

September 9, 2010

## COMPLIANCE WITH THE MANAGEMENT OF NON-CONTROLLED DRUGS

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive provides policy for improving accountability of pharmacy inventory and reducing the risk of drug diversion.

**2. BACKGROUND:** An OIG audit of VHA's Management of Non-Controlled Drugs, Report No. 08-01322-114, dated June 23, 2009, identified a potential high risk for diversion of prescription drugs. OIG's results were based on an audit of five prescription drugs; the report included recommendations for improved inventory management, as well as the need to establish standard triggers for unanticipated inventory discrepancies.

a. Department of Veterans Affairs (VA) pharmacy inventory management systems track the dispensing of prescriptions, the movement of medications from one VA pharmacy location to another (i.e., automated cabinet, ward medication rooms, community-based outpatient clinic (CBOC) medication room), and the filling of medications for patients in acute care settings. It is not a perpetual inventory system and does not track returns from wards, prescriptions from the Consolidated Mail Outpatient Pharmacies (CMOP), or the transfer of medications to certain automated dispensing systems. Therefore, it is important for VA pharmacy managers to ensure the accurate recording of medications in order to maintain an overall measurement of current inventory. Presently, all stock of medications stored in automated dispensing devices need to be manually accounted for in the Veterans Health Information Systems and Technology Architecture (VistA) software to ensure accuracy. Prescriptions filled by the CMOPs are returned to the medical facilities when undeliverable. Several medical facilities were returning these medications to stock, causing inventory overages.

b. The outpatient pharmacy staff at several medical facilities were reprinting new labels for prescriptions inappropriately. This Directive clarifies the appropriate use of the prescription label reprint function. In addition, outpatient pharmacy staff were using a computer prescription dispensing function, called partial prescription, inappropriately. This Directive outlines the appropriate use of a partial prescription for dispensing a prescription.

c. Congress has directed the Secretary of Veterans Affairs to manage hospital care and medical services and to design, establish and manage health care programs "in such a manner as to promote cost-effective delivery of health care services in the most clinically appropriate setting." (*See title 38 United States Code § 1706.*) VA's drug formulary process has been designed to promote a cost-effective way to deliver pharmaceuticals. Its purpose is to provide high quality, best value pharmaceutical products while assuring the portability and standardization of the pharmacy benefit to eligible Veterans accepted by VA for care.

**THIS VHA DIRECTIVE EXPIRES SEPTEMBER 30, 2015**

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**3. POLICY:** It is VHA policy that all VHA pharmacies must destroy all CMOP and locally-dispensed prescription medications returned as undeliverable, limit the number of individuals with access to the outpatient label printing function, and document the movement of inventory between the medical center and any other site.

**4. ACTION**

a. **Medical Facility Director.** The medical facility Director is responsible for ensuring the Chief of Pharmacy complies with the processes identified in this Directive.

b. **Chief, Pharmacy Services or Director, CMOP.** The Chief, Pharmacy Services and Director, CMOP, are responsible for ensuring compliance with the following procedures.

(1) The transfer of medications between the medical facility and remote storage areas, including CBOCs, must be documented using the Automatic Replenishment/Ward Stock software if the site does not have its own pharmacy. Returns back to the originating location must also be documented in the Automatic Replenishment/Ward Stock package.

(2) When packages of prescriptions, which were originally mailed from either the medical facility or CMOP, are returned to the medical facility, every effort must be made to correct the address and forward to the corrected address.

(a) If no address is available, the pharmacy staff member confirms that the prescription can not be forwarded and must:

1. View the RELEASE DATE in VistA. This is seen in the VIEW PRESCRIPTION option. There will be other CMOP activity, such as the specific National Drug Code (NDC) used to fill the prescription.

2. Using the RETURN TO STOCK option, return the prescription to stock (this has the undesired effect of increasing the local inventory, but the medication must not be put back into circulation).

(b) If possible, the pharmacy staff member corrects the address using the Patient Record Update. Then the pharmacy staff member uses the REFILL option to fill the prescription locally and sends it out for mailing.

1. The inventory will decrease from the refill, but be unchanged overall for the entire situation. A manual correction is necessary to decrease the stock lost by the amount wasted from the postal stream return. **NOTE:** See Appendix A for explanation of the impact on inventory balances when using this procedure.

2. The CMOP medications must not be returned to stock as part of VA medical facility inventory; they must be held for destruction in a secured (locked) location within the pharmacy.

***NOTE:** The United States Postal Service and other carriers do not guarantee stability based on conditions during transport.*

(3) When an electronic order for a prescription is returned to the local VA medical facility as a rejected prescription due to a problem with its data, the following steps must be taken:

(a) A rejected electronic order is confirmed by the receipt of an email from the CMOP that returns or rejects the prescription. The CMOP status of the prescription will be “NOT-DISPENSED” in the CMOP event log of the prescription’s activity as shown by the VIEW PRESCRIPTION option.

(b) The pharmacy staff member uses the REPRINT option for the fill or refill.

(c) The pharmacy staff member uses the RELEASE function to document the fill or refill has been completed.

(d) The pharmacist or technician sends out the prescription through the local mail.

***NOTE:** These steps are specifically recommended in order to correctly update the local drug file inventory upon release.*

(4) The use of the outpatient pharmacy label reprinting function needs must be limited, by local policy, to as few people as possible. Currently there is no way to limit this function in the outpatient pharmacy software. The pharmacy supervisor needs to monitor the audit logs in VistA at least monthly, and more frequently if necessary, to ensure the reprint function is correctly used.

**5. REFERENCES:** OIG report No. 08-01322-114, Audit of Veterans Health Administration’s Management of Non-Controlled Drugs, June 23, 2009.

**6. FOLLOW-UP RESPONSIBILITY:** Office of Patient Care Services (119) is responsible for the content of this Directive. Questions may be referred to (202) 461-7326.

**7. RESCISSIONS:** None. This VHA Directive expires September 30, 2015.

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**ATTACHMENT A**

**EXAMPLE FOR REFILLING A PRESCRIPTION DISPENSED BY CONSOLIDATED  
MAIL OUTPATIENT PHARMACY (CMOP)**

1. Pharmacy One has 1000 tablets of drug A on hand. Pharmacy One receives a return from the Postal Service with 90 tablets of drug A. When Pharmacy One returns the drug from the Consolidated Mail Outpatient Pharmacy (CMOP) to stock in order to restore the refill count, the inventory count increases to 1090 tablets (as if the CMOP medications were placed back in circulation).
2. When a prescription for 90 tablets of drug A is filled and released, there are 910 tablets left in stock, but the inventory count remains at 1000 tablets. Pharmacy One has to manually adjust the tablet stock balance to reflect the dispensation of 90 tablets for a new total of 910 tablets of drug A.
3. The returned 90 tablets must be placed in separate storage with the other of medications held for destruction.