

KEEPING UP WITH TELEHEALTH: PHARMA'S EVOLUTION

December 9, 2020 • PharmExec.com • Gina Parry

If telehealth is here to stay, how is the industry adjusting?

The possible health implications brought about by the coronavirus pandemic caused many to avoid hospitals and healthcare facilities, seeking care elsewhere. As individuals searched for alternative forms of care, telemedicine became a key component of how healthcare institutions stayed up and running. Within the first few months of the outbreak, 71% of patients considered telemedicine as a healthcare option, and half scheduled or attended an appointment—growing the use of telehealth platforms in the U.S. from 11% of consumers in 2019 to 46% in 2020.

The pandemic has certainly boosted the adoption of telemedicine services since March, and this growing trend is here to stay. In fact, 56% of Americans reported they're likely to use virtual care for medical services moving forward, and 76% are interested in

the possibility.

This is promising news for telemedicine systems, but what does it mean for the pharma industry? So far, pharmaceutical companies are making appropriate adjustments to respond to the changing medical landscape. Below are just a few ways the pharma industry is evolving to keep up:

Direct-to-consumer (DTC) prescriptions

As telehealth services continue to grow, more and more doctors are prescribing medications to patients virtually, accounting for between 20% and 30% of new prescribed drugs. Besides the shift to telemedicine, the pandemic has certainly heightened consumer desire for instant gratification and quick access. Consumers are having groceries delivered to their doorsteps, so why not prescriptions, too?

Consumer-centric as always,

Amazon recently announced Amazon Pharmacy—it's resurgence into the pharma industry. With an already loyal pool of customers ordering essential products directly to their doorsteps, Amazon shouldn't have to do much convincing to get customers to add a prescription to their online shopping cart. Amazon Pharmacy's low costs, quick delivery, the acquisition of PillPack in 2018, contracts with large insurers, and deals for Prime members are already creating implications for other pharmacy providers like CVS and Walgreens.

Following society's instant gratification trend and socially distanced reality, companies like Keeps, Nurx, and Amazon (via PillPack) are offering subscription services, enabling consumers to take personal medication delivery into their own hands. Subscription services, whether for wine, paper products, or food deliveries, are in high demand, giving consumers the freedom



to order and receive products as they want, which is exactly what consumers are craving during these unprecedented times.

As customers continue to rely on DTC methods for medication delivery on a timely basis, pharmaceutical companies must begin to rethink their supply chain strategies and capabilities.

Enhancing the supply chain

Supply chains across every industry have taken a huge hit over the last several months, which has slowed down distribution channels, heightened labor shortages, and increased product or delivery delays.

With the prescription supply chain involving not only manufacturing the drug itself, but storage and packaging components, cold-chain transit, domestic and global shipping, distribution strategies, and storage, blockchain is a necessary enhancement. By incorporating blockchain, pharmaceutical companies will be able to safely track medication across all points—from production to packaging to distribution—and ensure packages and shipments arrive safely at consumers' and

healthcare facilities' doorsteps.

Additionally, implementing artificial intelligence (AI) across supply chain management takes mundane tasks off of employees' task loads, increases efficiency, and complements blockchain. As an example, AI can suggest drug production amounts for manufacturers based on supply and demand forecasting. This can help alleviate overproduction while also ensuring customers aren't left without a vital prescription.

Regulating prescription drugs

With the pharmaceutical industry rapidly evolving, manufacturers and health providers must ensure they're still meeting regulation and compliance standards. Years of ongoing technology developments and supply chain technology advancements—such as workflow automation and AI—helps all forms of compliance documentation, meets know your customer guidelines, assists in any drug recalls, and monitors for suspicious orders.

When new companies like Amazon Pharmacy enter the field, keeping up with compliance and regulation standards is top priority and often

overwhelming. Automation can drive down the processing time by enabling an employee to replace manual paperwork and contracts, like DEA license management, giving that valuable time back to employees to focus on unique issues that come along with breaking into a new industry.

There aren't many industries that have not been disrupted by the global health crisis, and we'll continue to see how various industries respond and shift gears in 2021 and beyond. Many patients want access to healthcare from the comfort and safety of their homes, shorter wait times, quicker entry into a new doctor or network, and convenient care, and telemedicine services are providing patients with just that. To meet telehealth needs where they are today and keep up with its rise, the pharmaceutical industry will continue adapting and innovating, revolutionizing how consumers order and receive medications, how supply chains are managed, and how they meet regulation and compliance standards. These efforts don't seem to be letting up anytime soon, and the future of pharmaceuticals will continue to evolve.

