Pharmacy Service Improvement at CVS

Business Seminar Case Study

Bethany Odom, Katie Tewell, Kelly Snider, Brad Lowe
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Introduction

The current system in a CVS pharmacy allows customers to quickly drop off their prescriptions whenever convenient for them, the pharmacists and technicians to fill the scripts near the time the customer would like to pick them up, and customers to return to the store to pick up their medications at the specified time. However, this system creates long lines and angry customers during busy pick-up times, such as around the evening meal, when the typical work day concludes. We would like to implement a system that focuses on the day’s procedures and alters the drop-off, data entry, and production steps, therefore ideally reducing the number of problems that occur and must be resolved during the pick-up stage. With some additional changes made to the pick-up procedure, we feel CVS will be able to better their customer service and increase customer satisfaction while keeping the safety of its shoppers the company’s number one priority.

The following page presents a data flow diagram of the day-to-day operations of the plans we would like to implement for CVS Pharmacy.
Day-to-Day Operations

Drop-Off
- Constantly monitor drop-off station
- Gather/check customer information
- Update customer information in the system
- Refill online and over telephone

Data Entry
- Drug Utilization Review
- Insurance Check & Revisions
- Continuous Data Entry
- Make necessary phone calls

Production
- Technician counts and verifies prescription
- Record status of script

Quality Assurance
- Pharmacist review

Pick-Up
- File finished prescriptions in alphabetical order
- Verify name and birthdate
- "Quick Pay" Option
- At-Home Delivery
Drop-Off

Constantly Monitoring the Drop-Off Station

In the past, CVS has noted that there has been a problem keeping an available employee at the drop-off window of its pharmacies. Our new operation plans include a strong focus on the drop-off stage of filling prescriptions, and the first step to making this happen is to ensure that a technician is available to help customers when they first approach the pharmacy. In order to do this, we plan on creating a work station for the technician by the drop-off window so there will not be a need to leave the area. This will result in keeping our drop-off window constantly monitored, while also giving the technician the available resources to get their work done in between customer drop-offs.

Gather/Check Customer Information

In order to keep our system as organized as possible we want to make sure our customer information database is continually updated. This ensures accuracy and also allows our daily operations to run smoothly. By quickly looking up and collecting some customer information upon the drop-off of a prescription, a tech may be able to find and solve problems while the customer is in the store. This will reduce the problems that must be dealt with during busy pick-up times and may even keep some customers from having to make unnecessary trips to the pharmacy.

Instead of simply dropping off prescriptions, a CVS technician will ask the customer to verify contact information by entering the customer’s birth date into the computer system. Customers will be asked some quick questions, such as whether or not their insurance carriers have changed. If so, this new information will be automatically inputted into the computer system. The technician will then scan the prescription into that person’s file as well as any refills they want filled. The prescription then appears on the computer screen and shows up on a separate window. The data entry check on the computer screen checks the patient’s name, date of birth, date the prescription was written, name of the drug, strength of drug, quantity of drug, directions, doctor’s name, and number of refills. At this point, we can tell the customer if they do not have refills available because the prescription is too old or has merely run out of refills. If this is the case, we will have to contact their doctor, which may take some time, so our technicians will then let customers know that we will call them when their medication is available for pickup.

This makes our last addition to the drop-off procedure one of the most important. The staff member will ask for the telephone number at which the customer can most likely be reached during the time his or her prescriptions are being filled. For example, the pharmacy will often have a customer’s home phone number, yet he or she may be at work while the prescription is

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1 Interview – Cappi Anderson
By requesting the telephone number needed to reach the customer at work, the tech or pharmacist will be able to call him or her and solve any issues if and when they arise instead of waiting for the customer to return to the store. This will also reduce the number of angry customers present during pick-up times.

With these small but effective changes made to the procedure at the drop-off station, we feel some issues could be resolved up front and the rest of the day’s processes will be more efficient and will in turn eliminate mistakes later on.

**Refill Options—Over the Phone and Online**

While the current system described in the case does offer customers the ability to call an automated number to request prescriptions over the phone, we would like to make some small changes to this that will enable CVS to better utilize this technique.

First, the current telephone system asks the customer to input their prescription number, confirm the first three letters of his or her last name, and select a pick-up time. This is quick for the customer, and still collects enough information for the pharmacy to fill the prescription. We would like to add one step to this process, asking for the phone number at which the customer can best be reached during the filling process. As stated above, by asking the customer how CVS can most likely get in contact with him or her, the technicians and pharmacists may be able to call and resolve any issues that arise during the filling stage, therefore reducing wait time during pick-up, or even saving the customer a trip to the store if the prescription will not be ready in time.

Additionally, we would like to implement an online refill request system. This will give customers another convenient option to replenish their prescriptions. Customers would be able to request their refill from their homes and would only need to make a trip to the store to pick up the finished request.

Finally, we would like to encourage customers to use these forms of drop-off. By showing customers where the phone number and website to the pharmacy are located on their prescriptions and explaining the ease and convenience of these refill techniques, more customers will be likely to call the automated phone number or fill their prescriptions online. This will eliminate the drop-off trip the customer has to make to the pharmacy, as well as reduce the number of people the techs help face-to-face throughout the day and especially during busy drop-off times.

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2 Interview – Cappi Anderson
3 CVS Franklin, Indiana Phone Line (317)-738-9713
Data Entry

Drug Utilization Review

Our computer system automatically checks to make sure the prescriptions being filled do not have a harmful interaction with other medications the customer might be taking. At this point the drug is also checked to make sure it is safe for the customer based on his or her age, gender, and other demographic data stored in the system⁴.

If a conflict does arise, the system comes to an immediate stop and cannot proceed without the authorization of the pharmacist⁵. The drug interaction check dates back one year, which we feel is an appropriate period of time to examine in order to ensure customer safety⁶.

Insurance Check & Revisions

When the prescription is scanned into our system, the prescription is sent electronically to the specific customer’s insurance company. The insurance company then responds back to our technician with either an authorization to fill the prescription or a rejection due to refilling too soon, needing prior authorization, or that the drug might not be covered under their plan⁷.

Depending on what the situation is, we will try to fix the problem while the customer is waiting. For example, if the ID number is incorrect, this can be fixed quickly, but some problems can take up to a week to fix. In other situations, we notify the doctor’s office who then calls the insurance company to justify why the medication was prescribed (called a prior authorization)⁸. We will have an option for the customer to pay cash at this point for the medication if it is needed immediately and wait for a reimbursement from the insurance company.

Our technicians are aware that this situation can often be tense for the customer, but in our best effort to provide customer service, we let the customer know an approximate time as to when the problem will be resolved.

⁴ Interview – Cappi Anderson
⁵ Case Study – Pharmacy Service Improvement at CVS
⁶ Interview – Cappi Anderson
⁷ Interview – Cappi Anderson
⁸ Interview – Benjamin Maggard
Continuous Data Entry

In-Store

The current system involves putting each prescription in a certain slot labeled by time, and each script is placed in the slot labeled one hour before the desired time of pick-up. At each hour, a tech takes out the scripts in that hour’s slot and begins the filling process\(^9\). However, we would like to slightly modify this. Instead of waiting until the hour before the script is to be finished to begin the filling process, the techs will move to the next timeslot when each one is completed. For example, if the tech has completed the data entry for the prescriptions in the slot labeled “3 p.m.” before 4 p.m., then he or she will begin data entry for the 4 p.m. slot. This way, if problems arise and the drug utilization review and/or insurance checks create problems and lengthen the data entry process, the pharmacist has more time before the desired pick-up time to review and correct the issues. Because this gives the tech and pharmacist more time for data entry and reviewing the DUR, they will be less rushed which could lead to more accuracy in entering the data and a more thorough review of any DUR “hard stops.” Therefore, this may actually increase the safety of the customer as well.

Furthermore, we will add two more slots to the filing system that will be labeled “Immediate” and “Tomorrow.” The prescriptions placed in the “Immediate” slot will have top-priority when techs begin the data entry process. For example, when doctors call in prescriptions for their patients, the pharmacy is required to have it completed within two hours of when it was first dropped off\(^10\). Prescriptions that do not need to be completed until the following day will be placed in the “Tomorrow” box and will be filled when all of the other slots are empty.

Over the Phone

Furthermore, the current system that allows customers to telephone in their refill requests sends the request to the pharmacy 1.5 hours before the requested pick-up time\(^11\). We would like to extend this time, sending the request to the pharmacy 3 hours before the desired pick-up time. If a customer wants his or her prescription sooner than three hours after phoned in, then the system will send the request to the pharmacy immediately.

\(^9\) Case Study – Pharmacy Service Improvement at CVS
\(^10\) Interview – Cappi Anderson
\(^11\) Case Study – Pharmacy Service Improvement at CVS
Updating Customers on Script Status

With the current system in place, many customers do not find out there are problems with their scripts until they come into the pharmacy and pick them up. This, therefore, causes much of our customers’ frustrations, especially if they have to pick up their prescriptions after a long day of work and they have to wait in line to get their prescriptions only to find they are not ready. We want to help alleviate this problem. If there is a problem while filling the prescription that will cause a delay in completing it, we want to inform our customers of this before they return to the pharmacy.

Automated Phone Line

One solution to this problem is to implement an automated telephone system that can be used throughout the filling process in order to update our customers on the status of their prescriptions. When a pharmacist or technician realizes a customer’s prescription(s) will not be available at the desired time, the customer will receive a phone call from the pharmacy suggesting that the customer call before returning to the pharmacy to check on the status of the prescription(s). This would be similar to the calls made from doctors’ offices to confirm their patients’ appointments. An automated message would be cheap and time-effective for the pharmacy staff and would eliminate unnecessary customer trips to the pharmacy.

Make Necessary Phone Calls – Hire New Personnel

We understand our technicians and pharmacists are extremely busy with filling prescriptions and helping customers during their shifts and do not have the time to make phone calls when problems arise that require direct contact with the customer. In order to make this a possibility we want to hire an individual for the pharmacy that strictly deals with communication between insurance companies, doctor’s offices, and our customers. As soon as there is a delay or problem, this individual will take over and contact the necessary parties.

For example, if we find the prescription cannot be filled due to insurance discrepancies, this individual’s duties would include contacting the insurance company to determine and solve the problem. If there is a dilemma that cannot be resolved and the customer needs to be notified, the employee will notify the customer before the desired pick-up time so her or she knows the prescription will not be ready on time and why. This will allow the customer to make any necessary phone calls as well as eliminate a trip to the pharmacy. This is also why it is so important that we get each customer’s contact information and where we can get a hold of them when they drop off their prescriptions.
We understand this new employee position will be more cost for the company but it will ultimately help increase customer satisfaction and retention and will be a vital role in the long-run for CVS Pharmacy.

Costs of Hiring a New Employee\textsuperscript{12}

We feel by creating a new position to take care of phone calls, data entry, and problems that arise during the course of fulfillment, the pharmacy’s efficiency would customer satisfaction would greatly increase. The new position would be paid similar to a pharmacy technician, $10.70 an hour. Assuming this new position has an employee working an 8 hour shift 365 days a year, the additional costs of creating a new position at CVS would be $124,976,000 per year. (8 hours per day * 365 days per year * $10.70 hourly wage * 4,000 stores) We feel that creating this new position will increase quality assurance and will reduce customer complaints.

Production

Technician Counts and Verifies Prescription

After the prescription has been filled the technician counts and verifies that the prescription information is complete and accurate. Once the prescription is verified, the technician prices and files the prescription and insures that it is checked by a Pharmacist before it is given to the customer.

\textsuperscript{12} http://www.flahec.org/hlthcareers/PHARMTEC.HTM
Implement Partial Refill System

One problem we encounter during our production stage in operations is discovering we are out of stock or low on inventory of a particular script. This is obviously not only frustrating for pharmacy staff but for the customer as well. One way to aid this problem is to implement a system that allows us to fill part of the prescription for the patient so they can start taking the prescribed medicine. When new inventory arrives at the store and the rest of their prescription can be filled, the customer can return to the pharmacy and pick up the remainder of the script. By implementing this system we need to ensure we always order more immediately when we have to use the partial refill system. The following outlines the process and benefits of this system:

- Give the patient enough medication for at least five (Initial Partial Fill) days just in case we encounter a problem when ordering inventory
- Try to have the rest of the prescription filled in 1-2 days
- Once the rest of the prescription arrives, notify customer (Final Partial Fill)
- Helps eliminate unhappy customers
- Allows them to have at least part of their prescription rather than nothing
- Reduces inconveniences for customers

Record Status of Script\(^{13}\)

With the implementation of this new system, it is imperative that we are organized when we enter data into our computer. If we have to fill only part of the prescription we will indicate this as “Initial Partial Fill.” This notifies techs and pharmacists that the prescription is not complete. As soon as more inventory arrives and the customer has returned to pick up the remainder of their prescription, it will be indicated as “Final Partial Fill.” Now when the customer’s information is pulled up, our employees know the prescription has been filled completely.

This is a vital step when entering the customer’s data and must be done immediately so a correct amount of the prescription is filled and the customer’s information is organized and accurate.

\(^{13}\) Interview - Cappi Anderson
Quality Assurance

Pharmacist Review

Once the technician counts and verifies each prescription, it is given to the pharmacist to review to ensure it contains the correct medication in the right quantity and all other details are correct. No prescription can leave without the pharmacist’s verification. This is an important step that demands great diligence by the pharmacist. Many customers are on many medications by different doctors and are often not easy to verify. This process can be time-consuming, but if done too fast and incorrectly, a customer could be seriously injured or even killed.\(^\text{14}\)

Pick-Up

As this process reaches its final step, finished prescriptions will be kept in alphabetical order by the customers’ last names, making it easy to find when each customer arrives to pick up his or her prescription(s). Staff will verify each customer’s name and birth date as a final check that the requested medicine is going to the correct person. Finally, any fees due will be collected from the customer at this time.

If a customer’s prescription is not available when they come to pick it up, we are encouraging our technicians to explain to the customer why it is not ready. We feel that if customers are given explanations, customers will be less likely to get angry, especially if the reason why their prescription is not ready is due to a matter handled outside of the pharmacy, such as issues involving doctors’ offices and insurance companies. This will help customers realize our staff is working as efficiently as possible while not jeopardizing the customer’s safety, and will indeed notify them when their medication is ready.

\(^{14}\) Interview – Cappi Anderson
“Quick Pay” Option\textsuperscript{15}

This is another option our customers will have to pay for their prescriptions. On our website our customers can click on the “Quick Pay” tab. In order to do this, the customer must develop a username and password. After they have completed this, they will provide necessary information for billing (credit card number, billing name and address, etc). Their information will be secure and stored in our system. When their prescriptions are ready, they will automatically be billed and the only step they need to complete is to pick their prescriptions up from our pharmacy.

We hope this option will make it easier and more convenient for our customers to fill prescriptions at CVS.

At-Home-Delivery\textsuperscript{16}

In order to offer another option for customer convenience, we want to implement an at-home delivery service. The process would be simple and hassle-free and would eliminate the customer ever needing to set foot in our store. By visiting our website, our customers can enter the appropriate prescription information. We can fill new scripts, re-fills, and even prescriptions that have been transferred to our store.

If the prescription is a refill, the customer will need to enter the prescription number as well as the store number. After the information is entered online, the prescription will be added to their shopping cart online (“Added to Cart” will appear so the customer knows the prescription was processed). Once the customer is ready to pay for their prescription, they find their shopping cart and enter billing and payment information, as well as the phone number they can be reached at, should any problems arise.

If the prescription is new or a transfer, our online database will be available for our customers to use to find what prescription they want to fill. A drop down menu will appear on the screen and the customer will find their prescribed medication. After they have found their prescription, they choose the specified dosage. When they have completed this step, they will select “Add to Cart” and the rest of the details (billing information, payment, and phone number) will be taken care of when the customer is ready to checkout. Additionally, we will offer a couple shipping options, such as free standard shipping (5-7 business days) or rush delivery (3-4 business days) for a charge of $9.95 per shipment.

\textsuperscript{15} www.walgreens.com
\textsuperscript{16} www.cvs.com
Pharmacy Additions

**MinuteClinic**

As part of our goal to make CVS the top provider for pharmaceutical care, we have incorporated MinuteClinic into some of our pharmacies. MinuteClinic is a convenient and quick stop for patients to get treated for common illnesses. A trip to MinuteClinic does not require an appointment and each visit is about fifteen minutes long. This service is affordable and most patients are reimbursed by their insurance plans.

MinuteClinic uses focused treatment, qualified clinicians, quality control, and adherence to national clinical practice guidelines as means to providing the best patient care possible. This is why we believe that MinuteClinic is a step in the right direction to not only keep customers coming back, but keep them coming back happy. By adding MinuteClinic as a part of our pharmacy, we intend to build relationships between our CVS pharmacist and our customers. Although we encourage the use of online and automated refills, we do want our customers to know that a CVS pharmacist is always ready and willing to help, which is mutually rewarding for both parties.

MinuteClinic uses board-certified practitioners to diagnose, treat, and write prescriptions for patients ages 18 months and older. An example of treatment for allergies at a MinuteClinic location involves a nurse practitioner or physician assistant asking the patient for a thorough history of the illness, signs and symptoms of the allergy, as well as recording which medications have or have not worked in the past. The practitioner will also screen the patient for associated disorders, such as a sinus infection. Then the appropriate treatment will be recommended and if a prescription needs to be filled, the patient is already at a CVS location and will receive quick, prompt care.

“MinuteClinic health care centers are an answer to consumers’ overwhelming demand for more patient-centric health care,” said Michael Howe, chief executive officer for MinuteClinic. “As more patients look to take control of their health care options, we provide a fast, convenient and affordable service for common maladies that is available seven days a week.”

Ease of Switching to CVS

Because we believe CVS is the leader in pharmaceutical care, we want to make transferring prescriptions to our pharmacy as easy as possible. Customers can bring their prescriptions to the pharmacy and speak with a technician who will be happy to accept and fill the prescription. Customers can also use our online service to have their prescription transferred to their favorite CVS location. In order to do so, the customer will need to create an account on our website, www.cvs.com, where their personal contact information, health care provider information, [www.minuteclinic.com](http://www.minuteclinic.com)

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17 www.minuteclinic.com
18 We do recognize that state regulations do not allow some prescriptions to be transferred between pharmacies. A CVS pharmacist will contact the patient if this problem arises. (www.walmart.com)
medical profile, and prescription insurance information will need to be completed\textsuperscript{19}. Next, the medication is added to their shopping cart and the customer can proceed to checkout. After the order is completed, the filled prescription will be ready at their nearest pharmacy.

At CVS, we want our customers to feel valued and to know how much we appreciate their business. In doing so, we will offer coupons for newly transferred prescriptions worth $10 toward their medication bill.

**Our Future\textsuperscript{20}**

We at CVS plan to continue differentiating ourselves by providing excellent customer service. In doing so, we want our customers to look forward to coming to our pharmacy because they know it will be a successful and pleasant trip. We are constantly striving to be the easiest pharmacy retailer, meaning customer prescriptions are ready when promised as well as receiving fast, friendly, and knowledgeable service from each of our associates at CVS.

By the year 2012, the retail pharmacy industry is expected to grow by more than double due to an aging population as well as the increased utilization of prescription drugs. We want to be on top of this growing business and plan to do so by hiring more employees to operate and provide service in our new stores in high-growth markets.

\textsuperscript{19} www.cvs.com

\textsuperscript{20} www.cvs.com
Works Cited

Benjamin Maggard - Interview

Cappi Anderson – Interview

Case Study – Pharmacy Service Improvement at CVS

CVS Phone Line – Franklin, IN (317) 738-9713

CVS Website
http://www.CVS.com

MinuteClinic Website
http://www.minuteclinic.com

Pharmacy Technician Website
http://www.flahec.org/hlthcareers/PHARMTEC.HTM

Walgreens Website
http://www.walgreens.com

Wal-mart Website
http://www.walmart.com