

### Improving Supply Chain Efficiencies in the Safety Net: An Inventory Management Pilot Program for Free and Charitable Clinics

#### Background

Pharmacists, pharmaceutical technicians and staff who manage clinic inventory are the gatekeepers for drug distribution. They ensure that medicine is prescribed accurately and appropriately, monitor drug inventory levels and decide when to order medications and supplies.<sup>i</sup> Pharmaceutical inventory management and patient care are inextricably linked:<sup>ii</sup> In a national survey of 1,800 health care practitioners by the Institute for Safe Medication Practices, 35 percent of practitioners reported that shortages had caused errors in medication administration that could have resulted in harm to the patient and 20 percent reported adverse patient outcomes as result of lack of inventory management around supply levels.<sup>iii</sup> Further, a study from the Joint Commission on Accreditation of Healthcare Organizations suggests health care information technology as a possible strategy to reduce these and other dispensing errors.<sup>iv</sup>

The AmeriCares Inventory Management Pilot Program aims to transform pharmaceutical inventorying and management for free and charitable clinics resulting in efficiencies, safer and more standardized dispensing, strengthened supply chain integrity and improved reporting to AmeriCares. Project activities will include the development of fully customized pharmacy inventory software to improve inventorying and dispensing. The software will enable participating free and charitable clinics to manage in-clinic prescription dispensing as well as control the inventorying of their medications and health care supplies. This will include automatic flagging of expired medication and systematic tracking of information such as lot and NDC numbers, necessary for patient safety as well as meeting the requirements of pharmaceutical donors. The software will also offer standard pharmacy workflow options to improve protocols and procedures related to prescription dispensing.

The new software will allow clinics to generate real-time and operational reports on pharmaceutical and medical supply data and pharmacy activity. Clinics will be able to complete patient-based pharmacy visit reporting, generate a list of patients that received recalled medication, track drug dispensing related to specific disease states and automatically report usage of product donations to

AmeriCares. The Inventory Management Pilot Program will dramatically increase the capacity of clinics that are currently using manual or Excel pharmaceutical tracking systems.

#### Program Overview

To be considered for acceptance into the Inventory Management Pilot Program, free and charitable clinics will be required to submit an application; space will be limited and applications will undergo a review and selection process based on the clinic's ability to meet the necessary requirements. An online Request for Proposals (RFP) will be distributed to AmeriCares network of free and charitable clinics in April 2015 to provide a pool of eligible clinics for the program. A total of 20 free and charitable clinics will be selected to participate in the pilot, which will be implemented in two overlapping 24-month tranches beginning in May 2015.

Upon acceptance into the program, the clinic and clinic staff will take part in and be responsible for the following:

1. Participation in webinar training and ongoing technical assistance specific to module implementation;
2. Inventorying of pharmaceutical stock into the module for the duration of the program; and
3. Baseline and quarterly reporting to AmeriCares for the purposes of evaluation of de-identified data.

#### Program Requirements

Participating clinics must meet the following requirements:

- Application submission and approval by AmeriCares;
- Engagement in the project for the full 24-month project period, including participation in surveys, webinars, possible on-site visits and technical assistance;
- Assignment of a specific staff member to manage adoption and implementation of the Pharmacy Inventory Management Module at their clinic;

- In operation for at least one year and open a minimum of 15 hours per week for patient care;
- Within the top 75 percent of value and number of orders from AmeriCares over the most recent 12-month period;
- Must dispense medications on-site from a pharmacy or dispensary;
- May not charge a prescription co-pay or other dispensing fees for donated products;
- A pharmacist, pharmaceutical technician or staff member must be responsible for prescription dispensing;
- May not already be using pharmaceutical inventory management software;
- Internet access in on-site pharmacy or dispensary;
- Leadership engagement around the clinic's participation in the program; leadership must sign a terms of agreement with AmeriCares;
- Agreement to provide baseline and quarterly online feedback surveys to AmeriCares;
- Agreement to permit AmeriCares to run administrative reports from headquarters; and
- Agreement to allow AmeriCares to publicize clinic participation in the pilot through both traditional and social media channels and agree to collaborate with AmeriCares and the GE Foundation on public relations activities, including photo and video shoots and media interviews.

### Benefits of Participation

Free and charitable clinics that participate in the Inventory Management Pilot Program will receive:

**Inventory management technology** – Clinics will receive a free two-year subscription to the inventory management module and a laptop or tablet to support the capture of inventory data within the pharmacy or dispensary.

**Formal training on the module** – Clinics will be trained in the adoption and usage of the module via webinar. Electronic reference material will be available for view and download.

**Improved clinic efficiency and capacity** – The module will help enable safer and more standardized dispensing to patients, strengthened supply chain integrity, and a real-time listing of pharmacy activity.

**Enhancement of the clinic's medication dispensing services** – Inventory reporting will help clinics manage shortages and overstock.

**An opportunity to highlight the clinic's work to existing and potential donors** – by differentiating their pharmacy/dispensary from other clinics.

**Technical support and training** – on adopting best practices on inventory management.

**Certificate of recognition and participation for the clinic in the Inventory Management Pilot Program** – This recognition signifies the clinic's contribution to the implementation of a program designed to meet the unique requirements of free and charitable clinic pharmacies and dispensaries.

### About Vecna Cares

AmeriCares is partnering with Vecna Cares in the design and development of and technical support for the inventory management module. Vecna Cares provides technology and training to support and strengthen health systems in underserved areas for better health outcomes and is recognized as an expert in building and improving healthcare information infrastructures. Vecna Cares tools have been integrated into public health, medical missions, private clinics and free clinics both in the U.S. and internationally.

### About AmeriCares

AmeriCares is an emergency response and global health organization that saves lives and builds healthier futures for people in crisis in the U.S. and around the world. Since it was established in 1982, AmeriCares has distributed more than \$12 billion in humanitarian aid to 164 countries. AmeriCares U.S. Medical Assistance Program is the largest provider of medical aid to the U.S. health care safety net, last year delivering \$85 million in medicine and supplies to a network of clinics and health centers operating more than 2,000 delivery sites and serving 5 million patients in need. The U.S. Medical Assistance Program is generously funded by the GE Foundation.

### References

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- ii. (see i)
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- iv. J. Cina, T. Gandhi, W. Churchill, J. Fanikos, M. McCrea, P. Mitton, J. Rothschild, E. Featherstone, C. Keohane, D. Bates, E. Poon, Medication Safety: How Many Hospital Pharmacy Medication Dispensing Errors Go Undetected?; *Joint Commission Journal on Quality and Patient Safety* (2006); Volume 32 Number 2; published February 2006.