SureCost

# Why **GPO Member Pharmacies** Need Best-in-Class Inventory Automation and How They Can Achieve It

Automated Inventory

Through our work with GPO member pharmacies, purchases through SureCost account for over 50% of the market. Among other lessons learned, we understand that pharmacies manage some of the most complex pharmacy inventories in the industry.

Pharmacies serve patients with chronic medical conditions while managing stock across multiple departments and locations. Outdated inventory management can lead to failing to dispense products for patients. Lack of visibility into their stock means unnecessary orders and expired products. And the time spent managing inefficient inventory can burn out staff while adding the stress of not having the medicine their patients need.

To stay competitive and effectively serve patients, GPO member pharmacies must do more than use an electronic system for inventory. Best-in-class inventory automation harnesses advanced technology to enhance how you manage inventory and ensures that your pharmacy:
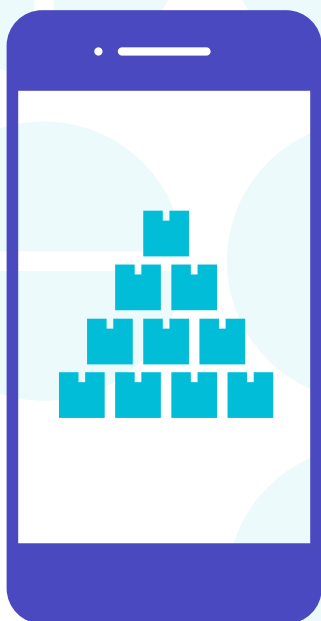
- Always has the right products on hand for patients while replenishing efficiently and on time

- Replenish efficiently by effectively utilizing current stock across multiple locations

- Connects inventory to purchasing and other processes and systems to drive efficiency and streamline your work

- Is adaptable and flexible to proactively account for changes in business without manual user intervention

This white paper will show why GPO member pharmacies need best-in-class automated inventory and how SureCost delivers those capabilities. First, let's see why manual processes and outdated inventory management are costing you time, money and peace of mind.

The Cost of Inefficient Inventory Management

Many pharmacies conduct multiple physical inventories each year just to get a handle on what products they have in stock. It's a disruptive process as well as a time-consuming and tedious job to fit into an already busy day.

**Relying on repurposed technology
(like a pharmacy information management system or "PIMS")
that isn't designed to manage inventory
further complicates the process**

Some pharmacy professionals rely on a member of their staff to keep track of what needs to be ordered. This can be exhausting for that employee and painful for you if they leave your pharmacy or just take a day off. Relying on repurposed technology (like a pharmacy information management system or "PIMS") that isn't designed to manage inventory further complicates the process.

Given the unique needs of the average pharmacy, this lack of specialized functionality further complicates managing your inventory. Sticking to the same process may seem easy, but pharmacies are just creating more work for themselves.

GPO membership means better pricing opportunities when you purchase items. But if your pharmacy is just "getting by'' when it comes to managing inventory, you end up running out of inventory on crucial items, over-ordering and letting drugs expire or remain unsold. Inefficient inventory is costing you money, disappointing patients and burning out staff on time-consuming processes.

Without a solution designed to automate the most labor-intensive and painful aspects of inventory management— a data-driven inventory management process tailored to your pharmacy's usage and operations—GPO member pharmacies can't stay competitive and effectively serve patients.

The Advantage of Best-in-Class Inventory Automation

Best-in-class inventory automation takes the stressful, inaccurate guesswork out of managing your inventory so you always know what's on your shelves and how much to replenish (eliminating unnecessary purchases and effectively using excess stock). You always have the products your patients need while reducing or eliminating unnecessary purchases and know when it's time to return the product. And you work more efficiently by using a single dynamic solution.

SureCost's just-in-time inventory ensures pharmacies consistently replenish the item their patients always need for chronic conditions. Many GPO members manage inventory across multiple locations. SureCost empowers you to centrally view, manage and transfer inventory throughout your network. You utilize what's on your shelves, regardless of location, before ordering more.

Along with **perpetual inventory** updated in real time based on actual usage, you gain real-time data and analytics that save your pharmacy time and money, reduce errors and empower your staff to work smarter with a single dynamic solution that integrates seamlessly with purchasing management and other systems.

SureCost has become the most powerful pharmacy inventory management solution on the market. That's because it provides pharmacies best-in-class inventory and purchasing automation in a single solution. And that solution works with hundreds of vendors, including any of the three major wholesalers on the market.

Along with full transparency into your inventory, enhanced accountability for transactions and streamlined workflows, SureCost is designed specifically to work with your pharmacy's existing processes, systems, vendors, services and technology. With SureCost, you never have to overhaul how you do things or add more work.

SureCost is the only platform on the market built expressly for unified inventory and purchasing that combines dispense transactions, average usage history and the actual value of your on-hand products with your pharmacy's complete procurement portfolio. You don't have to retrofit other software or manually cross-reference what you purchased against what's on your shelves. Instead, with SureCost, your pharmacy has a single solution for all aspects of inventory and purchasing regardless of who you buy from.

Let's explore how SureCost enhances product management, inventory validation and purchasing as well as your other systems and processes. These are some of the most important yet challenging inventory functions. SureCost delivers the most robust automated inventory solution on the market, making these tasks easier so they add value for you, your patients, your staff and your bottom line.

Reliable Product Management

A pharmacy's first priority is to provide the right products when patients need them. Patients and medical providers rely on you to have the right drugs on hand. Failure to do so interferes with the patient's healthcare needs and disappoints that pharmacy customer. Manual inventory processes make it difficult to consistently keep an accurate stock. You may run out of inventory when a patient needs it, fail to respond in time to unexpected supply shortages or order too much and waste money on unused products.

SureCost is a unified system for dynamic inventory management that automatically updates based on actual usage. Perpetual inventory automatically tracks your inventory on a daily basis according to dispenses and other transactions so you know what's on your shelves. You'll know when it's time to reorder, and you'll easily see usage patterns so you order enough. And, if you have excess stock at another location, you can easily manage transfers.

SureCost's automation looks at the dispense for frequently-filled medications, classifies those items for chronic use and automatically checks for refills and orders in time to fill prescriptions. SureCost also has mechanisms to plan ahead for increase, loss in script count, or temporary gaps in deliveries due to holidays. And the system automatically updates in case of product discontinuation or patient no longer needing an item.

With SureCost, you can also easily manage exceptions to your reorder points because we offer multiple solutions to the one-size-fits-all approach.

With SureCost, you always:

- Know exactly what products you have on hand
- Understand precisely what you need to order, when and why
- Easily transfer products while tracking status
- Avoid unnecessary orders and reduce unsold items

Accurate Inventory Validation

Pharmacies conduct physical inventory counts to validate their total inventory value against cost of goods sold (COGS), dispenses, returns, transfers and other transactions. It's another crucial step to ensure profitability and forecast expenses. But the sheer number of processes throughout the year makes it difficult to accurately assess the value of their own inventory.

Without the ability to accurately and efficiently validate inventory, pharmacies can't calculate profits/losses, detect shrinkage or derive insights for business intelligence. That also means they lack the ability to calculate the actual value of their inventory (and not just the listed wholesaler cost) against their cost of goods sold.

SureCost's perpetual inventory is inventory management that automatically tracks your inventory on a daily basis based on dispenses and other transactions. When properly executed, this reduces the need for more frequent physical inventories because the system is perpetually updated to reflect what has been ordered, what's on the way, what was removed (and why) and items that can be transferred to another location.

Because SureCost integrates with purchasing, you see your products' actual monetary value at the price you paid. Cycle counts let you systematically check and update on-hands focused on items that drive profitability or loss as defined by you (such as high-dollar, high-volume or other specified parameters). You can even import lists of items you want to focus on from other sources so you have that analysis all in one place.

Efficient Process Integration

Inventory, procurement, compliance, receiving, accounts payable, returns and reimbursements: the more disparate systems you have, the more you have to string together processes and aggregate the data. That means spending hours on often tedious tasks and a greater possibility for manual errors.

Some pharmacies may rely on third-party contractors to count their inventory, which is another expense and relationship to manage. Plus, an external company will never understand your inventory like you do. Pharmacies may use their pharmacy information management system (PIMS) to manage inventory. This software offers limited functionality for inventory and rarely provides more sophisticated capabilities like accounting for exceptions or adapts to anticipated changes in your business.

SureCost integrates seamlessly with purchasing, PIMS and accounts payable systems. With over 5,000 pharmacy professionals nationwide using SureCost, we've integrated with a wide range of needs while always seeking opportunities to add features based on each pharmacy's processes.

By combining inventory and purchasing into a single convenient solution, no matter how large your team or vendor portfolio, each side will inform the other. As just one example, your inventory will automatically increase in SureCost and your pharmacy system based on receipt of an item. That's more accurate and efficient than one team member having to stop working to manually update multiple systems. You also gain greater accountability from partners, for example tracking returns from initial submission to confirming receipt of credits.

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Unified purchasing and inventory solution also gives you better business intelligence, for example by combining purchasing volume and dispense history into flexible reports. As just one example, by analyzing monthly purchasing volume versus your monthly dispensed volume, you can begin to see excess inventory in quantities above your monthly dispensed volume. SureCost also allows you to compare your current inventory with past physical inventories to assess potential shrinkage or inventory creep.

SureCost gives you visibility into your inventory without chaining different processes and systems together. You can work smarter and save time without having to overhaul your existing systems.

The Industry-Leader for Inventory Management

With SureCost, you do more than manage your inventory. You make it work for you, whether that means optimizing how you manage excess inventory, educating your purchasing team, deriving business intelligence or just making daily workflows smoother and faster. Our solution brings you best-in-class inventory automation so you can save more and spend time where it matters.

You'll save time and money, work more efficiently, increase visibility and accountability and secure compliance both with your primary vendor and regulatory authorities and from your trading partners. More importantly, you'll deliver the best service to your patients. You'll always keep the right products on hand and have more time to spend with them.
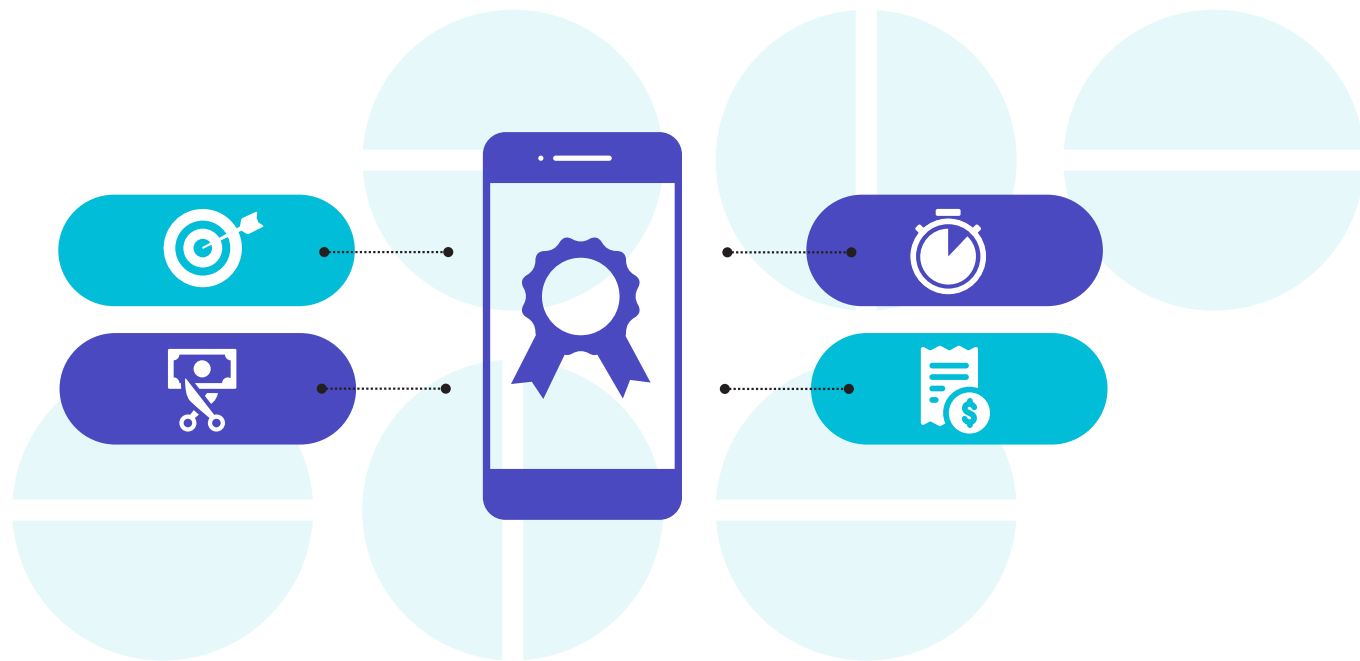
Want to learn more about what best-in-class inventory automation can do for your pharmacy? Let's discuss how your pharmacy can harness smarter inventory without disrupting your existing process.

Book a Meeting

Book a 30-minute meeting with us and let's discuss how SureCost will help you save more, stay compliant and work smarter.

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