

## Module 10: Pharmacy Inventory Management

**Question 1: True or False? Inventory is pharmacy's largest investment.**

- A. True
- B. False

**Question 2: Which of the following is important for business efficiency?**

- A. Buying the right quantity
- B. Buying from the right vendor
- C. Buying at the right time
- D. All of the above

**Question 3: A bottle of lisinopril expires on 01/2019. At what point in January does this medication actually expire?**

- A. January 1<sup>st</sup>
- B. Mid-January
- C. The end of January
- D. The third Saturday in January

**Question 4: A high ITOR is associated with which of the following?**

- A. Not enough product on the shelf
- B. Too much inventory on the shelf
- C. ITOR has nothing to do with inventory

**Question 5: Which of the following does not apply to the open-to-buy budget method?**

- A. More financial control
- B. Utilizes a list of products that have limited supply
- C. Does not take into account changes in price or demand
- D. Must stay within certain budget per ordering period

**Question 6: True or False? A computer-based perpetual inventory is the most efficient and allows for constant monitoring.**

- A. True
- B. False

**Question 7: Pareto's Law is a method for reordering that does which of the following?**

- A. Tries to maximize inventory of high turnover products
- B. Cuts down need for frequent ordering
- C. Attempts to have 80% of sales come from 20% of inventory
- D. All of the above

**Question 8: True or False? Many hospitals implement a step-therapy protocol as it relates to formularies.**

- A. True
- B. False

**Question 9: What does a PA (prior authorization) mean in the filling process?**

- A. The pharmacist must inform the prescriber
- B. The pharmacist must inform the patient
- C. The patient may pay out of pocket
- D. The insurance will not pay until the PA is approved
- E. All of the above

**Question 10: True or False? It is important to rotate stock so that medications are not wasted.**

- A. True
- B. False