

POS and PMS Integration: What You Need to Know

by Greg Phillips

Understand the features you want out of your POS system to determine the integration you are looking for between your POS and pharmacy management systems.

Pharmacy integration with point-of-sale (POS) systems can be misleading. There are different levels of integration, methods of operation, and benefits. Understanding these differences will better equip you to ask the right questions when considering a POS system for your pharmacy.

If yours is like most pharmacies, 90% of your business comes from prescription sales. A POS system therefore must manage these prescription sales by eliminating pricing mistakes and capturing signatures at checkout. Will-call integrated into the POS system can verify that all prescriptions are displayed when a single prescription is scanned for a customer. The OTC inventory and reorder functions are important as well, and should be reviewed for their features and ease of use. In many cases a simple reorder and auto-pricing for the OTC is all that is needed. For larger OTC and multi-vendor merchandise front ends, a more extensive retail inventory and purchasing system is required.

The key objectives of an integrated POS system in a retail pharmacy should be to:

- Streamline the checkout process.
- Accurately charge the right co-pay and/or OTC price.
- Account for all prescriptions for the patient.

- Ensure that the right prescriptions are given to the right patient.
- Electronically capture the signature of the person picking up the prescriptions.

Integration with the POS system can be directly with the pharmacy management system (PMS) and with some workflow systems. For the sake of brevity, I will simply refer to them as PMS interfaces. These interfaces can be accomplished with communication links to shared data in databases or records on a hard drive. There are various types of interfaces that provide integration of the two systems. These fall into three categories:

- 1. Proactive electronic interface (PEI) to the POS system.** This means that the PMS sends each prescription and the related patient information, including a patient ID, to the POS system as it is filled. In a PMS this could be when the label is printed. In a workflow system, this could be when the prescription is scanned to put in will-call. The POS system that will integrate with this type of interface should have a will-call feature built in. The PEI method keeps the patient information updated in the POS system, eliminating the need to manually key the customer information into the POS system. The advantage to having will-call in

the POS system is when the patient is identified by a frequent-shopper key tag or customer search, or the first prescription is

scanned, all prescriptions for that patient can be displayed. Also, by providing the patient ID number internally with each prescription,

the POS system can verify that the prescriptions are for the same person. Having the patient address in the POS system allows the clerk to use the address as further verification (for example, there could be several Mary Smiths). These controls are referred to as quality assurance or prescription verification. An additional advantage is that in the event the connection is down between systems, the POS system will maintain the will-call and continue to check out customers. Also, the PMS can notify the POS system when a HIPAA or safety cap signature is required.

2. **Electronic query interface (EQI).** This method allows the POS system to scan the bar code as the sale occurs, sending a request to the PMS with the prescription number and getting the individual prescription back with co-pay amount and other information. Depending on the ability of the PMS, it may send other prescriptions that are ready or pending. There is no need for the POS system to have will-call information with this type of interface. Some systems will display the patient name for the clerk to visually verify. In most cases these interfaces do not provide the full patient data to update a customer master record in the POS system. Also, these can be referred to as simple one-way or two-way interfaces. With the former, the PMS sends information to the POS system and nothing is returned to the PMS. With the latter, typically the PMS will receive information back when the prescription is scanned, updating the patient record with the date and time it was picked up and whether a HIPAA or safety cap signature was captured.

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A Checklist	PEI	EQI	TTB	Need
PMS sends prescriptions to POS system as soon as they are filled for will-call with patient ID. This allows you to: See all prescriptions for customer on POS screen Verify/QA that all prescriptions are correct	X X X	* *		
Patient name and address information updated in POS system. (You want customer transaction history details stored with signatures.)	X	*		
Scan and price prescription at POS system	X	X	X	
Auto-attach customer to transaction with prescription scan	X	*		
HIPAA signature request/update	X	*	**	
Safety cap request/update	X	*	**	
View patient A/R in the pharmacy system (built in the PMS).	X	X	X	
PMS A/R balances real time at POS system	X	*		
PMS A/R payment at POS system	X	X		
PMS A/R charge at POS system	X	X		
PMS A/R electronic signature	X	X		
Prescription sales info sent to PMS	X	*	**	
POS system functions: Pseudoephedrine signature				
Credit card signature				
Debit PIN				
Update patient information in PMS (enter changes at POS system)	X			
View transaction history by patient or prescription				
No inventory control and you just want to reorder OTC that is sold.				
Inventory Control. You need perpetual inventory with complete purchase order, receiving, and the works.				

Figure 1.

* These could be possible depending on the POS system vendor's capability with the specific PMS.

** This could be accomplished by manually maintaining the customer information on the POS system.

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3. Type two bar code (TTB). This is a bar code that includes the prescription number, refill number, and co-pay embedded in one number. The POS system can scan the bar code and break it apart to show the prescription number and the co-pay amount on the receipt. This addresses the pricing accuracy issue. In some POS systems, the prescription numbers sold can be downloaded to the PMS.

Electronic Signature Capture

It is equally important to have electronic signature in the POS system so that the POS system can handle the prescriptions and retail front-end signature requirements. Also, storing an electronic signature for a credit card transaction will eliminate the need to save paper copies of these signatures for seven years. You may also get better credit card rates with electronic signatures. Using one device for both will save hardware costs and require less space.

In many larger hospital or clinic environments, eliminating paper copies of charges to accounts receivable is a big labor savings. If you want the POS system to provide reporting for adjudication audits, the integration with the PMS must provide plan information with the prescription. This can only be accomplished with a PEI.

Here's a suggestion: Understand the technology the POS system vendor uses for electronic signatures. If the vendor's using bitmap or jpeg files, there will be limitations on how long the signature will be available in your system. It's best to get a system that stores signatures in a database. This is much more efficient and can store several years of customer data online.

These pharmacy and retail signature requirements should be integrated in the POS system:

- Prescription pickup log
- HIPAA signature
- Safety cap signature
- Credit card signature
- Accounts receivable charge signature
- Debit PIN entry
- Pseudoephedrine signature

Accounts Receivable (A/R) Integration

Having the POS system seamlessly integrated with the accounts receivable module in your PMS will allow charges and payments to be automatically posted to the PMS accounts receivable from the POS system. When each transaction goes through the POS system, the balances are updated and sent back to the PMS. In a multistore environment, this would update each store in real time. Some pharmacists want the accounts receivable screen available in the patient file so they can review it easily. If the POS system does not integrate with your PMS A/R module, you would have to go to the POS system to review this information. If the PMS and POS system are on the same operating system (such as Windows or Linux), you may be able to toggle between the two. Otherwise, this could be a major compatibility issue with your PMS.

Also, it is a good accounting practice to have all transactions flow through the POS system so there is a single accounting and balancing of all charges and payment tenders each day.

Touch Screens

The major distinction of POS systems today is between keyboard and touch-screen-based systems. Many POS systems that were originally built using a keyboard have recently been retrofitted to run on a touch screen. There is a difference, however. POS systems that were developed for a touch screen are much more intuitive. One simple indication of a system that's been retrofit-

ted is when the 10-key number pad is always on the screen or you are only allowed to key in numbers from the keyboard. A POS system designed for a touch screen would only display the number pad on screen when the clerk is required to enter numbers.

Touch-screen POS systems have also been proven to check out faster. Studies have shown these to be 30% to 40% faster. Training is also much faster with a well-designed touch-screen system. This may not seem like much initially, but over time this could return a large savings if you experience high employee turnover.

Additionally, touch-screen systems typically make it easier to customize functionality and add features as requirements change. A touch screen can handle deli, fountain, coffee or fast-food type functions, as well as traditional retail functions. Make sure the features you need are there. Will it handle DME sales or rentals? Will it handle frequent-shopper cards? If gift cards are offered, can they be handled through the POS system, or are they cleared through Visa/MasterCard?

Hardware

POS hardware has been built to handle environments around fast-food and retail stores for many years. It also has been more costly than PC-based systems. But what is the real cost? If a PC has a life expectancy of three years, and a POS unit is built to last five to 10 years, which is better over the long term? Also, consider the inconvenience of changing hardware every few years. Most high-end all-in-one units are built to alleviate the unsightly clutter of wires and power supplies. Today printers run off of a single USB 24-volt cable, and signature captures use a USB 12-volt. This makes a much better impression on your countertop than wires and power bricks.

Understand the features you want

out of your POS system to determine the integration you are looking for between your POS system and PMS. The chart in Figure 1 can help you assess your needs.

See a demonstration of the features with the PMS that you have. It could mean changing your PMS to get what you want in a POS system. Remember these key points:

- The better the integration, the less duplication of effort between the POS system and PMS.
- Make sure that customer checkout can be done quickly and with good quality assurance and accuracy.
- Is the system easy to use and easy to learn? Make the determination by operating it yourself in a demo. You will recognize quickly whether or not it is intuitive. Have a list of the transactions that are common to your store and go through all of them. How easy is it to balance and close out at the end of the day? Most days everybody is tired and ready to go home when the door is locked. Can you open the next day and get started before you finish balancing the previous day? Are credit card charges easy to balance and settle?
- Signature capture is best at the POS system. Can you track signatures electronically inside the customer transactions? Do you need to have reports for adjudication audits on the POS system side?
- Pick the right hardware with a five-year or greater guaranteed quality solution. Pick equipment that is built for POS system environments with the kind of look you would like your customers to see.
- Look at the total cost of ownership. If you buy equipment that will last five years, as compared to equipment that will last three years, factor in the upgrade costs and the inconvenience of

an additional install.

- Choose a vendor committed to the pharmacy sector. What is the vendor's history of improving the system to meet the changing needs of retail pharmacies? Do they provide the service you want? Check out references.

There is a lot to be gained from having a POS system in your pharmacy. However, to get the most out

of the system, it should be optimally integrated with your PMS. **CT**



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