In 1996, John Sykora, RPh, was already a veteran pharmacy owner, having purchased Abrams & Clark Pharmacy 20 years earlier. At that point, he noticed that many of his friends who owned community pharmacies were selling out, primarily due to economic pressures from chain and mail order pharmacies.

Sykora wasn’t interested in selling, but knew he needed to find a way to compete from both a revenue and expense level. His pharmacy, located in Long Beach, California, catered primarily to seniors who typically are on multiple medications. Not surprisingly, patients often struggled to keep their medications organized, pills would become misplaced or lost, compliance suffered, and the patient’s health would become an issue. It wasn’t any easier for the pharmacy. Sykora points out hypothetically that if a patient is on 15 medications, and a spouse is also on 15, that’s 30 prescriptions per month, or potentially 30 calls with patients and another 30 with a physician. Sometimes reality was disturbingly similar.

Sykora wanted to find a way to avoid such scenarios, and the solution became the pharmacy’s Personal
Service Program, which focuses on streamlining and synchronizing medication fills.

“We found out that if we organized people into one order a month, call them about a week or so ahead of time and review everything with them, we were more likely to keep them on all of their medications,” Sykora says.

The PSP, with a technician serving as point person, emphasizes a proactive approach in managing patient medications. “We make one phone call to the patient, organize everything, and make one phone call to their physician, summarize everything, and we eliminate 60 phones call a month, cutting it down to one or two. So that makes us very efficient,” he says.

The primary goal is to improve patient adherence, which ideally will eliminate unnecessary hospital and physician visits, reduce health care costs, and also keep the pharmacy ahead of the curve in patient care.

For patients, Sykora says the PSP provides peace of mind.

“I think the thing that attracts a person more than anything is that it reduces their anxiety about running out of prescriptions on weekends, or holidays, or in the evenings because they weren’t organized,” he says. “So, by reducing the individual’s need to keep track of everything, especially when there are lots of prescriptions, it makes them feel a lot more comfortable.”

And for the pharmacy staff, life is much easier as well.

“You can take time and call a patient, talk to them or talk to a physician, and make suggestions on therapy changes if needed,” Sykora says. “You just have time to do a lot more professional things, and people aren’t upset or stressed out—it’s really cool. And because I’m old and slow, it’s better for me. People come in, they chat with you, and they want to go over issues, and you have time to do it. There aren’t 30 phone calls waiting for you in the back.”

And the numbers aren’t bad either. Sykora says that store hours have been cut by 10 percent, payroll reduced by 50 percent, inventory has been reduced, and its gross margin is about five points above the national average.

**LONG TERM REPUTATION**

Sykora, a 1966 graduate of the Philadelphia College of Pharmacy, bought Abrams & Clark in 1976. The pharmacy was established more than 70 years ago by Bill Abrams, who later was bought out by Jim Clark, who eventually sold it to Sykora. It has 10 employees, and along with prescriptions (about 60 percent of sales), it sells durable medical equipment and medical supplies, and offers deliveries. It also carries what Sykora describes as “most all of the things that nobody else wants.” These include products for wound care, ostomy, incontinence, mastectomy, and diabetes, along with anti-embolism stockings, braces, and trusses. This part of the business is managed by his wife Carol Sykora.

“We’re kind of the default pharmacy for our community,” he says. “None of the chains want any of these products. They keep our business cards and send people down to us all of the time for those items. So we’ve got a niche in that area. We have the inventory, we have the product knowledge, and we have a reputation. That sustains us in those niches.”

Sykora describes his market, part of the Los Angeles metropolitan area, as “upper middle class” and, as previously noted, primarily senior citizens. The PSP changed the way the pharmacy operates. With its relatively limited hours (9:30 a.m–6 p.m. Monday through Friday), Sykora readily acknowledges, “We’re not here for emergencies. For young families, unfortunately, we wouldn’t be available to them for emergency prescriptions or antibiotics for their kids.

“But for seniors, who can be pretty well organized and put on a monthly schedule, we don’t have to be open all of these extra hours, and during the holidays and evenings. So we can meet their needs by taking
control of their prescription and doing it under our time period instead of being a reactive pharmacy and waiting for them to call us. We call them, we take care of it before it’s needed, and get them going.”

Sykora also says that patients appreciate the pharmacy’s efforts to cut their medication costs. “For example, as drugs go off patent you are always able to make suggestions to individuals to save money, and they love that,” he says. “Any time you can reduce co-payments, or reduce their danger of getting into the (Medicare Part D) ‘donut hole,’ without sacrificing health outcomes, they really think that’s terrific.”

**PERSONAL CONSULTATIONS**

When enrolling new patients into the PSP, Sykora will meet with them to collect as much information as possible. He asks them to brown bag all of their medications so he can do an analysis.

“You have to go over everything,” he says. “You have to do a count on all of their medications. I ask them why they are taking a certain medication, what it’s for, and get their general knowledge of every drug they are on and how they are taking it. Many times they are taking it differently from what it says on the label. So I can compile notes on all of this.”

Once that is done Sykora will do a count, find out how many doses are left in each medication, and then create a plan to fill in the order to bring them all together.

“I’ll make a summary for the person, what they are on and how they are taking it,” Sykora says. “And that same summary is faxed over to their primary care physician, explaining that this is what their patient is on, and this is what we’ve reviewed with them today for file information. I put it on our letterhead and do it in a very formal way. The physician can put that in their chart, and know what drugs the patient is taking as of that date and time. It also gives them a chance to review it and say, ‘No, I really wanted it this way,’ and they can send us back a correction or a new order. It really has been quite useful for both physicians and the pharmacy, and creates a good working relationship with physicians in the community.”

Sykora says bringing physicians into the loop is important. “It doesn’t stop with just my communication with the patient,” he says. “We have to be better communicators in pharmacy. You can’t assume that the physician already knows that. There are too many physicians involved, and too many hospitalizations involved.”

Initially the PSP targeted what were considered potentially at risk patients, those who were on a high number of maintenance medications, who were calling at the eleventh hour, and weren’t controlling their medications effectively. Now, with almost 300 patients, the pharmacy will enroll anyone who has a prescription filled. About half of the patients come in to pick up their monthly orders, and the rest have it shipped to them for a modest fee. For larger orders, the pharmacy offers free delivery.

**RUNNING THE PROGRAM**

Sykora says the program needs a dedicated staff member for it to run efficiently. For Abrams & Clark, that person is its lead technician. For the amount of responsibility involved, Sykora needs absolute confidence in the technician’s capabilities.

“They have to be bright, be a self starter, have to understand pharmacy and medications, how to pronounce drug names, and know how they all fit together,” he says. Other essential attributes are interpersonal skills and multitasking ability.

“They have to want to help the patient, because they are talking to them all of the time,” Sykora says. “They have to be organized, and they have to work well with me, so that they let me know if there are any changes or issues so I can contact the physician patient. And fortunately we really
have a terrific working relationship, and we have time to plan and get things going, and react ahead of time instead of reacting at the moment, which creates more stress.”

The key to “proactive reaction” is that the technician begins working on each patient’s file some 10 days in advance of the scheduled refill date.

“There are billing issues, and she handles that, and she handles the prior authorizations ahead of time with the physicians,” Sykora says. “That way the patient isn’t waiting when the order comes through.”

In the old days, Sykora says, “We reacted, and then there was a prior authorization required, or there was a billing issue that could slow things down by as much as a week. That means the patient goes without therapy for a week. So now, by doing it a week ahead of time we’ve resolved the billing issues before they become an issue.”

Having technology literacy is critically important for the technician, Sykora says. The pharmacy recently switched to a new tickler and health minder software system which manages orders and comes up monthly on a calendar, along with organizing the patients and all of their medications.

“This system helps us and makes the job easier for the technician to manage the patients and all of their orders,” he says.

On the day before the refill date, the technician gives Sykora a working sheet of all the orders that are due. At that point he reviews the information, checking to be sure that the medications work together without any potential for harmful complications. If there are any changes in therapy that could save the patient some money, that’s his opportunity to point it out. Then he fills the prescription and it’s either available for pick up or delivery.

“We can call them and they can do credit cards if they wish,” Sykora says. “It’s all charged to them so it can be shipped out without them having to write a check. It makes it very efficient for them. Or if they come in to get the order, they walk in expecting their bag of medication to be ready, and they might say a quick hello, and then walk out.”

Having built a database of accurate and comprehensive patient files is a source of tremendous satisfaction for Sykora.

“The remarkable thing on this is that we’ve now created a book of business,” he says. “You know every patient, and have them in the computer with all of their medications. In pharmacy you typically sell your prescriptions, which are just sequential numbered prescriptions. In our model, because it’s case management style, you now have a book of business with patients and all of their prescriptions, and when they are due, and it’s a significant asset to your overall business.”

The personal service program, with a technician serving as point person, emphasizes a proactive approach in managing patient medications.

Sykora also notes that Abrams & Clark maintains a limited inventory because it doesn’t order expensive drugs until they are needed. He says that the typical pharmacy will order to replace stock; it sells a drug and then buys it again and put it back on the shelf.

“We don’t order the expensive drugs until the order sits in front of me, when it’s due two or three days out,” he says. “My inventory is reduced significantly by following this procedure. Let’s say that the average pharmacy has $200,000 worth of inventory and they turn it 12 times a year. We turn it 36 or 37 times a year, so that means we would have about $65,000 worth of inventory. That gives us about $130,000 worth of working capital that would not exist in the conventional pharmacy.”

**Making Adjustments**

Of course, with so many patients and prescriptions, nothing remains constant, so the PSP files have to be “living” documents than can be easily updated or changed. It’s one reason why Sykora pushes himself to know the names of all the PSP participants and have at least a basic knowledge of their medication regimen off the top of his head.

“If they bring in a new blood pressure medication, something else for their cholesterol, or something for their diabetes, I have to recognize that they are in the program, and that they have a new medication for me, and I’ve got to coordinate with the technician what their
PSP date is,” he says. “Then I’ll fill that first prescription to bring it in line with the date that they have all of their prescriptions filled. At the same time I have to go into their profile and identify what drug that it is replacing, if in fact it is replacing something. So I inactivate the old drug so it doesn’t get reordered by mistake.

“I work with the technician to make sure that everyone fits into the scheme of things, because if you don’t do that you’re going to dispense that first order for a 30 day supply, and then it’s automatically out of sync with everything else, and then you are trying to do catch up.”

When the technician calls the patient prior to the monthly order, part of her job is to ask if the patient has been to the doctor in the last month, which might indicate there have been some therapy alterations that need to be noted. Sykora says that when a patient is hospitalized, their medications might be changed or adjusted.

“That’s a really important part of what we do, finding out about hospitalizations, physician visits, and changes in orders, and bringing them back into compliance with new therapy goals,” he says. “You can’t do that in a reactive pharmacy.”

Sykora also says that the pharmacy tries to pick up on “gaps” in therapy. He points out that if a patient stops taking his potassium or thyroid or blood pressure medication, it’s not necessarily done deliberately. In most cases it’s just because the bottle may have been lost somewhere and the patient might have lost track. The objective is to help patients pick up on those oversights and keep them on course with the medications.

“If you’re a mail order pharmacy, you’re not going to pick up on gap therapy, so that’s a big plus for this program,” he says. “There’s no guarantee that they take everything that we send out, but when they’ve paid for it and we go over it every month, they basically tell us if they are accumulating, or if there’s an issue. They don’t want to pay for anything extra if they don’t have to do so.”

**NOT JUST FOR SENIORS**

So, do you have to be a senior patient to participate in the program? Not at all, says Sykora. He says some patients only have one prescription, and just want the pharmacy to help them remember their prescription every month. For businesspeople who are frequently on the road, Sykora says they want to come back to town and know that their prescription is ready.

The PSP can help parents in their efforts to improve adherence with their children.

“We have a diabetes patient who goes to UCLA as an athlete, and her mom is forever trying to keep her on her insulin because she runs out all of the time,” Sykora says. “So she’s enrolled her daughter in the program, and we ship it to her at the university or call her so she doesn’t run out, because she’s there alone and she’s not managing her drugs well. So it can help a lot of different types of patients.”

And it also assists adults in keeping their parents compliant.

“We have patients who may be in retirement homes around here, and their children may live in a distant state, so they’ll work with us to make sure their parents get their medications once a month on a certain day,” he says. “They have a comfort zone in us managing it for them because they aren’t here all of the time to do it.

**EVERYBODY IS A WINNER**

Sykora can’t imagine going back to the days prior to the Personal Service Program. The term “synergy” is probably overused, but he believes that Abrams & Clark has achieved it, or something close to it.

“Everybody is a winner,” Sykora says. “The greatest savings for the pharmacy, for the patients, and for the whole overall health care system will be achieved from adherence to drug therapy resulting in improved disease management, reduced hospitalizations, and fewer physician visits. Furthermore, we’re always looking at the costs, and trying to find the most cost effective therapy,” he says. “Is there a generic equivalent of the same medication? Is there a therapeutic equivalent that’s generically available? Are you using too much of one group of drugs? Let’s cut some drugs out if it can be done. The patients benefit by their lower copays, and avoiding the donut hole. For the pharmacy, if you can use lower priced drugs, you are going to increase your gross margin, and it’s a lot more cost effective. It makes a lot more business sense to do it this way.”

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