

DEPARTMENT: Pharmacy

POLICY & PROCEDURE: PS-90

SUBJECT: Inventory Management

PURPOSE: To establish guidelines for inventory management in the pharmacy department.

RESPONSIBILITY: Pharmacy, Chief Executive Officer (CEO)

POLICY:

- 1) Maintain inventory of all formulary items according to Federal and State Statute and regulations.
- 2) Formulary is to be approved by the P&T committee.
- 3) Produce and maintain a current list of all formulary and non-formulary drugs in pharmacy stock on a quarterly basis.
- 4) Establish a procedure for special ordering non-formulary items in the minimum quantity to satisfy the specific need, in order to control inventory cost and minimize waste.
- 5) Pharmacy, floor stocks, emergency room, emergency carts and surgery are free of outdated drugs
- 6) All partial containers and outdates are disposed of according to EPA standards.
- 7) Medication inventory is purchased in unit dose containers when available and unit dosed by pharmacy staff when unavailable commercially unit dosed.
- 8) No physician samples shall be used or distributed without prior approval of the pharmacy.
- 9) Alcohol shall be purchased according to federal and state regulations and stored in a locked storage shed until needed in the hospital.

PROCEDURE:

- 1) Daily inventory management
 - a) Online ordering is available through Cardinal Health.
 - i) Cardinal Health Delivers Monday through Friday.
 - (1) IV fluids are available from Cardinal Health and can be ordered daily.
 - (2) Daily ordering allows tighter inventory control resulting in:
 - (a) Smaller inventory investment
 - (b) Adequate inventory within limited storage space.
 - ii) Backup wholesaler is Dakota Drug
 - (1) Orders placed on Wednesday afternoon are delivered by truck on Thursday
 - (2) Parcel Post orders are received overnight if faster acquisition is necessary
 - iii) Acquisition costs are compared and drugs are purchased based on contract.
 - b) Med Dispense will print out a restock list that gives quantities to be added to ADC.
 - c) Refill Flight box as needed
 - d) When billing ER sheets, note meds dispensed for self administration and replenish 2-packs in the ER.
 - e) Unit dose containers will be prepared as necessary to fill all drug orders.
 - i) The label will list the brand name, generic name, strength, date packaged, lot number and expiration date.

- ii) A log book of all medications repackaged into unit dose form will be kept in the pharmacy. One of the prepared labels will be attached to the record along with the date of repackaging and the initials of the tech doing the repackaging.
- iii) Expirations dates will not exceed one year past the date of packaging.
- 2) Weekly Inventory Management
 - i) Wednesdays
 - (1) Chemotherapy - order as necessary and mark calendar to verify drugs are in stock.
 - (2) Glasgow Clinic- Restock Medication cabinet per established par levels
 - (3) Special orders for surgery or visiting doctors.
- 3) Monthly Inventory Management
 - a) Beginning of month
 - i) Remove drugs from shelf that outdate at the end of previous month
 - (1) Reorder formulary drugs
- 4) Annually
 - a) Physical inventory of all drugs stored the pharmacy June 30th.
- 5) Biannually
 - a) Odd years June 30th compile a document listing the physical inventory of all scheduled medications and keep on file until the next odd numbered year.