

Cardinal Health lowers drug costs and improves patient safety

Pharmacy Services

The challenge

OakBend Medical Center, a standalone community hospital, was facing many challenges common to hospitals today: improving medication safety, lowering drug costs and balancing labor shortages. OakBend turned to Cardinal Health's expertise and resources for help. Cardinal Health designed a customized solution that includes a high-quality drug purchasing portfolio, remote after-hours medication order entry service and targeted medication management initiatives that continue to improve patient care and have realized more than \$311,645 in savings for OakBend.

Background

OakBend Medical Center, a 185-bed community hospital in Richmond, Texas, is the largest and most comprehensive healthcare facility in rapidly growing Fort Bend County. OakBend offers the area's only Level III trauma center, Level II nursery, pediatric unit and hospital-based air ambulance service.

Solutions

Formulary management and medication safety initiatives. Over the past two years, Cardinal Health has scrutinized virtually every facet of medication usage at OakBend, steering the hospital toward more cost-effective medications, dosages and practices while delivering the same therapeutic benefits to patients. Working closely with OakBend's physicians and administration, Cardinal Health's onsite pharmacy experts have initiated numerous interventions, interchanges and formulary changes to better manage drug costs. They also conduct an ongoing review of adverse drug events, from bleeding complications to abnormal potassium levels, and continue to implement medication changes that improve patient care.

In addition, the partnership has enabled OakBend to tap into Cardinal Health's drug purchasing portfolio, significantly reducing the cost of both generic and branded pharmaceutical products.

(continued on reverse)

Results at a glance:

Cardinal Health has helped OakBend Medical Center achieve more than \$311,645 in savings:

- \$106,000 in drug cost savings in 2005 through formulary changes and automatic interchanges
- \$82,000 in savings through 4,132 pharmacist interventions in 2005
- \$83,195 in avoided costs through 533 pharmacist interventions conducted by the Rxe-sourceSM service in the first six months of 2006
- \$40,450 savings in drug costs through Cardinal Health's drug purchasing program
- 14,859 orders processed remotely in the first six months of 2006



CardinalHealth

Standardization and automation. To proactively address medication safety and rising drug costs, Cardinal Health implemented hospital-wide medication protocols, ensuring proper dosages and enabling the pharmacy to implement the most effective therapies. For example, standardized epidural order forms and concentrations were established to reduce the risk of over-sedation, the cost of narcotics used and the need for additional drugs to reverse the effects of those narcotics.

Cardinal Health also provided the expertise needed to identify and address error-prone medication processes, like handwritten patient transfer orders. To reduce the risk of transcription errors, Cardinal Health implemented a customized program that enables nurses to print current medication orders directly from the hospital computer system, eliminating the need for handwritten orders. Additional medication safety checks have also been programmed into Pyxis®, Cardinal Health's automated medication dispensing system, to further improve patient care.

"As a stand-alone community hospital, we benefit greatly from Cardinal Health's buying power and expertise in pharmacy management.

Cardinal Health has been an invaluable partner in helping us face the challenges of controlling costs and meeting safety goals. The expertise they bring to patient care, cost control and medication safety and the results they're achieving in these areas continue to impress our medical staff and hospital administration."

– Jody Jones-Noirot
Chief Operating Officer
OakBend Medical Center

24-Hour pharmacy coverage. To address after-hours medication safety, Cardinal Health implemented its Rxe-sourceSM service, a remote medication order review service, providing the hospital cost-efficient access to qualified pharmacists around the clock. When the hospital pharmacy is closed, OakBend's nursing staff have access to a Rxe-sourceSM pharmacist who can immediately review prescription orders and patient records, verify the accuracy of the orders and enter them into the system to be remotely dispensed at the hospital.

Results

Formulary management and medication safety initiatives. In 2005, formulary changes and interchanges by Cardinal Health's pharmacy staff saved OakBend \$106,000 in drug costs. Pharmacy interventions on 4,132 orders resulted in another \$82,000 in savings. An additional \$40,450 of savings is being achieved through Cardinal Health's drug purchasing portfolio. Medication changes have also greatly reduced the number of adverse drug events, improving patient safety and reducing length of stay.

Standardization and automation. New medication protocols and automated processes are further improving patient safety and reducing drug costs across the

hospital, while also satisfying Joint Commission requirements. "By developing standardized physician order sheets - for pneumonia orders, sepsis orders, ICU sedation and others - we can ensure the safest, most effective patient therapies are in place, with the correct doses being administered, and achieve a cost savings in the process," says Pam Walter, Cardinal Health's Clinical Manager at OakBend.

24-Hour pharmacy coverage. Cardinal Health's Rxe-sourceSM service provides OakBend an affordable solution for addressing key issues such as pharmacist shortages, tougher accreditation requirements and stricter medical safety regulations. In the first six months of 2006, the Rxe-sourceSM pharmacists processed 14,859 orders and made 533 pharmacist interventions, resulting in \$83,195 of avoided costs for OakBend.

The Pharmacy Services business of Cardinal Health has more than 35 years of expertise in helping hospitals and health care systems improve both the financial predictability of pharmacies and the quality of patient care. Based on each hospital's needs, we drive efficiencies and measurable improvements in the pharmacy, resulting in safer patient care.

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