

# How a Data-Driven Strategy Can Help Pharmacies Optimize Prescription Delivery



Technological advances have put procuring almost everything – including prescription medications – at people’s fingertips. The ubiquity of online orders and deliveries means there are many more opportunities for a package to be delayed or lost by a carrier. Although late or failed deliveries may be inconvenient and frustrating when it comes to household items or groceries, that’s certainly not the case for prescriptions, many of which are time- and temperature-sensitive – even life-sustaining or lifesaving in some cases.

Patients in some of the most vulnerable populations rely on prescriptions being shipped directly to their homes. Despite the importance of ensuring patients receive their medications, the shipping processes outpatient pharmacies use continue to be fraught with challenges including manual data entry, inconsistent service, delivery errors, and lack of package and pharmacy visibility.

The Utilization Review Accreditation Commission found that:

**Pharmacies report 5x as many errors in the distribution of a prescription than in dispensing it<sup>1</sup>.**

This includes prescriptions mailed with incorrect addresses as well as those with correct addresses that were delivered to the wrong location.

Outpatient pharmacies spend hundreds of thousands of dollars annually to reship prescriptions that fail to reach patients when and where they need them. Distribution problems may also lead to negative health outcomes, patient leakage, compliance challenges, and more -- all of which can have a detrimental effect on the long-term financial viability of today’s specialty, mail-order, retail, and home infusion pharmacies.



**Amanda Awe, PharmD, RPh**

Director of Pharmacy Products and Solutions at VPL

“For the most part, all businesses use the same shipping infrastructure for deliveries – the same trucks, drivers, and software systems. However, prescription medications are so much more critical than any other item that’s shipped to consumers,” says Amanda Awe. “You can’t just hand prescription medications to a delivery driver and hope for the best.”

Pharmacies need to remember that the last mile of this process is clinical in nature, too, Awe adds.

“Long after prescription medications are dispensed, pharmacies need to know whether patients receive them and even whether they’re taking them as prescribed,” Awe says. “It’s about creating a patient care ecosystem.”

## Why now is the time to rethink outbound logistics

In many ways, the health care industry is witnessing a perfect storm of events prompting outpatient pharmacies to reconsider their outbound logistics strategy. As modern software companies become more versed in the needs of outpatient pharmacies, they are better able to develop clinically minded technology that solves pharmacy pain points. More clinicians are working for software companies to help inform product development and long-term strategies. This gives pharmacies better options and reduces the need to rely on fragmented non-health care solutions.<sup>2</sup>

In addition, the hospital at home model means shipping prescriptions to patients’ homes has taken on even greater importance and has also created a variety of use cases for analysis and optimization. This, coupled with the rapid pace of pharmacological innovation, means there are more prescriptions to ship than ever before. Increasingly, these drugs are used to treat chronic, complex, and rare diseases, making accurate deliveries a critical component of patient care. Six in 10 adults in the United States have a chronic disease, according to the CDC, while 4 in 10 in the country have two or more.<sup>3</sup>

“All of this trickles down to the shipping logistics,” Awe says. “This process is far more complicated than ever before -- and it’s why pharmacies need to consider whether their current shipping processes are truly optimized to promote value-based care.”

## Technology-driven strategies for success

Technology helps pharmacies rethink outbound logistics in a cost-conscious, patient-centric way. Pharmacies considering ways to optimize their outbound logistics should consider these strategies:<sup>4</sup>



### Address root causes of delivery problems

Technology allows pharmacies to drill down into their data by carrier, region, and ZIP code in real time. This means they can pinpoint opportunities to work directly with carriers and solve problems proactively. For example, pharmacies can call the carrier directly or reroute the prescription back to the pharmacy in the event of a delivery issue.



### Diversify delivery options

A technology solution that offers a mix of services and rates helps pharmacies solve distribution challenges and promotes cost containment. Pharmacies can view services and rate choices for FedEx, UPS, and the US Postal Service, as well as local and national couriers.



### Engage patients

APIs enable pharmacies to send shipping notifications and updates directly to patients. Pharmacies can communicate delivery status to patients via text and email to reduce failures.



### Eliminate manual data entry

Application programming interface integration between the pharmacy software and shipping software yields a seamless flow of information that drives efficiency and eliminates errors. This is particularly important in eliminating the most common distribution error, according to URAC data: dispensing prescriptions with an incorrect patient address.<sup>1</sup>



### Leverage your data

Outpatient pharmacies can use their data on a granular level to continually optimize the way they ship and deliver prescription medications. For example, pharmacies can look at their own historical data to analyze shipping behaviors and whether carriers met their expectations in terms of on-time, accurate deliveries so they can make informed choices about carriers. They can also leverage aggregated data. “Many pharmacies can easily see that in one particular part of the country at a certain time of the year, they can confidently ship [via] ground because the prescription medication will arrive the next day; however, once they get into the winter months or high volume due to Black Friday [and other holiday shipments], they should pay more for a higher level of service,” Awe says. “These are the kinds of nuanced decisions our customers can make.”

## How technology can help pharmacies rise to the challenge

Pharmacies can mitigate risks by adopting a cost-conscious, data-driven strategy for outbound logistics that takes a holistic approach – one where shipping and delivering prescriptions is given just as much priority as dispensing them.

### That's where VPL TrajectRx™ can help:

- Create efficient and thoughtful clinical workflows.
- Leverage integrated partnerships to optimize costs through carrier and courier options.
- Keep patients informed with shipped and delivered notifications.
- Provide complete visibility to the pharmacy staff.
- Simplify payer audits with proof of delivery.
- Provide targeted data insights specific to your accreditation metrics, promoting compliance and mitigating risk.

## The benefits of a data-driven approach

When outpatient pharmacies optimize outbound logistics using a data-driven approach, they can experience these benefits, all of which collectively enable them to remain profitable and reinvest in care delivery.<sup>5</sup>

### Cost containment

Fewer delivery issues mean back-end cost savings related to reshipping and prescription medication waste.

### Informed business decisions

Bringing shipping data, carrier, and courier cost- and service-level performance analytics to the forefront means pharmacies can immediately identify actionable opportunities to save money and improve patient care, safety, and outcomes.

### Patient satisfaction and safety

Successful, on-time prescription medication deliveries are what all patients want and need — and particularly those with chronic conditions such as diabetes<sup>6</sup>, disabilities, time constraints, and limited transportation. Improved access to medications with at-home delivery, in turn, aids patient retention and improves patient outcomes.

### Simplified audits and accreditation

Bidirectional APIs provide proof of delivery stored digitally for up to 10 years, tracking numbers and other delivery details to help pharmacies defend against audits and recoupment, as well as achieve and maintain contracts with payers and manufacturers.

### Vendor partnership

Pharmacies engage with a dedicated pharmacy success team with pharmacist and technician experience.

“Each of these operational implications can be profound,” Awe says. “We want to solve distribution problems by providing customers with actionable opportunities to change their shipping behaviors and give them a competitive advantage.”

## Looking ahead

As software companies continue to identify and address challenges associated with shipping prescriptions, pharmacies can anticipate more nuanced solutions. “As technology partners, it’s our job to continuously evolve and enhance the product so it stays in line with industry trends,” Awe says.

**“We want to solve today’s problems and anticipate challenges of the future. It’s a continual process of optimization. Our job is never done.”**



VPL TrajectRx is a clinically minded, cost-conscious shipping, tracking, and compliance solution specifically designed to help pharmacies optimize their outbound pharmacy operations from start to finish. TrajectRx empowers outpatient pharmacies to build stronger, smarter operations so pharmacists can focus on what matters most: their patients.

Learn more at  
[getvpl.com/pharmacy-solutions/](https://getvpl.com/pharmacy-solutions/)

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