

National Pharmacy Business Pitch Competition

Isle Pharmacy – *VisualEyes* Program

Isle Pharmacy

Seeing things from your perspective...



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1 Executive Summary

Imagine in your hand you are holding the two medications you take each morning. A quick glance and it is easy to differentiate between them. Now, close your eyes - it is no longer an easy task, is it? It is likely that the tablets are similar shape and size, and they feel the same to touch.

This demonstrates how a simple task can become almost impossible for people suffering with vision impairment. Now imagine not being able to drive, or read, or see your family grow. There are many barriers and struggles in life for those with low vision. With the loss of sight, managing your health independently can be extremely difficult; identifying the correct medication, measuring the correct dose and self-administering can easily become time-consuming, stressful, and unknowingly dangerous.

The most severe form of vision loss - complete blindness - is rare, however vision impairment is not. Glaucoma, macular degeneration, cataracts and diabetic retinopathy are among the most common causes of vision loss and they are not always obvious to the outside observer.

The last Australian census identified vision impairment affects 55% of Australians. It becomes more prevalent with age with 95% of people over the age of 55 having some form of vision loss. This becomes problematic as 47% of the elderly population admit to having difficulty reading labels on their medication due to poor eyesight or the writing being too small – and this is just those who are willing to admit this!

There are currently a number of services available to help those with low vision, including optometrists, eye clinics, government organisations and national charities such as Guide Dogs Australia. All of these services provide valuable support for people with low vision and although 4 legs may be better than none, even a Guide Dog cannot help you manage your medications.

This is where we come in!

Introducing you to *Isle Pharmacy - Seeing things from your perspective...*

2 Business Description

At Isle Pharmacy, we aim to provide a personalised approach to medication management. We hope to enrich patients with the knowledge and understanding of their medication, helping them to maintain independence and enhance quality of life.

We are an independent community pharmacy located in Lindisfarne, Tasmania. This suburb on the sunny, Eastern Shore of Hobart has the eldest population in Southern Tasmania. Our location considers the demographic of the local area where there is a high population need for services supporting the vision impaired. We offer 7 day trading, free on-site parking and complimentary deliveries, aiming to make everything as easy as possible for our customers.

Our professional pharmacy services are comprehensive and include:

- ❖ Blood pressure monitoring
- ❖ Iron, blood glucose and cholesterol testing
- ❖ Pharmacist-administered influenza vaccinations
- ❖ National Diabetes Support Service provider
- ❖ Needle and Syringe Exchange
- ❖ Mobility and equipment hire



- ❖ Home Medicine Reviews and Residential Medication Management Reviews when referred
- ❖ Monthly Consultation Days for visiting health care professionals such as hearing testing and podiatry

We are a quality pharmacy embracing professional services to improve our patients' health and wellbeing, but what makes us different from other pharmacies with a similar vision?

2.1 Our Highly Differentiated Service

VisualEyes Program

At Isle Pharmacy we understand that everyone's needs are different. That is why each patient that signs up to our program has a variety of services available for them, depending on their own individual needs and preferences:

- ❖ Firstly, patients are allocated their very own *VisualEyes* Pharmacist. During the first consultation the *VisualEyes* pharmacist works with the patient, developing a strong relationship and building a personalised medication plan. This ensures optimal patient compliance, understanding and independence. Clients meet with their *VisualEyes* pharmacist each month for 45 minutes to discuss their medication plan, how they are progressing with their independent medication management and whether they have any issues or queries that their pharmacist can assist with.
- ❖ We understand it is sometimes difficult to reach out to those that can help us. For this reason, we have compiled a local Directory of Community Support Services (DOCSS) available for our *VisualEyes* patients. The directory includes contacts for occupational aids and devices, different types of counselling, community nursing, and Guide Dogs Tasmania.
- ❖ Here at Isle Pharmacy, we strive for our patients to be independent and to minimise complexities for them. Our *VisualEyes* patients have access to a catalogue of medication aids including eye dropper guides, talking thermometers and blood pressure monitors, medic alert jewellery and magnification devices.
- ❖ Individualised prescription and over the counter labelling is central in the *VisualEyes* program. Isle Pharmacy utilises tactile, textile and braille tools to cater for each customer's needs and preferences.
- ❖ At the best of times, we understand that a last repeat sticker may be difficult to view so we proudly provide reminder phone calls, text messages and emails for our *VisualEyes* patients.
- ❖ At Isle Pharmacy we recognise that sometimes patients may need to listen to things a few times to get a full understanding. So, for our *VisualEyes* patients we can record our counselling and monthly consultations so that they can take them home and listen to them again and again and again...
- ❖ Access to *VisualEyes*' unique promotions and activities such as shopping nights.



In addition to the services above, our *VisualEyes* Program participants and every member of the community that enters our pharmacy, will have access to the following:

- ❖ We pride ourselves on being the first *SightAware* pharmacy. Our registers are located near the front door so we are able to identify and welcome customers who may require assistance. We utilise simplified shelf tags with large font, employ high contrast materials between walls, counters and the floor, wider aisles, a level shopfront entry and have a store policy of keeping stock off the floor.
- ❖ Our *InfoMed* collection is another resource we have developed to provide improve our customer's independence in medication management. Using reliable sources, we have composed a library of information sheets about prescription and over the counter medications available in printed or electronic form. Patients may take these home or we can email it to them so it isn't misplaced. Vision impaired patients can also have electronic copies read to them using text-to-verbalise electronic screen readers.
- ❖ We have developed a vision friendly website featuring a high contrast layout and the ability to adjust font size.

2.2 Our Community Benefit Service

Every second Sunday morning before our pharmacy opens its doors to runny noses and headaches, we hold an *Eye Feel Better* group session. This community benefit service is available to our *VisualEyes* program patients and anyone else who wants to join in the fun. We have complimentary tea and coffee, with biscuits available for anyone who has a sweet tooth. Our patients are welcome to bring along treats as well.

We aim to create an environment where anyone in the community feels welcome to come along whilst increasing the awareness of vision impairment in the community. During these sessions we discuss issues prevalent in the lives of patients with vision impairment and introduce methods on how to improve them. Finally, an open circle discussion is held where patients can feel assured that their community surrounding them is there in support. We hope that patients can learn something from the session but also build on their social networks.

3 Marketing and Sales Strategy

Our marketing and sales strategy is based around developing strong relationships with health care professionals and support services in our community. In constructing our DOCCS, we reached out to all services that could be of benefit to our *VisualEyes* Program patients. We informed them of the services we provide to patients and learnt a bit more about what they contribute to our patients' health and wellbeing. By implementing a reciprocal referral process with these professionals and services, we breakdown the communication barriers to improve our patient's level of care. Our pharmacists also make the effort to inform each patient's GP when they take up our support services to ensure continuity of care.

In developing our business plan, we have consulted with Guide Dogs Tasmania and spoke with Naomi, a client mobility and development officer who provides occupational therapy. Naomi confirmed the need for our highly differentiated service and was very confident that there were patients that Guide Dogs Tasmania could refer to Isle Pharmacy who would benefit greatly from the *VisualEyes* program.



To increase our presence in the community:

- ❖ We have a recognisable, company car doing our deliveries, Home Medicine Reviews and Residential Medication Management Reviews
- ❖ Our pharmacy is advertised on radio stations that attract older demographics
- ❖ Continuous engagement with local sponsorship and involvement at community sports and events

Finally, whilst our *Eye Feel Better* group sessions are a fantastic community initiative for our regular patients, the sessions also aim to promote our services to those interested in becoming a part of the family – the Isle Pharmily.

And as everyone knows, Hobart is a small place and it doesn't take long for word to spread about a fantastic service...

4 Management Team and Personnel Summary

We are proud to present the team behind Isle Pharmacy...



(L-R) Monique, Caitlan, Maddie, Alison & Benji, our store mascot and Guide Dog in Training

Alison (Part time Pharmacist – 20 hours)

- ❖ Diabetes Credentialed Educator Pharmacist
- ❖ Nutrition advisor

Caitlan

- ❖ Pharmacy Proprietor
- ❖ Home Medicines Reviews (HMR)
- ❖ Residential Medication Management Reviews

Maddie

- ❖ Asthma Educator
- ❖ Vaccination Pharmacist

Monique

- ❖ Dispensary Manager
- ❖ Wound care practitioner



- ❖ Mental Health First Aid accredited pharmacist

Pharmacy Assistants & Dispensary Staff

We have one full-time pharmacy assistant and one full-time dispensary technician, as well as six part-time staff members.

5 Operations Management

Isle Pharmacy uses FredNXT Clinical Suite for dispensing, office administration and point of sale. Our security features include duress alarms at each workstation, a manual day safe and Closed Circuit Television. We have a Risk Management Framework Policy Strategy in place to identify risks and manage them to reduce the consequences and impact on our aim to provide a personalised approach to medication management.

Isle Pharmacy employs effective inventory management of dispensary and shop items, meaning we can invest our money into our professional services, and we continually are reviewing Key Performance Indicators monthly to further develop our business. We have store policies to watch slow-moving stock and implement strategies to increase sales such as changing the location of the stock and providing staff with information on recommending specific evidence-based products.

We are open 9am – 6pm Monday to Saturday and 10am – 5pm Sunday (with our *Eye Feel Better* group sessions commencing at 9am every fortnight). We proudly staff two full-time and two part-time pharmacists, utilising our full time dispensary technician to maximise the time that pharmacists spend with our patients. The pharmacists have weekly meetings to raise any queries, ensure each pharmacist is aware of new *VisualEyes* Program patients and address other areas of the business.

6 Financial Forecast

With our current business model, we anticipate to be able to support over one hundred patients through our *VisualEyes* program. In the next year, we aim to enrol 20 patients, increasing enrolment to 110 over the next 5 years. Our maximum capacity is based on the employment of two pharmacists conducting 14 45-minute consultations per week, four weeks per month.

Initially, our *VisualEyes* program, will be a fee for service model at just \$6.30 per week for concessional patients and \$12.60 for others. The service subscription will be indexed against the annual price placement for Pharmaceutical Benefits Scheme. These values are predicted to increase on January 1st 2018, and although this is not confirmed, our 2018 calculations have been based on 2017 values with 10 cent incremental increases each year following. We have calculated the ongoing maintenance of the program to be \$2,000 per year - primarily for the purchase of additional supplies.

Year	Weekly Income	Yearly Income
2018	\$230	\$11,981
2022 (Projection for 110 patients)	\$884	\$45,990

We forecast our initial services cost to be a maximum of \$10,000 (including \$2,000 in stock), which will be returned within the first 12 months. *VisualEyes* will be funded by Isle Pharmacy's current revenue and we expect to achieve a net profit of approximately \$225,000 in 2018, our first year of business.



Income	2016	2017	2018
TOTAL SALES	\$2,677,665	\$2,709,936	\$2,775,221(1)
COST OF GOODS SOLD	\$1,819,384	\$1,791,894	\$1,752,234
GROSS MARGIN	\$858,281 (32.1%)	\$918,042	\$1,011,006
Other income (eg. Government incentives/allowances, HMR and other services, dividends)	\$41,182	\$49,243.50	\$53,300 (1)
GROSS MARGIN PLUS OTHER INCOME	\$899,463	\$967,285	\$1,066,306 (1)
TOTAL REVENUE (Sales plus other income)	\$2,718,847	\$2,759,180	\$2,818,540(1)
(1) + \$11,981 for income from cost of service <i>VisualEyes</i> Program			
Expenses	2016	2017	2018
Salaries and Wages	\$353,370 (13.0%)	\$359,614	\$369,417
Rent Paid	\$146,128 (5.4%)	\$146,128	\$148,352
Outgoings – Rental & Rates	\$6,519 (0.2%)	\$6,715	\$21,794
Accounting	\$11,286 (0.4%)	\$11,739	\$8,450
Advertising	\$31,588 (1.2%)	\$46,206	\$26,533
Bank Charges	\$8,268 (0.3%)	\$7,591	\$7,050
Computer expenses	\$12,689 (0.5%)	\$13,128	\$13,076
Depreciation	\$30,994 (1.1%)	\$33,392	\$30,328
Electricity, Water, Heating	\$14,136 (0.5%)	\$14,476	\$13,094
Insurance	\$8,536 (0.3%)	\$9,204	\$8,472
Interest paid	\$77,933 (2.9%)	\$74,789	\$59,292
Leasing expenses	\$3,122 (0.1%)	\$3,253	\$7,991
Motor Vehicle expenses	\$3,569 (0.3%)	\$3,875	\$6,869
Postage, Freight, Printing	\$9,300 (0.3%)	\$9,664	\$9,472
Repairs, maintenance, Service	\$4,141(0.2%)	\$4,374	\$4,553
Subs and Registrations	\$14,806 (0.5%)	\$15,594	\$8,692
Superannuation	\$31,803 (1.2%)	\$32,307	\$35,018
Telephone	\$5,650 (0.2%)	\$6,015	\$4,893
Training	\$2,318 (0.1%)	\$2,375	\$2,464
Abnormal expenses	\$2,461 (0.1%)	\$7,115	\$2,732
Payroll Tax	\$5,860 (0.2%)	\$6,004	\$5,332
Workers Compensation	\$2,845 (0.1%)	\$3,024	\$3,158
<i>VisualEyes</i> Program	-	\$10,000 (2)	\$2,000(3)
Other expenses	\$16,866 (0.6%)	\$15,736	\$30,512



Total Expenses	\$804,218 (29.6%)	\$842,318	\$829,544
Total Income	\$95,246 (3.5%)	\$124,968	\$224,781
Revenue Analysis	2016	2017	2018
Prescription	\$1,686,617 (62.0%)	\$1,698,799 (62.7%)	\$1,811,358 (64.5%)
Other Sales	\$991,049 (36.5%)	\$1,011,137 (37.3%)	\$951,882 (33.9%)
Other Income	\$41,182 (1.5%)	\$49,243 (1.8%)	\$43,319 (1.5%)
	(2) Set-up costs for program during 2017		
	(3) Maintenance costs for program as commenced in 2018		

Inventory Analysis	2016	2017	2018
Prescription	\$86,870	\$107,362	\$124,387
Other	\$193,121	\$195,031 (4)	\$172,329 (4)
STOCK CARRIED	\$279,991	\$302,393 (4)	\$295,716 (4)
	(4) \$2,000 stock on hand for <i>VisualEyes</i> Program		

ASSEST	2016	2017	2018
Current Assets	\$525,489	\$479,713	\$551,727
Non-current Assets	\$238,733	\$232,639	\$267,562
Goodwill (at cost)	\$1,766,165	\$1,776,165	\$1,776,165
Total Assests	\$2,540,387	\$2,488,516	\$2,595,454
LIABILITIES	2016	2017	2018
Current Liabilities	\$495,376	\$512,126	\$530,471
Long Term Liabilities	\$1,466,617	\$1,421,617	\$1,379,538
Total Liabilities	\$1,961,993	\$1,933,743	\$1,910,009
Net Worth	\$578,393	\$544,773	\$685,444

7 SWOT Analysis

7.1 Strengths

- ❖ The *VisualEyes* program fills a gap in current pharmacotherapy management services available. There are presently no community pharmacy based services offering a comprehensive medication management plan for the vision-impaired population. Our *VisualEyes* Program aims to provide comprehensive and independent medication management regimens individualised for each patient. We are focused on the needs of our local Tasmanian demographic; with a growing aging population, vision impairment will continue to impact our patients' medication compliance and quality of life. We therefore believe that our program will successfully aid in improving our patient's health outcomes.
- ❖ Vision impairment does not discriminate; neither do we, therefore we cater to all ages, genders and co-morbidities.
- ❖ We have identified a large target market in our community and across Australia and are able to incorporate all patient characteristics.
- ❖ *VisualEyes* is a low maintenance program as we utilise processes already in place during our dispensing and counselling, and require few physical resources.
- ❖ Our innovative service is adaptable for application in community pharmacies and health clinics everywhere. The program is also suitable for integration into larger business models and service providers.
- ❖ We are a small locally owned and operated business, employing few but highly trained staff; we know our patients and they know us.



- ❖ Being a central community pharmacy located in a busy shopping strip, *VisualEyes* is easily accessible.
- ❖ When we have the *VisualEyes* program up and running, cost and maintenance involved with the continuity of the service will be minimal, therefore making our service maintainable and adaptable to other community pharmacies.
- ❖ The implementation of this service does not require the employment of additional staff, but utilises the availability and specialist knowledge of our current pharmacists at the existing business of Isle Pharmacy.
- ❖ The patient's *VisualEyes* pharmacist introduces their new patients at the weekly pharmacist meeting. Patients subscribed to the *VisualEyes* program also have a profile stored in Isle Pharmacy so that on the rare occasion that their allocated *VisualEyes* pharmacist is unavailable, every staff member already knows the patient's background and will be able to help. This eliminates much of the stigma around people with a disability that may prevent them from seeking help.
- ❖ At Isle Pharmacy we are committed to the continuation of patient centred care through the individualised management plans offered to our patients.

7.2 Weaknesses

- ❖ This service targets a narrow market of the Australian population however we believe the *VisualEyes* program is the only comprehensive medication management plan for people with low vision in the country.
- ❖ Initially, *VisualEyes* will be patient funded and the cost is in addition to other prescription expenses. We have listened to our cliental and the need for this service is there. In order to achieve independent medication management our patients are willing to pay for this service - because you cannot put a price on good health.
- ❖ The demand for our services will drive our success. The pharmacy profession is a small one; in Tasmania it is even smaller so word travels fast. With an enthusiastic pharmacy team, great marketing and a phenomenal service we are certain that we will reach our patient subscription capacity and have a positive influence on how our patients view their health.
- ❖ As a smaller community pharmacy with a small staff roster, the occasional absence of staff may mean a patient is unable to contact their assigned *VisualEyes* pharmacist. However, our in-pharmacy patient profiles allow every staff member to keep up to date with the medication management for each enrolled patient.

7.3 Opportunities

- ❖ There is an increasing market for health related services, particularly in community pharmacy where patients do not need a scheduled appointment or doctors consultation. Professional services such as the *VisualEyes* program lead the way in reducing the burden on doctors and overall health care system. At Isle Pharmacy we take responsibility in improving health outcomes of our patients and minimising avoidable complications or hospitalisation.
- ❖ Implementation of the *VisualEyes* program will greatly raise awareness of vision impairment and offer the interventions to improve health outcomes for the vision impaired population.
- ❖ Our program offers independence in medication management at home and outside of the pharmacy for each customer.
- ❖ The *VisualEyes* program can be easily expanded to other pharmacy businesses, consultant pharmacy services and health care providers indicating the potential opportunity for a national roll-out plan.
- ❖ This program caters for an often forgotten group of society.



7.4 Threats

- ❖ Other community pharmacies may begin to implement their own programs revolving around vision impairment. As we expand our program, we can demonstrate its' viability and success and then market the idea to other challengers, including competing community pharmacies.
- ❖ With the innovation of new pharmaceutical ideas and services we will work to overcome challenges in competing for market share. Our goal is unique in that we aim to create an individualised medication management plan based on a close relationship between each patient and their *VisualEyes* pharmacist.
- ❖ The pharmacy profession is continually expanding and developing; we see this as an opportunity to expand our professional pharmacy services including the *VisualEyes* program, and a way to create more innovative ideas that benefit our patients.
- ❖ We strongly believe that our service is a cost-effective approach to medication management for our customers and that they are very willing to invest in improving their own health and independence.
- ❖ Funding in pharmacy is finite and often restrictive; hence our patients will initially fund the *VisualEyes* service whilst in this early stage. We aim to gain remuneration for our service in the future through public and private funding however, we believe the initial fee for our service is excellent value.

9 Future Vision

Into the future we anticipate being able to fund the *VisualEyes* program through private health insurers, the National Disability Insurance Scheme (NDIS) and the Medicare Benefits Scheme. We aim to be able to claim for private and group consultations, developing pharmacotherapy care plans and the supply of therapeutic aids. The NDIS in particular is a viable future funding source, with currently over \$22 billion dollars in resources available – all at no cost to the patient.

With the development of a *VisualEyes* app to assist our patients at home, and a potential national roll-out of the *VisualEyes* program to other community pharmacies, the sky is the limit.

We hope you visit Isle Pharmacy soon – *Seeing things from your perspective.*

