

**CFPS**



**Growth. Performance. Success.**

**2024 ANNUAL CONVENTION**



# The ROI of Investing in Support Staff

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**NCPA 2024 Annual Convention and Expo**

Columbus, Ohio

# Speakers



**Meredy Ayers, CPhT-ADV, CHW**  
Development Specialist  
Bremo Pharmacy

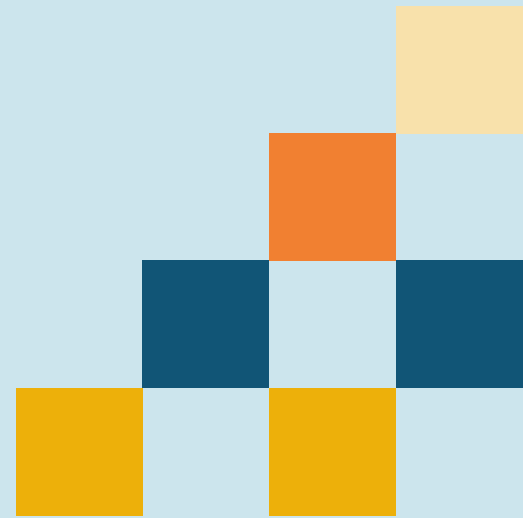


**Jake Galdo, PharmD, MBA,  
BCPS, BCGP**  
Managing Network Facilitator  
CPESN Health Equity



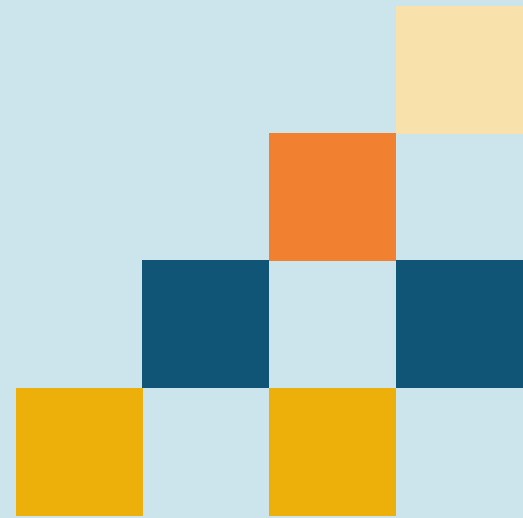
# Disclosure Statement

Dr. Galdo has a financial interest with PTCB Stakeholder Advisory Panel (member) and is CEO/shareholder of Seguridad, Inc. and the relationship has been mitigated through peer review of this presentation. There are no relevant financial relationships with ACPE defined commercial interests for anyone else in control of the content of the activity.



# Pharmacist and Technician Learning Objectives

1. Summarize data showcasing the positive effect elevated support staff roles can have on pharmacy operations and outcomes
2. Identify non-dispensing areas where non-pharmacist staff can make operations more cost-effective
3. Evaluate opportunities for rebranding non-pharmacist staff titles and responsibilities to coincide with enhanced responsibilities



“The counting and pouring now often alleged to be the pharmacist’s chief occupation will in time be done by technicians and eventually by automation. The pharmacist of tomorrow will function by reason of what he knows, increasing the efficiency and safety of drug therapy and working as a specialist in his own right. It is in this direction that pharmaceutical education must evolve without delay.”

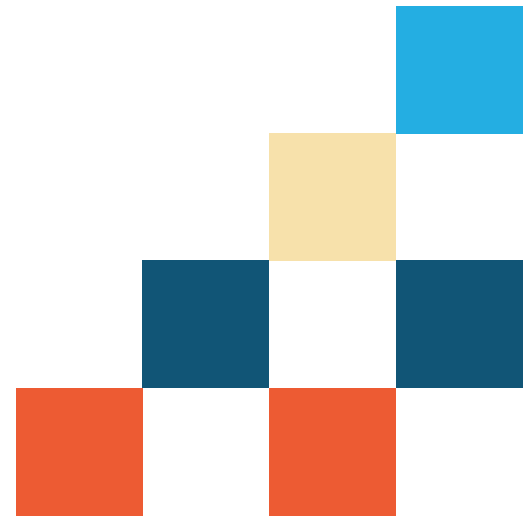
- —Linwood F. Tice, D.Sc., Dean, Philadelphia College of Pharmacy and Science (1966)



# Why Elevate Technician Roles?

- Pharmacy technicians possess unique skills and capabilities that benefit the pharmacy and the patient
- Leveraging the skills of technicians **effectively** is a game changer
  - Optimizes Pharmacy Services
  - Supports Pharmacist-led Care
  - Enhances Patient Care
  - Increases Job Satisfaction (Reducing Staff Turnover)

**But what about the ROI?**





# The ROI Paradigm

A data-driven approach to optimizing *profitability*



# Speak the Same Vernacular

## Return on Investment

Return on investment (ROI) is a ratio that measures the profitability of an investment by comparing the gain or loss to its cost

$$\text{ROI} = \frac{\text{Net Return on Investment}}{\text{Cost of Investment}} \times 100\%$$

## Profitability

- Profitability and profit are metrics that are used to analyze the financial success of a company.
- Profitability refers to the extent to which a company earns a profit.
- Companies can determine profitability through a number of factors, such as expenses, demand, productivity, and competition.
- Profitability is commonly expressed as a ratio, such as the gross profit margin, net profit margin, operating margin, or EBITDA.
- While profitability is a concept, profit is an absolute amount, which means it is the total amount of income or revenue earned above any costs or expenses.

# Speak the Same Vernacular

## Return on Investment

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$$\text{ROI} = \frac{\text{Net Return on Investment}}{\text{Cost of Investment}}$$

ROI  $\neq$  PERSON

## Profitability

Profit and profit are metrics that are used to measure the financial success of a company.

Profitability is the extent to which a company is able to generate profit.

Profitability is determined through a variety of factors, such as expenses, demand, and competition.

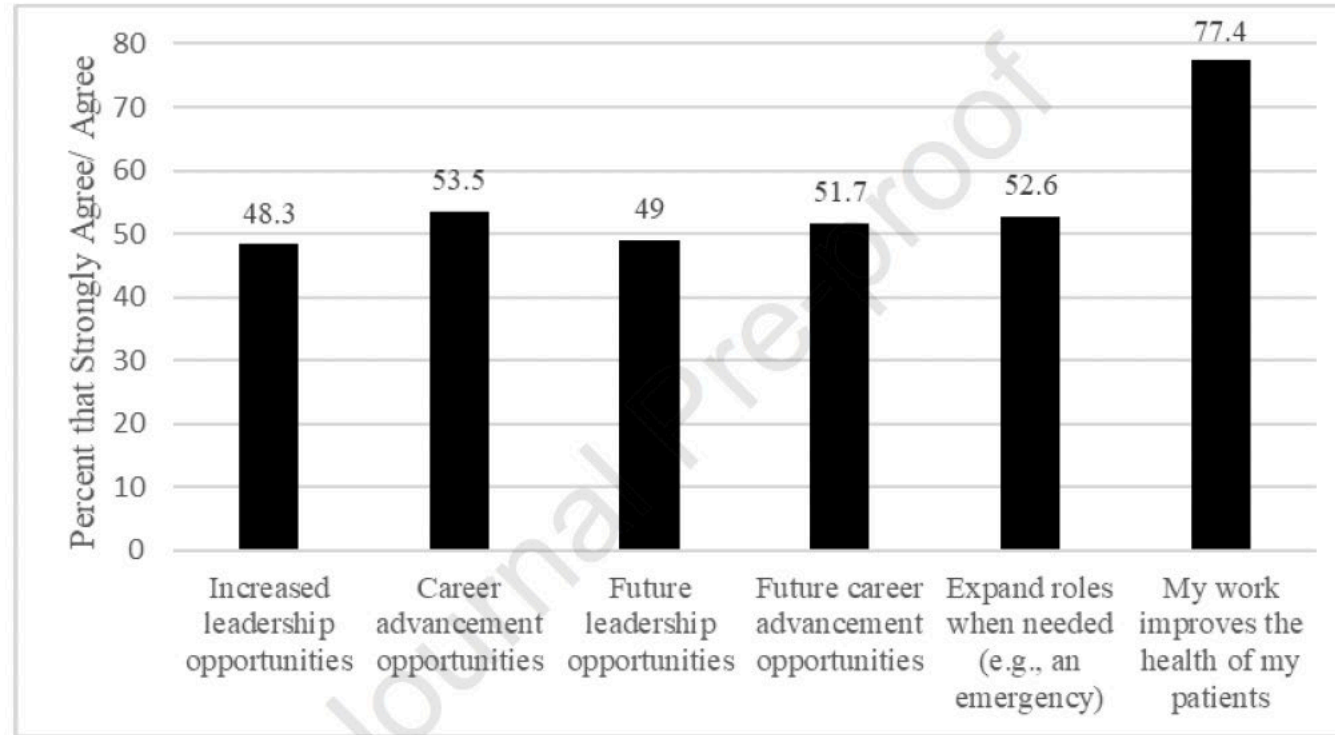
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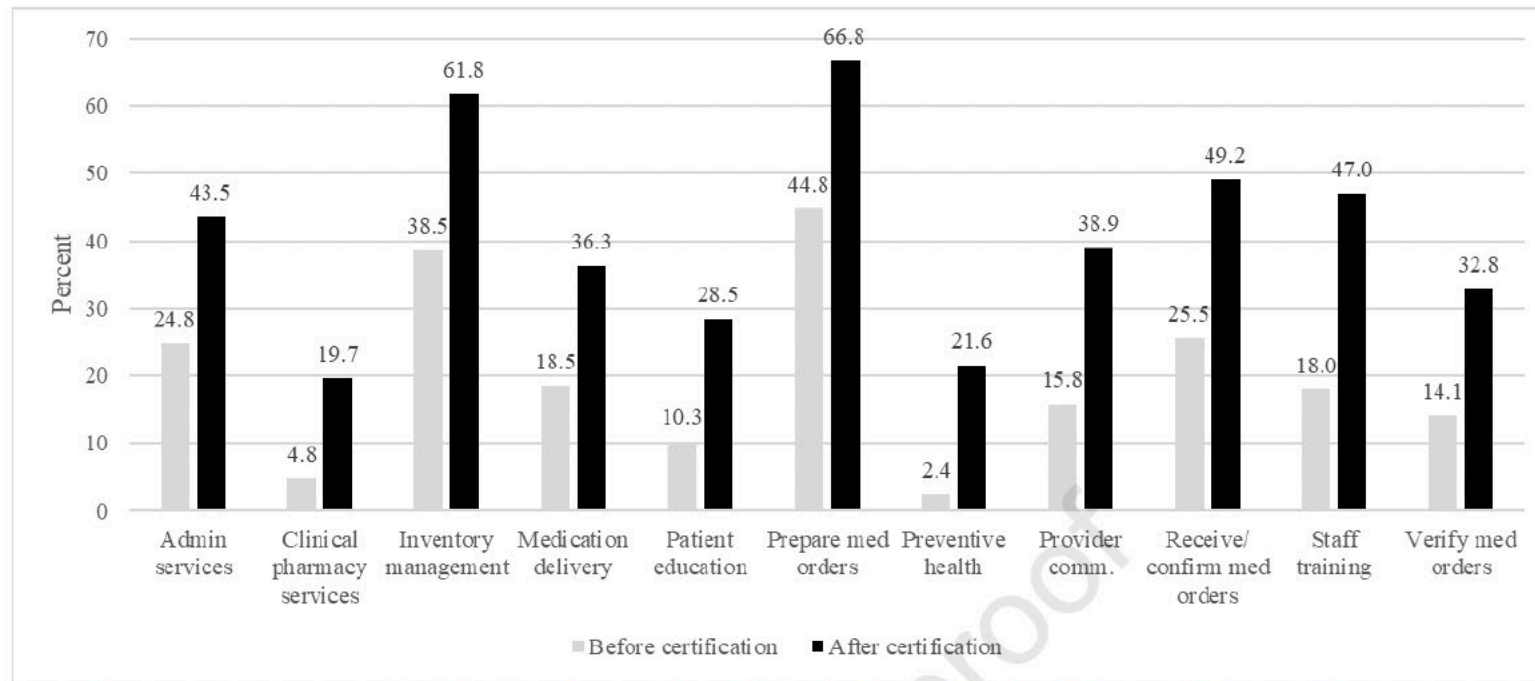
# Survey Data



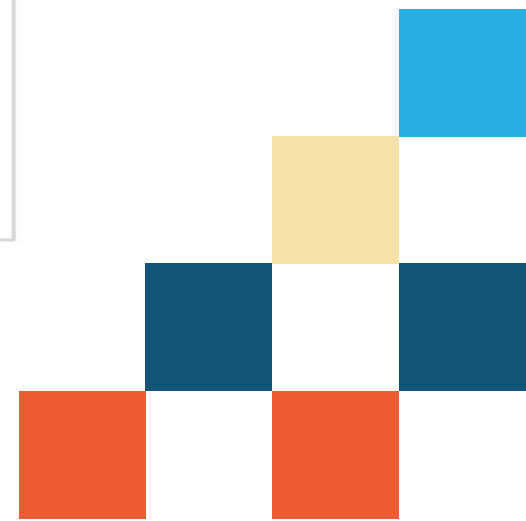
**Figure 1:** Benefits of being a CPhT. 23,007 survey responders reported benefits of having earned a pharmacy technician certification during their career.



# Survey Data, Cont.

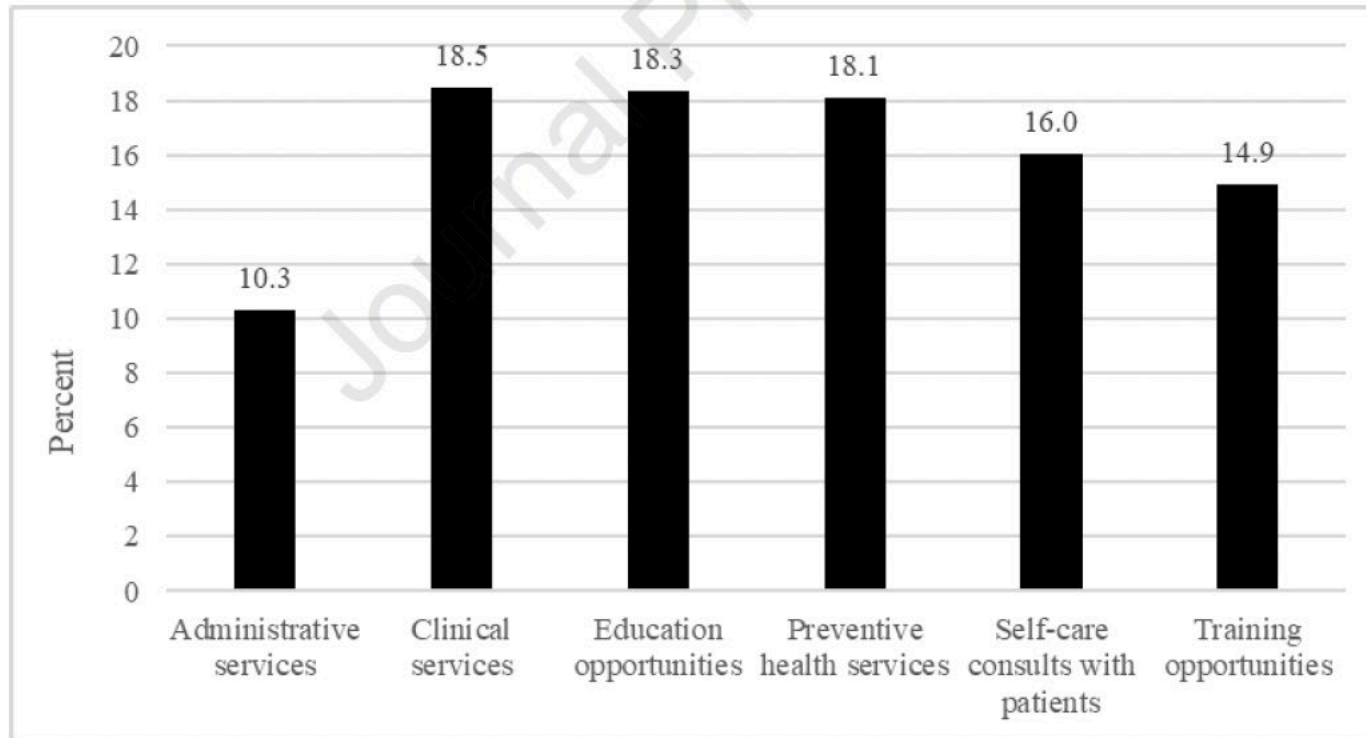


**Figure 2:** Pharmacy technician involvement in traditional pharmacy roles before and after certification

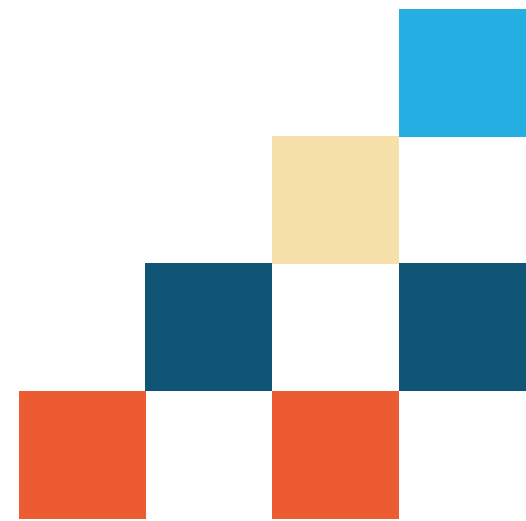




# Survey Data, Cont. 2



**Figure 3:** Certified pharmacy technicians identified non-dispensing services which expanded after the technician earned certification.



# Active Learning

Based on the survey data, does an 'ROI' exist for advanced pharmacy technicians?

- Yes
- No

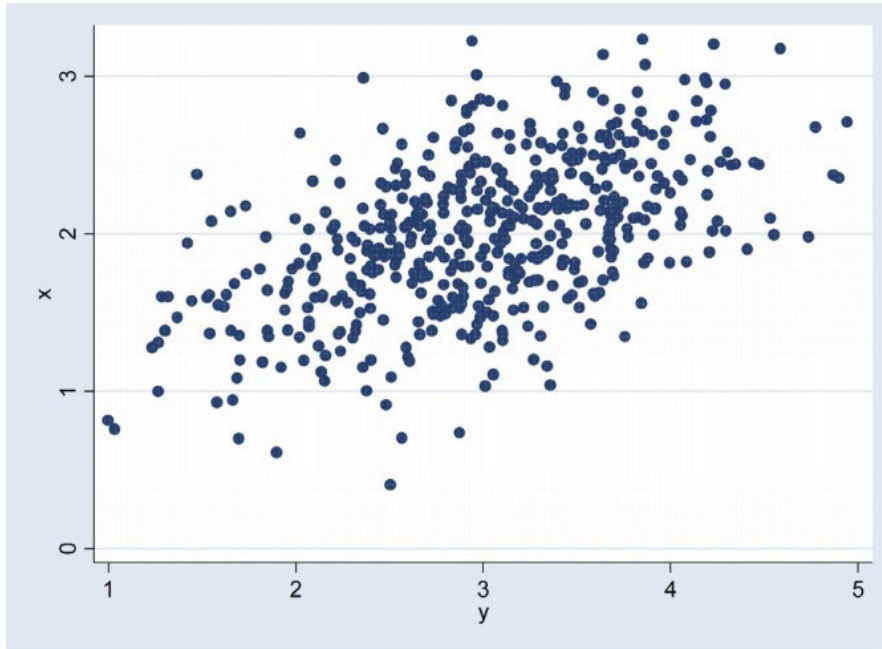


# Measurement Science

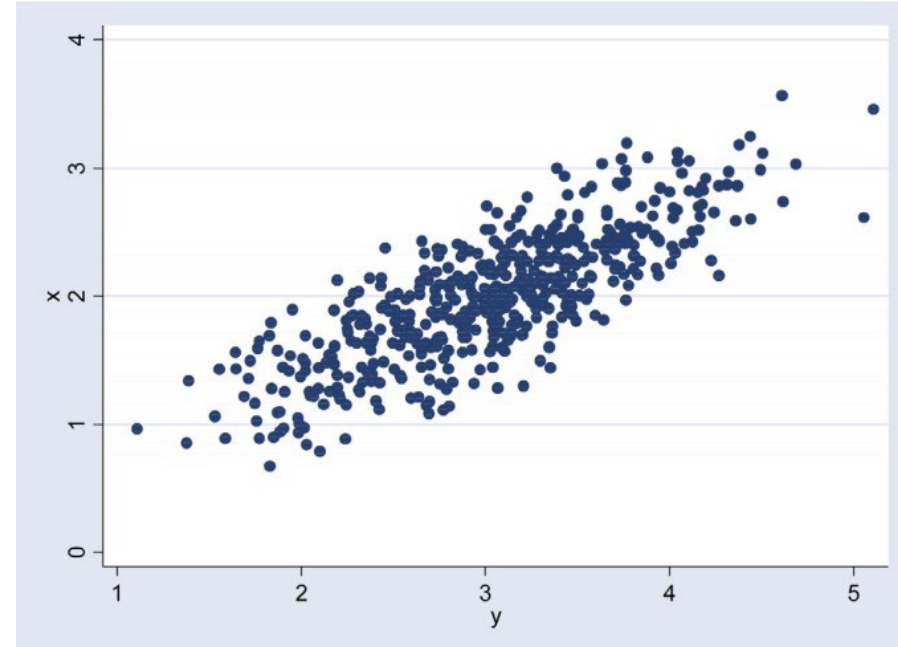
- **Validity** refers to the degree to which evidence, clinical judgement, and theory support interpretations of a measure score
  - According to the Centers for Medicare and Medicaid Services (CMS) Measures Management System (MMS),
- A variety of methods exist to test validity: construct validity, discriminant validity, predictive validity, convergent validity, criterion validity, and face validity
- **Predictive validity**, the ability of measure scores to predict scores of other related measures or outcomes in the future, particularly if the original measure scores predict a subsequent patient-level outcome of undisputed importance
  - Typically calculated using Linear Regression analysis over the sample



# Pearson's correlation



Scatterplot of x and y: Pearson's correlation = 0.5



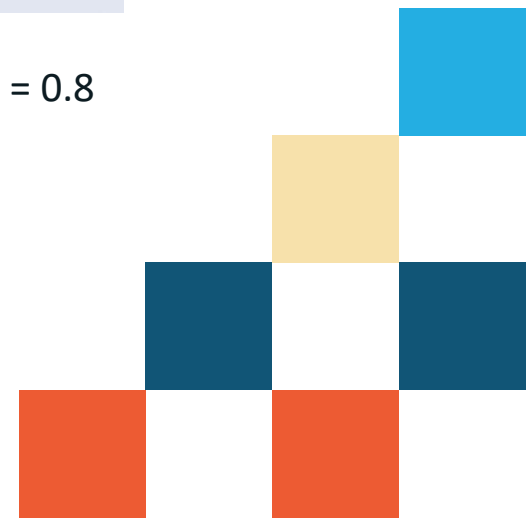
Scatterplot of x and y: Pearson's correlation = 0.8

- The  $r^2$  value can range from -1 to 1 showing both the direction (positive or negative) and strength of the relationship.
- A value of 0 is no relationship.
- Current literature shows that many quality measures are endorsed by the National Quality Forum with moderate reliability, sometimes with a cutoff as low as 0.2 for a positive relationship.

[CMS Measure Management System. Validity. Messick, 1994](#)

[Mukaka MM. Statistics corner: A guide to appropriate use of correlation coefficient in medical research. Malawi Med J. 2012 Sep;24\(3\):69-71. PMID: 23638278; PMCID: PMC3576830.](#)

[Ramachandran S, Maharjan S, Nsiah I, Urlick BY, Carr A, Foster M. Review of the National Quality Forum's Measure Endorsement Process. J Healthc Qual. 2023 May-Jun 01;45\(3\):148-159. doi: 10.1097/JHQ.0000000000000378. Epub 2023 Jan 25. PMID: 36696671.](#)



# What IS the Value of an Advanced Technician?

## Quality?

- 60% of pediatric antibiotics are prescribed with the incorrect dose
- *Assessments of Weights in Pediatrics* is a quality measure to evaluate safety and quality of community pharmacies
- *Advanced Pharmacy Technician* has a positive predictive validity ( $r^2 = 0.51$ ) to improve the **safety** of community pharmacies

**Seguridad Choose My Pharmacy Health Measures Report Card**

Pharmacy Name: Rox Bridge Pharmacy  
Address: 3601 Market Street  
City: Hoover  
County: Jefferson  
State: Alabama  
Year: 2022  
Pharmacist In Charge: John Smith

PREVIOUS YEAR: 2021

PREVIOUS SCORE	PREVIOUS GRADE	SCORE CARD MEASUREMENTS	Quarterly Result	Previous Year	Current Year	Average
88	B	Assessment of Renal Function in Older Adults	20%	0%	17%	20%
		Assessment of Weights in Pediatrics	70%	50%	60%	50%
		Known Allergy Status	85%	10%	80%	76%
		Medication Indication	20%	55%	30%	12%
		Electronic Care Plan Accessibility	100%	100%	100%	70%
		Point of Care Testing Structure	70%	60%	100%	70%
		Employer Vaccination Rate	40%	30%	100%	50%
		Advanced Pharmacy Technicians	35%	10%	30%	10%
		Improving Pain Management Safety	15%	10%	10%	5%

NEARBY PHARMACY SCORE CARDS

Pharmacy	Address	Current Grade
Mills Pharmacy	2148 Tyler Road, Hoover, AL 35226	B
CVS Pharmacy	2201 Tyler Road, Hoover, AL 35226	A
		C

## Is there an ROI now?

Data analysis conducted by PTCB and CPESN Health Equity.

Data provided by CPESN Health Equity pharmacies.

[CMS Measure Management System. Validity.](#)

[Mukaka MM. Statistics corner: A guide to appropriate use of correlation coefficient in medical research. Malawi Med J. 2012 Sep;24\(3\):69-71. PMID: 23638278; PMCID: PMC3576830. Messick, 1994](#)

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[Holder K, Oprinovich S, Guthrie K. Evaluating pediatric weight-based antibiotic dosing in a community pharmacy. J Am Pharm Assoc \(2003\). 2023 Jul-Aug;63\(4S\):S52-S56. doi: 10.1016/j.japh.2022.12.011. Epub 2022 Dec 11. PMID: 36588061.](#)



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## Financial?

- Advanced Pharmacy Technician has a positive predictive validity ( $r^2 = 0.83$ ) to increased monthly immunizations
- Technicians immunizing 50% of patients **increases profitability by 65%**

PREVIOUS SCORE	PREVIOUS GRADE	PREVIOUS YEAR	PREVIOUS YEAR	CURRENT YEAR	AVERAGE
88	B	2021			20%
SCORE CARD MEASUREMENTS					
Measure	Quarterly Result	Previous Year	Current Year	Average	
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Improving Diabetes Safety					
NEARBY PHARMACY SCORE CARDS					
Pharmacy	Address	Current Grade			
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CVS Pharmacy	2201 Tyler Road, Hoover, AL 35226	A			

# A Deeper Financial Assessment

	2016 Digest	PTCB Data	If 13% Payroll	If 8% 'Other Expense'
Sales	100%	100%		
COGS	77.7%	83.9%		
Gross Profit	22.3%	16.1%	\$13.51	\$13.51
Payroll Expense	12.8%	VARIABLE	\$10.95	<b>\$7.21</b>
Other Operating Expense	7.2%	8%	<ul style="list-style-type: none"> <li>• 28.6% of pharmacies don't make payroll</li> <li>• 86% of pharmacies don't make expenses</li> </ul>	\$6.30
Total Expense	20.2%			
Net Operating Income	2.3%			

# With \$7.21 per Rx...

## Assumptions:

- Average 660 Rx / Day
- Each prescription requires: Input, Filling, Verification, Dispensing Cost
- Average RPh Hourly Rate: \$65.40
- Average Tech Hourly Rate: \$19.37

	4 Pharmacist 0 Tech	3 Pharmacist 1 Tech	2 Pharmacist 2 Tech	1 Pharmacist 3 Tech	4 Tech
60 Rx / Hr	\$ 4.36	\$ 3.59	\$ 2.83	\$ 2.06	\$ 1.29
45 Rx / Hr	\$ 6.54	\$ 5.39	\$ 4.24	\$ 3.09	\$ 1.94
30 Rx / Hr	\$ 8.72	\$ 7.19	\$ 5.65	\$ 4.12	\$ 2.58
20 Rx / Hr	\$ 13.08	\$ 10.78	\$ 8.48	\$ 6.18	\$ 3.87
Profitability Increase		18%	21%	27%	37%

# Non-Dispensing Roles 1: Immunizations

- Cost-effective
- Beneficial to patients
- Workflow efficiency
- Professional development
- Engagement from technicians



# Non-Dispensing Roles 2: Medication Therapy Management & Medication History

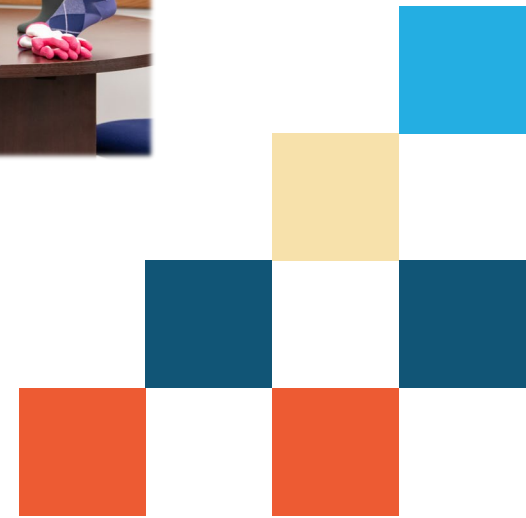
- Cost-effective
- Time-saving
- Efficient work-flow
- Engagement from technicians





# Non-Dispensing Roles 3: Compression Specialist

- Meet customer needs
- Increase customer loyalty
- Additional revenue
- Comprehensive patient care
- Technician led
- Engagement from technicians



# Non-Dispensing Roles 4: Community Health Worker

- Value-based/outcomes-based arrangement
- Increase customer loyalty
- Addresses social determinants of health
- Additional revenue
- Comprehensive patient care
- Technician led
- Engagement from technicians

AUGUST 2024

## LEADERBOARD REPORT

Vaccine Gap Closure Program: Phase 1 & 2

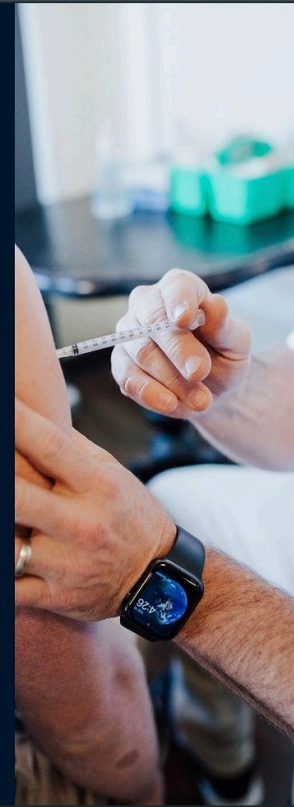
1. J&D Pharmacy
2. Summers Pharmacy (Kearney)
3. Goldsmith Medcenter Pharmacy
4. Sinks Pharmacy (St. Clair)
5. Summers Pharmacy (Marshall)

### TOTALS

Interventions: 57,226

Pharmacies Implementing: 118

Pharmacy \$ Generated: \$1,666,600



CPESN Missouri August Leaderboard. Vaccine Gap Closure Program. von Alst C, et al. Vaccine Hesitancy and Education Within Pharmacies with Community Health Workers. NCPA Annual Meeting 2024 Poster Session.

# Rebrand Titles & Responsibilities

## Lead Technician

### Sync & Monthlies

Provides oversight for Sync & production team.

### Dailies

Provides oversight for daily intake, vaccine intake, & production team.

### Training & Development

- Identifying Talent Among Techs
- Training and Development
- Assist with Employee Conflict Resolution
- Assist in Employee Hiring & Reviews

### Advanced IT

- Communication & Troubleshooting re:
  - Server
  - Software
  - Hardware
  - Evaluating new software/hardware
  - Go-to for errors

## Specialty Technician

### Compounding

- Daily compounding
- Maintains logs and accreditation standards
- Works with pharmacist on proper compounds and dosages

### USP Chapter 800

- Maintains our protocol to ensure it is up to date
- Conducts annual spill drill and spill cleanup drill
- Trains employees on USP standards and proper procedure

### Inventory Specialist

- Maintains regular perpetual inventory
- Schedules drug returns
- Coordinates expiration checks
- Coordinates fiscal-year inventory
- Coordinates biennial inventory
- Investigates negative margins and idle inventory
- Drug returns and recalls

### Medical Equipment & Front End

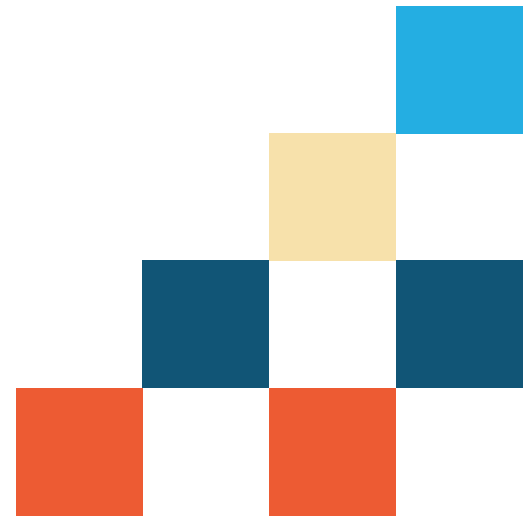
- Maintain front-end inventory
- Assist patients with medical equipment
- Stay up to date with medical billing requirements



# Rebrand Titles & Responsibilities

**Meredith (Meredy) Ayers, CPhT-Adv,  
CHW**

DEVELOPMENT SPECIALIST



# Rebrand Titles & Responsibilities

**Meredith (Meredy) Ayers, CPhT-Adv,  
CHW**

DEVELOPMENT SPECIALIST

*noun* the process in which someone or something grows or changes and becomes more advanced

*noun* someone who has a lot of experience, knowledge, or skill in a particular subject





# Other Best Practices

- Communicate clear vision and goals
- Create a culture of delegation
- Assign clear roles and responsibilities
- Find champions for particular tasks
- Provide adequate training so staff knows exactly how to perform the task
- Track and monitor performance and results/ accountability / KPIs
- Encourage technicians to take initiative and lead positive changes in their workplace
- Technician empowerment
- Promote ongoing education and training and proactive communication
- Lead by example and give your team grace
- Don't reinvent the wheel



# The Profitability Model: Immunizations

	Pharmacy A	Pharmacy B
Number of IMZ 2023	6050	463
Average IMZ Sales	135.59	120.16
Gross Sales	\$ 820,319.50	\$ 55,634.08
COGS	\$ 605,000.00	\$ 46,300.00
Gross Profit	\$ 215,319.50	\$ 9,334.08
Operating Expense: RPh	\$ 151,250.00	\$ 11,575.00
Operating Expense: 50% Tech	\$ 113,437.50	\$ 8,681.25
Operating Income: RPh	\$ 64,069.50	\$ (2,240.92)
Operating Income: 50% Tech	\$ 101,882.00	\$ 652.83
	59%	71%

**Takeaway: Technicians providing 50% of IMZ at a pharmacy increase profitability by 65%**

# The Profitability Model: Immunizations

	Pharmacy A	Pharmacy B
<p>This cost model assumed the pharmacy technician makes 50% of the pharmacist...</p> <p>In other words, if your pharmacist is \$60 / hr, the technician should be \$30 / hr...</p>		
Operating income, 50% tech	\$ 101,882.00	\$ 652.85
	59%	71%

**Takeaway: Technicians providing 50% of IMZ at a pharmacy increase profitability by 65%**

# Impact of Advanced Pharmacy Technician

- Technician Role Elevation
  - Career satisfaction
  - Lower turnover
  - Stronger communication & teamwork
  - Company growth & stability



# Impact of Advanced Pharmacy Technician

- Pharmacy Operations
  - Improved efficiency and productivity
  - Reduced administrative workload for pharmacists and owners
  - Enhanced customer service and patient satisfaction
- Value
  - Improved workflow efficiency
    - Time is money
    - Cost avoidance
  - Pharmacists availability for direct patient care services
  - Labor costs

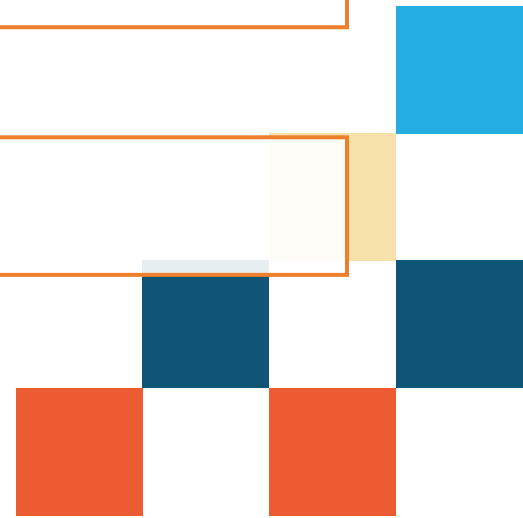


# Impact of Advanced Pharmacy Technician

More advanced technicians – better safety

More advanced technicians – better profitability

More advanced technicians – better pharmacies





# Call to Action!

- For every new clinical service, program, or opportunity you learn during the NCPA Annual Convention – ask, what if my technician delivered this program?
- And, what if I paid them more to do it?



Questions?



# Contact Information

## **Meredy Ayers, CPhT-Adv, CHW**

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