

Pharmacy Buyer Toolkit

Setting you up for success

Using packaging to solve unit-dose challenges



As a pharmacy buyer, you have many responsibilities. Between drug shortages and a continuously changing market, it can be difficult to manage it all and still find ways to be cost effective, improve quality and enhance patient safety. Safecor Health sets you up for success as a pharmacy buyer by helping you provide your pharmacy with ways to streamline operations and reduce drug costs.

We hope this information can help you provide your pharmacy with some new strategies to increase drug cost savings, decrease waste, enhance medication and patient safety, and improve quality.

Who is Safecor Health?

Safecor Health is the national drug packaging leader committed to providing <u>unit-dose packaging services</u> that allow pharmacies to outsource this challenging and time-consuming task.. With two state-of-the-art FDA-registered facilities, Safecor Health helps pharmacies develop a comprehensive unit-dose strategy that provides cost savings and operational efficiency to hundreds of hospitals and health systems nationwide.



What do we do?

Safecor Health offers a broad portfolio of unit-dose packaging formats and configurations. <u>Hazardous drug</u> packaging? We can do that. Controlled substances? We've got you covered. ENFit syringes? That too!



How does repackaging with Safecor Health work?

By leveraging a Safecor Health repackaging partnership, your pharmacy can strategically purchase bulk products on-contract through your pharmaceutical wholesaler at the lowest cost-per-dose. To make things even easier, the <u>Safecor Health repackaging</u> <u>process</u> is integrated directly into your hospital pharmacy's supply chain.

Why use Safecor Health?

Sounds too good to be true, right? Wrong! Working with Safecor Health provides your pharmacy with significant benefits year after year. In fact, we've found our customers **more than \$115M in drug cost savings.**

Improve Pharmacy Operations

Is your pharmacy staff stretched thin? Budget continuing to tighten? You're not alone. With limited resources, many hospital pharmacies are looking for ways to optimize operations and ensure limited resources are used efficiently.

The Safecor Health Repackaging Process



Pharmacies repackaging in-house may not realize the impact increased waste, space, labor and packaging material costs have on their bottom line and operations. In addition, medication errors caused by packaging mistakes are well-documented, with <u>one published study</u> showing a staggering 1.3% error with lots packaged in-house.

With Safecor Health, you can reduce your risk and optimize your pharmacy operations by outsourcing a large portion of your unit-dose packaging. By doing so, your pharmacy can:

Free up pharmacy staff

- Reduce capital expenditures
- Increase patient safety
- Reduce packaging errors
- Reduce waste

- Solve packaging needs for Schedule II-V items and many hazardous medications
- Save money
- Eliminate or significantly reduce your in-house packaging

• Limit the time your pharmacists spend checking packaging,

Partnering with Safecor Health can help you alleviate operational inefficiencies while simultaneously providing you with benefits that will increase your bottom line — year after year.

Reduce waste

One of the biggest issues hospitals face is pharmaceutical waste due to limited expiration dating on products repackaged in-house, repackaging errors, open and unused bottles returned to the pharmacy and other varying causes. And with the **FDA's proposed changes** on pharmacy packaging requirements, your pharmacy could see a significant increase in waste.

Shorter dating and more regulations will mean an increase in smaller, more frequent batches and wasted product. These draft FDA guidelines suggest six months dating (or 25% of the remaining manufacturer expiration date, whichever is less) in the absence of a risk-based approach to stability studies. Safecor Health helps pharmacies reduce waste by ensuring quality, safety and regulatory compliance.

Increase patient safety

As an FDA-registered unit-dose packager, Safecor Health ensures proper written operating procedures, cleaning validations, storage and handling guidelines, maintenance of complete records for each production lot, and the usage of only FDA-approved packaging materials. These strict quality procedures, as well as a "Recall Advisement Service" for all manufacturer recalls of drug and component materials, reduces the number of packaging errors and **increases safety compliance**.

Manage drug shortages

There seems to be a never-ending list of unit-dose commercial drug shortages. The unit-dose product could be discontinued or backordered, but either way it leaves you scrambling to find other options and causes more drugs to be repackaged by pharmacy staff. If a unit-dose product is unavailable from one manufacturer, you can always purchase it in unit-dose from another manufacturer (if available). The downside is that it's probably your backup plan because it's the more expensive option, which means it'll add significant costs to your budget that you hadn't anticipated.

If a unit-dose product is discontinued or backordered, it's likely still available in bulk. You could certainly buy it in bulk and package in-house, but that time spent repackaging is another additional cost you hadn't planned.

With Safecor Health, you can avoid the hassle altogether. In the event of a unit-dose drug shortage, you can rely on Safecor Health to be your safety net so you can get the products you need, on-contract, without increasing cost and in-house packaging.

Increase cost savings

In-house packaging may seem convenient, but it comes with a hefty price tag. We tend to forget that in-house packaging costs comprise more than just packaging materials and label costs. Other **underlying expenses** include:

- Labor
- Equipment
- Monthly equipment maintenance fees
- Software
- Space utilized

- Electricity to run the equipment
- Staff training
- Wasted product due to incorrectly packaged
 medication or limited expiration dating
- And more!

When you start compiling all the hidden expenses, the cost to packaging in-house really starts to add up.

Safecor Health

With Safecor Health, we do the hard work for you to find you significant cost savings. Our free <u>cost savings analysis</u> can help you identify your potential savings by analyzing your purchasing data. We've completed numerous studies for our customers and found that **the average annual cost savings opportunity ranges from \$400 to \$700 per patient bed**, even after repackaging fees. All you have to do is send us your previous 12-month purchase history and price file and voila! — a quick way for your pharmacy to find exponential savings.

When your cost savings analysis is complete, we'll send you two road maps to uncover your full savings potential:

- 1. Drug cost savings road map: This road map shows you a roll up of multiple NDC#s with an annual drug cost savings by strength and drug. With this, you can see how to capture a significant portion of drug cost savings with minimal changes to your purchasing practices.
- 2. Labor cost savings road map: This road map shows you a roll up of all the drugs you're already purchasing in bulk and packaging in-house. With this, you can see how to reduce in-house packaging and free up significant pharmacy labor for more important responsibilities.

Once you have your two road maps, you can put them together and create your Safecor Health repackaging formulary to help you capture the most savings, both drug cost and labor.

A few final tips for pharmacy buyers

Once your pharmacy starts its partnership with Safecor Health, there are a few things to know to help make your job even easier.

Placing an order

The transition to placing an order with Safecor Health versus placing your usual orders is simple. Safecor Health works closely with all major wholesalers to allow pharmacies to place orders directly through their wholesaler on your regular wholesaler ordering platform. The only difference is that you'll select the Safecor Health Repackaging account on your wholesaler ordering platform to have your order sent directly to Safecor Health for repackaging, as opposed to being sent directly to your pharmacy. It's that simple!

Safecor Health shelf stickers

Once you get started, we recommend that you request a set of Safecor Health shelf stickers. These stickers can be placed on your inventory shelves to help you better identify your drugs repackaged by Safecor Health.

Order templates

To further simplify your order process, many of our pharmacy buyers create an order template on the repackaging account. This template includes a list of recurring drugs repackaged by Safecor Health so the next time you place an order, all you have to do is add the quantity of each drug.

We're here to help make your life easier and more cost-effective. Let us know if there's anything we can do to help set you up for success when you talk with your pharmacy director. Visit <u>safecorhealth.com</u> for more information or contact us at sales@safecorhealth.com.

