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# In-House Pharmacy Implementation

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# Agenda

- Why open an Entity-Owned Pharmacy?
- How?
  - How much?
  - How Long?
  - How do you start?
- Where to start?
- Information needed?



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# Why Open an Entity-Owned Pharmacy

- **What are you trying to accomplish?**
  - **Access to medications**
    - Uninsured (slide pricing)
    - Insured (especially brand name drugs)
  - **Increased positive patient outcomes**
    - Monitoring compliances
    - Collaboration with the provider
  - **Profitability**
    - Protection from manufacture restrictions
    - Increased capture of prescription written by your providers



# How Much?

- What are the costs associated with opening
  - Construction
  - Equipment
  - License, Enrollments
  - Inventory
  - Staffing



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# Construction Cost

- Must be a minimum of 250 Square Feet
- Minimum recommended: 750-1,000 Sq Ft
- Costs variables include
  - Space required
  - Location, Access
  - Security

**\*This could also affect how long it will take to open the pharmacy\***



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# Equipment/Supplies

- Variables

- Number of Point of Sale

- Inside pickup, drive-thru

- Number of workstations

- Minimum 3

- Minimum 2 workstations per 150 prescriptions per day
      - 1 workstation for ordering and overflow
      - Printers, scanners,

- Supplies

- Refrigerator, data loggers, Will-Call Solution
    - Vials, caps, bottles
    - Bags, Labels, Paper, etc.
    - Counting trays, spatulas



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# License/Enrollments

- NPI
- NCPDP (\$400)
- State (\$500)
- DEA (\$888)
- Medicaid (\$730.00)
- PSAO
- Humana
- Caremark (\$1,200.00)
- Express Scripts (\$500.00)



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# Inventory

- Open Door vs Closed Door
  - 340B only or a mixed inventory



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# Staffing (Annual Cost)

- Pharmacist
  - \$150,000 - \$175,000
- Technician
  - \$45,000 - \$60,000
- Clerks/Patient Service Reps
  - \$30,000 - \$40,000



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# How Long

- 6 months to 1 year
- Cadence of License/enrollments
  - License
  - Network enrollments
  - Vendors (wholesaler)



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# Where Do You Start

- Feasibility
- Timing
- Location
- Hiring



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# Needed Data

- Board of Directors and Leadership information
  - Name, DOB, SS number, Physical Address, for officers (when they started in that position)
- Banking information
- Policy on timely submission
- Proof of Liability and general insurance
- Statement of ownership by an FQHC that is 340B eligible
- Policy on waiving/adjusting copays
- Federal tax ID document
- Articles of Incorporation, Certificate of incorporation, Fictitious Name document, Organizational Chart



# Things to Consider

- Adding pharmacy in scope with BPHC
- Adding pharmacy as a ship to address on OPAIS
- Informing 340B ESP that you now have and entity-owned pharmacy
- HEAT zone implications (MedImpact)
- Operating capital as the pharmacy begins dispensing
- MTF Enrollment



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# Questions and Discussion



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