Remedi SeniorCare® Pharmacy: Paxit Medication Delivery System

Impact on the Long-term Care Industry

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OVERVIEW

Walker-Phillips Healthcare Consulting was engaged by Remedi SeniorCare as an objective third party to evaluate and document the clinical and financial effectiveness of the Paxit medication pass system across long-term care facilities in various regions. Safety and efficiency of medication administration continues to be a challenge. The facilities in this study had varying levels of acuity, including facilities with a range of time and experience utilizing the Paxit med pass system, and were located in the Mid-Atlantic states. We interviewed and gathered data from Administrators, financial executives, Directors of Nursing and the nursing staff.
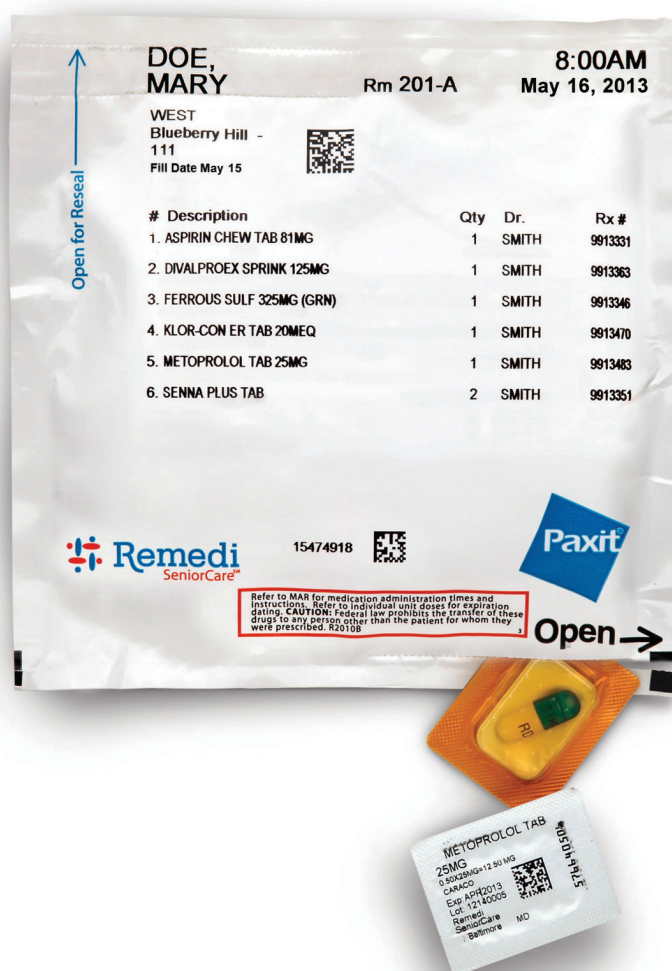
REMEDI'S PAXIT MED PASS SYSTEM

Remedi SeniorCare is among the nation's largest independent institutional pharmacies. The Paxit automated dispensing system delivers a 24-hour cycle of unit-dose medications in secure, easy to open bags, one for each resident's medications at each time of day they are scheduled. Bags are clearly labeled with complete medication information.
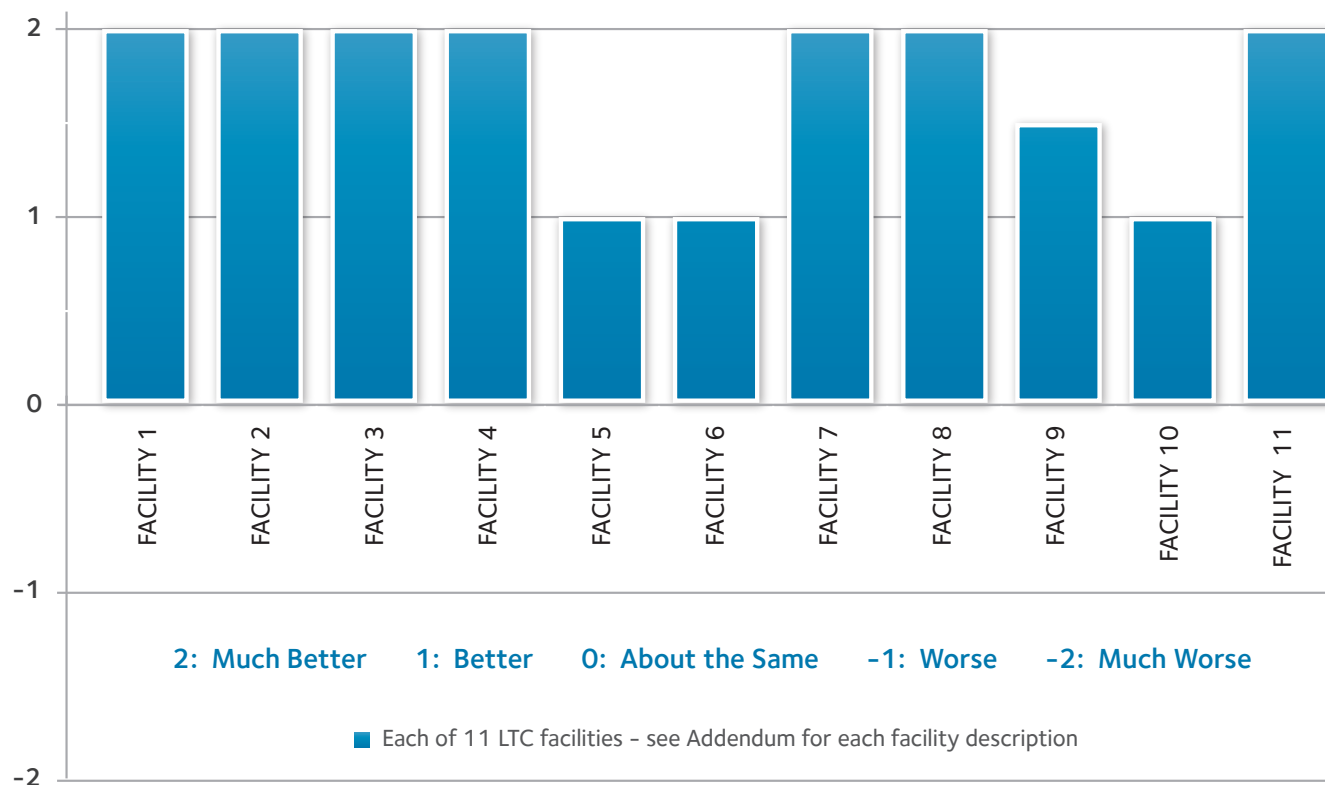
Paxit bags are organized to be "nurse-friendly," making it easy for nurses to locate and administer medications during the med pass. Patented dispensing and packaging robotic automation, including a six-point verification process, ensure the highest accuracy rates.

EXECUTIVE SUMMARY

- Average drug cost savings of approximately 11% were realized by facilities immediately after switching to the Paxit med pass system.
- Med pass time savings from implementing the Paxit system were estimated at 30%.
- 100% clinicians surveyed stated they would not return to their prior pharmacy system, most notably blister cards, after implementing Paxit.
- 100% of the sampled facilities agreed that med pass errors had decreased under the Paxit system.
- Med pass errors were estimated to drop 20% after Paxit implementation.
- 100% facilities sampled felt the overall med pass experience had become more relaxed and person-centered with Paxit.
- All facilities surveyed would recommend the Paxit med pass system to others.

COMPARED TO YOUR PRIOR PHARMACY SYSTEM, IS THE PAXIT MED PASS DELIVERY SYSTEM BETTER, WORSE, OR ABOUT THE SAME?

2: Much Better   1: Better   0: About the Same   -1: Worse   -2: Much Worse

■ Each of 11 LTC facilities – see Addendum for each facility description

FINANCIAL IMPACT OF THE PAXIT MED PASS SYSTEM

Financial savings related to drug costs after Paxit implementation were calculated by our firm to be approximately 11%. Facilities ranged from 5% to 22%, depending previous dispensing method, medication waste, etc. (See detail in chart on next page). This drug cost savings is in addition to the salary and overtime savings experienced. Pharmacy expenses at most nursing facilities are primarily Medicare-A related. Any savings a facility experiences on pharmacy costs goes directly to their bottom line.

"MED PASS TIMES DECREASED FROM 2 HOURS TO JUST A LITTLE MORE THAN 1 HOUR PER MED PASS. THIS HAS RESULTED IN REDUCED NURSING SALARIES AND OVERTIME."
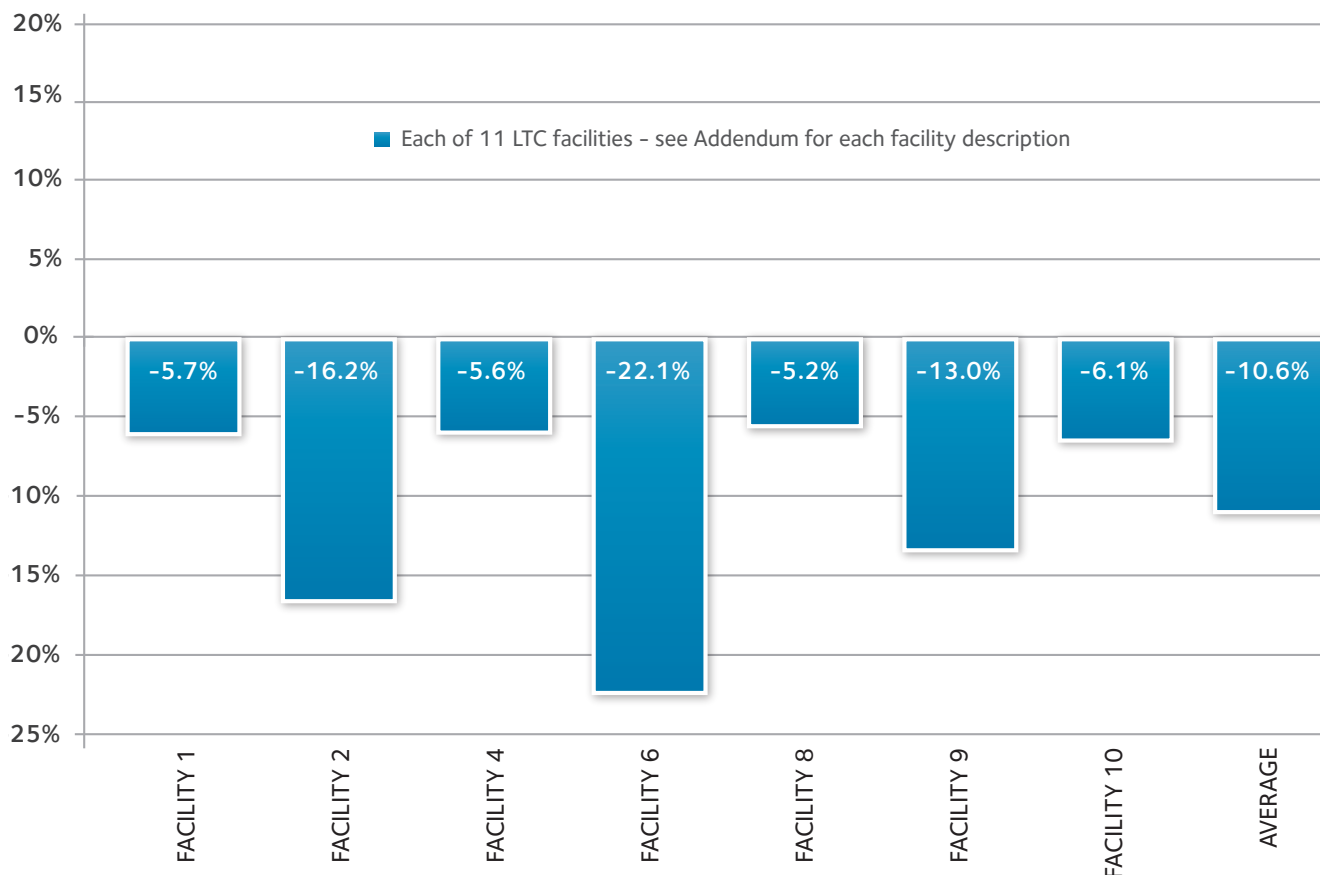
—DON, BALTIMORE, MARYLAND

Savings were realized across all facilities, regardless of acuity levels. Costs were tracked five months before and after converting to Paxit via data supplied by each facility and computed by Walker-Phillips. Costs were then compared to census data to develop a pharmacy cost per patient day (PPD). PPD pharmacy costs were then compared prior to Paxit conversion and immediately after Paxit conversion for dollar and percentage changes.

CALCULATED FINANCIAL SAVINGS RELATED TO DRUG COSTS AFTER PAXIT IMPLEMENTATION

■ Each of 11 LTC facilities – see Addendum for each facility description

FACILITY 1	FACILITY 2	FACILITY 4	FACILITY 6	FACILITY 8	FACILITY 9	FACILITY 10	AVERAGE
-5.7%	-16.2%	-5.6%	-22.1%	-5.2%	-13.0%	-6.1%	-10.6%

SAVING NURSES TIME

100% of respondents felt strongly that the Paxit med pass system was saving them time as compared to their prior pharmacy system and medication administration process. Our survey results showed the average time savings experienced was 30%.
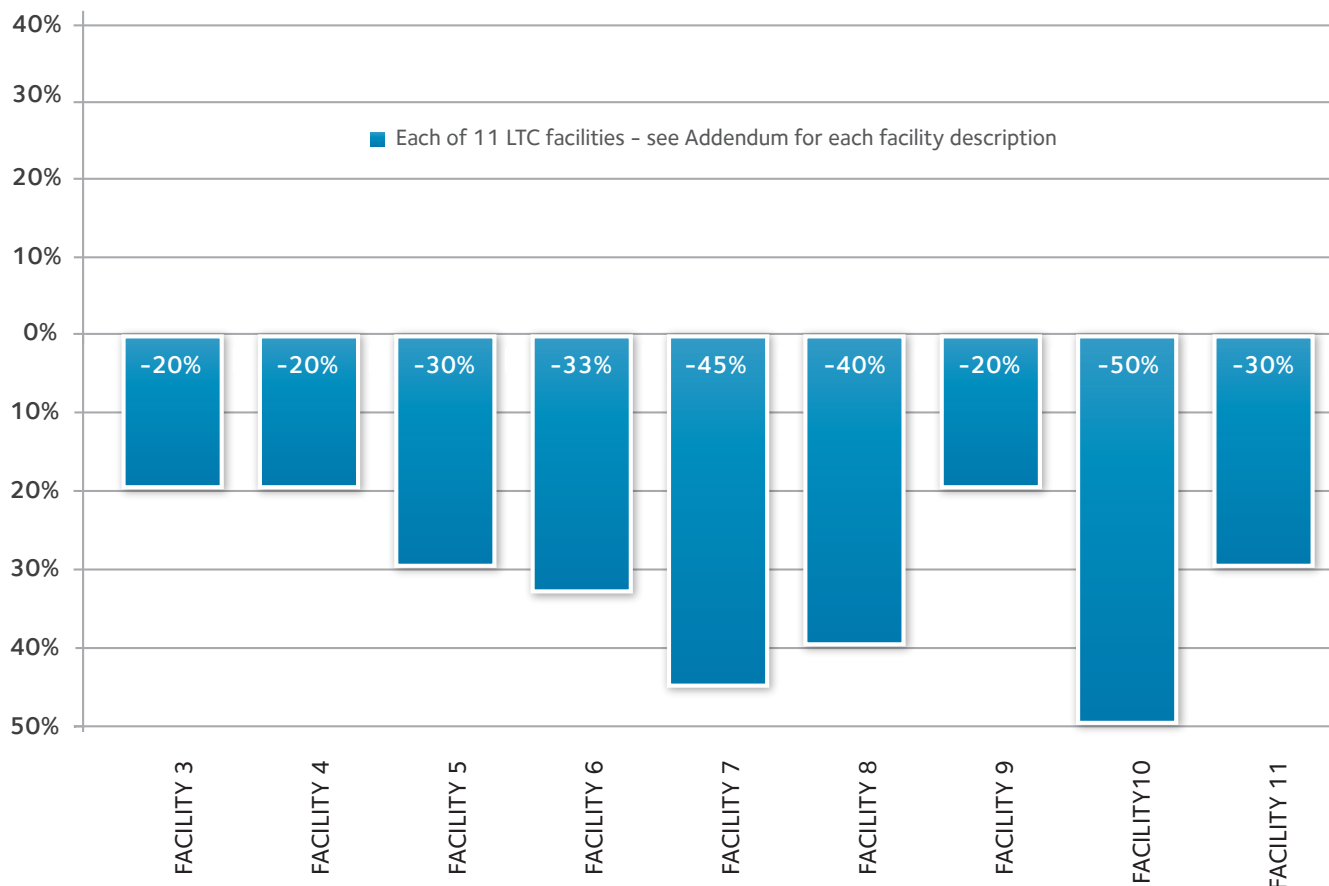
Not only was there a time savings and overall improved efficiency, but the overall med pass encounters were described as being superior. Many of our respondents shared that they had experienced a reduction in medication refusals by their residents since med passes were now less rushed.[i] This resulted in more quality time spent interacting with the residents, and a focus on "person-centered care."

"WITH PAXIT, OUR NURSES NOT ONLY SPEND LESS TIME PASSING MEDS THAN THEY USE TO, THE MED PASS TIME IS NOW QUALITY TIME SPENT WITH OUR RESIDENTS."

—DON, TIMONIUM, MARYLAND

IF YOU CALCULATED A CHANGE IN THE TIME SPENT IN MED PASS AFTER SWITCHING TO REMEDI'S PAXIT, WHAT PERCENTAGE INCREASE OR DECREASE WAS RECOGNIZED?

Each of 11 LTC facilities – see Addendum for each facility description

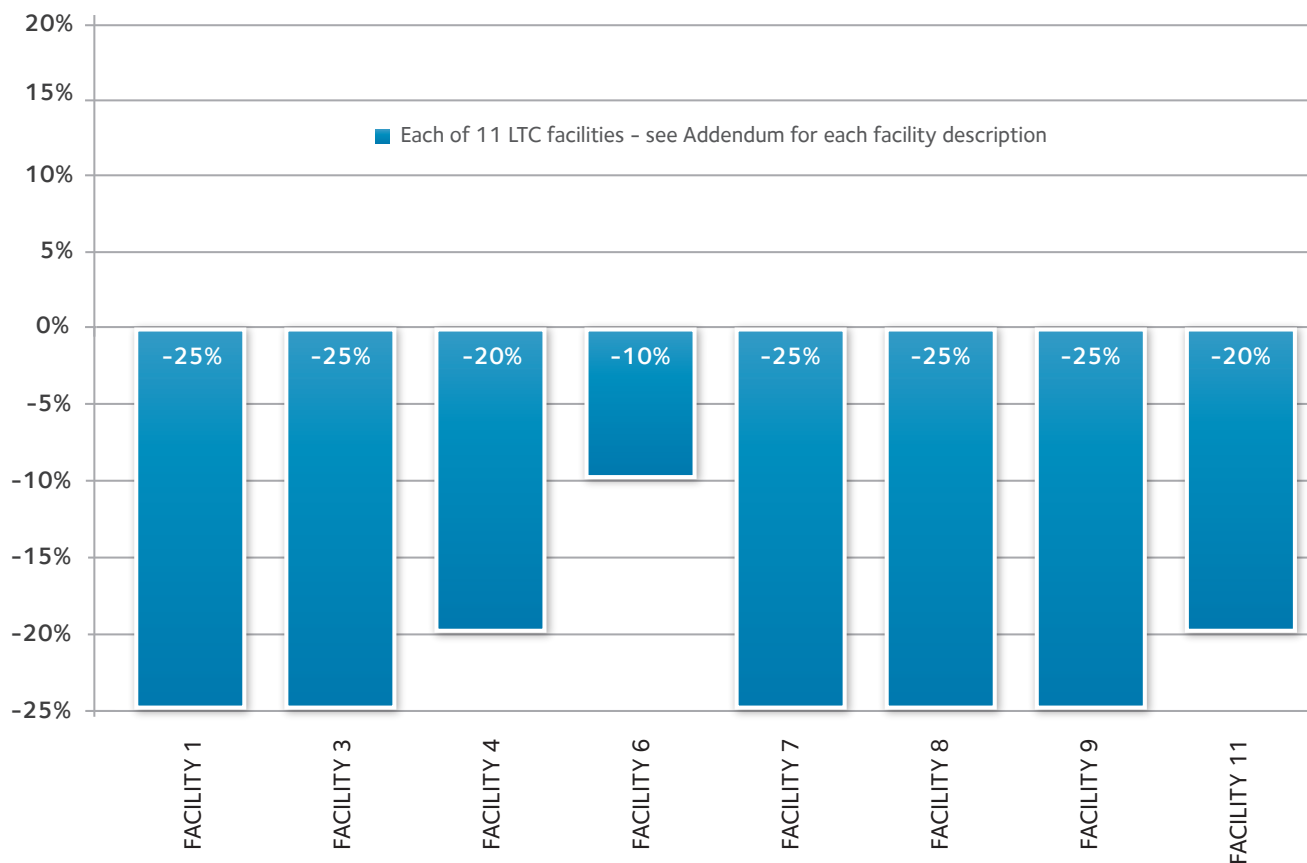| Facility	Change
FACILITY 3	-20%
FACILITY 4	-20%
FACILITY 5	-30%
FACILITY 6	-33%
FACILITY 7	-45%
FACILITY 8	-40%
FACILITY 9	-20%
FACILITY 10	-50%
FACILITY 11	-30%

Several respondents voiced that overtime and turnover among the medication administration staff had decreased since the overall med pass experience was much improved and more efficient.[ii] This reduced labor and recruiting expense also positively added to their bottom line.

"Paxit has made such a difference in our short-term stay facility. When the residents go out for a LOA, we just hand them their Paxit medication bag."

—RN/Unit Manager, Rockville, Maryland

Many of the nurses interviewed stated how helpful the Paxit med pass system was when residents left the facility for short periods of time.[iii] With Paxit the residents could be given a LOA bag that included all their medications for the day. This unique feature appeared to benefit the nursing staff greatly. Many respondents commented on how Paxit made for happier nurses.[iv]

REPORTED CHANGE IN MED PASS ERRORS SINCE IMPLEMENTING PAXIT (FACILITIES THAT CAN QUANTIFY)

Each of 11 LTC facilities – see Addendum for each facility description

Facility	Change
FACILITY 1	-25%
FACILITY 3	-25%
FACILITY 4	-20%
FACILITY 6	-10%
FACILITY 7	-25%
FACILITY 8	-25%
FACILITY 9	-25%
FACILITY 11	-20%

IMPACT ON MED PASS ERRORS

All Directors of Nursing and nurses surveyed strongly agreed that med pass errors have decreased under the Paxit med pass system. Many expressed that they were now catching errors that probably went unnoticed before.[v] For responding facilities regarding med pass errors, the overall reduction was estimated to be approximately 20%.

"WE USED TO HAVE LOTS OF MEDICATION WASTE TO DESTROY, BUT NOW WE HAVE ALMOST NONE."

—RN/UNIT MANAGER, ROCKVILLE, MARYLAND

Several facilities felt that their survey risk regarding medication administration had also decreased after they switched to Paxit.[vi] Numerous clinicians interviewed mentioned that surveyors specifically noted the individually labeled doses of medications contained in each resident's med pass bag as helpful to improving overall safety and accuracy.[vii]

CONCLUSION

Based on our survey results and financial analysis, the Remedi Paxit med pass system has proven to provide both quantitative and material financial value. Equally noted is the improved qualitative operational efficiencies and increased time to focus on resident health care. The data above is just the tip of the iceberg but objectively demonstrates the substantial financial savings and clinical benefit the Paxit med pass system provides.

Operators of long-term care facilities are admittedly struggling to meet the challenges posed by rapidly rising costs, low reimbursement rates, nursing shortages, high staff turnover, operational inefficiencies and a growing elderly population requiring increasingly complex care. Remedi's Paxit medication management system has proven itself as a key benefit for facilities faced with these challenges.

ADDENDUM

Long-term Care Facility Description			
Facility #	Profit / Not-for-profit	Type	Size
1	Not-for-profit	Retirement community	400+ bed SNF
2	Profit	Retirement community	200 bed SNF
3	Profit	Nursing facility	120 bed SNF
4	Not-for-profit	Nursing facility	100 bed SNF
5	Profit	Nursing facility	50 bed SNF
6	Not-for-profit	Retirement community	120 bed SNF
7	Profit	Nursing facility	110 bed SNF
8	Profit	Nursing facility	120 bed SNF
9	Profit	Nursing facility	100 bed SNF
10	Profit	Nursing facility	100 bed SNF
11	Not-for-profit	Nursing facility	100 bed SNF

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i   5 out of 11 facilities surveyed

il   9 out of 11 facilities surveyed

iii   4 out of 11 facilities surveyed

iv   5 out of 11 facilities surveyed

v   4 out of 11 facilities surveyed

vi   3 out of 11 facilities surveyed

vii   3 out of 11 facilities surveyed

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ABOUT WALKER-PHILLIPS HEALTHCARE CONSULTING

Walker-Phillips Healthcare Consulting is a certified public accounting and healthcare consulting firm that specializes in Medicare and Medicaid reimbursements to long-term care facilities. Walker-Phillips Healthcare Consulting is the largest provider of long-term care reimbursement services in the Commonwealth of Virginia. Our staff is comprised of experienced accounting and healthcare professionals who have served in the Virginia long-term care profession for over 50 years on a combined basis.

ABOUT REMEDI SENIORCARE®

Remedi SeniorCare, a leading-edge pharmacy provider, enables long-term care facilities to deliver better business results and provide exceptional resident-centered care. At the forefront of implementing high-tech advancements for the industry, Remedi redefined medication administration and management with the launch of the Paxit® automated medication dispensing system, delivering superior accuracy, efficiency and medication cost reduction. Remedi's online and electronic tools via My Remedi® web portal and Connexit™ electronic data interchange further drive business management efficiency and overall cost reduction. Remedi supports more than 30,000 residents across eight states and Washington, D.C. with RapidResponse℠ customer service, ensuring prompt access to medication delivery, expertise and comprehensive support. For more information, visit www.RemediRx.com.