DocScrips Physician Dispensing Program

Section 1: Introduction

We at DocScrips are confident that our customer dispensing systems will add a significant benefit to the outcomes of your patients, practice, and staff. DocScrips, in partnership with Aidarex, is committed to providing your practice with the tools necessary to ensure that medications compliance is achieved and your ancillary expectations are exceeded.

At DocScrips, we pride ourselves in the ability to create Customized Medication Dispensing Systems based on the practice and participating physician’s specific needs and requirements. Our services specially cater to physicians, large medical centers, hospital-owned clinics, ACO’s and the majority of medical specialty clinics. Included in our customized offering is a robust, web-based Dispensing System which will allow your practice to dispense to patients electronically. The state of the art option virtually eliminates the need for paper charts, ensures compliance with State and DEA regulations: provides traceability into your dispensing practices, and so much more. Our system is designed around 3 major programs: “Cash and Carry, Workers Comp, and Adjudication” (or a combination of these services) which you can offer your non-insured, Work Comp, PI, HMO, PPO or Medicare patients. Each dispensing system was designed with practicality, security and “ease of use” in mind. Our Wed Based dispensing system provides total accountability, compliance and reconciliation. We can integrate this system with most EMR/PM systems and/or your E-Prescribe system and provide meaningful use credit.

Section 2: Background

In partnering with Aidarex, we have aligned ourselves with one of the largest Pharmaceutical Re-Packaging Companies in the United States, with over 23 years of experience in the physician dispensing arena and repackaging industry. Aidarex’s business foundations is compliance, trust, passion, and ethics. Aidarex operates a highly automated state of the art unit of use repackaging facility in Corona, CA. Aidarex is an FDA, DEA, CA State Board of Pharmacy and CA State Food and Drug Licensed facility. They are licensed and operate in 48 States and are VAWD certified by the NABP.
Sections 3: Sampling of Clients

1. The Department of Defense.
   a. 121 of the largest Military Medical Facilities in the U.S.
   b. Provide medications for all troop deployment for Iraq and Afghanistan.
   c. All field mobile medical units in Afghanistan.

2. Blue Shield/Blue Cross of South Carolina
   a. All 90 medical centers in South Carolina, North Carolina and Tennessee use our dispensing systems.
   b. 35 more clinics will be purchased by year-end and all will employ our physician dispensing systems.
   c. 460 providers participate in our systems.
   d. All employer-based On-Site Clinics employ our physician dispensing system.

3. 14,000 Physicians across the US employ our physician dispensing system.

4. St. Vincent Health
   a. Employer on-site clinics they manage.

5. On-Site, Employer-Owned Clinics throughout the US, for example...
   a. Google
   b. Facebook
   c. Nucor Steel
   d. State3 of Indiana School System... And many more.

Section 4: Benefits

DocScrips dispensing systems are designed to provide added value and enhanced benefits to all patients, physicians, and their staff in the following ways:

1. INCREASE PRESCRIPTION COMPLIANCE
   • Knowing that your patients are walking out the door with their medications is critical in ensuring that they are adhering to their prescribed therapy.
   • The delay in filing scripts (or failure to fill scripts altogether) for patients that cannot get to the pharmacy because they rely on public transportation, or friend/family might result in otherwise unnecessary but always expensive ER hospital visit that might have been avoided.

2. INCREASE PATIENT CONVENIENCE and INCREASE PATIENT SATISFACTION
   • These are key components to our systems: Saving patients a trip to the pharmacy where they have to wait 30-60 minutes for a prescription of drop it off and make a second trip is one reason 28% of prescriptions go unfilled.
3. **ADDED VALUE TO MEDICAL PRACTICE AND GROUP PRACTICE**
   - Physicians (partners) can provide medications to a majority of their HMO, PPO, Work Comp, PI and non-insured patients.
   - The dispensing systems generate additional revenues that would otherwise be captured by the retail pharmacy chains which is the easiest ancillary revenue source to add to your office.
   - Through adjudication, a medical facility receives direct payment to a dedicated bank account every 15 days.

4. **SAVE PREVIOUSLY WASTED, UNPROFITABLE TIME AND INCREASE TIME FOR PATIENT CARE**
   - Our system reduce an average of 5.5 hours of pharmacy request for refills, substitutions, and control substance verifications in the front office per day.
   - Physician interruptions are substantially decreased which often allows them to see an additional 3-5 more patients per day.

5. **AIDAREX SYSTEMS INTERGRATE WITH “E-PRESCRIBE” AND A MAJORITY OF THE EMR’S AND P/M SYSTEMS.**
   - E-Prescribing will send the script to Aidarex’s Web-Based dispensing system as a default and obtain “Meaningful Use Credit” in addition to sending a script to any other pharmacy.

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**Section 5: The DocScrips System**

**ADJUDICATION PROGRAM**

The Adjudication Program grants medical practices the ability to dispense medications to 97% of their patients. Medications can also be dispensed to HMO/PPO, Medicare and Work Comp patients through this program. DocScrips provides your practice with the same systems that retail pharmacy chains utilize for processing prescriptions. The Adjudication system is built into our web-based dispensing system and is activated once your facility is credentialled. Medical facilities collect a patient’s co-pay on the front end and then receive reimbursements by the carriers through the PBM every 15 days on the backend. Reimbursements are deposited into one of your dedicated bank accounts. There is a onetime setup fee and a monthly service fee based on how many scripts are sent through the system. If your facility e-prescribes then your physicians can send the prescription to the dispensary right on site and still obtain meaningful use.
PHARMACEUTICAL MANAGEMENT PROGRAMS

For practices that provide care for a significant amount of Worker’s Comp patients, Physician Resource Strategies (PRS), an Aidarex partner, specializes in providing medical facilities with the option of a “no out-of-pocket” Management Dispensing Program. PRS Dispensing Management model allows PRS to manage the entire medications program on your behalf. PRS will place medication orders for the practice and complete all billing and collecting functions. PRS will also provide Aidarex’s adjudications program for all other patients (PPO/HMO & Medicare Patients – not just Worker’s Comp). PRS will conduct a practice evaluation and analysis to determine the best dispensing solutions to address the needs of your facility based on the percentages of your patient demographic. PRS provides Compounds, Urine Drug Testing (UDT) and DME which all flow through our Dispensing system. PRS is designed to provide the best in ancillary programs and strives to strengthen the economics of our clients by offering 24/7 IT support and client Customer Service support. Performance and Client support are critical to our success. Should you choose to utilize PRS’s services, a monthly management fee is charged for all services rendered. PRS Management Programs are designed for Orthopedic Practices, Occupational Clinics, Pain Management Clinics and all other specialties that treat Worker’s Comp patients.

CASH & CARRY SYSTEM

The Cash & Carry System is a very straightforward business model and a simple way to increase patient medications compliance, patient convenience and revenues for your practice. Our most successful clients utilizing the system carry medications that are priced between $2.50 - $15.00 per medication, and charge the patient $20.00 across the board. The patient pays for the medications along with their exam copay at checkout. The $20.00 charge matches the most common insurance medication copays today which is between $5.00 - $35.00 each. This system is also a way to help the uninsured patient obtain needed medications at substantial cost savings versus what a retail pharmacy chain would charge.

WORKERS COMPENSATION SYSTEM

DocScrips provides physicians who care for Worker’s Comp patients with Work Comp Custom Dispensing Systems that address their specific practice requirements. The physician(s) can provide medication immediately after treating an injured worker or post-surgery patient. All medication provided to the patient can be billed-out as an additional line item on the HCFA 1500 form or the practice can adjudicate the prescription and get paid within 15 days. All medications reimbursements are based on each State’s “Work Comp Pharmaceutical Fee...
Schedule”. These dispensing systems generate the highest pharmaceutical reimbursements for the physician(s) as they do for retail pharmacy chains.

Section 6: Implementing DocScrips Systems at Your Facilities

GETTING STARTED

DocScrips will contact each facility. We will contact the Lead Physician/Medical Director and Office Manager to arrange a time to explain our dispensing systems in detail. We will obtain the following information.

1. **Develop the Formulary:**
   a. Obtain physician’s formulary, with size and strength of most utilized medications prescribed.
   b. DocScrips will provide a detailed prices analysis based on the formulary with additional suggested medications used to treat the same symptoms that may be less expensive.
   c. The physician(s) will review the formulary analysis, suggestions, and pricing, and select the medications they would like to carry.

2. **Your staff and DocScrips will determine the best location in the facility to set up the dispensing area based on the unique patient flow process.**

3. **A staff member will be assigned to oversee the dispensing system.** Because an average of 5.5 hours is saved utilizing this system, the individual who typically handles pharmacy requests could be utilized to run the dispensing system.

4. **DocScrips will ask for:**
   a. Photocopy of prescribing physician’s State License
   b. If dispensing controlled substances, a photocopy of the physician’s DEA License
   c. If required by the State, a photocopy of Physician’s State Dispensing License
   d. Completed DocScrips Practice Profile required by the DEA
   e. Completed Credit Application

5. **Provide an opening order. We suggest a 2-3 week supply to focus on getting acclimated with the dispensing process.**

6. **Email all documents to DocScrips.**

DocScrips will receive and enter all your information in to our systems. We will package your first shipment: the initial order of medications; 2-D bar-code scanner; patient information/label sheets; and pharmacy bags. We will ship to your facility within 5-7 business days.
DocScrips training staff will coordinate a time for set-up and training with all facilities. They will help install all the hardware, web-based dispensing software and add all medication into the inventory system in order to begin training. This process takes anywhere from 45 minutes to 4 hours depending upon the size of the facility. Your staff will have 24/7 software and customer service support available thereafter.

**Section 7: Components of the DocScrips System**

DocScrips web-based dispensing platform provides a practical and extremely easy to use dispensing process that will increase efficiencies. It takes about 90 seconds to dispense three medications.

1. **Web-Based Dispensing Software**
   a. Managers maintain control with levels of administrative passwords:
      i. Monitor activity from any web-based access point.
      ii. Run utilization and financial reports – consolidated or by individual locations.
         1. Economic Report by Doctor, facility and date.
         2. Control substance report by Doctor, facility and date.
   b. All State-specific PDMP and controlled substance reports.
   c. Reports tracking online ordering details are automatically generated and submitted

2. **Hardware & Support**
   a. If your initial order is $1,200 + you will receive a FREE barcode Scanner
      If your initial order is $3,500 + you will receive a FREE barcode Scanner and Printer
      If your initial order is $5,000 + you will receive a FREE barcode Scanner, Printer and Laptop
   b. 24/7 on-call technical support is provided at no cost.

3. **EMR Integration**
   a. Patient demographics and medication details in your EMR/PM are uploaded directly into the DocScrips dispensing system.
   b. Redundant data entry is eliminated.

4. **E-Prescribe Function**
   a. Helps satisfy “Meaningful Use Requirements” for practices that have received Government funding for EMR software implementation.
b. Requires each location to have a government-issue pharmacy ID number (NPDS#). The fees associated with this are addressed in the “Adjudication” portion of this outline.

Section 8: Compliance

DocScrips, through Aidarex’s Compliance Department, will ensure that all physicians’ licenses are valid per location, assist with renewals as needed, and review practice profiles to ensure DEA compliance. DocScrips will inform your facilities of any new dispensing laws or changes as soon as they are available.

Requirements and Recommendations

1. Most facilities utilize a nursing station or a dispensing room with a Dutch-door to provide medications to their patients.
2. Medications must be kept in a double-locked cabinet.
3. Facilities dispensing controlled substances must keep medications locked at all times.
4. Physicians can only dispense medication to patients they are treating.
5. Controlled medications must be reconciled every 6 months at a minimum. (Most of our facilities do an “AM/PM” inventory of control substances every day)
6. Only those individuals assigned to handle the dispensing system can handle the meds along with Office Manager, RN’s or PA’s.
7. If control medications are missing or stolen they must be reported on a DEA 106 Form. (This happens very rarely but we are required by the DEA to provide these forms and discuss this process with the staff.)
8. Medical facilities can post signs to let their patients know that they may obtain their prescriptions at your facility or at a pharmacy of their choice. We suggest putting these notifications on the back of each exam door and/or at the Nursing station.

Section 9: Customer Service, Software Support & Recall Procedure

Supporting your facilities and administration is a very critical component of DocScrips customer service and our success. Aidarex has offices on the East and West Coast to handle any customer service issues, regardless of time zone. Every call is answered promptly.

- Aidarex will provide each facility with 24/7 software support.
- Aidarex will introduce new generic products as they become available for you to evaluate.
If a product is recalled by the FDA, you will be notified promptly by phone, fax, and email.

Section 10: Pricing, Shipping, Returns & Terms

1. PRICE INCREASE POLICY: If a product price is increased by the manufacturer or wholesaler, DocScrips will notify you immediately. If orders are in-house we will put a hold on the product until we provide you with the new pricing and receive approval to ship or cancel the product from existing orders and eliminate it from the formulary. DocScrips will never increase a medication or ship it without your knowledge and approval.

2. SHIPPING: Standard ground shipping at no charge for any order above $150. Expedited deliver is available and shipping charges will apply to next day, second day, and three day shipping.

3. RETURNS: DocScrips shall only authorize returns in cases of a recall or where DocScrips is at fault for shipping incorrect or damaged goods. Returns must be authorized by DocScrips in the form of an RA. Any unauthorized returns shall be sent back to the customer at their expense.

4. TERMS: DocScrips terms are Net-30 per invoice.

Conclusion

In conclusion, after 20 plus years of continued fine tuning of our systems, we are certain that we can provide your organization with:

✔ Greater control of patient outcome
✔ Increase compliance
✔ Increase patient convenience and satisfaction
✔ Revenue enhancement

We look forward to partnering with you to make our systems a critical component of your organization.