



Technologies to Reduce Errors in Dispensing and Administration of Medication in Hospitals: Clinical and Economic Analyses

Adapted from Perras C, Jacobs P, Boucher M, Murphy G, Hope J, Lefebvre P, McGill S, Morrison A. [Technologies to Reduce Errors in Dispensing and Administration of Medication in Hospitals: Clinical and Economic Analyses](#). (Technology report no. 121). Ottawa: Canadian Agency for Drugs and Technologies in Health; 2009.

Introduction

Because there are many steps required in the preparation of medications for hospitalized patients, there are greater opportunities for errors. Most medication errors are minor, but some may result in an adverse drug event. A Canadian study reported that 7.5% of patients who were admitted to hospital during the fiscal year 2000 experienced one or more adverse events.¹ Medications and injectable solutions were the second most common causes of adverse events.¹

Technologies that are used to automate the dispensing and administration of medications may decrease medication errors, improve quality of care, and reduce the cost that is associated with adverse events due to medication errors. These technologies include automated medication dispensing devices, bar-coding verification for medication dispensing and administration, and electronic medication administration records. Informed decision-making about the use of these technologies requires an assessment of the clinical and economic consequences of their adoption in a Canadian setting.

Objective

This report describes an assessment of the clinical and economic impact of adopting technologies that are designed to facilitate medication dispensing and administration in hospitals by addressing the following research questions:

- What is the clinical effectiveness of using technologies that are intended to reduce medication errors in hospitals in preventing medication errors, potential adverse drug events, adverse drug events, morbidity, and mortality?
- What is the cost-effectiveness of using technologies that are intended to reduce medication errors in hospitals?
- What is the budget impact of adopting these technologies in hospitals in terms of initial capital investment, training at implementation, training required for new employees, maintenance costs, and operational costs (for example, database updates, software updates, hardware, and human resources)?

Methods

A search for systematic reviews, health technology assessments, and clinical studies with comparison groups was conducted. A narrative synthesis of economic evaluations was performed. A primary economic analysis was also completed.

Results

Clinical

One systematic review² was identified during the literature search, but it did not meet the criteria for quality. As a result, a new systematic review was conducted.

Two studies^{3,4} on pharmacy-based automatic dispensing devices showed a decrease in dispensing errors. These devices are no longer available for purchase. Five studies⁵⁻⁹ were conducted on pharmacy-based automatic dispensing devices available in Europe, and the results may not be applicable to Canadian hospital pharmacies.

Carousel systems (a series of revolving shelves set on rails) reduced filling or dispensing errors, according to three studies.

Three^{3,10,11} studies on profiled, ward-based automatic dispensing devices showed a decrease in dispensing or medication errors and an increase in medication errors in the cardiac intensive care unit.³ These three studies were conducted using an older model of device. In a more recent study,¹² which did not specify the model of the device that was used, medication-related events were decreased.

Among studies on the replacement of paper medication administration records with bar-coding,¹³⁻²³ one study¹³ did not detect a difference in medication errors, one¹⁶ showed an increase in medication administration errors, two studies^{14,17} showed a decrease in medication errors, and three studies¹⁸⁻²⁰ showed a decrease in medication administration errors. In one of three studies that used bar-coding for the administration of blood products, one wrong transfusion was avoided among 50 units of blood that were transfused.

In six studies that evaluated the simultaneous use of several technologies,²⁴⁻²⁹ the treatment groups experienced reduced error rates.

Economic

Economic review

A systematic review of available economic studies on the automation of medication dispensing and administration in hospitals was conducted.

There is evidence that nursing time is saved with the use of automatic dispensing devices.^{3,30,31} Less storage space may be needed with the use

of pharmacy-based dispensing devices.^{6,7} The financial analyses indicated that, overall, there would be savings to hospitals.^{3,31-33} In studies from the United States, savings accrue to hospitals because the use of automated systems allows for more complete billings. These savings do not apply to Canada.

Economic model

An economic model was designed to explain the difference in costs when a manual drug distribution system (with medication cassettes) is compared with ward-based automated dispensing devices (with or without patient medication profiles).

When the analysis was conducted for unprofiled devices, there were savings of approximately \$34,000 per patient care unit annually. Each intensive care unit had additional costs of \$17,000, annually. After discounting and adjusting for inflation, there were net savings of \$152,000 per patient care unit during a five-year period. Each intensive care unit costs an additional \$75,000. Overall, a 400-bed hospital would achieve a five-year savings of \$2.7 million with the use of unprofiled equipment. The savings would be \$2.2 million if profiled units were acquired.

Sensitivity analyses showed that these results were robust for an unprofiled system. In several sensitivity analyses, a profiled automated system was more costly than a manual system.

Budget Impact

The equipment costs for each patient care unit or intensive care unit are \$123,000 for an unprofiled automatic dispensing device and \$138,000 for a profiled device. The planning costs are \$73,800 and \$82,800. The upfront costs are \$196,800 and \$220,800 per patient or intensive care unit for unprofiled and profiled automatic dispensing devices respectively.

For a 400-bed hospital, with approximately nineteen 20-bed patient care units and two eight-bed intensive care units, there would be upfront capital costs, as follows:

- For an unprofiled system, the cost of capital equipment would be \$2.5 million and planning costs would be \$1.5 million, for a total of approximately \$4 million.
- For a profiled system, the cost of capital equipment would be \$2.9 million and planning costs would be \$1.7 million, for a total initial outlay of \$4.6 million.

Limitations

The findings of the systematic review for the clinical analysis are limited because of several factors. The definitions that were used to describe the outcomes were inconsistent among studies. The errors were counted using different methods. Compelling evidence was lacking. Observational study designs were used in all of the studies. Most were uncontrolled before and after studies in which the participants were not blinded to the purpose of the study. Not all studies reported the use or results of statistical tests of significance. Factors other than automation may have led to changes in work practices. All of these factors could have affected the error rates, and the risk reduction may have been overestimated.

In the economic review, most studies had limitations. There was an absence of statistical tests of significance in the studies that were not conducted by modelling. Some of the studies on workload showed mixed results. Many costs were excluded from some of the studies. None of the studies looked at the clinical significance of medication errors or the downstream costs.

There is some outstanding uncertainty regarding budget impact as these results are sensitive to underlying assumptions regarding equipment costs. Actual budget impact may change if more precise data are obtained.

Conclusions

From a clinical perspective, based on studies of lower internal validity, the use of bar-coding for medication dispensing systems, bar-coding for medication administration systems, and the simultaneous use of technologies reduced the

risk of dispensing or medication errors in hospitals. Studies of previous models of profiled, ward-based automatic dispensing devices also reported benefits. One study showed an increase in error rate in a cardiac intensive care unit. The magnitude of benefit from pharmacy-based automatic dispensing devices cannot be reliably estimated, because the studies were conducted using equipment that is no longer available for purchase or the studies used devices available in Europe. How automation affects the rate of potential adverse drug events, actual adverse drug events, morbidity, and mortality also cannot be reliably estimated, because these outcomes were not measured in most studies.

The implementation of a ward-based automatic dispensing device in a hospital can reduce costs while reducing error rates. This conclusion is only valid for medical-surgical patient care units. The implementation of ward-based automatic dispensing devices in the intensive care unit results in a net increase in costs. This is due to the large capital expenditures that are incurred for a small number of patients. There is also uncertainty about the clinical impact of this type of automation in intensive care. The results are more robust for unprofiled rather than profiled systems. The economic impact of other technologies cannot be reliably estimated, because of gaps in knowledge.

References

1. Baker GR, Norton PG, Flintoft V, Blais R, Brown A, Cox J, et al. The Canadian Adverse Events Study: the incidence of adverse events among hospital patients in Canada. *CMAJ* [Internet]. 2004 [cited 2007 Feb 22];170(11):1678-86. Available from: <http://www.cmaj.ca/cgi/reprint/170/11/1678>
2. Oren E, Shaffer ER, Guglielmo BJ. Impact of emerging technologies on medication errors and adverse drug events. *Am J Health Syst Pharm*. 2003 Jul 15;60(14):1447-58.
3. Schwarz HO, Brodowy BA. Implementation and evaluation of an automated dispensing system. *Am J Health Syst Pharm*. 1995 Apr 15;52(8):823-8.

4. Kratz K, Thygesen C. A comparison of the accuracy of unit dose cart fill with the Baxter ATC-212 computerized system and manual filling. *Hosp Pharm*. 1992 Jan;27(1):19-20,22.
5. Franklin BD, O'Grady K, Voncina L, Popoola J, Jacklin A. An evaluation of two automated dispensing machines in UK hospital pharmacy. *Int J Pharm Pract*. 2008;16:47-53.
6. Fitzpatrick R, Cooke P, Southall C, Kauldhar K, Waters P. Evaluation of an automated dispensing system in a hospital pharmacy dispensary. *Pharm J*. 2005;274(7354):763-5.
7. Slee A, Farrar K, Hughes D. Implementing an automated dispensing system. *Pharm J* [Internet]. 2002 [cited 2009 Jan 19];268(7191):437-8. Available from: http://www.pharmj.com/pdf/articles/pj_20020330_automated.pdf
8. Slee A. Processes and benefits of automation in hospitals. *Hosp Pharm Eur*. 2004;Jul/Aug:21-2.
9. Whittlesea C. What did the research reveal about the effects of introducing automation? *Hospital Pharmacist* [Internet]. 2004 [cited 2009 Jan 19];11:453. Available from: http://www.pharmj.com/pdf/hp/200412/hp_200412_machinepower.pdf
10. Borel JM, Rascati KL. Effect of an automated, nursing unit-based drug-dispensing device on medication errors. *Am J Health Syst Pharm*. 1995 Sep 1;52(17):1875-9.
11. Ray MD, Aldrich LT, Lew PJ. Experience with an automated point-of-use unit-dose drug distribution system. *Hosp Pharm*. 1995 Jan;30(1):18, 20-3, 27-30.
12. Dib JG, Abdulmohsin SA, Farooki MU, Mohammed K, Iqbal M. Effects of an automated drug dispensing system on medication adverse event occurrences and cost containment at SAMSO. *Hosp Pharm*. 2006;41(12):1180-4.
13. Brown SJ, Cioffi MA, Schinella P, Shaw A. Evaluation of the impact of a bedside terminal system in a rapidly changing community hospital. *Comput Nurs*. 1995 Nov;13(6):280-4.
14. Johnson CL, Carlson RA, Tucker CL, Willette C. Using BCMA software to improve patient safety in Veterans Administration Medical Centers. *J Healthc Inf Manag* [Internet]. 2002 [cited 2008 Jul 9];16(1):46-51. Available from: http://www.himss.org/content/files/ambulatory_docs/BCMASoftwareToImprovePatientSafety.pdf
15. Malcom B, Carlson RA, Tucker CL, Willette C. Veterans affairs: eliminating medication errors through point-of-care devices. Technical paper for 2000 Annual HIMSS Conference submitted November 30, 1999. Falls Church (VA): Office of the Assistant Secretary of Defense (Health Affairs) and the TRICARE Management Activity; 1999.
16. Low DK, Belcher J, V. Reporting medication errors through computerized medication administration. *Comput Inform Nurs*. 2002 Sep;20(5):178-83.
17. Puckett F. Medication-management component of a point-of-care information system. *Am J Health Syst Pharm*. 1995 Jun 15;52(12):1305-9.
18. Reifsteck M, Swanson T, Dallas M. Driving out errors through tight integration between software and automation. *J Healthc Inf Manag*. 2006;20(4):35-9.
19. Rough S, Ludwig B, Wilson E. ASHP best practices award in health system pharmacy: award paper abstracts. Improving the medication administration process: the impact of point of care bar code medication scanning technology [Internet]. Bethesda (MD): American Society of Health-System Pharmacists; 2003. [cited 2008 Aug 19]. Available from: http://www.ashpadvantage.com/bestpractices/2003_papers/rough.htm
20. Work M. Improving medication safety with a wireless, mobile barcode system in a community hospital. *Patient Safety & Quality Healthcare* [Internet]. 2005 [cited 2008 Jun 24];(May/June). Available from: <http://www.psqh.com/mayjun05/casestudy.html>
21. Chan JC, Chu RW, Young BW, Chan F, Chow CC, Pang WC, et al. Use of an electronic barcode system for patient identification during blood transfusion: 3-year experience in a regional hospital. *Hong Kong Med J*. 2004 Jun;10(3):166-71.
22. Davies A, Staves J, Kay J, Casbard A, Murphy MF. End-to-end electronic control of the hospital transfusion process to increase the safety of blood transfusion: Strengths and weaknesses. *Transfusion*. 2006;46(3):352-64.

23. Porcella A, Walker K. Patient safety with blood products administration using wireless and bar-code technology. *AMIA Annu Symp Proc* [Internet]. 2005 [cited 2008 Jun 19];614-18. Available from: <http://www.pubmedcentral.nih.gov/picrender.fcgi?artid=1560432&blobtype=pdf>
24. Skibinski KA, White BA, Lin LI, Dong Y, Wu W. Effects of technological interventions on the safety of a medication-use system. *Am J Health Syst Pharm*. 2007 Jan 1;64(1):90-6.
25. Anderson S, Wittwer W. Using bar-code point-of-care technology for patient safety. *J Healthc Qual*. 2004 Nov;26(6):5-11.
26. Paoletti RD, Suess TM, Lesko MG, Feroli AA, Kennel JA, Mahler JM, et al. Using bar-code technology and medication observation methodology for safer medication administration. *Am J Health Syst Pharm*. 2007 Mar 1;64(5):536-43.
27. Franklin BD, O'Grady K, Donyai P, Jacklin A, Barber N. The impact of a closed-loop electronic prescribing and administration system on prescribing errors, administration errors and staff time: a before-and-after study. *Qual Saf Health Care*. 2007;16(4):279-84.
28. Foote SO, Coleman JR. Medication administration: the implementation process of bar-coding for medication administration to enhance medication safety. *Nurs Econ*. 2008 May;26(3):207-10.
29. Morriss FH, Jr., Abramowitz PW, Nelson SP, Milavetz G, Michael SL, Gordon SN, et al. Effectiveness of a Barcode Medication Administration System in Reducing Preventable Adverse Drug Events in a Neonatal Intensive Care Unit: A Prospective Cohort Study. *J Pediatr*. 2009;154(3):363-8. Epub 2008 Sept 29.
30. Kheniene F, Bedouch P, Durand M, Marie F, Brudieu E, Tournalonnias MM, et al. Impact économique de la mise en place d'un automate de distribution des médicaments dans un service de réanimation. *Ann Fr Anesth Reanim*. 2008 Mar;27(3):208-15.
31. Poveda Andrés JL, Garcia Gómez C, Hernández Sansalvador M, Valladolid Walsh A. Análisis coste-beneficio de la implantación de los sistemas automáticos de dispensación de medicamentos en las Unidades de Críticos y Urgencias [Cost-benefit analysis of the implementation of automated drug-dispensing systems in Critical Care and Emergency Units]. *Farm Hosp* [Internet]. 2003 Jan [cited 2008 Jul 3];27(1):4-11. Available from: <http://www.sefh.es/fh/2003/n1/2.pdf> Spanish.
32. Lee LW, Wellman GS, Birdwell SW, Sherrin TP. Use of an automated medication storage and distribution system. *Am J Hosp Pharm*. 1992 Apr;49(4):851-5.
33. Wise LC, Bostrom J, Crosier JA, White S, Caldwell R. Cost-benefit analysis of an automated medication system. *Nurs Econ*. 1996 Jul;14(4):224-31.

Production Notes

CADTH Technology Overviews is produced by:
Canadian Agency for Drugs and Technologies in Health (CADTH)
600-865 Carling Ave.
Ottawa, Ontario, Canada K1S 5S8
Tel.: 613-226-2553
Fax: 613-226-5392
Website: www.cadth.ca

CADTH Technology Overviews contains articles that are based on CADTH Technology Reports and other CADTH reports on health technologies. The information presented in these publications is intended to help Canadian health care decision-makers, health care professionals, health systems leaders, and policy-makers make well-informed decisions and thereby improve the quality of health care services. The information in this publication should not be used as a substitute for the application of clinical judgment in respect to the care of a particular patient or other professional judgment in any decision-making process, nor is it intended to replace professional medical advice.

While CADTH has taken care in the preparation of this publication to ensure that its contents are accurate, complete, and up to date as of the date of publication, CADTH does not make any guarantee to that effect. CADTH is not responsible for any errors or omissions or injury, loss or damage arising from or relating to the use (or misuse) of any information, statements, or conclusions contained in or implied by the information in this publication or in any of the source documentation.

CADTH Technology Overviews and the information it provides is prepared and intended for use in the context of the Canadian health care system. Other health care systems are different; the issues and information related to the subject matter presented in this publication may be different in other jurisdictions and, if used outside of Canada, it is at the user's risk. This disclaimer and any questions or matters of any nature arising from or relating to the content or use (or misuse) of this publication will be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and all proceedings shall be subject to the exclusive jurisdiction of the courts of the Province of Ontario, Canada.

CADTH takes sole responsibility for the final form and content of this publication, subject to the limitations noted above. The statements and conclusions in this publication are those of CADTH and not of its advisory committees and reviewers. The statements, conclusions, and views expressed herein do not necessarily represent the views of Health Canada or any Canadian provincial or territorial government.

Production of *CADTH Technology Overviews* is made possible by financial contributions from Health Canada and the governments of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Saskatchewan, and Yukon.

Copyright © CADTH 2010. You are permitted to reproduce this document for non-commercial purposes, provided it is not modified when reproduced and appropriate credit is given to CADTH. You may not otherwise copy, modify, translate, post on a website, store electronically, republish, or redistribute any content from this document in any form or by any means without the prior written permission of CADTH.

Please contact CADTH's Vice-President of Corporate Services at corporateservices@cadth.ca with any inquiries about this notice or other legal matters relating to CADTH's services.

Cite as: Canadian Agency for Drugs and Technologies in Health. *CADTH Technology Overviews*, 2010; 1(3).

ISSN: 1481-4501 (online)