

AMBULATORY PHARMACY  
**outlook**  
FOR HEALTH SYSTEMS

*Peer-based*

**Industry Survey Results**

- Year-over-year benchmarking data
- Demographics, operations, staffing and more

*Evolution of*

**Health System Pharmacy**

- Convergence of ambulatory and specialty
- Revenue and profitability
- Pharmacy optimization



**Thought leadership**  
from Integrated Health  
Systems Outcomes  
Coalition (IHOC)

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- Specialty pharmacy
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## Willis Chandler

President, Health Systems  
& Specialty Services  
AmerisourceBergen

# Welcome to the second annual Ambulatory Pharmacy Outlook report, brought to you by Pharmacy Healthcare Solutions!

**Powered by AmerisourceBergen, the Ambulatory Pharmacy Outlook provides industry benchmarking, trend analysis and pharmacy best practices from some of the country's top health system leaders.**

This year's report builds on the foundation of last year's first-of-its-kind Ambulatory Pharmacy Outlook for Health Systems, which debuted at the ASHP Midyear Meeting in 2018 and shed light on the market-wide transformation of health system ambulatory pharmacy. On top of becoming a reliable revenue engine for health systems, health system ambulatory pharmacies have the power to improve the continuity of care and enhance patient and provider satisfaction.

**At PHS and AmerisourceBergen, we are driven by a commitment to help our customers capitalize on the dynamic changes in healthcare delivery.**

So, for the second year, PHS conducted a proprietary survey of health system-based ambulatory pharmacy stakeholders, where respondents provided measurable metrics for data from calendar year 2018.

**And once again, we found that ambulatory pharmacies are critical in supporting the health system's role at the center of care.**

According to the 2019 - 20 Economic Report on Pharmaceutical Wholesalers and Specialty Distributors\*, specialty pharmacies owned by health systems continue to grow, even while smaller specialty pharmacies have faced challenges with drug access, payers and PBM networks over the last year.

Our survey results reinforce this observation. We found that health system specialty pharmacies (HSSPs) continue to outpace other segments with an average gross margin per prescription nearly 40 times higher than that of non-specialty drugs. As specialty medications continue to replace traditional forms of therapy, ambulatory pharmacies must look for ways to evolve their strategy to meet patient needs.

This year's report features insights from a unique AmerisourceBergen-created partnership between health systems, manufacturers, payers and supply chain partners. Survey data from AmerisourceBergen's Integrated Health System Outcomes Coalition (IHOC) provides valuable new insight on the influence of patient satisfaction.

**On behalf of the entire AmerisourceBergen team, thank you to all who participated in our second annual survey of health system ambulatory pharmacy managers and directors.**

We are immensely grateful for your insights. A huge thank you, too, to our sponsors who helped make this year's publication possible, including Elevate Provider Network and Retail Management Solutions.

We hope these insights continue to elevate and keep pharmacy at the forefront of health system patient care. As always, AmerisourceBergen is here to help you lead the way.

Sincerely,

A handwritten signature in black ink that reads "Willis Chandler". The signature is written in a cursive, flowing style.

Willis Chandler  
President, Health Systems & Specialty Services  
AmerisourceBergen Corporation



## Survey methodology

Sponsored by Pharmacy Healthcare Solutions (PHS), the 2019 Ambulatory Pharmacy Outlook for Health System provides an objective overview of health system-based ambulatory pharmacies across the country. The goal is to provide pharmacies with current data to benchmark performance against peers.

To that end, PHS conducted a proprietary survey of health system-based ambulatory pharmacy stakeholders. Because of the growing interest in specialty pharmacy, the survey included several questions to assess how hospitals are viewing and taking advantage of the revenue opportunity specialty pharmacy presents.

Respondents provided measurable 2018 financial and clinical metrics related to revenues and expenses by source, clinical program and technology capabilities, specialty pharmacy and staffing levels. Data points were verified for clerical accuracy, but were not specifically based on audited financial statements. In all, 45 ambulatory pharmacies nationwide completed the comprehensive survey, which on is par with our first survey.

# Respondent profile

To prepare this report, PHS surveyed a cross section of corporate, health system and local hospital-based ambulatory pharmacy leaders across the United States. Survey responses were aggregated to provide an impartial view of the industry. Overall, the results reveal the continued strength of the hospital-based ambulatory pharmacy community.

PHS is proud to support the industry—in fact, helping health systems improve pharmaceutical care is our only business. As you continue to evolve your own ambulatory pharmacy strategy, we trust this publication will be a helpful guide.

Survey respondents reflect the broad diversity of the ambulatory pharmacy industry. Here are the highlights.

## Respondent demographics

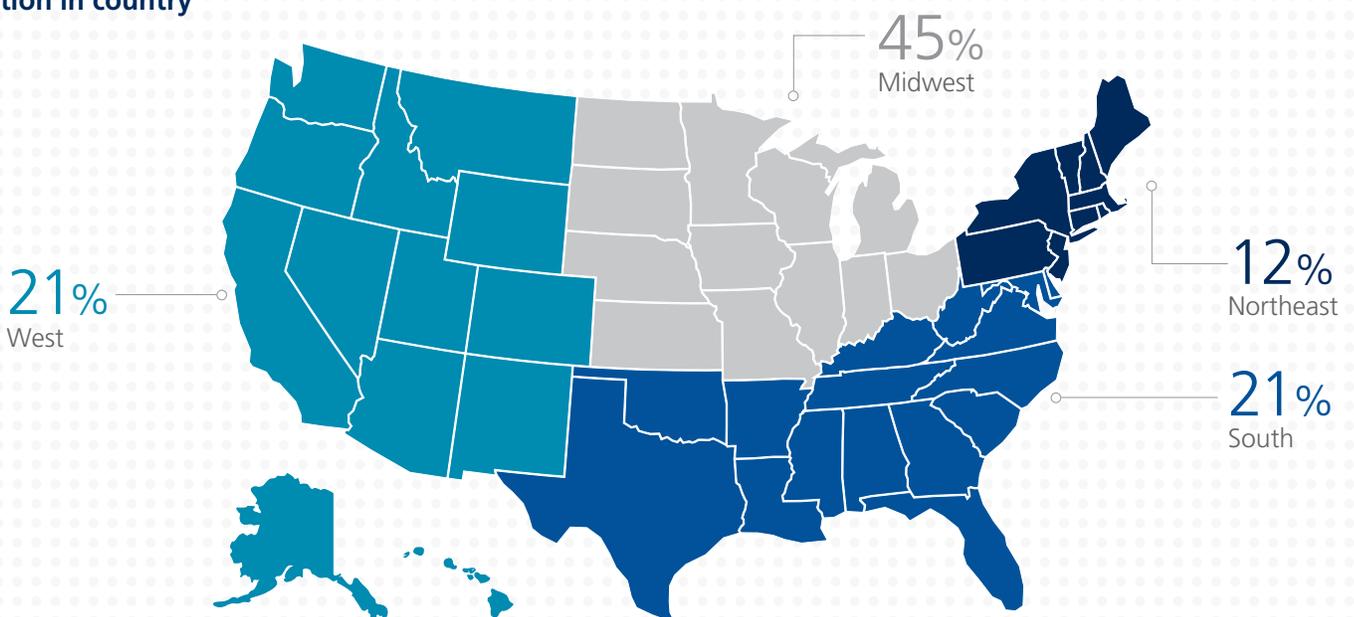
**53%**  
Pharmacies in hospitals with <300 beds

**29%**  
Pharmacies in hospitals with >20,000 annual discharges

**78%**  
Non-profit hospitals

**37%**  
340B covered entities

## Location in country



## Location in hospital system

53%

Within 4 walls of hospital

40%

Outside 4 walls of hospital but on campus

7%

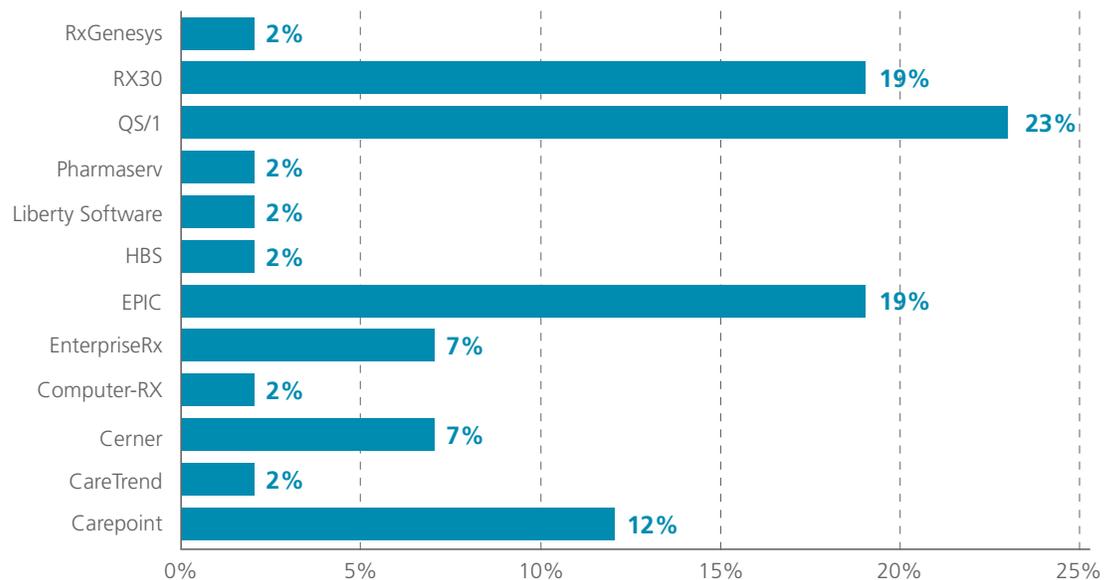
Off hospital campus

## Pharmacy maturity

Respondents represent a blend of pharmacy maturity, with 0 – 5 years and 10+ years at nearly 40% each. Analyzing maturity is significant because years of operation has a significant impact on both revenue and gross margin. See pages 18 and 19 for further analysis.



## Pharmacy management system





## The center of care

The 2018 edition of this publication noted how ambulatory pharmacies are unique in all of healthcare. Because they improve patient care and satisfaction, ambulatory pharmacies are perfectly positioned to play a more prominent role in health system financial performance. Indeed—just as health systems are the center of patient care—ambulatory pharmacies are at the heart of health systems. The pharmacy is key to ensuring continuity of care once the patient leaves the hospital.

How do ambulatory pharmacies support the health system's role at the center of care? To begin with, they create a central touchpoint with regular, post-discharge pharmacy visits that help support adherence and compliance. The pharmacy can also take the lead in obtaining manufacturer incentives and charity foundation support to reduce the co-pay burden on patients, particularly those who require specialty care.

Next, fully-integrated electronic medical records (EMRs)—and the proximity of providers to the pharmacy—can quicken the turnaround time for prior authorization (PA) approval. Often, pharmacies are fully equipped to manage PAs on behalf of providers. As an alternative, a health system can dedicate internal resources or contract with a vendor that has the appropriate expertise to handle PAs.

**The integrated EMR also connects the hospital and pharmacy to empower holistic care, providing seamless care coordination and helping patients begin therapy faster and more efficiently.**

Specialty pharmacists embedded in clinics can track patient care and adjust specialty therapies as required. These pharmacists can also conduct a full medication reconciliation to account for the full medication profile, as well as improve the patient experience.

Above all, ambulatory pharmacies are a foundation for maintaining patient connectivity across the continuum of care. This includes driving one of the most significant revenue-generating opportunities available to health systems today: the ability to fill specialty prescriptions.

### The rise of specialty care

Specialty therapies are a paradigm shift in patient care, catalyzing the evolution from managing symptoms to managing the whole patient. Not only do these therapies hold the promise of improving patient care, but they also create a significant new source of revenue for the health system.

With an EMR connecting and coordinating individual sites—health systems are a logical home for the specialty pharmacy. In particular, specialty therapies often require high-touch, specialized support and clinical monitoring to minimize such risks as adverse events, barriers to access caused by high drug costs and challenges with both adherence and compliance.

**Health system providers are uniquely qualified to lead the patient care team and provide this high level of support. As a result, HSSPs are on track to become the fastest growing sites of care over the next five years.<sup>1</sup>**

According to survey data compiled by the Integrated Health System Outcomes Coalition (IHOC), patients and providers alike are more satisfied when they can utilize a health system specialty pharmacy. Ninety-nine percent of providers said having an HSSP is important or extremely important to their patients and them. Providers reported a 93% satisfaction rating with their HSSPs and believe they add value to patient care. Among patients, 97% reported they are satisfied with their HSSPs.

Why are these satisfaction levels so high? HSSPs can effectively handle patient assistance and eligibility issues, as well as patient questions and care on a holistic level. The result: faster time to treat and fewer patient complaints.

This is why it will be incumbent on payers and pharmaceutical manufacturers to include HSSPs in their channel strategy. HSSPs are proven to have a unique ability to provide the highest level of coordinated, specialized patient care.

In contrast, there are substantial challenges when payer and manufacturer networks force health systems to triage specialty care outside of their ecosystem. Generally, health systems and providers find it more difficult to control the quality of care and patient support. In addition, there are other disadvantages such as EMR gaps, fragmented care and more confusion for the patient.

93%

Providers reported a 93% satisfaction rating with their HSSPs and believe they add value to patient care.<sup>2</sup>

99%

Ninety-nine percent of providers said having an HSSP is important or extremely important to their patients and them.

## About IHOC

The Integrated Health Systems Outcomes Coalition (IHOC) is committed to supporting and improving the access, value and delivery of quality care for patients receiving specialty medications through a unique partnership between health systems, manufacturers, payers and supply chain partners. IHOC, an independent LLC created by AmerisourceBergen, is using actionable data to demonstrate the value of coordinated patient care services provided by the health system specialty pharmacy. Visit [ihocnetwork.com](http://ihocnetwork.com) to learn more.

Larger health systems have several advantages that can help make the transition to a specialty pharmacy more successful, such as having greater negotiating leverage with both payers and manufacturers. The net effects are more advantageous payer contracts and reliable drug access, particularly for difficult-to-obtain novel therapies.

Just as health systems are dedicated to patient-centered care, so too is PHS. As you consider your own specialty pharmacy strategy, we are here to support you in several ways:

- Convert your current ambulatory pharmacy to specialty
- Build a specialty pharmacy from the ground up
- Let your voice be heard and share your own pharmacy best practices by participating in our ongoing IHOC research

As specialty therapies continue to become a larger part of the pharmaceutical landscape, health systems are considering how best to integrate the opportunity into their ecosystem. IHOC survey results clearly strengthen the rationale for creating a health system-based specialty pharmacy. PHS stands ready to assist health systems as they develop their own HSSP strategies—as well as support overall efforts to further strengthen your position at the center of patient care.

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<sup>1</sup>Craig A. Pederson, BSPHarm, PhD, FAPhA, Philip J. Schneider, MS, FASHP, FFIP, FASPEN, et al., ASHP National Survey of Pharmacy Practice in Hospital Settings: Prescribing and Transcribing—2016, American Journal of Health-System Pharmacy, July 2017, accessed April 2019 at [ajhp.org](http://ajhp.org)

<sup>2</sup>“Coordinated Care: The Value of Patient and Provider Satisfaction within Health System Specialty Pharmacies,” [www.amerisourcebergen.com/insights/manufacturers/value-of-patient-and-provider-satisfaction](http://www.amerisourcebergen.com/insights/manufacturers/value-of-patient-and-provider-satisfaction) (April 17, 2019)

A close-up photograph of a pharmacist's hands. The pharmacist is wearing a white lab coat over a blue button-down shirt. They are holding a white rectangular pill box with their right hand, positioned over a white pill tray. The pill box has a blue label with the text '50 mg' in white. Below the label is a barcode and some smaller text. The pill tray has several compartments, some of which are partially visible. The background is slightly blurred, showing the pharmacist's torso and the lab coat.

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# Survey responses



## Staffing

# Ambulatory pharmacies require larger staff

### How does your staffing level compare with the benchmarks set by our survey?

Compared to a traditional retail pharmacy, ambulatory pharmacies fill a greater number of new vs. refill medications and handle more complex patients. As a result, staffing requirements are higher, and this year's survey results indicate there's a rising need for additional pharmacists and pharmacy technicians—particularly in the specialty space. In contrast, staffing needs for meds-to-beds programs were essentially unchanged compared to last year's survey results.

You can use this data to help determine the most effective staffing level for your own pharmacy:

**Choose from three data sets:**  
Specialty pharmacy, meds-to-beds program or weekly prescription volume.

**For an existing pharmacy:**  
Multiply the number of pharmacist or pharmacy technician FTEs by 40. Then divide the result by the number of hours your pharmacy is open each week.

**For a new pharmacy:**  
Multiply the proposed weekly operating hours by the benchmark in the table. Divide the result by 40.

Average FTE / weekly operating hour by offering and volume		
	Avg. RPh FTE / operating hour	Avg. RPh tech / operating hour
<b>Total blended</b>	<b>3.37</b>	<b>5.05</b>
Specialty pharmacy	3.76	5.63
Non specialty pharmacy	1.64	2.44
Meds-to-beds (Yes)	2.99	4.93
Meds-to-beds (No)	2.87	4.11
Weekly volume benchmarks		
< 1,000	2.1	3.41
1,000 – 2,000	3.55	6.06
> 2,000	11.75	13.5

### Example:



If you have  
**2.5** pharmacist FTEs



you're open  
**50**hrs/wk



with a  
**meds-to-beds**  
program that fills 800 Rx/week

$$2.5 \text{ FTEs} \times 40 \text{ divided by } 50 \text{ hours} = 2 \text{ FTEs}$$

- The pharmacist **benchmark for a meds-to-beds program** is 2.99, indicating that this pharmacy may be understaffed.
- However, this pharmacy's staffing level is almost identical to the applicable volume benchmark of 2.1, indicating that—from a pure volume standpoint—this pharmacy is in line with expectations.

## Hours of Operation

# Longer hours do not increase prescription revenue

Ambulatory pharmacies that operate between 41 and 50 hours per week achieved the strongest revenue per weekly operating hour. The lowest performance was among those that stayed open between 51 to 60 hours. Once again, our survey has dispelled conventional wisdom: longer hours do not increase prescription volume or lead to better service.

**47.4%** higher revenues

Ambulatory pharmacies open 41-50 hours had 47.4% higher revenue than those open a conventional 40-hour week.

**59.7%** revenue decline

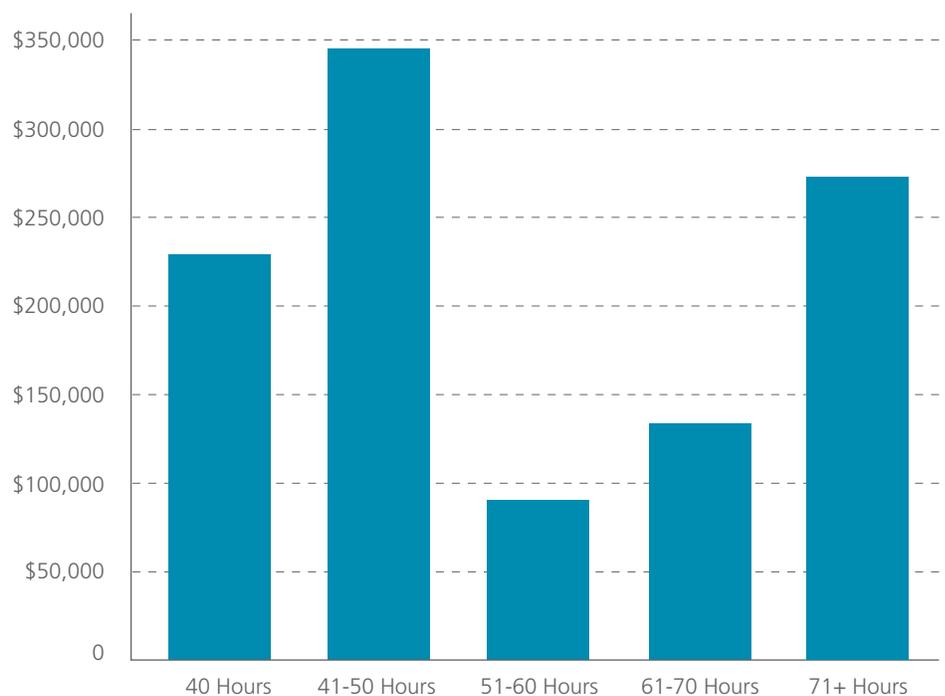
Conversely, those open 51-60 hours saw a revenue decline of 59.7%.

Will this trend continue? That may depend on how rapidly ambulatory and specialty pharmacy strategies continue to converge. Because of higher medication costs, specialty prescriptions typically generate greater revenue. Plus, specialty pharmacy accreditation requires 24/7 patient connectivity. As a result, a health system that opens a specialty pharmacy or converts its existing ambulatory pharmacy may see both longer hours and higher revenue as a result. Specialty pharmacies that choose not to remain open 24/7 can use an after-hours answering service to triage patients to on-call pharmacists.

**41-50** hours/week

The greatest revenue opportunity for ambulatory pharmacies is between 41 - 50 hours per week.

## Annual revenue/operating hour



## PHS action plan

Particularly with the growing convergence of ambulatory and specialty pharmacy strategies, the need for greater resources and expertise within health systems is inevitable. The evolution of staffing needs alone is significant. For example, how can a health system seeking specialty pharmacy accreditation meet the requirement for 24/7 patient access? One viable solution is to outsource patient engagement to an after-hours call center.

The challenges are as great as the opportunity. Beyond keeping the specialty pharmacy's doors open 24/7, health systems may need to shift their strategic approach in other areas as well:

- Finance/business management: How can your health system effectively develop an ambulatory or specialty pharmacy service line that will improve patient access, support patient outcomes and maximize revenue opportunities?
- Prior authorizations (PA): As specialty medications continue to grow in importance, does your health system have the infrastructure, payer relationships and expertise to secure PA approval? An efficient, centralized approach can improve time to treatment and drive in-house pharmacy revenue.
- Patient navigators: To improve patient coordination, these professionals can create a seamless connection among payers, providers, patients and your in-house pharmacy. Particularly for specialty medications, does your health system already have a team of patient navigators embedded in physician offices and clinics?

Every day, PHS helps health systems across the country develop effective strategies for meeting these needs. In many cases PHS also assists with implementation, such as embedding PA and clinical teams in the pharmacy or operating them remotely. As health systems continue to evolve their hours of operation and staffing needs, PHS is providing new resources and expertise for success.

## Revenue

# Specialty pharmacy continues to outpace other sources of revenue

### Specialty

**\$15,446,224**

Avg. annual pharmacy revenue

**\$4,701.11**

Avg. revenue / Rx

### Employee

**\$2,702,604**

Avg. annual pharmacy revenue

**\$230.42**

Avg. revenue / Rx

### Meds-to-beds

**\$739,956**

Avg. annual pharmacy revenue

**\$63.32**

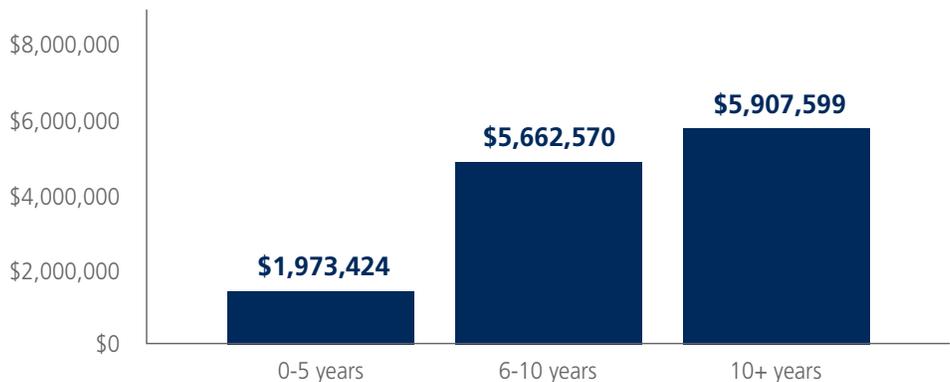
Avg. revenue / Rx

Last year's survey revealed that ambulatory pharmacies filling specialty prescriptions have nearly three times the revenue as those that do not. This year's survey examined the trend on a deeper level, comparing specialty pharmacy performance with employee and meds-to-beds programs.

Specialty pharmacy revenue significantly outperformed the other market segments, with specialty revenue topping nearly \$15.5 million annually. In contrast, revenue from employee programs reached about \$2.7 million and meds-to-beds programs, nearly \$740,000.

Comparing average revenue per prescription, the contrast is even more striking. A specialty prescription drives over 20 times more revenue than an employee prescription—and nearly 75 times more than a meds-to-bed prescription.

### Average annual revenue by years of existence



How does the age of the pharmacy impact revenue performance? From day one to the fifth year of operation, revenue nearly triples. Then, it begins to plateau, with a saturation point at or near the five-year mark. At this point, employee and meds-to-beds programs have maximized penetration. In the absence of new business initiatives, revenue modestly increases with inflation.

## Profitability

# Specialty pharmacy leads the way in gross margin

### 31%

Surprisingly, only 31% of pharmacies surveyed track DIR fees. As these fees continue to expand from public into private payer plans, they may have a greater impact on pharmacy profitability.

### 77%

Another key finding: Of the 37% of respondents that are 340B eligible, 77% tracked the savings with the pharmacy department financial statement.

Continuing the trend noted in last year's survey results, the majority of profits continue to be generated by the specialty pharmacy. The average gross margin per specialty prescription is nearly 40 times higher than that of non-specialty drugs.

### Average gross margin / Rx

Specialty

**\$1,230.36 / Rx**

Non-specialty

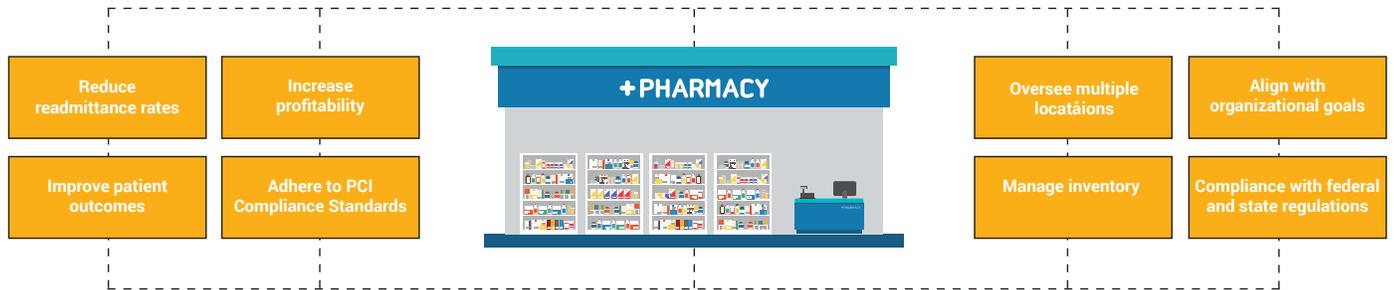
**\$33.21 / Rx**

The maturity of the pharmacy impacts gross margin—just as it does for average revenue. From start-up to the fifth year, gross margin more than doubles. As revenue plateaus, gross margin begins to decline. The reasons may include rising business costs, investment in new infrastructure, rising labor costs, COGS (cost of goods sold) inflation and/or increasing DIR (direct and indirect remuneration) fees.

### Average annual revenue & gross margin by years of existence



# You do more than sell prescriptions.

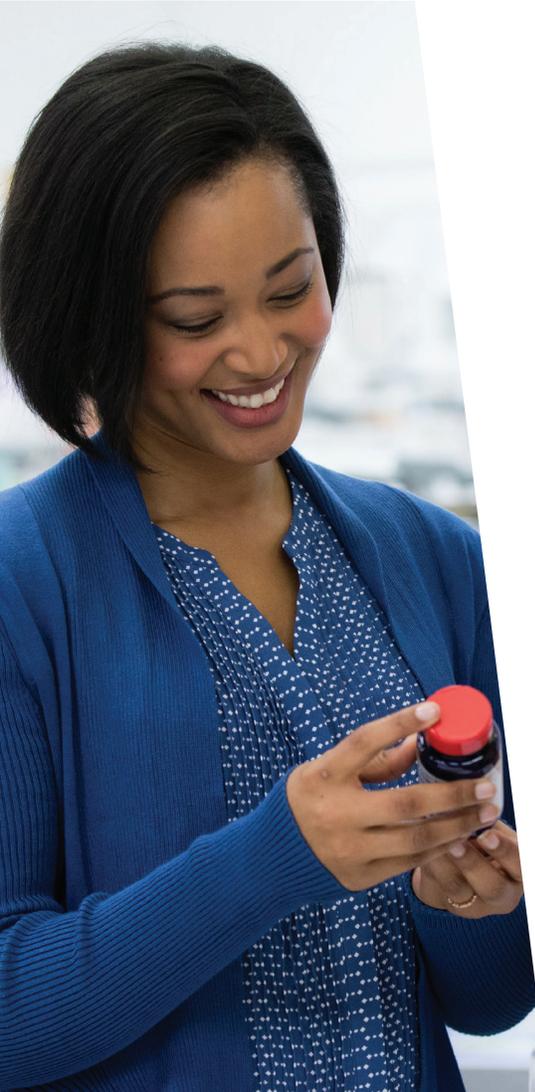


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 Elevate Provider Network  
AmerisourceBergen

# PHS action plan

Every day, health care pharmacies balance the need to care for patients with the relentless pressure to improve business performance. From addressing declining reimbursement rates and shrinking margins to managing drug shortages, new USP standards and more, the responsibility may seem overwhelming at times.

As you continue to evolve your ambulatory pharmacy strategy, PHS stands ready to support you in several ways. Our sole focus is helping health systems develop pharmaceutical services that help improve patient outcomes while lowering costs.

Here are just some of the ways we can help you strengthen revenue, profitability and quality of care:

- Customize your pharmacy business strategy with new initiatives and programs such as developing a specialty pharmacy or meds-to-beds program. PHS can also assist with employee plan design and onboarding, as well as EMR integration and pharmacy system optimization.
- Full pharmacy implementation support including business planning and pro forma development, project management, third party contracting and staffing management services.
- Stay abreast of the industry's constantly changing dynamics, such as the continued evolution of DIR fees and effective rate contracts.
- Optimize your purchasing opportunities via 340B or GPO programs.
- Assess your pharmacy's financial data to identify opportunities to optimize performance and increase the bottom line.
- Improve financial health and oversight by providing business coaching for pharmacy leadership.

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# Optimize pharmacy performance

Survey respondents provided key insights on how to accelerate success with three key pharmacy opportunities: employee, meds-to-beds and specialty programs. In addition, respondents shared information about additional, ancillary strategies for strengthening your pharmacy's role as the center of health system care.

- **Employee program**

Employees are the foundation of a health-system based ambulatory pharmacy. They can be your most loyal customers and strongest advocates for attracting additional business. While employee programs typically have lower margins, they also have the advantage of a low barrier to entry and the opportunity to internalize and re-purpose revenue otherwise lost to external pharmacies. Consider your employee program as a launching point for accelerating pharmacy value.

- **Meds-to-beds program**

Imagine every discharged patient leaving with the correct medications in hand. Adherence improves, as does pharmacy revenue. This is the potential opportunity that a meds-to-beds program can provide your health system. There's a mid-level barrier to entry, and margins fluctuate depending on whether you are a 340B-approved entity or use GPO pricing.

- **Specialty pharmacy**

Serve your health system's most complex patients and help ensure continuity of care by filling specialty prescriptions. While the margin opportunities are high, so is the barrier to entry—which can include such challenges as specialty pharmacy accreditation, payer lockouts, access to limited distribution specialty drugs and more.

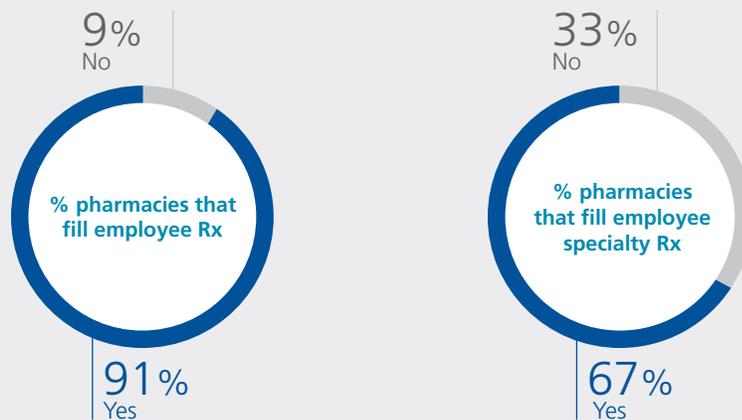
- **Additional opportunities**

Survey respondents shared insights on their experiences with charity care, immunizations, medication therapy management (MTM) programs, medication take back programs and over-the-counter (OTC) drugs.

## Employee Pharmacy

# Employee prescriptions remain the center of pharmacy success

According to year-over-year survey results, the vast majority of health systems continue to fill employee prescriptions. While the number of health systems that do so remained relatively the same, there was an uptick in those who fill specialty prescriptions for employees.



Other key measures of employee prescription financial performance

### 80%

Average COGS (cost of goods sold)

### \$165

Average revenue per prescription (non-specialty fills)

Based on this year's respondent data, 14% of health systems are filling employee prescriptions at cost and indicating that the cost of labor to fill those prescriptions was likely not realized on the pharmacy profit-and-loss statement (P&L). In an era when financial results are so closely scrutinized, health systems may want to examine the structure of their employee benefit plans to ensure that both the cost of the drug and the labor to fill the prescription are reported.

**A key benefit of filling employee prescriptions is recycling the revenue back into the health system.**

Every prescription that is filled at another pharmacy—such as a big box retailer—is a lost opportunity to improve the health system's financial performance and support quality patient care. Respondents to this year's survey captured an average of \$376,751 in recycled gross margin by filling employee prescriptions.

## Meds-to-Beds

# Pharmacies with meds-to-beds programs generate highest weekly volume

### Weekly prescription volume

1007/wk

Meds-to-beds

876/wk

Employee

965/wk

Specialty

71%

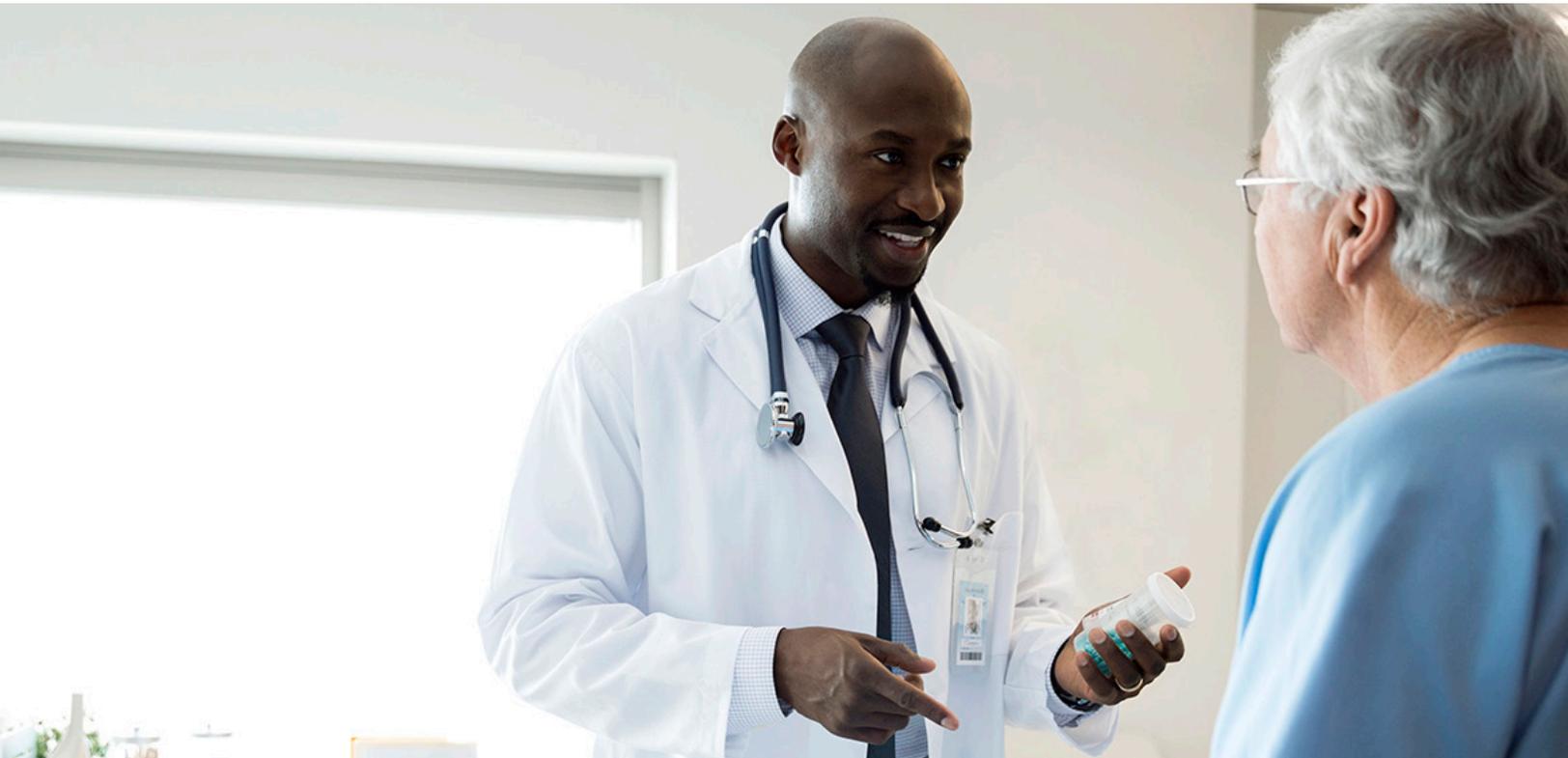
of survey respondents are able to track meds-to-beds data

Meds-to-beds programs added 13% more weekly prescription volume than employee programs and just over 4% more than specialty pharmacies. The average revenue per prescription was \$63, with a \$22 gross margin.

Thirty-eight percent of respondents who offer meds-to-beds program are part of health systems that participate in the 340B program. As a result, these pharmacies can purchase drugs at very deep discounts. Those respondents who don't participate in a 340B program can leverage GPO pricing for the first fill dispensed to discharge patients.

In addition, nearly 30% of pharmacies offering meds-to-beds programs do not track data to monitor the program. This suggests that pharmacy system vendors may have an opportunity to offer data gathering capabilities in dispensing software.

Meds-to-beds programs can play a vital role in supporting the health system's role as the center of patient care, becoming a bridge to transitional care and supporting long-term patient relationships.



## Specialty Pharmacy

# More than 8 in 10 health systems fill specialty prescriptions

83%

Survey respondents who report filling specialty prescriptions have increased from 69% the prior year

\$4,701

Average revenue per specialty prescription

\$1,230

Average gross margin

Depending on the health system and patient demographics, the specialty pharmacy opportunity varies. For example, payer access could be restricted by the plan sponsor—directing plan members to the plan sponsor’s preferred pharmacy. Often, health systems will take advantage of the opportunity to direct their employees to the in-house specialty pharmacy, whether it’s accredited or not.

Non-accredited specialty pharmacies have other specialty revenue opportunities as well, such as open network Medicare D prescriptions. The patient freedom of choice law enables patients who are members of government plans to fill their prescriptions anywhere they choose.

So it comes as no surprise that while 83% of survey respondents fill specialty medications, only a slim 16% were accredited. Of all the non-accredited pharmacies, only 20% were interested in seeking accreditation. The key takeaway is clear: there are ample opportunities to generate specialty revenue without being accredited.

### Other key findings:

- Of health systems that have a specialty pharmacy, 45% participate in the 340B program.
- 83% of specialty pharmacies have the capability to track data. Data analytics are a requirement for accreditation and may be a key lever in payer negotiations for specialty contracting.

# Additional opportunities

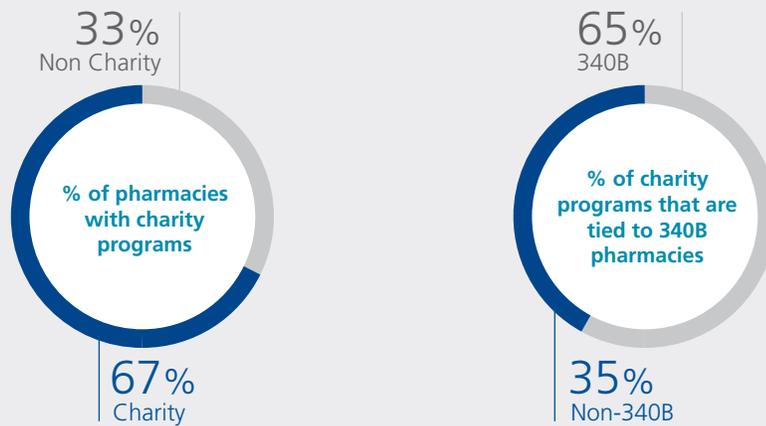
**Beyond employee, meds-to-beds and specialty programs, health system pharmacies can optimize pharmacy-driven patient services in other ways.**

These additional programs can help the health system be a foundation for maintaining connectivity with patients, customizing care to specific needs and improving the overall experience.

Here are survey respondent insights into charity programs, immunizations, medication therapy management (MTM) programs, medication take back programs and over-the-counter (OTC) drugs.

## Charity

Health systems can deliver charity care at a much lower cost because of access to GPO or 340B pricing. Two-thirds of respondents reported supporting a health system charity program. Of those, 65% were 340B-eligible pharmacies.



## Medication therapy management (MTM)

Fifty-seven percent of respondents reported offering MTM services. For pharmacies subject to Medicare performance ratings, MTM programs can help support adherence and improve EQuIPP scores (benchmarks that pharmacies can use to evaluate and improve their performance in providing quality patient care). At the same time, these programs are an additional source of pharmacy revenue.

### % of pharmacies with MTM programs



**Immunizations**

**47%**

of survey respondents perform immunizations

**Medication take back**

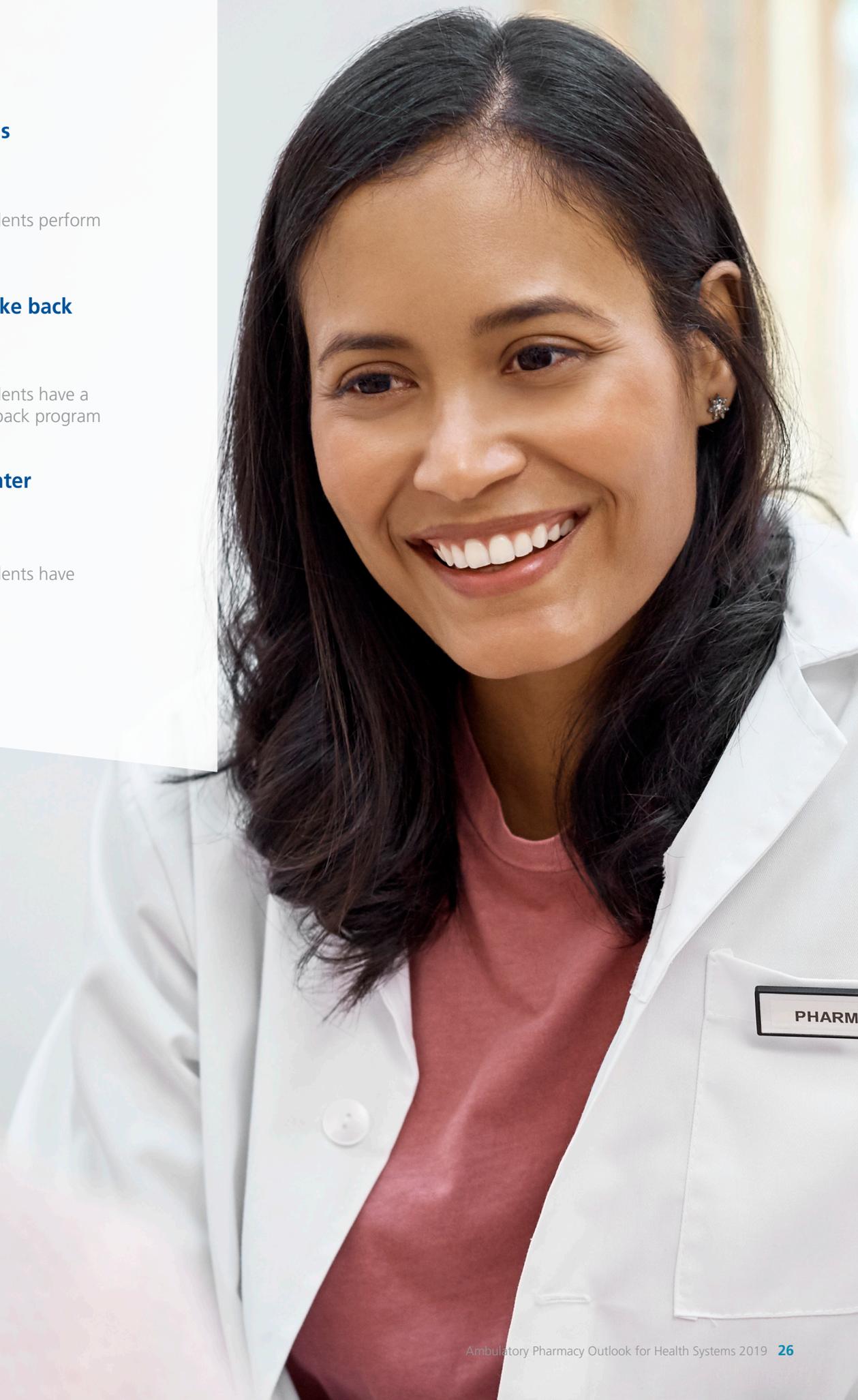
**35%**

of survey respondents have a medication take back program

**Over-the-counter**

**89%**

of survey respondents have a retail presence



# PHS action plan

To help optimize your health system pharmacy, PHS can provide the following services:

## Employee Program



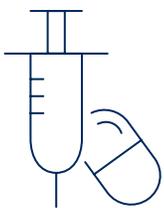
- Assist with employee plan design by helping broker discussions with your pharmacy benefit manager (PBM). Health systems are uniquely positioned to see both sides of the PBM equation, having data from both the plan sponsor (typically the HR department) and dispensing data from the owned pharmacy. PHS can help you estimate employee plan costs beyond the cost of the drugs alone.
- Help your health system financially account for employee program savings at the pharmacy level.
- Facilitate plan discussions with your HR and benefits teams to optimize onsite utilization and improve recycled in-house margin.

## Meds-to-beds Program



- Implement or help re-deploy your meds-to-beds program.
- Work with your 340B or GPO program coordinator to maximize the number of qualifying patients and ensure the appropriate pricing is applied for optimal savings.
- Leverage appropriate technology to ensure optimal workflow design for drug delivery and patient communications.
- Implement a clinically sound program, including full-profile medication reconciliation.

## Specialty Pharmacy



- Build your specialty pharmacy or help convert your existing ambulatory pharmacy to gain specialty access.
- Facilitate and manage the specialty accreditation process, helping maintain program integrity in between accreditation check points.
- Help support prior authorizations either remotely or on onsite for your health system providers and clinics, therefore improving time to treat.
- Implement onsite navigators for improved patient outcomes, patient experience and pharmacy reimbursement.



## Optimizing your pharmacy

### Charity program

- Help develop the operational and financial mechanism to deploy patient charity care at the lowest cost to both health system and patient.
- Evaluate a hospital branded medication assistance program that can be administered like a prescription plan through a customized PBM solution.

### Immunizations

- Help develop state-specific policies and procedures to guide the dispensing and administration of vaccines.
- Optimize billing and administration fees to payers.

### Medication therapy management (MTM) program

- Help develop MTM workflows for your pharmacists to interface with MTM-capable billing platforms.
- Help evaluate your pharmacy's EQuIPP scores to help quantify the impact of your MTM program beyond the billable services through MTM-capable billing platforms. Understanding your EQuIPP scores is important, because DIR fees are tied to them.
- Establish billable MTM programs for your community by assisting with outreach and negotiations with local pharmacy payers.

### Medication take back program

- Help work with the applicable vendors to establish your health system-based pharmacy as a take back site.

### Over-the-counter (OTC) drugs

- Help with front-end planograms and optimize front-end sales.
- Help automate front-end maintenance.



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**Editorial**

Lori Heenan  
Ryan Telford  
Andy Bartling  
Ebby Rajagiriyl  
Charlotte Hall  
Jan Lichtman  
Wendy Mohon

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**Design**

Christian Brown  
Anh Tran

---

**With thanks**

Mike Long  
Willis Chandler  
Matt Wolf  
Carrie Griffith

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AMBULATORY PHARMACY

outlook

FOR HEALTH SYSTEMS



We would like to thank everyone who participated in this year's survey. If you would like to add your voice to next year's survey, email us at [solutions@pharmhs.com](mailto:solutions@pharmhs.com).