

**POLICY AND PROCEDURE MANUAL  
PHARMACY SERVICES**

CODE: 7.10.0  
DATE: 12/20/1984  
REVISED: 3/13/17, 3/14/17, 4/19/22

SECTION: **PROCUREMENT**

APPROVED: Thinh Tran, Pharm. D.  
PAGES: 1 of 2

SUBJECT: **DRUG PROCUREMENT**

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POLICY

The Pharmacy Director (or designee) has the ultimate responsibility for procurement and storage of medications throughout Rancho. Purchasing is accomplished through two contracts, one for the majority of outpatient medications between Rancho (as a qualifying disproportionate share hospital) and the Office of Pharmacy Affairs, Bureau of Primary Health Care, Health Resources and Services Administration, Health and Human Services (Federal 340B Program); the other for the remainder of outpatient medications and all of the inpatient medications between Rancho and University Hospitals Consortium (UHC).

Procurement and storage process covers 4 basic areas:

1. Ordering of the drug through DHS Pharmacy Affairs Procurement.
2. Receiving ordered drug from the Distributor (Cardinal Health).
3. Verifying purchase and receipt of drug to the Finance Department.
4. Receiving, delivering and storage.

PROCEDURE

1. Verify Need for Drug
  - a. Triggered by Talyst (computerize inventory system) when the inventory goes below PAR level.
  - b. Personnel visually notice the stock is low.
  - c. Depletion of stock through expiration date or recall, or notice of addition of Drug to the DHS Formulary.  
*Key point - Before ordering the drug note the count, and inspect drug stock to be sure the physical inventory reflects the computer count.*
2. Ordering online with DHS Pharmacy Affairs Procurement
  - a. The procurement personnel prepare the order in Talyst, plus any additional drug order, and then transfer the order to Cardinal Order Express.
  - b. Procurement personnel does a final review of the order in Order Express
  - c. The Order Express order is then exported to DHS Central Procurement.
3. Receiving the Ordered Medications in Order Express.
  - a. Acknowledge Container
    - i. Under “Services” > “Acknowledge Container” – scan container or box
  - b. Receive Container
    - i. Under “Services” > “Receive Container” – scan container or box
    - ii. Scan all items
  - c. Review

Reviewed: 4/07/2016bdk, 12/27/2018bdk, 4/19/2022 TT

Approved By: 

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- i. Check the drug and quantity delivered against the invoice
      - ii. Discrepancies in the drug or quantity ordered are noted and Cardinal contacted  
Approve Invoice
    - d. Approve Invoice
      - i. Under “Order History” > “Invoices & Credits” – Designated Pharmacist approves invoices
- 4. Stocking Ordered Items
  - a. Inpatient
    - i. The procurement personnel records into Talyst the lot#, expiration date, manufacturer and quantity of the product.
    - ii. Medication is then scanned into Talyst
    - iii. Medications is place in the appropriate locations
    - iv. The medication quantity is double checked and corrected in Talyst if needed.
  - b. Outpatient
    - i. Outpatient receives order into the Outpatient Cerner inventory system.
    - ii. Medications are placed in the appropriate locations.
- 5. Storage in the Pharmacy and Patient units
  - a. Conditions
    - i. Medications properly stored in adequate space under appropriate conditions as specified by U.S. Pharmacopeia or manufacturer (whichever is more stringent).
    - ii. Storage must be under proper sanitation, temperature, light, moisture, ventilation, segregation, and security.
    - iii. Space – adequate area must be provided for both personnel and storage of medication. Personnel must have adequate room to perform their functions.