



# How to Measure the Success of Your Specialty Pharmacy

A look at industry benchmarking data plus an approach to evaluate your staffing model.

# The process of building a specialty pharmacy can be a daunting one.

But as more health systems explore this avenue for increased patient satisfaction and revenue growth, they often realize that establishing their own practice is only the beginning of the journey.

Our clients often ask us about the best way to measure the success of their specialty pharmacy. They wonder how their operation compares to others, or whether the staffing model they've established is working. The answers to these questions are critical in understanding the performance of your program, and in driving future success. In this article, we'll explore some competitive data you can use for benchmarking, as well as an approach to help evaluate the effectiveness of your staffing model.

## Industry Benchmarking Data

The 2022 annual report from the Utilization Review Accreditation Commission (URAC) measured the performance of more than 300 URAC-accredited pharmacies across the nation. Below are some key findings to help compare the performance of your own specialty pharmacy with others' performance.

### TURNAROUND TIME



### CARE QUALITY AND ACCESSIBILITY



Source: [URAC](#)

## Evaluating your Staffing Model

Just as no specialty pharmacy looks exactly alike, the same can be said for its staffing model. The one that works best for you depends on the individual needs and characteristics of your health system and your patients. In fact, there's often some trial and error involved in finding the ideal model.

But there is a consistent way that you can go about analyzing the performance of your staffing model. A [2021 ASHP whitepaper](#) covers this analysis approach in detail, covering key staffing metrics that should be measured in four different functional areas:

[Pharmacy Operations](#) | [Clinical Consults](#) | [Prior Authorizations](#) | [Medication Assistance](#)

Below, we've summarized the key metrics ASHP has identified for each function – comprised of a core metric as well as a set of context metrics.

- Core metric:** provides a key performance indicator to evaluate how many times a task is completed in that functional area.
- Context metrics:** detail essential tasks required to achieve the core metric.

For more detailed information, see the full [ASHP report](#).

### Pharmacy Operations

Core services related to dispensing can be used internally to benchmark performance and drive growth.

Core Metric				
Specialty Rx/FTE				
Context Metrics				
RX Processed/FTE	RX Fulfilled/FTE	RX Verifications/FTE	Shipments Generated/FTE	Calls Handled/FTE

### Clinical Consults

Clinical management is a critical component of specialty pharmacies – use these metrics to examine core clinical performance. Metrics can be further segmented into therapeutic categories.

Core Metric			
Clinical Consults/FTE			
Context Metrics			
Initial Education/FTE	Clinical Re-assessments/ FTE	Clinical Interventions/ FTE	Other Clinical Activities

## Prior Authorization

The management of prior authorizations is an essential specialty pharmacy activity, and it's often a leading indicator for program volume and financial goals.

Core Metric		
PA/FTE		
Context Metrics		
New PA/FTE	Renewal PA/FTE	Appeals/FTE

## Medication Assistance

These programs are critical for improving patient care, and they may not be reflected in dispense volumes. Here's what to look at:

Core Metric			
Applications/FTE			
Context Metrics			
New (first time) Applications/FTE	Renewal Applications/FTE	Patients/FTE	Savings Obtained/FTE

## A Note on Measuring Wage Spend

Many of our clients face challenges with wage spend, especially in an inflationary economy with a tight labor market. And we've found that while many health systems tend to measure pharmacy wage spend as percentage of overall revenue, this isn't always ideal for specialty pharmacies. A more effective benchmark metric is Wages as a Percentage of Gross Margin (WPGM).

Gross margin is the money left over after direct buying and production costs – basically, revenue minus the cost of goods sold. Because it accounts for the wholesale cost of drugs, it's not impacted by the revenue fluctuation that can happen in a specialty pharmacy. So, it's a better measurement of overall wage spend.

## Wrap-up

Evaluating the performance of your specialty pharmacy is critical for its long-term success. With a combination of external and internal benchmarking, you can pinpoint your operation's strengths and weaknesses, and monitor the ongoing effectiveness of your staffing model. If you need to establish a measurement strategy for your program, Visante can help! We have the expertise to help you quickly grow and sustain strong performance. Many have experienced at least a 10:1 ROI through our partnership. Email [solutions@visanteinc.com](mailto:solutions@visanteinc.com) or call (866) 388-7583 to speak to one of our team members.

Read our guide: [How to Build a Specialty Pharmacy](#)