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STRATEGIES TO IMPROVE PHARMACY CASH FLOW

 DiversifyRx
www.diversifyrxblog.com



DECREASE INVENTORY

Inventory is your biggest drain on cash flow. Manage it tightly and aim for 20 turns or more.

RENEGOTIATE PAYMENT TERMS

Ask for a later payment date or even a short term payment deferment. Just a few days can make a huge difference.



RESTRUCTURE DEBT

Consolidating and refinancing your debt can lower your monthly payments and improve cash flow.

SELL HOT OTCS

Selling non-Rx items for cash will boost your cash flow. Look for consignment programs like PurMed or longer payment dating.



REDUCE STAFF

People is your second largest expense. Your goal should be less than 13% of revenue towards payroll.

BE DUE DATE SMART

Pay your bills as late as you can while still being on time. Don't pay in advance if you are having cash flow issues.



COLLECT MORE PAYMENTS

If patients or companies owe you money, use a professional automated service such as AR Proactive.

CASH IN DEAD INVENTORY

Turn your expired inventory back into cash with a reverse distributor such as Flash Returns.



INCREASE PROFITS

Cut out greedy PBMs on work comp scripts to drastically improve profits with a direct bill company like StreamCare.

HIGH ROI PROGRAMS

By investing a small amount you can turn it into continuous profits with programs such as Optavia.



CLINICAL BASED REVENUE

Get paid for your cognitive services with POCT from Physician360 or PGx from RxGenomix.

REDUCE EXPENSES

A dollar saved is a dollar in your pocket. Examine every expense to eliminate or reduce. Save on ink and toner through PSA.



CREDIT CARDS

Pay your bills on their due date with a credit card, then you have more days to pay off the credit card.

AVOID FEES

Unnecessary overdraft or late fees add up extremely fast. It's better to talk to your bank or vendors to negotiate a reprieve.

