

Who Has the Key to Hospital Sales?

More often than not the pharmacist is instrumental in changing prescribing behavior in hospital settings

By Fred Gebhart

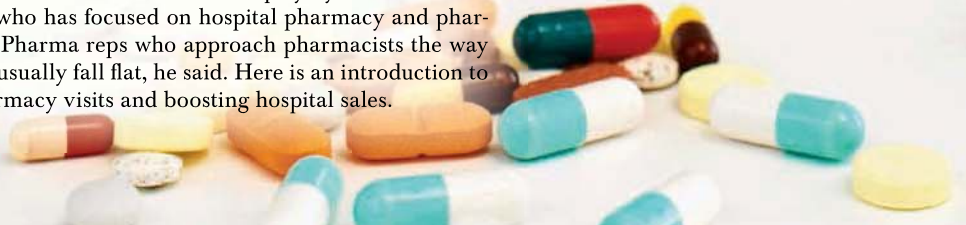
Want to boost hospital sales? Make pharmacy the first stop, not the last stop. “In the last 10 or 15 years, pharmacy has gone from having a 10 percent role in hospital drug choice to a 90 percent role,” said Don Bullock, eastern sales director for

Sagent Pharmaceuticals. “When hospital formularies were open, what the physician wanted, the physician got. Today, most formularies are closed. If pharmacy is not on your side, you have less than a 10 percent chance of success in the hospital setting. Pharmacy plays a key role in deciding which products get on formulary.”

Pharmacy may even play a key role in deciding which companies and which reps get into the institution. A growing number of pharmacy directors decide which reps can talk to physicians, what products and uses they can discuss, and when or where those conversations can take place. Try to work around pharmacy and you could be escorted off the premises.

“Some hospitals don’t allow pharma reps to talk to docs at all, which is going a little overboard,” said Ernest Anderson, system vice president of pharmacy, Caritas Christi Health Care, a multihospital system based in Brighton, MA. “I want to talk to reps. If I don’t, I don’t know what they are telling my docs. Caritas does not allow pharma reps to push non-formulary uses or non-formulary products to our physicians. If they do, we won’t consider that company’s product the next time it comes up for formulary consideration. I’ve kicked reps out for not following instructions and I’ve welcomed reps who know our rules and play by them.”

That’s no surprise to Bullock, who has focused on hospital pharmacy and pharmacists for more than a decade. Pharma reps who approach pharmacists the way they would approach physicians usually fall flat, he said. Here is an introduction to making the most of hospital pharmacy visits and boosting hospital sales.



Selling to hospital pharmacists is more complex than selling to physicians. Physicians are trained to focus on the clinical impact in specific patients, explained Chris Wright, managing principal for pharmaceutical consultants ZS Associates. Pharmacists are trained to start with the clinical impact, then expand to population effects and operational issues such as formulation, dosing schedules, handling and storage, preparation, labeling, cost, availability and contracting options.

“Pharmacists expect much more information than physicians,” he said. “They want the clinical argument, but because pharmacy deals with the entire hospital or health system, they are just as concerned with the practical arguments for and against your product. Physicians rarely ask about cost but pharmacists always ask.”

More than Cost to Consider

From the pharmacy perspective, cost is much more than the dollars and cents on an invoice. Cost includes the time and labor needed to inventory, stock, prepare and administer a product. Cost includes details such as availability and purchasing terms through the hospital’s group purchasing organization.

“With financial pressures mounting, hospitals increasingly rely on pharmacy departments to improve cost-effectiveness and patient outcomes,” said Nicole Stonewall, director, institutional provider systems & hospital sales force effectiveness for Health Strategies Group. “Pharmacy typically plays a major role in creating and supervising hospital-wide or health system-wide safety and quality programs in antibiotic stewardship, anticoagulation monitoring, therapeutic interchanges and other areas.

“Pharmacists exert significant influence on formulary decisions through Pharmacy and Therapeutics Committees. In addition to expanding involvement in cost containment, patient care and formulary decisions, hospitals increasingly rely on pharmacy support to contribute to purchasing and computerized order entry implementation. The representative who focuses on product will not do well in that environment. Reps need to understand the total hospital system and all the interactions within the system.”

Pharmacists are widely recognized as the ultimate drug and drug use specialists in the hospital setting, agreed pharma rep turned consultant Clint Cora. Physicians and nurses commonly consult with pharmacists on thorny product selection and treatment protocol questions. That hands-on experience plays back into pharmacy’s key role on P&T committees. Pharmacy support won’t get a product on formulary if the rest of the P&T committee is opposed, but pharmacy opposition can keep it off.

“Formularies typically have a maximum number of products in any given therapeutic class, say antibiotics,” he explained. “If you have a new product to get on formulary, the hospital must remove an existing agent. You have to prove that your product is better in terms of efficacy or safety or offers a significant cost or operational advantage. Pharmacists bring a much broader perspective to the table than physicians.”

That broader perspective pushes pharmacists to expect more information and more detailed information. Leave the colorful detail aids in the office.

“Pharmacists are very evidence-based,” Anderson said. “We want to see the data, not the illustration. Show me the data tables that back up your charts and graphs. Show me the generic comparisons for therapeutic interchange. I may prefer brand based on side effects and patient outcomes or I may prefer generic. The data are what pushes the decision. Show me that your product meets Caritas’ needs, show me that it meets my payers’ needs.”

Data Drives Decisions

Pharmacists want data on safety, efficacy, cost effectiveness and overall cost of using the agent, Anderson continued. A product must not only have a positive safety and efficacy profile, it must also show advantages over generic competitors and be available through the hospital’s GPO. It should also be on formulary for most major payers or, at worst, be a second tier product at higher cost.

The key to effective selling is to analyze the product from the perspective of different stakeholders—pharmacy, physician, hospital, patient, payer—and show how the product benefits each party, he continued. Risk-sharing contracts that reward pharmacy, physician and hospital for increased safety and improved patient outcomes are becoming more common. Decisions by Medicare and other payers to refuse payment for avoidable events such as hospital-acquired infections are also focusing attention on safety and outcomes. That’s an advantage for reps who can emphasize safety or outcomes using specific product features.

Bullock noted that Sagent was one of the first manufacturers to barcode virtually all of its hospital products. Most manufacturers have followed suit, but there is no universal standard for hospital barcoding. Reps have to know what bar code system is used by their company and what bar code systems the hospital can actually read.

“If the readers in that hospital can’t read your bar codes, you can’t sell to them,” he said. “You have to know your hospital’s technology system in intimate detail.”

Even details like product vial design can make a difference. Some manufacturers have gone to great lengths to create a house look with uniform color and typeface on vials and labels. Other manufacturers spend just as much effort to create distinct colors and labeling for each product to help prevent confusion with look-alike, sound-alike products. Sagent sells 10 cephalosporins, each in a visually distinct vial to help prevent product mix-ups.

“Pharmacists are very appreciative of safety features,” Bullock said. “It’s something they deal with every day. But it’s a relatively new concept for reps. An intimate knowledge of the pharmacist’s working environment and concerns can swing the sale your way.”

Fred Gebhart is a frequent contributor to health-care magazines, including Drug Topics. He can be reached at fgebhart@pobox.com.

