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▲ Matt Mallinson, RPh, says that investing in automation technology is one of the smartest decisions an independent pharmacist can make.



# OTOMATIC *Decision*

Providing a crucial asset

*By Chris Linville*

*Photography by Ann Schneider*

*If*

ou're seeking to identify a "typical" independent community pharmacist, Matt Mallinson, RPh, would probably be as good a candidate as any.

He's the owner of Matt's Medicine Store, located in Independence, Missouri, just outside of Kansas City.

The bulk of the 1,200-square-foot pharmacy's business is in prescription sales, Mallinson says, with a fairly small front end and OTC section, along with a limited home/assisted living service. He is the primary pharmacist and employs four technicians. Mallinson says his pharmacy is reflective of many around the country: not much in the way of glitz and glamour, but solid and steady.



▲ *Matt Mallinson's daughter, Erin, is shown refilling a cell.*

Mallinson says he's been proud to take a proactive role in providing niche services such as flu shots and cholesterol screenings. However, when it comes to technology, he admits that he was hanging back with the pack. In that regard, Mallinson says he certainly fit the profile of many independents.

"Automation is somewhat scary," he says. "We resisted it because it was pricey; it was a new concept; it was different."

Mallinson isn't saying that independent pharmacists are complete technophobes. "Fifteen or 20 years ago, when computers were first introduced to pharmacy, we might not have been real comfortable with it," he says. "But now, if you take it away, I'd close up. We can't function without that technology."

Even so, with the next wave of technology sweeping the landscape, there are still those reluctant to dip their toes in the water. For Mallinson, though, he decided it was time to take the plunge.

### Waiting Isn't an Option

Mallinson says there came a point where he recognized that he needed to take a step ahead to avoid being left behind. About a year ago, after three years of looking, Mallinson decided to purchase a robotics system. With the pressures being placed on the profession, he saw three choices, and two of them weren't particularly attractive.

"There are certain things that are inevitable," he says. "You can sit and wait for retirement, you can sit and wait to go out of business, or you can automate."

By acquiring a robotics system, Mallinson chose option number three, and he hasn't been disappointed. He says his prescription volume has increased and error rates have decreased. At NCPA's Annual Convention and Trade Exposition last fall in Anaheim, California, Mallinson was a panelist for an automation discussion sponsored by Parata, Innovation, and ScriptPro. By sharing some of his suc-

cess stories with new technology, he is hoping it will spur others who may be sitting on the fence. In his opinion, there's no sense in waiting until the waters calm, because he says, "Pharmacy has always been in a state of turmoil. Am I going to wait until the turmoil ends? No."

Mallinson purchased his robotics system from ScriptPro, but he stresses that pharmacists must do their homework and due diligence before jumping in. "When you purchase a machine, you are making a significant financial investment," he says, adding that what works best for him may not be exactly the best solution for somebody else. Parata ([www.parata.com](http://www.parata.com)), Innovation ([www.innovat.com](http://www.innovat.com)), and ScriptPro ([www.scriptpro.com](http://www.scriptpro.com)) all offer a widespread variety of options for pharmacists interested in automating.

For Mallinson, his robotics system is a sound investment. The cost is roughly equal to paying for 1-1/2 technicians for three years. After that, the machine will be paid for and Mallinson will have added \$200,000 in value to his pharmacy. "It's a no-brainer," he says. "I'll have an additional asset."

Mallinson points out that dispensing one prescription with robotics costs him \$1.25, compared to \$4.25 per prescription in the traditional manner with an employee doing it. The savings help cover the lower reimbursement rates from the insurance companies, he says. Mallinson also says that there are potential financial benefits as well in terms of accelerated tax depreciation. Pharmacists should consult with their accountant to find out how they can take advantage of such options.

### Overcoming Resistance

Even after listing some of the basic financial benefits, Mallinson knows that many of his colleagues will still look for excuses not to automate. A typical concern is that there isn't enough space in the pharmacy. However, unless your pharmacy is the size of a phone booth, that shouldn't be an issue, Mallinson says, pointing out that his business's physical size is fairly restricted. He says that installing the robotics system entailed replacing one double-sided row (about 10 linear feet) of shelving.

"Like a lot of other independent pharmacists, we're

in pretty tight quarters" he says. "But, we didn't have to move many shelves or tear any walls out."

Some pharmacists express concern about having to do extensive and complicated rewiring. Again, Mallinson says that it was fairly easy and only required several minor alterations. Several hours' work on a Saturday afternoon was all it took.

Even if a pharmacist overcomes his or her misgivings, what about everyone else? The key is to get them to buy in, says Mallinson. "They love it," he says of his staff. "The reason is that we had them involved from day one."

The robotics system went live on a Monday morning, typically a high traffic period for any pharmacy, "But it didn't disrupt our flow at all," Mallinson says. Company representatives stayed on site to train for a few days and to answer any questions or address any problems that may have occurred, but Mallinson says that by halfway through Monday, he and the staff were completely comfortable with the system.

### Downtime Doesn't Cause Down Sales

Of course, the big question, the one that can keep a pharmacist awake at night, is what happens if the system goes down? Leading automation companies such as Parata, ScriptPro, and Innovation all pride themselves on the quality of their products. But they also realize that even the best technology can be vulnerable to freak occurrences, which is also why they place a heavy emphasis on customer service and support to eliminate or reduce any downtime.

Mallinson says he faced such a scenario not long after installing his system, when the pharmacy was struck by lightning. What could have been a nightmare scenario—a crippled computer system—turned out to be only a small inconvenience. Mallinson says that ScriptPro is connected into their dispensing machine through a phone line, and is able to troubleshoot and diagnose any problems. In this case the line between the printer and the robotics system was not working, which meant that labels couldn't be printed. However, the complete system wasn't down, which Mallinson says is a big advantage.

"I was still able to easily and accurately retrieve products," he says. In the meantime, service techni-

cians came to the pharmacy and the system was fully repaired within two hours. So far, Mallinson says that is the only time the robotics has had even a minor problem.

Mallinson says that with the robotics system, every prescription is 100 percent accurate. Right now the top 200 products in his pharmacy account for roughly 55 percent of his prescription volume. With 250 total prescriptions dispensed daily (compared to 200 pre-automation), 125 of them are filled through robotics error free. “That’s 250 trips that my employees don’t take to the shelves to pick up the products, bring them back, count them out, and take them back to the shelves.”

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The next goal for Mallinson is to have all of his prescriptions filled by automation. He is in the process of having a new “workflow” system installed that will integrate with his existing software. At the moment, Mallinson or somebody else has to perform the data entry and verify that the prescription is accurate. The additional technology is essentially a built-in printer for the labeler and the computer screen. It confirms to the robotics that the correct product is being processed and prints out a label. Once installed, Mallinson says, “I would feel very comfortable that everything going out of my store is done 100 percent accurately, as far as being filled.”

The technology upgrades don’t end there, Mallinson says. He soon plans to install an integrated voice response (IVR) system, along with e-prescribing. But, contrary to what some may think, implementing technology doesn’t equate to wholesale jettisoning of employees. On the contrary, Mallinson says the human element is as crucial as ever.

“Now they have time to devote to other things, such as customer service,” he says. “That helps increase profitability even more.”

Oddly, the increased volume caused by automation presents another challenge, though in a more positive sense. With limited space both inside the pharmacy and in his parking lot, handling a larger influx of customers had Mallinson thinking about ways to manage traffic flow. “We had to figure out a way to get people in and out more quickly,” he says. “If we can have them come in for five minutes and get what they need as opposed to 15 minutes, that’s better.”

Still, with prescription sales up, OTC sales improved, and profit margin increased, it’s the kind of “problem” Mallinson can live with.

Beyond the financials, the staff attitude has improved. Instead of working until 8 or 9 every night, everyone is going home earlier (closer to 6) and more relaxed. Mallinson says he and his wife may even take time to go on a Caribbean vacation this year, which would have been out of the question just a few years ago.

“I didn’t always think about technology,” he admits. “If I’d known three years ago what I know now, I would have bought my system then.”

Mallinson uses his experience to offer advice to those who may be undecided.

“In my opinion, if you want to stay in business next year, you need to automate,” he says. “Why wait? Now’s the time to automate.” **ap**

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