

340B: Simply Serving Those in Need

by Will Lockwood

Brown's Pharmacy, located in Ellington, Mo., has had an ongoing dispensing relationship with the Reynolds County clinic for some time now. Until recently this meant filling prescriptions for dental and medical patients based on a sliding scale, according to pharmacist Leigh Anne Brown, with patients paying at least 50% of the price of a prescription. About a year ago, though, the clinic gained approval as a site covered by the federal 340B program, which offers reduced-price prescriptions to eligible patients. Brown's Pharmacy is the dispensing agent for this program and is therefore eligible to purchase drugs on behalf of the clinic at a federally arranged discount. There are significant benefits from 340B, not only for the patients, but for the clinic and pharmacy as well. But successfully navigating it requires a pharmacy system with some very specific features. These will allow it to handle administrative requirements that include tracking the program inventory and pricing separately, as well as producing specific reports.

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340B. That's because until about a month ago, her pharmacy was doing it manually. Then Speed Script, her pharmacy management system vendor of six years, rolled out a software upgrade that includes features designed specifically for 340B programs. "These new features have made life much easier," says Brown. "We logged a lot of hours handling everything manually." Now she can rely on her software to handle the special inventory, pricing, and reporting needs.

Physical or Virtual

One task critical to success is keeping retail and 340B inventories separate. You can do this either physically, as Brown does, or virtually, by filling from existing retail stock. Either way, you need an efficient way to track both inventories, with many overlapping

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NDC numbers. If this sounds like it could get a little complicated, it can. The concept of allowing for two different inventory records for the same NDC is something that pharmacy management systems haven't been designed for. There are work-arounds, such as using a pseudo-NDC number or identifying 340B drugs with a special leading character. But necessity has fortunately created more practical solutions, such as software that allows for an NDC number to be duplicated in a second 340B drug file.

Simplifying

But the 340B functionality in Brown's Speed Script software goes one step further, working from a single drug file and allowing her to flag each drug available at the special pricing for the clinic's patients. Then, when one of her staff begins to fill a prescription, the pharmacy management system asks if it is for a 340B patient. "If we type 'Y,' the system returns only the NDCs we've flagged as part of the program," Brown explains. "This makes it impossible to fill a 340B prescription with a drug that's not on the clinic formulary." This all happens in seconds, right at the data entry stage, saving significant time that had previously been spent manually checking on a drug's 340B status. Another useful

flag is for when a drug is available for 340B only — for example, because of its packaging. Brown has the ability to exclude such special cases from the list of her retail stock and prevent them from being dispensed inappropriately. The fact that managing the 340B inventory is now an automated function also means that Brown is able to apply perpetual inventory to both it and her retail stock. This gives her the simplicity of setting minimum and maximum amounts on hand and of using the same reordering process for both. "The only difference then is that we receive the 340B inventory separately, since we keep it physically separate on our shelves," explains Brown.

Cost Is Key

These inventory features are very important, but perhaps even more critical is the task of handling 340B acquisition costs and pricing, the distinguishing feature of the program. This is now a feature of Brown's software, while previously her staff had to stop during the filling process, look up the 340B cost on the ordering computer or stock bottle, and come back to manually change the price for each prescription dispensed under the program. "It took us significant extra time to dispense 340B prescriptions, even refills," she says. Now Brown is able to maintain two cost/price catalogs that are automatically referenced, depending on whether 340B is chosen during prescription entry or not. Brown's wholesaler also provides weekly updates of 340B costs, which is extremely important for maintaining pricing accuracy, according to Brown. "I've been surprised at how dynamic 340B pricing is," she says. "Other pharmacists I've talked to have been amazed by this as well." Once the two critical and otherwise time-consuming tasks of inventory and

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price/cost management have been automated, it's a short step to putting the software to work generating reports as well.

Reports

Brown points out that she's been using the new 340B features in her system for such a short time that she hasn't had to print the two specialized reports available yet. But when she does, she'll have both a dispensed audit report and an inventory audit report readily available. The first of these details all prescriptions dispensed for a clinic for any date range specified, and provides both true acquisition costs and third-party reimbursements received, if any. The second report will show Brown the starting and ending inventory for all 340B drugs

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for a month. It's a snapshot that provides a record of what Brown and her staff have dispensed and what they've received from their wholesaler. “My plan is to begin using both these reports at the end of the month,” Brown says. “They are going to be big timesavers.”

An Important Service

In running the only pharmacy in the county, Brown has a mission to serve all those in need of prescrip-

tions. The adoption of the 340B program by the Reynolds County Clinic has meant that Brown is able to offer better-than-ever access to important medications. “There is such a significant savings from this program,” she says. “It really helps some of our patients afford their drugs.” Of course, Brown is so dedicated to serving her patients that she was happy to fulfill the 340B requirements, even when it took her staff extra time to do so. Now, though, with support from her Speed Script upgrade, Brown is finding it easier than ever to do good for her community. **CT**



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