



The Global Language of Business

# Global Standards in the Healthcare Supply Chain

Implementing GS1 Standards

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# GS1 – an international standards organisation



**Not-for-profit**  
**112 Member Organisations**  
**Over one million user**  
**companies**  
**(from SME to global companies)**  
**Member driven**  
**150 countries served; 20**  
**different domains**  
**2,700 people helping us**  
**Over 6 billion transactions a day**

# Our Vision



GS1 Healthcare envisions a future where the healthcare sector integrates GS1 Standards into supply chain processes for all relevant items, locations and people to drive patient safety and supply chain efficiency improvements.



# Our Vision



The vision of GS1 Healthcare is to be the **recognised**, **open** and **neutral** source for regulatory agencies, trade organisations and other similar stakeholders seeking **input** and **direction** for **global standards** in healthcare for



patient safety



supply chain  
security &  
efficiency



traceability



product data

# Working with global organisations...



International Organisation for Standardisation



European Committee for Standardization



Health Level 7 International



International Health Terminology SDO



Clinical Data Interchange Standards Consortium



Integrating the Healthcare Enterprise



Digital Imaging and Communications in Medicine



Personal Connected Health Alliance

## Joint Initiative Council



World Health Organization



World Customs Organization



International Hospital Federation



International Council for Commonality in Blood Banking Automation



International Society for Quality in Healthcare



European Association of Hospital Pharmacists



European Federation of Pharmaceutical Industries and Associations



European Medical Devices Industry Association



# ...in Healthcare lack of standards can cost a life



# The healthcare supply chain needs global standards



- Medication errors result in additional treatments, disabilities and even loss of life
- Counterfeiting is an increasing global threat
- Traceability from manufacturer to patient is problematic
- Product recalls can be difficult to manage, in particular for healthcare providers
- Manual interventions in the healthcare supply chain decrease its efficiency and accuracy



# Medication Errors – happening today

## US

- 44,000-98,000 die in the US alone as the result of medication errors (*IoM, 2006*)
- More than Motor vehicle accidents (43,458), breast cancer (42,297) or AIDS (16,516)
- Estimates of cost for US figures- \$17-\$29 Billion annually \$2,000- \$5,000 per patient (HDMA, 2004)

## UK

- Approximately 10% of inpatient episodes result in a medication error
- Of the 8 million hospital admissions in England in 2007, 1.2 million were medication safety incidents, costing the National Health Service £2.1 billion

## New Zealand

- In hospital adverse drug events (ADEs) (80% of these are preventable) 5,000 patients experience an ADE annually

## Germany

- “17,000 die from medication errors” (*Deutsches Arzteblatt International, March 5, 2010*)

## East Africa

- “Medical error is expensive for life” (*In2EastAfrica, January 22, 2012*)

**Globally this is the equivalent of a Jumbo Jet falling out of the sky every day with 100% fatalities**

# Combating counterfeiting



The introduction of a unique identification for drugs or medical devices, where appropriate, will enable **authentication and traceability systems**



This will **make it much more difficult** for counterfeiters to intrude into the Healthcare supply chain

**GS1 standards play a major role !**



# Ensuring the '5 Patient Rights'



# GS1 helps for better visibility in the hospital supply chain



- **Improve patient safety**

- Reduce medical errors (medication errors, verification of patient ID, etc.)
- Enable effective product recalls
- Fight counterfeiting
- Enable adverse event reporting
- More time for patients



- **Increase efficiency and save costs**

- Improve order and invoice process
- Optimise receiving
- Reduce inventory & improve shelf management
- Increase productivity
- Improve service levels/fill rate
- Improve benchmarking and management of supply cost
- Efficiently document treatment in patient's Electronic Health Record



# Benefits for Patient Safety



- Improved recall procedure and adverse event reporting
- Documentation of product/patient relationship – in electronic health records (EHR) and registries
- Visibility of inventory – availability of devices
- Reduction of medical errors
- Supply chain security/anti-counterfeiting



# McKinsey & Company report quantifies supply chain issues in Healthcare



**Source:** <http://www.mckinsey.com>

New McKinsey report “Strength in unity: The promise of global standards in healthcare”

Highlights the cost savings and patient safety benefits of adopting a single global supply chain standard in healthcare

Available at:

<http://www.gs1.org/healthcare/mckinsey>

# Some of our success stories...



GS1 standards remove at least €5 million worth of stock at St James's Hospital (Ireland, 2010)

Mock recall can identify location of 100% medication within 10 minutes.

Product wastage reduced from €90,216 to zero in the year post service implementation.

Reduced emergency consignment stock orders thanks to improvements in forward demand/stock planning plus €1.1 million saving. (Leeds, UK)





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But there is  
still **much** more  
that should be  
**done...!**



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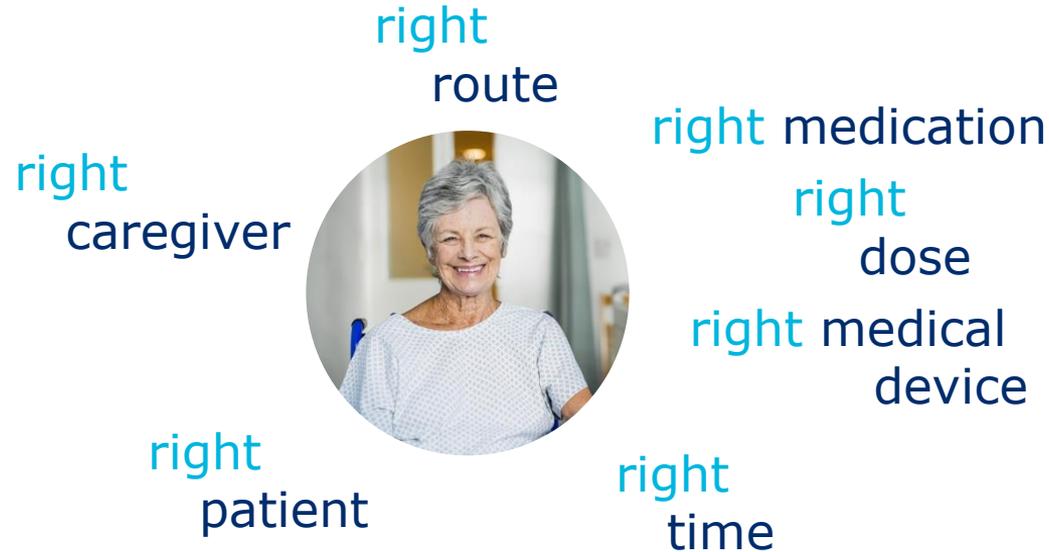
We have to  
keep moving forward  
to ensure GS1 standards  
benefit all patients  
worldwide



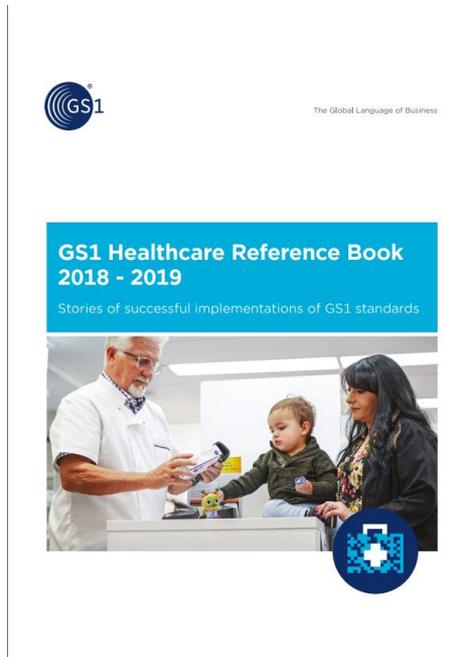
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*Imagine*  
a world where...

# ...the patient rights were reality, all the time!



# Did you know?



## Read about a dozen different real-world deployments of GS1 standards in the healthcare sector across the world:

Australia, Austria, Belgium, Brazil, Colombia, Germany, Netherlands, China, USA

◀ <http://www.gs1.org/healthcare>



Ultimately, it's all about...



## PATIENT SAFETY!



# Contact Information



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