

Pharmacy Auto-Refill Strategy Analysis

Executive Summary

This analysis evaluates the financial impact of transitioning from a 90-day to a 100-day auto-refill program for the pharmacy's top 10 maintenance medications. The analysis considers drug costs, vial costs, insurance reimbursements, and resulting annual revenue for both strategies. Key Findings:

- Total annual revenue difference across all 10 medications: \$-23,306.93
- Threshold for financial justification: \$16,000 (2% of \$800,000 annual revenue)
- Recommendation: MAINTAIN 90-DAY REFILL STRATEGY

Detailed Cost and Revenue Analysis

Medication	90-day Revenue	100-day Revenue	Difference
Amlodipine 5mg	\$8,493.69	\$6,369.88	\$-2,123.81
Amlodipine 10mg	\$8,671.49	\$6,503.28	\$-2,168.21
Atorvastatin 10mg	\$8,268.25	\$6,200.79	\$-2,067.46
Atorvastatin 20mg	\$7,476.04	\$5,606.49	\$-1,869.55
Rosuvastatin 5mg	\$11,421.46	\$8,565.42	\$-2,856.04
Rosuvastatin 10mg	\$11,721.25	\$8,790.25	\$-2,931.01
Losartan 25mg	\$9,351.68	\$7,013.25	\$-2,338.44
Losartan 50mg	\$8,396.89	\$6,297.10	\$-2,099.79
Metformin 500mg	\$8,684.44	\$6,512.81	\$-2,171.63
Tamsulosin 0.4mg	\$10,721.45	\$8,040.45	\$-2,681.00
TOTAL	\$93,206.64	\$69,899.72	\$-23,306.93

Recommendation

The analysis shows a total revenue difference of \$-23,306.93, which exceeds the \$16,000 threshold (2% of annual revenue). Given this significant financial impact, maintaining the current 90-day refill model is recommended to preserve profitability. While the 100-day strategy may offer adherence benefits, the financial implications outweigh these advantages. The pharmacy should continue with the 90-day auto-refill program for the analyzed medications.