

# Consolidated Pharmacy Service Center Mythbusters

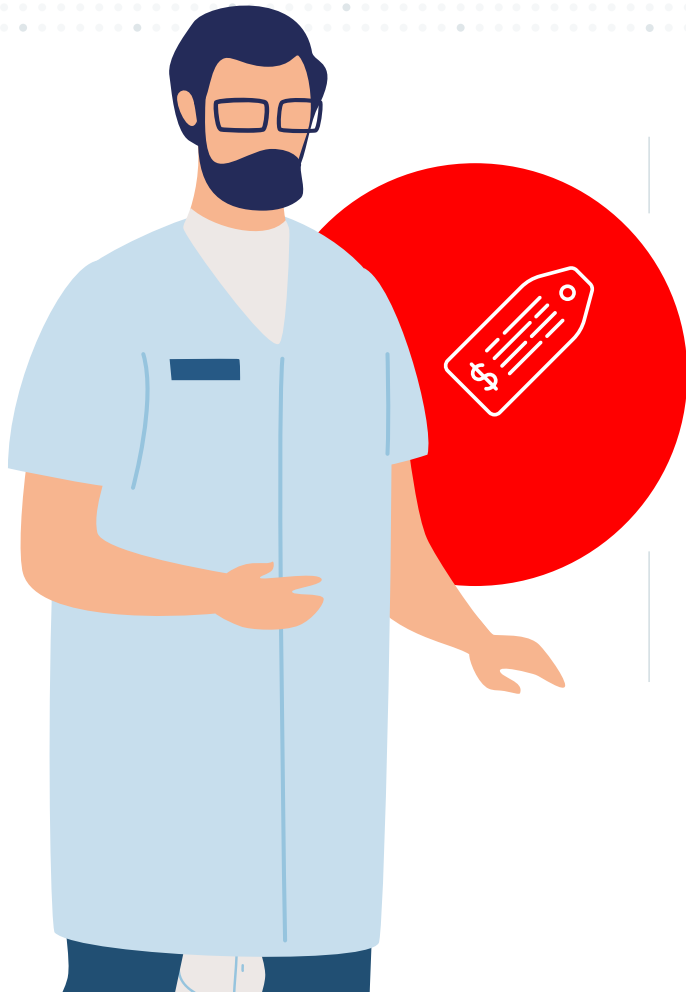
We asked **Valerie Bandy**, PharmD, MBA, BS, RPh, senior director of pharmacy solutions at Tecsyst, to debunk some common misconceptions about consolidated pharmacy service centers.

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## What is a CPSC?

A consolidated pharmacy service center (CPSC) is a centralized facility that combines and manages various pharmacy services. It serves as a hub where multiple pharmacy-related functions are integrated through centralized management and the utilization of advanced technology.





## Myth 1.

### Centralizing pharmacy services only reduces costs.

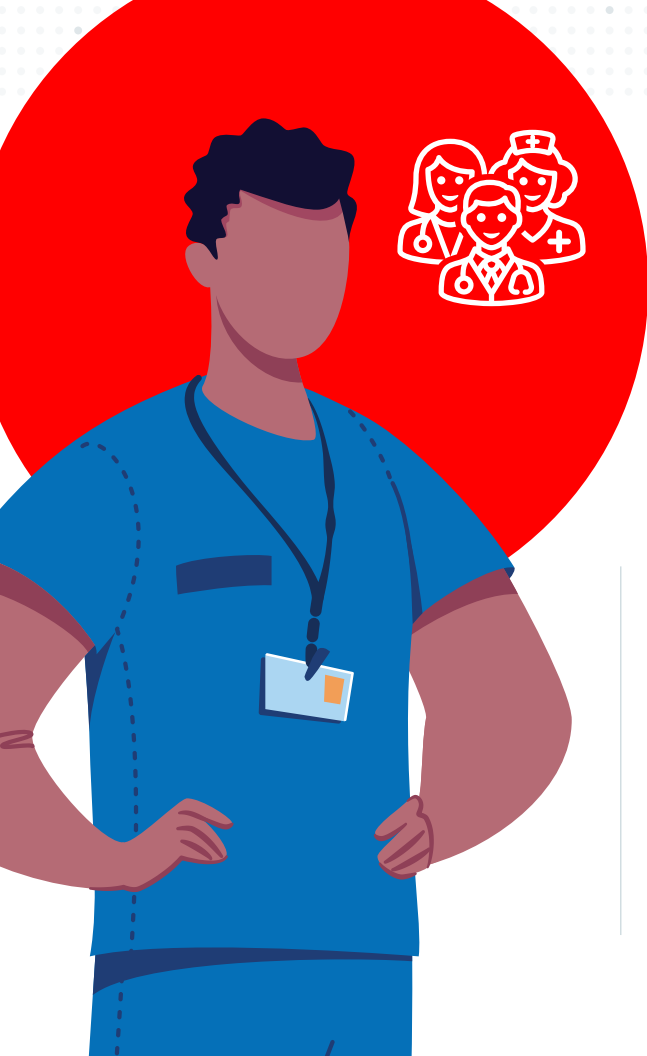
**Reality:** Implementing an integrated supply chain management system at a CPSC yields cost reduction benefits across healthcare systems, with returns on investment realized through practices like inventory optimization, recalled medications management and cycle counts. The system not only enhances control over inventory shrinkage and pricing accuracy but also facilitates staff redeployment, enabling a sharper focus on critical operational and patient care requirements.

## Myth 2.

### CPSCs only handle medication dispensing.

**Reality:** Centralizing services that were previously dispersed across individual hospitals, clinics and facilities creates an efficient, strategic and streamlined supply chain for the health system, ultimately benefiting both the system and its patients. Beyond centralized purchasing and 340B Program management, nationwide CPSCs are exploring the consolidation of processes like mail order, repackaging, specialty pharmacy services, kit and tray preparation, logistics, compounding and order verification to enhance simplicity and contribute to a broad range of return on investment benefits.





### Myth 3.

## CPSCs lead to a shortage of pharmacy staff for clinical support.

**Reality:** The centralization of services and operations at the CPSC enables the efficient redeployment and collaboration of both clinical and operational staff, either for supply chain tasks or higher-priority clinical operations. This approach enhances efficiency across the health system, potentially reducing labor costs and maximizing returns on focused investments. For example, the centralization of tasks such as crash cart tray replenishment allows for strategic redeployment of staff to other critical clinical and operational duties thus enhancing patient care.

## Myth 4.

### CPSCs only benefit hospitals within their walls.

**Reality:** The CPSC offers a strategic opportunity for health systems to centralize various services, including non-acute operations, purchasing and distribution to external facilities and partners. To assist smaller locations lacking resources, the CPSC provides services like compounding, kit replenishment and repackaging, extending support for system-wide pharmacy services, contract management, pricing accuracy, 340B management and EMS servicing to local providers.



## Myth 5.

### CPSCs are complex and difficult to integrate with existing systems.

**Reality:** The integration of a supply chain and warehouse management solution with pharmacy inventory management solution capabilities is crucial in a CPSC, enhancing accuracy and efficiency while reducing manual errors. Implementing a true end-to-end integrated supply chain and warehouse management system enables health systems to comprehensively manage pharmacy supply chain needs. This comprehensive approach covers demand planning, hazardous medication handling, put away locations, full integration with various software and hardware as well as regulatory compliance. Such integration ultimately eliminates inefficiencies and inaccuracies associated with disjointed processes.





If these realities have led you to consider that implementing a consolidated pharmacy service center strategy could be suitable for your organization,

**Speak to a healthcare supply chain expert**



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