

Case Study

# FROM PREDICTABILITY TO PROFITABILITY

Harnessing the Power of Medication Synchronization

**Mt. Carmel Pharmacy** leverages FDS ENGAGE's **med sync technology** to maximize profitability & patient care

**It's impossible to talk to Roger Paganelli without talking about family.**

There's the Paganelli family, with three generations of pharmacists operating out of the Bronx. There's the family of employees he surrounds himself with, whose stories he knows almost as well as his own. And there's the countless families in his community that he and his brothers have helped through Mt. Carmel Pharmacy and its various charitable efforts.

Relationships mean everything to Paganelli, which explains why he views FDS ENGAGE as a crucial part of his operation.

## SUMMARY

**SITUATION:**

With the increase in third-party payments and the involvement of PBMs, it was getting harder for Mt. Carmel Pharmacy to generate profit through traditional means.

**SOLUTION:**

Implementing a high-volume med sync program with FDS ENGAGE allowed Mt. Carmel Pharmacy to improve profitability in a number of ways, including increasing prescription volume and streamlining their delivery process.

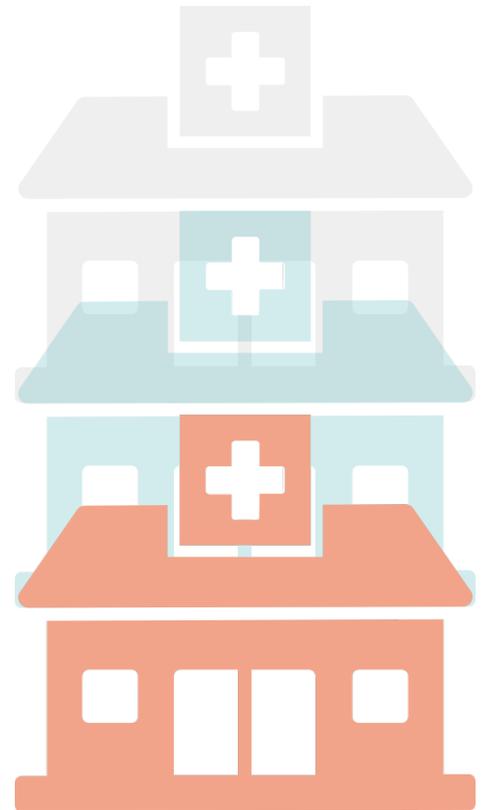
## Continuing (and Improving Upon) a Family Legacy

**Paganelli's grandfather, Armand Paganelli, always dreamed of studying medicine.** He emigrated to New York from Calabria, Italy in 1912 and enrolled in Fordham University College of Pharmacy shortly after. In 1930, he opened Farmacia Paganelli just a few miles from Mt. Carmel Pharmacy's current location.

"That's when things were very different in this business," says Roger Paganelli. "Medication was not in a bottle premade. Grandpa used to make capsules, liquids, ointments, and powder papers. He used a scale every day."

Armand's son, Roger Paganelli, Sr. opened Mt. Carmel Pharmacy in 1964, the same year Roger was born. He named the business after the Church of Our Lady of Mount Carmel a few blocks down the street. Today, his sons Roger, Armand, and Michael are co-owners of the pharmacy.

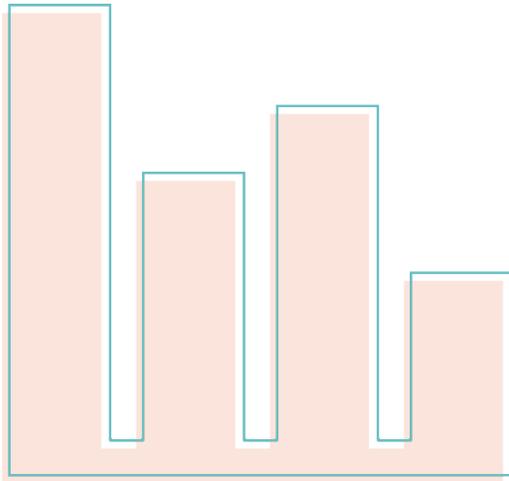
*"We can fill fast, accurate, and cheap all day long. With enhanced services, we're doing things a little differently. We're [helping people with] things like medication reconciliation, medication synchronization, all that."*



For Roger Paganelli, being a pharmacist is about more than just filling prescriptions. As a CPESN Luminary, he is on the forefront of a new way of caring for his patients. "We can fill fast, accurate, and cheap all day long. It's what we've done," says Paganelli. "But with enhanced services, we're doing things a little differently. We're [helping people with] things like medication reconciliation, medication synchronization, all that."

But as much as Paganelli likes to help and support his community, he knows it takes dollars to keep his doors open.

## “There’s Got to Be a Better Way”



**“It was too easy for [pharmacies] for a long time,” says Paganelli.** “You were able to just put the pills in the bottle, let [your patients] come in, and make your ten, fifteen, twenty bucks on the transaction. And that was enough. Now, you fill ten prescriptions and you can’t make twenty bucks.”

Paganelli’s concerns echo those of pharmacists across the country. With the increase in third-party payments and the involvement of PBMs, it’s getting harder to generate profit through traditional means.

“All of these transactions we do, 40 percent of them are pennies, not dollars,” says Paganelli. “You need to find opportunities, and opportunities come in different shapes, sizes, and tastes.”

In addition to concerns about staying profitable, Mt. Carmel Pharmacy was also quickly outgrowing its med sync solution: a desk calendar.

“I said to myself, ‘There’s got to be a better way,’” says Paganelli.

## ACTIVELY SEEKING OPPORTUNITIES

**“As a business — especially this business — if you don’t look and find those opportunities, you are dead in the water.”**

### WANT TO INCREASE YOUR PROFITS FAST?

These items are commonly covered by insurance, but are often **underprescribed**:

**“When prescriptions come through and don’t have those attached to them, and the insurance company pays for it, you’ve got to get on the phone with the doctor.”**

- Blood Glucose Meters
- Nebulizers
- Spacers for Inhalers
- Peak Flow Meters
- Thermometers

## Using FDS ENGAGE to Improve Patient Care & Profitability

**Before long, Paganelli found what he was looking for.** “Along came FDS ENGAGE, and I found the better way.”

FDS ENGAGE would allow Mt. Carmel Pharmacy to improve both their patient care and their profitability at the same time. On-screen alerts would provide patient care opportunities while they’re standing at the counter. Most importantly, FDS ENGAGE’s med sync platform would give their existing system a serious upgrade.

“When I saw FDS ENGAGE,” says Paganelli, “I said, ‘this thing is cool.”

“It’s a recurring calendar — like my desk blotter, but on steroids. Without limitations. No matter what, it’s going to remind me.”

With medication synchronization software, pharmacists and technicians at Mt. Carmel

Pharmacy would be able to add eligible patients to the program and drastically improve efficiency behind the counter. Patients would be able to pick up all their medication refills on a specific date, and the staff would spend less time filling multiple prescriptions per patient per week. On the patient side, increased adherence from the med sync program would lead to better health outcomes. It was a win-win.

*“I realized that, with this program, medication synchronization could bring efficiency to the business on many different levels: staff, inventory, cashflow, [and even] delivery.”*



“It was an epiphany, of sorts,” he continued. “I realized that, with this program, medication synchronization could bring efficiency to the business on many different levels: staff, inventory, cashflow, [and even] delivery.”

## 3 POSITIVE SIDE EFFECTS OF MED SYNC

While med sync can reduce patient visits to your pharmacy and improve medication adherence and patient outcomes, it can also **positively impact** other areas of your pharmacy:



### **PROFITABILITY:**

On average, having a patient on med-sync adds 2-3 fills per year per prescription for that patient.



### **DELIVERY EFFICIENCY:**

Synchronizing prescriptions allows you to cut down on the number of deliveries per month while still providing above-and-beyond care for your homebound patients.



### **INVENTORY MANAGEMENT:**

The more patients you have on med-sync, the more accurate your drug orders can be. Knowing exactly when your patients are coming to pick up their medications (or having them delivered) helps you keep just the right number of drugs on your shelf.

## Taking Care of Patients by Taking Care of Business

**Today, Mt. Carmel Pharmacy has over 1,000 patients enrolled in med sync — with one store location.** “The more folks you have in [med sync], the more predictability in your business model from top to bottom,” says Paganelli. “If you can have that kind of predictability, why wouldn’t you?”

Building on that predictability, FDS ENGAGE has also factored into improving Mt. Carmel’s revenue stream. When he was getting started with the program, Paganelli added patients to the med sync platform according to both patient need and profitability. Guaranteeing that the most profitable medications were the ones that were put on a recurring schedule, Paganelli was able to build a firmer financial foundation for Mt. Carmel.

*“If I think I can gain 300 new customers sitting on a corner waiting for them to come in, I might as well think that I’m going to grow hair again. It’s not going to happen. **You’ve got to go out and bring them in.**”*

The efficiencies produced by FDS ENGAGE also influenced Paganelli to review their delivery program. “We started looking at the number of deliveries we were making — the number of trips to a patient’s house in the same week,” he said. Using FDS ENGAGE’s med-sync platform, they were also able to streamline their delivery schedule, saving both time and money.

Paganelli views FDS ENGAGE as his secret weapon. It’s something his pharmacy has that many others in the area don’t. “I was selfish about this program,” he admits, laughing. “You can’t keep the doors open without profit.”

## “For me, FDS ENGAGE is invaluable.”

### **The Paganelli family got their start in the Bronx by providing exceptional patient care and serving their community.**

That tradition continues today with Mt. Carmel Pharmacy. With FDS ENGAGE, the Paganelli brothers aim to not only continue the family legacy — they want to improve upon it.

To other pharmacy owners, Roger Paganelli has these words of advice: “Pharmacies need to pay attention. You’ve got to start looking at your data. To be proactive in your business, to be able to treat patients properly, you have to take a look at things and say, ‘There’s a better way.’ Then you figure it out.”

We strengthen the health of pharmacies and their patients. At FDS, we help our clients build the clinically focused New Era Pharmacy, enabling their business to thrive now and successfully transition to a provider of community and population health with data, technology, and clinical services. We’re not just a technology company but a team of pharmacy experts with experience and playbooks developed from our work with more than 10,000 pharmacies and partnerships with leading PSAOs. Our clients have improved adherence and care coordination in their communities while achieving significant increases to revenue and profitability.