



**PHARMACY MANAGEMENT CONSULTING
SERVICES**

**Monthly Summary Report
To The
California Prison Health Care
Receivership Corporation**

October 2007

PHARMACY MANAGEMENT CONSULTING SERVICES

Monthly Summary Report October 2007

Summary of Activities for October

Since commencement of Maxor's contract on January 1, 2007, the collective efforts of the pharmacy improvement project have been progressing well and have paved the way for many exciting changes and opportunities within CDCR. Along with the many successes have also come unique challenges which have required multidisciplinary involvement from both the Office of the Receiver and CDCR medical and security personnel. The joint collaboration has forged relationships which are serving to ensure the establishment of a safe and efficient medication delivery system.

During this critical first year of the *Road Map* implementation, Maxor has encountered unforeseen barriers and identified needs that have affected *Road Map* timelines. In an effort to adequately address these concerns and align the *Road Map* with the CPR Plan of Action (POA), proposed changes in Road Map objectives and timelines have been provided to the Office of the Receiver. Any and all changes requested were made in an attempt to prioritize objectives and better coordinate efforts between Maxor and other ongoing CPR initiatives.

During the reporting period, Maxor continued to actively recruit for clinical pharmacy specialist (CPS) positions. Recruitment activities for the month of October included local and regional advertisements as well as attendance at two large pharmacy conventions, American College of Clinical Pharmacy (ACCP) and the California Society of Health-Systems Pharmacists (CSHP). A clinical pharmacist training session was also held during the month of October to orient the three new clinical specialists and assign clinical responsibilities.

In September 2007, Maxor determined that many facilities had not begun mandated formulary implementation measures as earlier reported. An implementation grid was created to assess each facility's degree of compliance with formulary implementation. The grid was provided for P&T Committee review and discussion in October 2007. In addition, the clinical pharmacists were also instructed in ways to help their assigned facilities make the transition. For those facilities on GuardianRx[®] (MCSP and FOL), a nonformulary rejection feature has been added that flags nonformulary prescriptions requiring intervention prior to dispensing. This feature will become active on November 1, 2007. It is important to note that although several facilities did nothing to prepare for the mandated September 30, 2007 formulary compliance, there are many facilities that have been working hard over the past several months to make the necessary transition.

New data made available by GuardianRx[®] is being used to manage the implementation of the formulary as well as pharmacy workflow at Mule Creek and Folsom. The new

reporting capabilities provide valuable tools to help pharmacists-in-charge better manage their services. Implementation of the Pharmacy Services and Quality Improvement Measures has helped to identify process failure points in the medication management process. Information gained has been directed towards resolving problems that interrupt the efficient provision of services. The measures were distributed to all thirty-three facilities with direction to initiate data collection in October 2007. GuardianRx[®] implementation has begun at California Men's Colony (CMC) and is expected to go live on November 13, 2007. The next five sites for GuardianRx[®] implementation are CSP SAC, COR, SATF, HDSP, and CCC. Group training for these facilities will begin in November 2007. With Guardian in two sites and a third one soon, Maxor has begun development of facility level and provider level report cards to use for educational purposes.

An RFP for the general pharmaceutical wholesaler was released on September 25, 2007. Responses have been received from vendors, and, will be evaluated during the month of November 2007 for selection by a multidisciplinary committee from Maxor, the Office of the Receiver and CDCR Plata Compliance Division. Target award and implementation of the new wholesaler contract is January 1, 2008.

Efforts in the concepts of pharmacy operations centralization have continued, to include meetings with the Receiver, and, requests to the Department of General Services for availability of State properties for such a venture were made. A written response by DGS has noted (dated October 26, 2007) no State properties are available in the Sacramento area meeting the necessary needs of the project. DGS has offered assistance in locating available properties, and that offer is currently under consideration.

In October 2007, Maxor was able to provide \$130,788 in cost avoidance by directly working with the facilities to ensure the correct contracted items were purchased and an additional \$121,675 by working with the wholesaler to ensure the best price contracted items were sufficiently stocked at the regional distribution centers. P&T initiatives are beginning to show significant cost savings through therapeutic category reviews and selection of preferred formulary agents. The decision to remove Lipitor[®] from the formulary and use generic Zocor[®] as the preferred statin has resulted in a cost avoidance of approximately \$380,000 per month for the months of September and October 2007. Selection of a preferred generic nasal steroid has also resulted in a cost avoidance of approximately \$149,000 per month for September and October. Cost savings will continue to increase as the formulary is fully implemented and contracts on additional preferred agents are finalized.

Summary of Changes to Timeline

In the sections below, a listing of objectives completed, objectives delayed, objective timelines proposed for change (subject to review and approval of CPR) and a listing of timeline changes that have been approved by the CPR are provided.

Objectives Completed

- Objective A.1. A central pharmacy services administration, budget and enforcement authority was established on January 23, 2007.
- Objective A.2. Direct lines of authority were established to all pharmacy services personnel and linkages to central medical staff were defined.
- Objective B.1. A revised and reconstituted Pharmacy & Therapeutics Committee was established. Meetings are held the second Tuesday of each month. Current membership includes representation from central, regional and institutional level providers, as well as experts representing *Coleman* and *Perez* issues.
- Objective B.4: Develop and implement an effective and enforceable institution audit process.
- Objective C.1: Monitor wholesaler (vendor) to ensure contract compliance.
- Objective D.3: Develop an effective means of documenting and tracking employee training, education, performance, and disciplinary action.

Objectives Delayed

- All objectives except for F.2 (connectivity), C.5 (340B pricing) and A1.1 (hiring clinical specialists) are progressing according to schedule. Guardian implementation will be delayed in the Initiative tracking grid.

Objective Timelines Proposed for Change

In an effort to consolidate agreed upon changes in objectives occurring in the first year of the Roadmap project and to align with the CPR Plan of Action (POA), changes to the Roadmap objectives were provided to the Office of the Receiver in early October 2007 (see attachment D). During the initial year of the implementation of the Maxor Roadmap, barriers and identified needs were observed that affected timelines. As a result, recommended adjustment to the Roadmap timelines are presented in Appendix C | [version 10.03.07 draft] for consideration.

Objective Timeline Change Approvals

- Objective C.2.1 – Completion of a system-wide baseline inventory in the first quarter. The baseline inventory included only controlled substances. A full inventory will be conducted at each facility as the pharmacy operating system (Guardian RX) is implemented. Each facility pharmacy will also be inventoried by the wholesaler as part of the wholesaler contract requirement. Maxor completed a complete inventory of narcotics as part of the baseline surveys.
- Objective F.2 – Establish basic connectivity in all pharmacies in the first quarter. A timeline extension of an additional 90 days has been approved.

Issues or Obstacles to Success

- **GuardianRx[®] Implementation.** A modified implementation plan has been approved by the Office of the Receiver to allow for the rapid deployment of GuardianRx[®] to CDCR facilities. This rapid deployment plan will allow for the timely provision of much needed data for reporting and monitoring purposes. A modified staffing model to accommodate more Guardian teams and drop-in support was approved to help expedite Guardian implementation and support immediate and critical operational support needs as identified in the CDCR pharmacies. Maxor is actively recruiting to fill the newly approved Drop-In Team positions.
- **Contracting.** Efforts to assist the CDCR in obtaining direct contracts with P&T approved drug manufacturers has been challenging. Additional state mandated requirements has complicated and delayed the process. Maxor remains committed to helping the CDCR achieve the best available purchasing options by continually engaging CDCR contracting regarding identified obstacles to progress.
- **State-wide Implementation of Initiatives.** Ongoing implementation of new procedures, operational changes and quality improvement activities has been slower than anticipated due to deficits in facility level management experience/skill and infrastructure problems greater than originally identified. The result is that more direct, hands-on support is required by Maxor staff to support and facilitate process change and mentor staff.

Monthly Attachments

The section below contains links to the Pharmacy Dashboard, Pharmacy Inspection Grid, and other important tracking grids and attachments provided for review.

Appendix A - Pharmacy Dashboard



Pharmacy Dashboard

Appendix B - Pharmacy Inspection Grid



Pharmacy Inspection
Grid

Appendix C – Maxor Timeline and Tracking Grid



Appendix C Revision
10.3.07 draft

Appendix D – Maxor Proposed *Road Map* Objective Changes



Proposed Road Map
Objective Changes