To Dispense or Not To Dispense...that is the question

By Rich Levin, DPM
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A recent visit to the dermatologist office became a real eye opener for me personally. While exiting the treatment room after my visit I ran into one of my dear and long time patients. We actually struck up such a conversation, catching up on the doings in each other’s lives, that we continued it in the waiting room. During our friendly chat, one of the dermatology assistants brought my patient a large shopping bag full of different products. Naturally I was inquisitive and asked about the contents. She said she had been coming to this dermatologist for years; he is a well-respected physician in the community and at the local hospitals. During her visits she stocks up on the creams and lotions for her skin that she can’t find in her local drug store. I looked at some of the products and they seemed to be private labeled with the doctor’s practice name on them. She said she found it to be extremely convenient for her to purchase these products during her visit. A light bulb went off in my head. To this point I had never offered for sale any product or medicine in my office and now that may be changing! Especially seeing the patient’s point of view that the offering for sale of such products was perceived as a benefit to the patient in terms of convenience.

When I first opened the doors to my solo practice in 1988 I was visited by several of the local pharmacists. They all had the same script they used to introduce themselves to me, make me aware of the services they offered and then at the end of our meeting they would ask if there were any special medications or preparations that I use so that they can ensure the availability at their pharmacies. Wow how times have changed! Now the mom and pop pharmacies are selling out to the large corporate chains and their business model is evolving. In fact, after returning from a recent podiatry meeting where I had the opportunity to view new medicinal products and preparations, I came back to the office and called one of the local pharmacies. I requested that they obtain some stock of certain medicines and products that I would be using in the near future. I later received a call back from the district manager stating that they would not be able to comply with my request. When I questioned him further, he stated that the national pharmacy company does not have those products on their formulary and will not be able to stock a local store on the desires of a sole request. When I hung up the phone I felt a little bewildered and then began to see it as a large opportunity. If the giant mega chain pharmacy doesn’t want to stock it, I will!

That was my entrance into over the counter dispensing in my office. I must say with all certainty I have no regrets of doing such. The decision to dispense or not to dispense is a personal one that each practitioner must decide. But it is important to look at this from all sides. Up until my encounter with one of my patients I had only viewed from my perspective as “the physician”. I did not want my reputation within the community, both amongst patients and physicians to be soiled because I was selling health care products in my office. I now realize that it was myopic reasoning that I had employed. Now that I have had the opportunity to see it from a patient’s standpoint, I see that I was missing an opportunity to provide a higher level of service to my patients. It is mainly perceived as a convenience.

If you do decide to begin dispensing of products in the office, take your time in examining the products that are available to you. Use them yourself or ask a few patients to test them for you. They are always willing to be involved in this type of
“market research’ Start with the products you are currently sending your patients out to buy for themselves. These probably include skin moisturizers, exfollients, antifungal preparations, sports pain relieving creams/gels, wart therapies or pre-fabricated orthotics. You may want to visit some of the local pharmacies & supermarkets and visit their foot care areas. I think you will be amazed at the variety of products out there. Then you want to start to pay close attention to the advertisements in your podiatric journals and magazines. They are chock full of foot care products that you can easily stock in your office. Many of them are not widely available and become even more attractive from a business standpoint. The decision in setting up a price point for these products is completely up to you. They can be sold at your cost, or you can add some profit into the price. If you do sell at cost, please be sure to factor in the cost of shipping for each product. When placing an order for a particular product makes sure you ask about the return policy they offer on each specific product. I have always maintained one specific policy in my office: If a patient is unhappy with the product for any reason we refund the price they paid for the product. I do not abide by any time frame either, if a patient comes back six months after obtaining a product in my office we gladly refund the patient their money-no questions asked. We simply then contact the vendor and ask that they send us a replacement product. This is usually not a hassle from these companies either, because most are smaller companies that rely on their word of mouth reputations.

When searching for products to make available in your office, seek out those products, which are as specific for your patient’s problems as possible. For instance, if you can find products named “Cracked Heel Miracle” stock it. Patients become instantly interested in these products for many reasons. First they can identify with the product because they have that problem, and secondly they are apt to purchase it because now they feel they are not alone in their misery, there must be others at there also who suffer from my problem! If you look hard enough you will find these foot related products available to you, but you wont see many of them in your local pharmacy.

In my practice I have employed what I call “passive Marketing”. That means that I never suggest to a patient that they have to purchase my product. I tell them, “Mrs. Smith you really need to use a skin moisturizer on your feet twice a day” their retort is usually “Can you recommend one for me”, and I reply “There are many fine products on the marker today-just make sure the bottle says skin moisturizer on it-and use it” In my waiting room I have two binders available for patient to look through which have information n me, my staff, the services we offer and a section on foot care products which shows the products we have available. I also have a small display at the check out counter with some of the products on display. Patients always ask at the front desk which product they should use. My staff has been trained in non selling- i.e. They also do not push a product but will show Mrs Smith a bottle of the moisturizer we offer, and they always inform the patient they can get similar products in the pharmacy. Our unscientific survey yielded approximately 80% of the patient make their purchase from our office.
There is no greater joy in my practice then one of my front office staff coming back and telling me that they just had a person come to the front desk and made purchase of several items, because they were recommended by a patient who was successfully using a product. Many of these people who present to our office for purchase eventually make appointments to be seen as a patient.

Like any business, the decision to add a new product line, or even begin to offer products for sale, is not one to be taken lightly. Always provide the highest quality products, products you have personally tried or have always recommended. I think you will find that it becomes a large positive to the practice that your patients will appreciate.

Dr. Richard Levin was in West Palm Beach, FL. He was the Treasurer of the Florida Podiatric Medical Association, Residency Director at JFK Hospital, Atlantis, Florida and a member of the American Academy of Podiatric Practice Management. Dr. Levin is now deceased.