



PROFESSIONAL

SERVICES

Skin1st



TABLE OF CONTENTS

- Introduction3
- 1. Executive Summary.....4
- 2. Demographic4
- 3. Business Description5
- 4. SWOT Analysis8
- 5. Operating Plan.....9
- 6. Marketing and Sales Plan.....9
- 7. Financial Plan10

INTRODUCTION

Our **Skin Health** service is dedicated to providing the most accurate and relevant information for our patients regarding their skin ailments. Therefore, our pharmacists conducting this service will be trained to undertake programs such as Dermatology Pharmacy Network Program and other.

In addition, we also require our pharmacists to complete the Pharmacy Guild of Australia CPD course, “Quality use of topical corticosteroids in atopic dermatitis”. We will also look to further our pharmacist’s abilities by ensuring that they complete at least 1 hour of dermatology related CPD per year. This will ensure that our pharmacists are up to date with the current guidelines and treatment standards, as well as furthering their knowledge and skills in the dermatological area.



Jasper Ho

Pharmacist in Charge (full-time pharmacist)

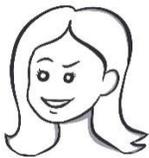
Jasper is the primary pharmacist leading the **Skin1st** service. He is responsible for implementing the service and inputting data so that patients will have access to their records within a short while after finishing their consultation. Jasper believes in quality of care so that his patients can achieve the best possible outcome.



Luke Bradford

Financial Advisor and trashman- pharmacist proprietor

Luke has a keen interest in market performance and being a pharmacist, he is interested in expanding **Skin1st**, a new and innovative service into the slowly progressing healthcare sector. He has a strong background in analytical thinking and therefore tracks data to monitor the growth of the service and project future performance.



Pauline Ngo

Operations manager - part-time pharmacist

Our service is able to run smoothly due to Pauline’s efficient organisational skills. She maintains a structured workflow of the dispensary to ensure that the pharmacy and **Skin1st** is running proficiently. Pauline will also be the primary pharmacist in charge of completing our outreach service every 3 months, providing expert knowledge and support to regional and rural communities.



Naila Mubeen

Marketing/promotions manager - pharmacist proprietor

Naila is responsible for the promotion and marketing of **Skin1st**. Being a pharmacist and proprietor she has developed a strong relationship with the local community. Her skills and expertise in marketing will allow her to promote the service to patients as well as using her connections with various skin care companies to acquire promotional products and materials.

Dr Victoria Garcia Cardenas

Our academic mentor

John Bell

Our community pharmacy mentor

1. EXECUTIVE SUMMARY

How long should I wait before I see the doctor or specialist? There are so many skin products, how will I know which one will be the right one? Should I try topical corticosteroids? These are some common questions that plague the mind of patients who are dealing with skin problems that may be occurring for the first time or haven't warranted further check-up. Skin concerns are commonly overlooked because they may be considered non-life threatening or just something that will go away with time. However, skin problems could lead to further complications if not managed as soon as possible and with the right skincare products. With the plethora of skincare management products within the pharmacy, sometimes patients are met with the challenge of selecting the wrong product which can irritate their skin and prolong skin healing. Moreover, the patient may visit a health-care professional but due to a lack of push for follow-up their condition isn't properly monitored for resolution or to ensure timely intervention with alternative management. Skin-related concerns contribute to 18% of presenting problems within the pharmacy in Australia and this is predominantly a problem within Central and Eastern Primary Health Network (CESPHN). The current trajectory shows that it is on the rising and probably will continue to be an issue unless adequately managed.

At Health Key pharmacy we are passionate about delivering innovative services that are individualised for the patient and encourage regular follow-up consultations to help the patient achieve the best possible outcome. Our service **Skin1st** aims to promote a standardised consultation service for patients who have skin-related concerns. Our service transcends the norms of ordinary services by providing an original service, that allows us to build a patient database to understand the prevalence of certain skin conditions, which can be used to support research and help inform other HCPs in CESPHN. Our service doesn't end after the patient leaves the pharmacy but will continue to be a source of support for the patient in the weeks of follow-up care, they will leave with the reassurance that our team will be looking after them long-term and have a plan to ensure this.

At Health Key pharmacy we offer Skin1st which aims to put *your* skin first, don't hesitate and come have a chat with us today!

2. DEMOGRAPHIC

Skin concerns and diseases are predominant in the Australian population and manifest as various disease states. The most common in Australia include; contact/allergic/atopic dermatitis, which has affected at least 58.3% of the Australian population, psoriasis (10%), urticaria (8.8%), rosacea (3.4%), candidemia (1.43%), fungal infections and other skin-related concerns addressed within the pharmacy account for other common presentations within the pharmacy. Some of these skin conditions may seem minor but can be persistent and can greatly affect one's quality of life, if they are not managed properly in the early stages of occurrence. New South Wales has one of the highest prevalence of skin ailments at 10.2%, which presents us with an opportunity to launch our standardised Skin1st service, that will promote effective management of skin ailments. A common trend is that skin conditions tend to be ongoing from childhood into adulthood and therefore because of the growing population in NSW, there will be a growing demand for skin management outside GP and specialist services. An appointment with a dermatologist or skin specialist can easily cost a patient hundreds of dollars, even on referral. Not to mention the long waiting times that can take up to 6 months, during which the patient's condition is unmanaged and can worsen. Community pharmacists are often more accessible for patients and are the first point of contact when they have complaints of minor ailments. The service is more affordable and available for patient who have minor skin ailments, and do not necessarily require specialist attention.

3. BUSINESS DESCRIPTION

Community pharmacy programs currently offered are funded through the pharmacy guild and are listed in the 6CPA agreement. There is currently no pharmacy service that focuses on standardisation of skin management within the community pharmacy. According to GuildCare, current professional pharmacy services cover other areas such as baby progress check, general medication reviews, monitoring (BP, iron, blood glucose, lipids, INR), screening (COPD, stroke, sleep apnoea) and ensuring appropriate technique is used for devices (inhalers), and more recently, vaccinations. In relation to skin, the relevant professional pharmacy services look at screening for melanoma which has been established in other countries such as Europe. There is also wound care services, but that usually involves supplying appropriate wound care materials and a brief consultation whereas our service has allocated time slots of 15-30 minutes dedicated to patient consultations for skin conditions.

Our service is innovative in that it will allow patients to have time for a one-on-one consultation with the pharmacist about their skin concern, they will receive advice and access to information and discussion notes to facilitate education. Also, we will be utilising objective measures to investigate the skin through our humidity and pH measurement devices from Courage and Khazaka electronic. Our service will include follow-up for the specific skin problem which is different to the current model of supplying a product with some brief counselling. Additionally, our service looks to focus on several common skin conditions such as eczema (atopic dermatitis), psoriasis, generalised skin rashes, topical fungal infections, plantar wart and scabies. Although these skin conditions often present within the pharmacy, due to time constraints they are only assessed briefly and don't have follow-up to ensure effectiveness of recommendation and monitoring of resolution or improvement.

Key participants: our pharmacy service will identify appropriate patients (through patient requests for products, requesting information from pharmacist, presenting a prescription for a product to manage skin condition) and rely on patients requesting the (Skin1st) service from advertising. Patients in [PHN network] often present with skin-related issues at the pharmacy 18% of which can be referred to our service by a trained pharmacist or staff member. Then the patient will have to fill out a patient information form with their relevant medical history, medications and skin care regimen (moisturiser, cleanser, sunscreen). The pharmacist trained to deliver the service can then have a brief consultation with the patient (5 minutes) to rule out the need for referral to a doctor or specialist for further investigation.

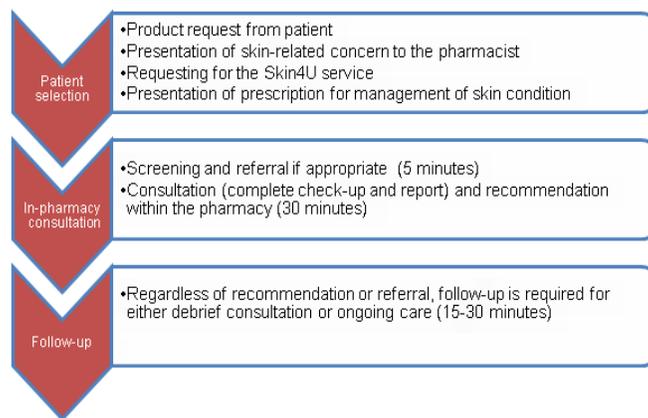


Figure 1 Flow diagram of Skin1st service delivery

Service overview

Delivering the service:

In-pharmacy consultation: The main innovation of our service is the consultation-driven aspect which targets skin-related concerns to be carried out in a consultation room. Our areas of concern are inflammatory skin conditions (psoriasis, atopic dermatitis, generalised rashes, acne vulgaris) and other common skin conditions which present within the pharmacy (plantar warts, fungal infections, scabies) with the goal of covering additional skin concerns as the demand grows.

Discussion of patient's skincare concerns and management plan: The patient will be informed about the purpose of the service which is to ensure optimal management of their skin concern and a consent form is optional for information gathering for the local PHN. Our service will follow the SMART model for service delivery. The SMART model allows a

standardised protocol and purpose for each consultation. Depending on the skin-related concern, a plan will be generated and provided to the patient and kept on file in the pharmacy. The model ensures that each patient has a specific and individualised plan, that is measurable, attainable, relevant and time-based follow-up can be continued within the pharmacy. The report generated may be synced with a smart device or computer for the patient to have ease of access to relevant information for progress monitoring (Figure 2).

Physical examination and objective skin measurements: Another innovation of our Skin1st service is dedicating time to examine the affected area and document the findings. The area of concern will be examined using a magnifying lens and light, findings will be recorded for degree of erythema size and spread, presence of skin nodules with or without pus, broken skin and skin discolouration. In addition to the physical examination, our patient will also be asked questions relating to pain (pain scale) and degree of pruritus, for the purposes of monitoring. If the patient's skin condition warrants further objective skin measurements, this will be performed. We aim to utilise two instruments to measure the skin barrier and environment (pH). Courage and Khazaka electronic products will be used, specifically, Derma Unit SSC 3 with dermatology evidence to support its effectiveness, this device will be used to measure the skin's pH, moisture levels and sebum production. The benefit of this device is that the personal data and results can be exported to Excel® or printed out. The purpose of monitoring the skin pH is to monitor the epidermal pH and its effects on the skin because there is evidence to suggest that it influences activity of skin enzymes and therefore affects skin inflammation and colonisation. Comparison of the skin's pH in affected skin areas (such as psoriasis) and non-lesional skin can be compared to normal skin and appropriate skincare products and lifestyle advice can be recommended to ensure pH consistency. Therefore, this can help with management of the skin condition and prevent further infection. It is also important to measure the skin's moisture barrier to ensure the epidermis is hydrated, this is to ensure skin conditions aggravated by dryness. The additional monitoring parameter if appropriate is sebum measurement which would apply to patients who have acne.

Skin1st app: The purpose of our Skin1st application will be to ensure ongoing monitoring and progress reports to be synced to an online platform for ease of access for the patient and the pharmacist. The information gathered from the app will be synced with the database within the pharmacy to ensure patient concerns and progress will be addressed at the following consultations. The patient will be informed about the app and how to use it, if they require further assistance in between consultations they can contact the pharmacist through the app. The functions within the application will address the patient's feelings each day or as much as the patient inputs to monitor any changes or improvements. This is because there is research to suggest that Australians feel that the psychological management of their skin conditions is not being adequately met by their healthcare professionals. Therefore, the Skin1st app will offer an avenue for the patient to discuss their feelings with the pharmacist and allow the patient to feel supported. The Skin1st app will ensure evidence-based information regarding the patient's skin condition is available to prevent the patient from accessing less reliable information sources. The app will also contain discussion notes from the in-pharmacy consultation to ensure the patient is able to have access to their personalised management plan. It will also have reminders for the patient to ensure they have tips and advice to ensure they have gone through the appropriate steps for such as protecting their skin with barriers such as sunscreen and moisturising their skin after they shower to avoid losing moisture in their skin. They can also record their comments about their condition such as itchiness, pain and redness for follow-up management. Patients can also keep track of their progress and the goals they have completed to feel motivated regarding their progress. The app will also include a weather update each day and the climate conditions to provide additional tips for skin protection and management.



Figure 2. The home page of the Skin1st application



Figure 3 Examples of how the Skin1st app can help the patient and the pharmacist

Follow-up consultations: Follow-up will involve a brief consultation about the patient’s ongoing progress and concerns (5-10 minutes). The patient’s input into the Skin1st app will also be discussed, predominantly their self-reports about the resolution of their skin problem and their emotional well-being in between consultations. This will be followed by objective skin measurements if necessary for further monitoring. The patient’s regimen will be optimised, the patient will be informed about how far along they are from completing their skincare goals. Regardless of whether the patient has a consultation with the pharmacist in the pharmacy or referral to another healthcare professional (HCP), follow-up is always advised and offered. At Health Key pharmacy we value patient feedback, therefore patients are advised to give feedback, because patients who are satisfied with their health care services are more likely to adjust their behaviour for management, such as improve their medication adherence. This is another goal of our service, where our team can improve patient satisfaction about the management of their skin problem in order to ensure adherence and optimal health outcomes. In order to assess patient health outcomes, this will be aligned with expectations at the first consultation and liaising with the patient’s doctor.

Off-site pharmacy service: Our plan for a social outreach pharmacy service aims to introduce our Skin1st app and provide minor skin ailments education to the Australian rural community. A trained pharmacist will travel to the rural Australian communities for three days (visiting 3 different rural community sites) at each quarter of the year to provide the skin-related information sessions which will be free. The duration will be for half a day and will include offering our Skin1st online application which will allow patients to have access to discussion forums for follow-up. Additionally, patients can buy services in the app that will allow them to have personalised advice, such as an online Q&A with one of our trained pharmacists in Sydney, with online follow-up which can be managed through photo sharing and one-on-one messages.

4. SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Skin1st is an innovative and accessible service that focuses on standardisation of skin management within the community pharmacy. • Skin1st offers a quick and efficient screening and consultation service within a 15-minute session, compared to a 6 month wait for a skin specialist. • Skin1st will be an affordable service that will be accessible to a wider range of patients, including those that are unable to afford the \$246 (with \$72.75 Medicare rebate) fee for a specialist referral. • [Pharmacy name] is passionate in delivering personalised services that cater to a wide range of age groups. The location of the pharmacy in the CESP HN, in combination with our drive to improve community healthcare, encourages more affordable and accessible services such as Skin1st. 	<ul style="list-style-type: none"> • This service is not intended for curing skin conditions, it only aims to screen minor skin ailments and provide recommendations within the pharmacist’s scope of practice. • The pharmacy is limited in terms of equipment, compared to skin clinics which can diagnose and evaluate with precision. • Profits are reliant on sales of non-prescription items, such as moisturisers and lotions, or s2 and s3 products.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Skin1st provides a standardised protocol for skin management that can be used in a multidisciplinary setting • Skin conditions in Australia are increasingly prevalent. For example, eczema is projected to affect about 40% of Australians by 2045. Skin1st will aim to reduce this growing issue by educating and addressing skin issues in early phases. 	<ul style="list-style-type: none"> • With around 20 pharmacies in the Central and Eastern area, there is a risk of plagiarism from other pharmacies • Health care professionals such as dermatologists and other skin specialists may not approve of the idea of a skin screening service in the pharmacy setting.

5. OPERATING PLAN

Details of the premises

The opening hours of Pharmacy Name are 8am to 6pm on weekdays and 9am to 5pm on Saturday and 10am to 5pm Sunday, totaling 65 hours a week. Our floor plan is detailed below, with the consultation room being located in the back corner of the pharmacy. There, the room will contain a bed, desk and chairs for consultation and a computer and printer for information documentation. The pharmacy itself will also have Wi-Fi available for patients to be able to access and download our app.

Management of information systems

Information systems for our service will include pharmacy computers for documentation of data from patients, dispensing systems and software to coordinate app data with patient data. As well as this we will require encryption software and printing services. Most of this is already available at the pharmacy, with only the software for app data being needed, as this will come from our app designer.

IT and risk management outline

To ensure the security and confidentiality of our patient's files, our pharmacy computers are equipped with Kaspersky antivirus protection and internet security software. This software will reduce the risk of cyber threats and ensures that files are protected with an end-to-end encryption. Also, patient data once uploaded by the pharmacist is protected by a unique passcode assigned to each patient. To further protect patient confidentiality this passcode is for one use only, and once used will expire.

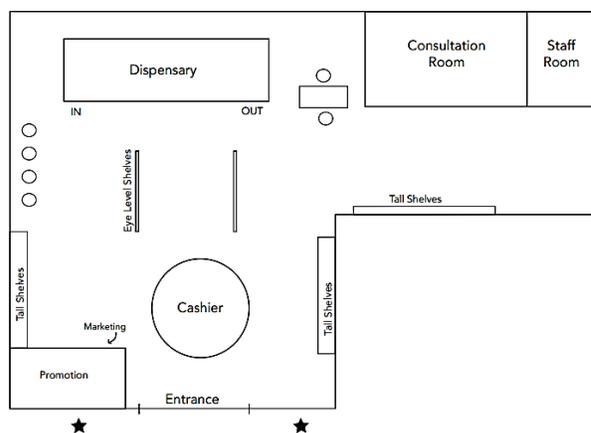


Figure 4 Floor plan of [Pharmacy name]

KEY

★ Window Display

6. MARKETING AND SALES PLAN

Based on the research we have identified a need for our Skin1st service in our local community. Therefore, the marketing involved in this will be heavily focused on spreading our advertisements across a range of platforms such as front-page advertisement in our local shopping centre magazine as well as setting up posters in the pharmacy. We also engage our Instagram and Facebook users by creating the hashtag #Skin1st and asking them to post their pictures, skin care stories, problems and any questions they have regarding our service or the skin ailments. This will generate an awareness of our new service to our regular customers and also have effectively spread the message in the local community as well as further afar. The outreach program will also aim to spread awareness of our service as well as our app.

We also aim to establish a good relationship with the local medical practitioners in the community through communication, allowing us to integrate Skin1st into the management and long-term care of patients that have been diagnosed with skin ailments. Through a referral pathway with the GP referring patients to us for monitoring, ongoing care and management of flare ups our target is to generate a good amount of regular patients. These regular patients would come in for short, weekly or fortnightly consultations and then the patient would only need to be referred to the doctor if further management is needed. We believe management in this case would be easier due to the monitoring that was carried out in the pharmacy as well as the products that have been recommended and trialed would be identified so that the doctor would be able to further manage the patient accurately.

We will also utilise social media to promote our new service by creating a page on Instagram and Facebook. The page will advertise the implementation of the service in the pharmacy with a countdown of 5 days to generate a hype. This is so that we are able to have an opening day promotional event, inviting local GP's and the first 50 customers with a trial of our hydration machine as well as goody bag with an informational brochure about our service and some skin care samples.

With a growing market in the digital industry we will integrate our Skin1st service in a healthcare app. Which will provide our customers with access to the notes that have taken during their consultation, a calendar with reminders of their upcoming appointments, a diary to log their symptoms or any progress so that a pharmacist may review it in their next consultation, relevant product information, FAQ's and an online service to have a pharmacist review and answer any of their queries.

At Health Key pharmacy we care about everyone's skin health and access to accurate education and resources. Therefore every 3 months we are sending our trained pharmacist off to rural sites to conduct educational workshops to spread an awareness of common skin ailments and how to identify them. In addition, we aim to promote our unique app so that consumers have the opportunity to seek accurate information from a trained Skin Health pharmacist.

7. FINANCIAL PLAN

Financial Forecasts

The service itself will cost \$25 for the full consultation, with a one-off cost of \$5 to purchase the app for continued updates. We expect to use the staff we have for the first year, with the following years accounting for another pharmacist being added to the team. We expect to break even by the end of 2019, making a reasonable \$15,021, with the money coming primarily from OTC product sales. Consequent years will see an improved revenue as more people use the service.

Service Cost

Our service is targeting individuals seeking professional pharmacist advice for their skin conditions. A specialist dermatological appointment can cost upwards of \$200, with many conditions able to be adequately treated and maintained by pharmacist advice and over the counter treatments. We are providing this service at a cost of \$25 to the patient, providing them with up to 45 minutes of one on one time with the pharmacist as well as the option for continued follow up.

Costs are divided into 3 sections;

- I. Initial costs of the service are expected to be around \$4550.00 with this cost expected to be recovered by the end of 2019. This includes our equipment, marketing (namely app development) and training time. The maintenance costs are expected to hit \$784.00 per year for utility and app update costs.
- II. The costs of the service being run divided into 3 distinct sections of the consult, full service and follow up. This includes the cost of the pharmacist's time as well as other utility costs for the running of the service.
- III. The costs for our outreach service which includes a 3-day service to several regional or rural towns, once every 3 months. This includes reimbursement for pharmacist time, flights and accommodation.

Table 1: Projected Revenue

Projected cumulative revenue of both service and OTC sales			
Year	2019	2020	2021
Revenue	\$15,021	\$31,091	\$56,398

START-UP COSTS

Initial costs and maintenance	Initial		Maintenance per year	
Training for two pharmacists	Time (1-day course)	\$540	Continued education	\$432
Equipment	Devices	\$2,000	Devices	\$250
	Wood Lamp skin magnifier + light	\$50	Utility	\$34
Marketing	App	\$2,500	App updates	\$400
Total cost		\$4550		\$784

Service Costs		
Consult (10-15 mins)	Full service (30-45 mins)	Follow-up (15-30 mins)
Time \$10.50	Time \$17.50	Time \$13.50
Printing \$0.07	Skin test \$3.80	App data \$4.80
	Printing \$0.07	
	App data \$6.80	
Total \$10.57	\$28.17	\$18.30

Outreach service cost	
One 3-day outreach service cost	
Pharmacist time	\$1,040
Flights	\$500
Accommodation	\$500
Utility	\$125
Total	\$2,165.00

PROFITS AND LIABILITIES						
REVENUE	2019		2020		2021	
Prescriptions dispensed	\$59,747		\$62,175		\$65,366	
Total non-prescription sales	\$1,563,660		\$1,883,887*		\$2,363,829**	
Made up of:						
S2 and S3 medicines	\$571,568		\$686,548*		\$895,671**	
Non-scheduled health categories	\$543,679		\$654,685		\$815,612	
Other	\$448,413		\$542,654		\$652,546	
Sales	\$3,285,928		\$3,684,652*		\$4,065,984**	
Cost of goods sold	\$2,173,287		\$2,345,687		\$2,549,856	
Gross margin	\$1,112,641		\$1,338,965	36.3%	\$1,516,128	37.3%
Other income (e.g. government incentives, HMR)	\$60,402		\$75,468		\$81,658	
Gross margin plus other income	\$1,173,043		\$1,414,433		\$1,597,786	
Total revenue (sales plus other income)	\$3,346,330		\$3,760,120*		\$4,147,462**	
Revenue analysis						
Prescription	\$2,340,871	70.0%	\$2,401,356	69.6%	\$2,645,891	68.7%
Other sales	\$945,057	28.2%	\$975,654	28.3% *	\$1,123,562	29.2% **
Other income	\$60,402	1.8%	\$75,468	2.2%	\$81,658	2.1%

*Adjusted revenue projection including costs and profits associated with the service of +\$7,495 Also includes the addition of associated OTC sales with a total revenue of +\$20,625, increasing Total Sales by +\$28,120 after the first year.

**With second year revenue expected to provide +\$10,985 from the service itself. Also including additional OTC sales with a total revenue of +\$39,856, increasing total sales by +\$50841

EXPENSES	2019		2020		2021	
Salaries & Wages	394717	11.8%	463539	13.9%	502695	15.0%
Rent paid	158603	4.7%	162568	4.9%	166632	5.0%
Outgoings – rentals and rate	\$19,783	0.6%	\$20,277	0.6%	\$20,784	0.6%
Accounting	\$10,622	0.3%	\$10,887	0.3%	\$11,160	0.3%
Advertising	\$44,439	1.3%	\$45,550	1.4%	\$46,689	1.4%
Bank charges	\$15,140	0.5%	\$15,519	0.5%	\$15,907	0.5%
Computer expenses	\$17,950	0.5%	\$18,399	0.5%	\$18,859	0.6%
Depreciation	\$31,900	1.0%	\$32,698	1.0%	\$33,515	1.0%
Electricity, water, and heating	\$12,116	0.4%	\$12,419	0.4%	\$12,729	0.4%
Insurance	\$10,309	0.3%	\$10,566	0.3%	\$10,830	0.3%
Interest paid	\$52,707	1.6%	\$54,025	1.6%	\$55,375	1.7%
Leasing expenses	\$7,475	0.2%	\$7,662	0.2%	\$7,853	0.2%
Motor vehicle expenses	\$4,334	0.1%	\$4,443	0.1%	\$4,554	0.1%
Postage, freight, printing	\$10,252	0.3%	\$10,508	0.3%	\$10,771	0.3%
Repairs, maintenance, service	\$4,743	0.1%	\$4,862	0.1%	\$4,983	0.1%
Subs and registrations	\$9,132	0.3%	\$9,361	0.3%	\$9,595	0.3%
Superannuation	\$39,407	1.2%	\$40,392	1.2%	\$41,401	1.2%
Telephone	\$5,064	0.2%	\$5,190	0.2%	\$5,320	0.2%
Training	\$2,181	0.1%	\$2,235	0.1%	\$2,291	0.1%
Abnormal expenses	\$14,709	0.4%	\$15,077	0.5%	\$15,454	0.5%
Payroll tax	\$6,358	0.2%	\$6,517	0.2%	\$6,680	0.2%
Worker's compensation	\$3,605	0.1%	\$3,695	0.1%	\$3,788	0.1%
Other expenses	\$66,226	2.0%	\$67,881	2.0%	\$69,578	2.1%
Service expenses*	\$10,934	0.3%	\$10,150	0.3%	\$15,680	0.5%
Outreach service**	\$2,165	0.1%	\$4,600	0.2%	\$4,800	0.2%
NET EXPENSES	\$941,771	28.1%	\$1,038,020	31.0%	\$1,097,324	32.8%
NET INCOME	\$231,272	6.9%	\$238,596	7.1%	\$276,346	8.3%

Figures have been adjusted for a 2.5% inflation rate over the next 2 years

*Includes 3-year expense for the total service, including initial set-up, maintenance and follow up costs

**Includes 3-year expense for pharmacist time, flight and accommodation reimbursement