



A WHITE PAPER FOR PHARMACIES

Addressing Drug Shortages More Effectively with 5 Purchasing Best Practices



How a Growing National Security Risk Can Be Mitigated by **Optimizing Your Purchasing Process**

In recent years, the United States has seen an alarming rise in drug shortages. According to a news report, these shortages pose a significant national security risk. The report, released by the National Security Commission on Artificial Intelligence (NSCAI), highlights the potential consequences of not addressing this growing problem.

The NSCAI report states that drug shortages are becoming more frequent and severe, with more than 200 drugs currently in short supply in the United States. These shortages are impacting critical care medications, such as antibiotics, anticoagulants and pain medications, which are essential for treating both civilian and military patients.

This white paper explains how pharmacies can mitigate the effects of drug shortages so they can meet patient needs and save money. First, let's take a look at what brought about these drug shortages in the first place and then address how SureCost can help.

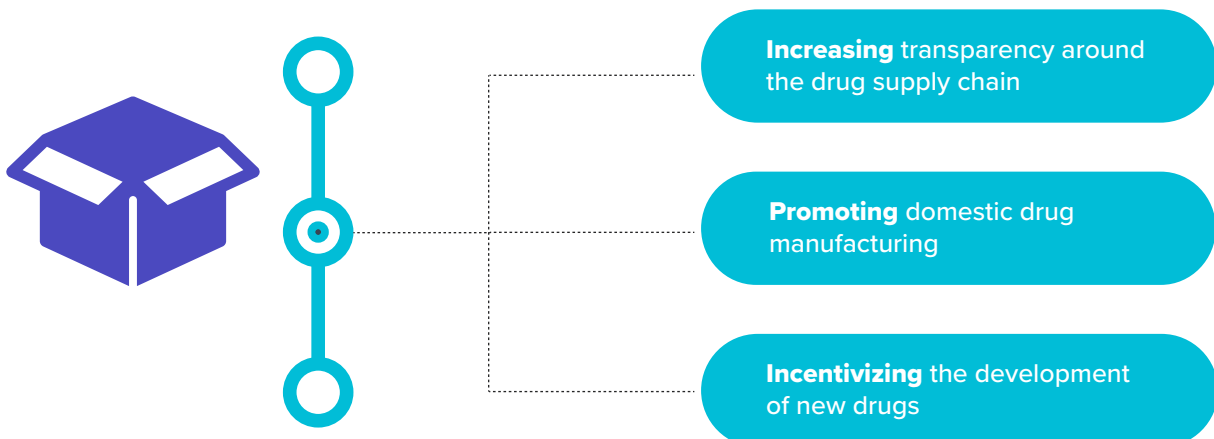
200+

Drugs currently in short supply in the U.S.

The Challenges Causing Today's Drug Shortages

Lack of visibility in the pharmaceutical supply chain

The lack of visibility in the supply chain has been a serious problem for years. The NSCAI report recommends several actions to address the problem of drug shortages, including increasing transparency around the drug supply chain, promoting domestic drug manufacturing and incentivizing the development of new drugs. The report also suggests that the government should consider stockpiling critical medications to ensure that they are available in the event of a crisis.



Globalization of the pharmaceutical industry

One of the main reasons for the drug shortages is the increasing globalization of the pharmaceutical industry. Many of the drugs used in the United States are manufactured overseas, and disruptions to global supply chains can have significant impacts on the availability of these drugs. In addition, the consolidation of the pharmaceutical industry has also contributed to the problem, with fewer manufacturers producing a larger percentage of the drugs on the market.

The NSCAI report highlights several potential consequences of these drug shortages. First and foremost, patient care is being compromised. Patients are being forced to switch to less effective or more expensive drugs, and in some cases, patients may be forced to delay or forgo necessary medical treatments altogether.

In addition to the [impact on patient care](#), drug shortages also have economic and national security implications. The pharmaceutical industry is a critical part of the U.S. economy, with a significant impact on jobs and trade. Shortages can lead to increased costs for hospitals and other healthcare providers, which can ultimately be passed on to patients.

Furthermore, the reliance on foreign sources of drugs can also pose a national security risk. In the event of a crisis or conflict, the United States could find itself without access to essential medications, putting both military and civilian populations at risk.

The rise in drug shortages in the United States is an issue that must be addressed. The consequences of these shortages are far-reaching, impacting patient care, the economy and national security. By taking proactive steps to address this problem, we can help ensure that essential medications remain available when they are needed most.



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Smith Pharmacy is estimating they save nearly \$300K a year with SureCost!

[Read Case Study](#)

How Can Pharmacies Mitigate the Effects of Drug Shortages?

[The best way to mitigate the effects of drug shortages is by leveraging your data.](#) Having a system that can track drug usage and record dispense volume is essential. Manual processes or solely relying on a purchaser's intuition can lead to inaccuracies and delays.

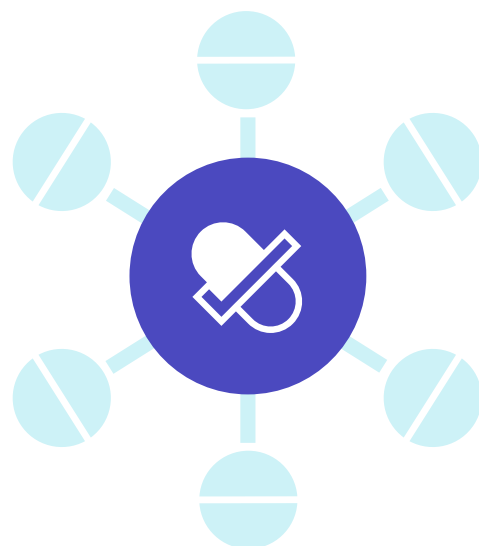
By implementing an integrated solution like SureCost for purchasing and inventory management, all data can be consolidated, allowing for easy reporting and providing a single source of truth, even if your purchaser is unavailable or a vendor only tracks usage for certain products. This integration is especially important when shortages occur, as it enables experienced buyers to quickly identify and purchase the right option from multiple vendors, including service providers like GPOs.

Let's look at how each of these strategies, and other critical ways to optimize your purchasing and inventory management process, in more detail to uncover how they can help your pharmacy combat drug shortages.

1 Data Consolidation & Accurate Reporting. Understand Your True Needs.

When pharmacy professionals need to navigate multiple sources of data, it can be difficult to decipher what their purchasing volumes should be. This means it is crucial to have reliable data consolidation methods so you can be prepared with the medications patients need on hand in order to enable their medical conditions.

SureCost offers the most efficient way to accomplish data consolidation, providing automatic cross-platform updates on precise usage and a variety of other useful metrics. Getting the data from all your information sources at once allows you to see if medications are actually in high demand or not. Although the drug shortage issue cannot be completely avoided, SureCost can help you reduce its effect on patients.



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SureCost will give you valuable insights into your pharmacy's spending patterns to effectively manage your inventory.



Many pharmacies conduct their purchasing through multiple vendors, GPOs and buying groups. However, using manual processes to obtain information about supplies from more than one source causes purchasers to use inaccurate metrics, panic-buy, or not buy enough inventory. By consolidating data from all major vendors and wholesalers, SureCost will provide you with accurate, up-to-date item availability data, source data, vendor pricing and more, so that you can watch and trend your true supply needs, and make informed purchasing decisions that meet the needs of your customers and prevent spikes in demand.

SureCost will give you valuable insights into your pharmacy's spending patterns to effectively manage your inventory and automate orders that can be reviewed for availability issues and differences across all of your vendors. This helps you avoid overordering, losing money on costly returns, or paying higher prices due to supply and demand.

2 Optimize Purchasing. Get the Right Products on Time.

Another effective way to mitigate drug shortages is to optimize your purchasing process. By utilizing automation, you can eliminate the risk of human error from ordering manually. SureCost will increase your pharmacy's productivity by syncing information from all GPOs, buying groups, purchasing catalogs and more.

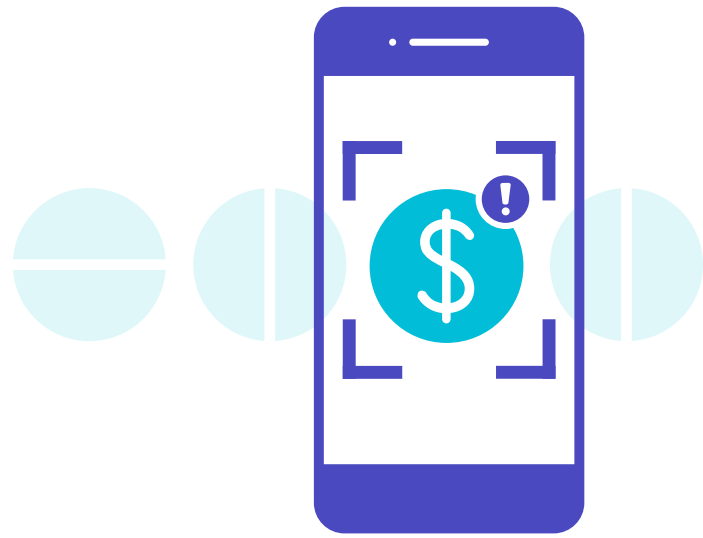
Automated purchasing capabilities will allow you to auto submit orders throughout the day at times you specify and even automatically reorder unfulfilled items the next day reducing the time and effort pharmacists spend going through multiple catalogs and manually reordering those hard-to-get items. Now you can uncover all your available purchasing options in one place instead of manually switching between platforms.

SureCost can even manage compliance, both regulatory, such as The Drug Supply Chain Security Act (DSCSA), and within your buying system by purchasing products specific to wholesaler contracts and rebates, ensuring maximum savings. You can also customize your system to utilize a therapeutic equivalent item that is more favorable in helping you reach your compliance targets. With our Primary Vendor Assurance, you can stay flexible as your purchasing needs change and remain compliant with your primary vendor.



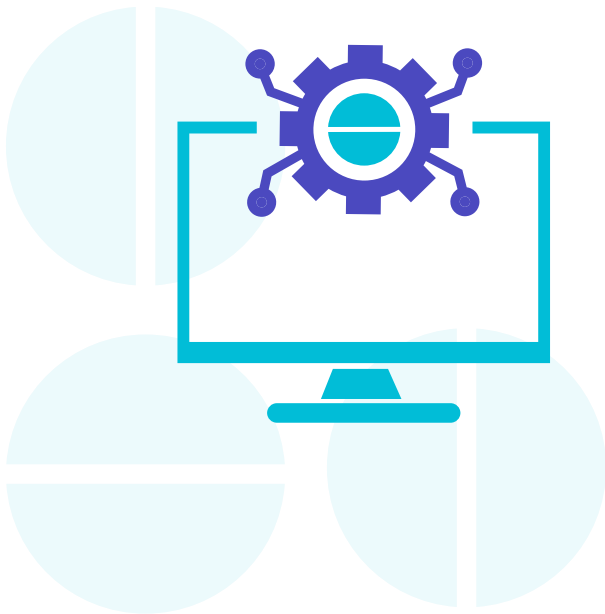
SureCost is dedicated to providing transparent drug prices upfront and alerting you if they don't match what you were invoiced for to make sure you're never paying more than you should be.

We have also revolutionized receiving with automated solutions that allow pharmacists to cross-check items received with what was ordered using a simple scan on a smartphone. With optimized purchasing, your staff members will have additional time for other important objectives, including patient counseling and medication management.



3 Integrated Technologies. All Your Systems in One Place.

By integrating all the systems your pharmacy uses to order, dispense and manage your inventory and cost-of-goods, you can determine what your true need is without relying on gut instinct. SureCost is second to none when it comes to integration solutions, as it includes data from all major vendors, meaning you can compare multiple vendor options at the same time, and updates and receives data from most major pharmacy systems, meaning you can keep your usage and inventory in sync along the way.



Since SureCost integrates seamlessly with your existing processes, it is unnecessary to undergo a complete overhaul of your current systems and processes. This allows you to quickly identify the best source for each product, reducing the risk of purchasing volume going below usage. By analyzing usage patterns and demand and working with your software to intelligently navigate you through them, you can work towards getting medications on and off the shelves at the right time without sacrificing patient care.

**Save Time & Work Smarter
With One Integrated System for
All Aspects of Purchasing**



With more partnership oversight and easier access to vital metrics, SureCost can help you better understand your relationships with all service providers.

4 Enhance Relationships with Service Providers. Increase Visibility of Metrics.

Pharmacies must partner effectively with service providers in order to work towards mitigating drug shortages. SureCost simplifies this by enhancing your relationship with trading partners and all the players in the supply-chain, increasing your visibility and capability to realize missed revenue opportunities. Surprisingly, these opportunities are often achieved by utilizing your existing vendor, GPO and buying group relationships by simply enhancing transparency, automation and key decisions.

With more partnership oversight and easier access to vital metrics, SureCost can help you better understand your relationships with all service providers. Since we are operated by leading industry specialists, you can count on SureCost to be intuitive and resourceful for your entire staff.

Partnership oversight



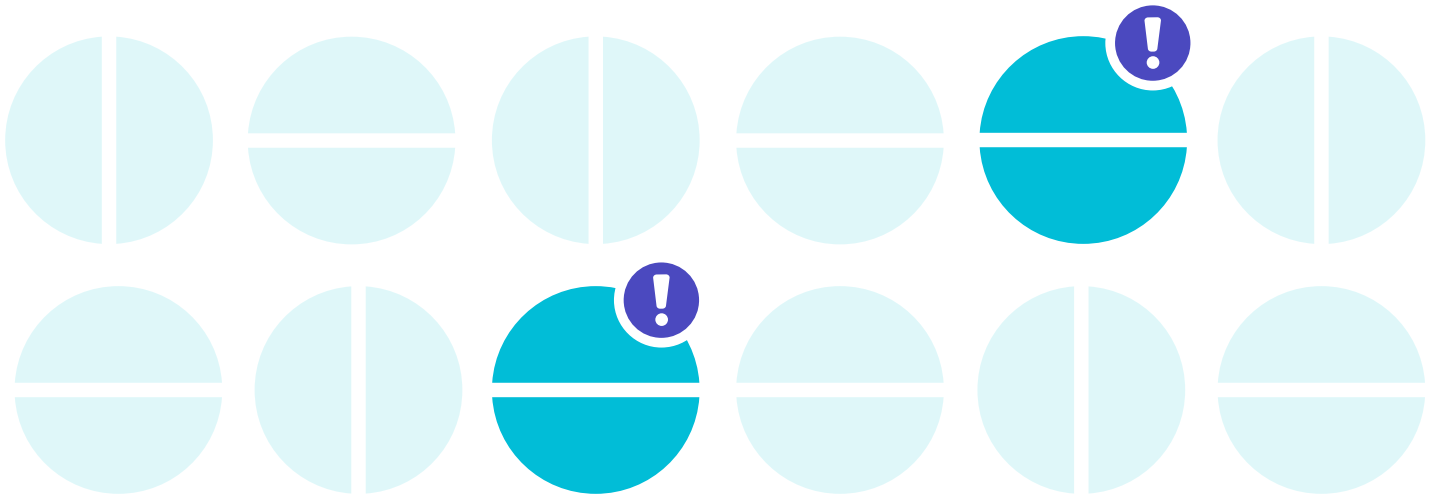
Access to vital metrics

There are many unique challenges related to pharmacy purchasing, such as vastly different dosages of the same medication from one customer to the next. With SureCost you can stay on top of these types of variables and keep all customers satisfied. As soon as you get an order for a medication, SureCost will automatically subtract it from your stock, preventing confusion for the pharmacist and customer alike.

Staying competitive in purchasing as a pharmacy can be extremely difficult, as the system is can require working with multiple vendors and juggling several contracts at the same time. SureCost can make this process simple and more effective, so you can always have the right products in stock and have more time to spend with patients.

100+
YEARS

SureCost is designed and managed by a team of pharmacy professionals with over a century of collective experience in the industry



5 Optimize Your Inventory's Shelf Life. Avoid Keeping Expired Products in Stock.

With hundreds of pharmaceutical products in stock, it can become complex and time-consuming to manage the shelf life of your inventory. Ordering a large amount of medication that has a short shelf life or is too close to the expiration date can mean huge profit losses for your pharmacy, unnecessary waste and fewer resources to improve patient care.

The DSCSA requires expiration dates to be included in barcode data and in electronic transaction records for most prescription drugs, so pharmacy staff can have adequate knowledge of the shelf life of products that are coming through the door. Utilized properly, this information can easily help you avoid excess inventory that locks up precious cash flow on your pharmacy shelves while also ensuring the safety and effectiveness of drugs throughout the supply chain.

All medications lose their potency over time, so it is of utmost importance for pharmacies to manage their inventory carefully to ensure expired products are not stocked. SureCost can help you access the data made available by the DSCSA instantly to reduce waste and make sure you know exactly what you're getting, even before the products reach you.



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Conclusion

Drug shortages have become increasingly problematic due to globalization efforts in the pharmaceutical industry, convoluted information in the purchasing process and more. However, there are steps you can take for your pharmacy to ease your stress, reduce your labor costs and reduce the impact shortages have on patients.

SureCost is here to improve your day-to-day operations at every level, helping you achieve better relationships with service providers and integrate systems for accurate product information how and when you need it. You will save time and money as you increase your ability to predict trends and, most importantly, take better care of your patients.

Learn More About **Mitigating Drug Shortages**

If you are interested in learning how SureCost can help your pharmacy mitigate drug shortages, save more, work smarter and stay compliant, **book a meeting today with one of our experts.**

Let's Talk!