurant. While there might be multiple cooks preparing the eatery's various dishes, there's only one chef. There's one person driving the change — one person everyone else listens to.

To make the shift to a data-driven pharmacy, one person needs to lead the charge. Trying to do something like this by committee will only delay any positive results. It's far easier — not to mention faster — for one person to learn new software and develop a new process than for half a dozen people with half a dozen different methods to try the same.

While Harrell is no stranger to technology, he knew he didn't have the time it would take to effectively drive the analytics for his stores. He chose to hire an analytical pharmacist to handle the data for his stores. This pharmacist creates custom reports that cover everything from immunization admin fees to PBM clawbacks. It's a full-time position — one that quickly proved its worth. "With ten locations," says Harrell, "[the analytical pharmacist] paid for himself within the first six weeks."

Choose someone from your team to be your pharmacy data advocate. That person will learn the programs, build the reports, analyze the data, and make recommendations to you and the rest of your staff. This could easily be a full-time position. As Harrell can show, having a dedicated resource is more than worth the investment.

Dan Priest of Lakeland Pharmacy in Southwest Missouri asked a team member with telemarketing experience to take over his analytics-driven patient outreach. She increased revenue by up to \$180 per hour worked.



You can't do this alone. Choose a trusted team member to spearhead your data reporting.

Turn Hindsight Into Insight

Are you ready to embrace the future of pharmacy? In the past, your revenue behind the counter was enough to keep the doors open. Those days — the days of the fill-and-bill pharmacy — are ending.

The ones that survive will be the ones willing to change the way they do things and adapt to an everchanging economic environment. “This is stuff that a lot of [pharmacists] have never, ever thought of — using your data to help you,” says Harrell.

Business intelligence can help you utilize your pharmacy data and turn it into insight. From there, it’s up to you to take that insight and turn it into action. “Even if you’re only finding a couple opportunities, you’re winning,” says Harrell.



Taking the Next Step

The data is waiting — what will you do with it? If you’re ready to take the next step and unlock the potential hidden in your pharmacy data, visit EnlivenHealth.co!

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About EnlivenHealth[®]

EnlivenHealth[®] builds advanced patient engagement, financial management and population health technology solutions that enable retail pharmacies and health plans to measurably improve the health of their patients and members, while ensuring the long-term health of their business. With the recent acquisitions of FDS Amplicare and MarkeTouch Media, EnlivenHealth[®] now offers the industry's most comprehensive suite of SaaS technology solutions that help retail pharmacies and health plans to transform and thrive in this new era of digital-driven healthcare. Currently, more than 50,000 retail pharmacies nationwide deploy EnlivenHealth[®]/FDS Amplicare/MarkeTouch Media technology solutions.

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