

Issue Brief

Distributors and Healthcare Equity: An Overview

Rationale

Healthcare access and affordability are crucial components of equitable healthcare delivery that resurface the importance of the social determinants of health and the relationship between health equity and healthcare delivery. The social determinants of health define the magnitude of health disparities and inequities across communities. Healthcare distributors work to mitigate these disparities through safe and efficient product distribution, assuring product integrity, supporting communityclinical connectivity and practicing social responsibility.



Background

<u>Health disparities</u> are preventable differences in length of life, quality of life, severity of disease, access to treatment and rates of disease, disability and death.¹ Communities across the country experience health disparities due to differences in healthcare delivery, accessibility and affordability. Healthcare delivery includes the organization and delivery of any service dealing with the diagnosis and treatment of disease, or the promotion, maintenance and restoration of health.² Healthcare affordability and accessibility refer to the value, cost and timely delivery of personal health services to achieve the best possible health outcomes.³

Healthcare equity can be achieved through intentional policies and practices that ensure each person can attain their full health potential regardless of socioeconomic or medical status by removing obstacles to health such as poverty and discrimination.⁴ Distributors play a crucial role in promoting healthcare equity by constantly innovating to meet evolving healthcare demands,⁵ directly investing in and empowering communities across the country⁶ and continuously delivering medicines and medical products during both steady-state and crisis scenarios.⁷ In providing a critical connection point to pharmacies and providers, distributors provide safe and reliable access to approximately 10 million medicines, vaccines and healthcare products, so that any person can get the products they need at the right place and right time. Connections among healthcare systems and services, public health agencies and community-based organizations (also known as community-clinical linkages⁸) are crucial to addressing the social determinants of health and reducing health disparities.⁹

U.S. Department of Health and Human Services. "Health Equity in Healthy People 2030." Healthy People 2030. https://health.gov/healthypeople/priority-areas/health-equity-healthy-1 people-2030

European Observatory on Health Systems and Policies. "Health Care Delivery." European Observatory on Health Systems and Policies. https://eurohealthobservatory.who.int/themes/healthsystem-functions/health-care-delivery#:~:text=from%20one%20another%3F-,Health%20care%20delivery%20forms%20the%20most%20visible%20function%20of%20the,maintenance%2-0and%20restoration%20of%20health.

³ U.S. Department of Health and Human Services. "Access to Health Services." Healthy People 2030. https://health.gov/healthypeople/priority-areas/social-determinants-health/literaturesummaries/access-health-services.

National Center for Chronic Disease Prevention and Health Promotion. "Health Equity." Social Determinants of Health. https://www.cdc.gov/chronicdisease/healthequity/index.htm. Healthcare Distribution Alliance and Deloitte LLP. The Role of Distributors in the US Health Care Industry. 2019. https://hda.org/publications/the-role-of-distributors-in-the-us-health-care-industry-8210cd8c1b20adf4dd87db4f48b2503d/. 5

Healthcare Distribution Alliance. "Healthcare Distributors Are Improving Health Equity and Supporting Patients in Need." Perspectives. October 18, 2021. https://healthdelivered.org/

perspectives/2021/healthcare-distributors-are-improving-health-equity-and-supporting-patients-in-need/. Healthcare Distribution Alliance. "Weathering the Storm." <u>https://hda.org/getmedia/19980aa9-27b6-464b-a7da-911bb60a77dc/2018-06-06-Emergency-Fact-Sheet.pdf</u>. Agency for Healthcare Research and Quality. "Clinical-Community Linkages." *National Center for Excellence in Primary Care Research*. December 2016. <u>https://www.ahrq.gov/ncepcr/tools/</u> community/index.htm

⁹ Centers for Disease Control and Prevention. "Community-Clinical Linkages Health Equity Guide." Evaluation Guides & Toolkits. https://www.cdc.gov/dhdsp/evaluation_resources/guides/ health-equity.htm.

Disparities and Inequities in Healthcare Access and Affordability

Inequities in public- and private-sector policies and programs contribute to disparities in the distribution of healthcare facilities, services, providers and goods across all segments of a community. As a result, communities across the nation experience differences in healthcare access and healthcare affordability. Healthcare affordability refers to multiple elements across the healthcare supply chain. These elements include the ability of patients to afford quality treatment, the ability of pharmacies and providers to secure medical products and the general operating costs and burdens of moving essential products to where they are needed most. Distributors provide services which work to reduce each of these costs every day, and distributors are estimated to save the healthcare system as much as \$63 billion annually.¹⁰ Unequal access to healthcare is a primary focus of HDA and its members. Distributors aim to reduce healthcare disparities by providing quality services and support to communities and their sites of care.

Healthcare Access

Access to healthcare, or the "timely use of personal health services to achieve the best possible health outcomes,"¹¹ is integral to healthcare equity. This extends beyond physically getting to a point of care; elements of healthcare access include entry into the healthcare system; receipt of services; timeliness of services; and provision of services by capable, gualified and culturally competent providers.¹² When people can easily connect with a trusted provider to understand their health and plan for and receive care, they are more likely to receive recommended preventative services and achieve their desired health outcomes.¹³

Many people report experiencing challenges that prevent them from accessing healthcare or limit their access to healthcare. These challenges can be grouped into the categories of geographical barriers, financial barriers and service barriers. Distributors work to reduce each of these barriers through different means, including:

- Expanding their service areas to new communities;
- Working to ensure an affordable price of medical products for sites of care, pharmacies and their patients; and,
- Ensuring that sites of care and pharmacies have sufficient stock so that they can provide reliable and meaningful services to their communities.

Geographical Barriers

Geographical barriers prevent people from accessing care because services are either far away or are difficult to access. Over 80 percent of counties across the U.S. lack access to the critical services needed to maintain health, including pharmacies, primary care providers, hospitals, hospital beds, trauma centers and low-cost community health centers (CHCs).¹⁴ These barriers are particularly present in urban and rural communities that lack the resources to support health-promoting infrastructure. In rural areas, people may have to travel for long periods of time to reach the closest provider. Meanwhile, although healthcare providers may be closer in urban areas, proximity does not always equate to accessibility. Traveling to a healthcare provider may require taking public transportation, seeking rides from friends and relatives or waiting in traffic for extended periods. In addition, people who are transportation disadvantaged have worse access to healthcare.15,16

Geographical barriers not only apply to care and provider access, but also to obtaining medications and medical supplies. Although distributors work around the clock to ensure that patients nationwide can access the medications and supplies they need in a timely manner,¹⁷ physical proximity to sites of care with

¹⁰ HDA Analysis, 2022

Institute of Medicine. "Access to Health Care in America." 1993. https://nap.nationalacademies.org/catalog/2009/access-to-health-care-in-america 12 Agency for Healthcare Research and Quality. "Elements of Access to Health Care." Chartbook on Access to Health Care, June 2018. https://www.ahrq.gov/research/findings/nhqrdr/

chartbooks/access/elements.html.

¹³ Mark W. Friedberg, Peter S. Hussey, and Eric C. Schneider. "Primary Care: A Critical Review of The Evidence On Quality And Costs Of Health Care." Health Affairs 29, no. 5 (May 2010): 766-72. <u>https://doi.org/10.1377/httpaff.2010.0025</u>.
14 Amanda Nguyen. "Mapping Healthcare Deserts: 80% of the Country Lacks Adequate Access to Healthcare." *GoodRx Health*, September 9, 2021.
15 The term "transportation disadvantaged" refers to people who often have a disability, are elderly, or are low-income. Government Accountability Office (GAO). "Transportation-Disadvantaged"

Populations: Some Coordination Efforts Among Programs Providing Transportation Services, but Obstacles Persist," GAO-03-697. <u>https://www.gao.gov/assets/gao-03-697.pdf</u> 16 U.S. Department of Transportation, "Health and Equity," *Transportation and Health Tool Home*. <u>https://www.transportation.gov/transportation-health-tool</u>.

Healthcare Distribution Alliance, "Healthcare Distributors Are the Answer," Perspectives, September 7, 2022. https://www.hda.org/perspectives/2022/healthcare-distributors-are-the-answer/.

consistent support remains important, particularly for last-mile delivery. When communities lack the physical infrastructure to support <u>last-mile delivery</u>, delivering supplies and medication becomes more costly and time-consuming. Insufficient hubs (i.e., if a carrier does not have a hub that is able to get to the target last-mile location within 45 minutes) further compromise timeliness and availability.¹⁸ Of note, distributors are currently working with communities, health departments and all levels of government to eliminate these last-mile challenges toward equitable access to COVID-19 vaccines by distributing them to CHCs in vulnerable communities.¹⁹ Further, the industry works to eliminate last-mile challenges during steady-state and crisis scenarios; minimizing these challenges increases access to services for communities.

Because over 90 percent of Americans live within 5 miles of a pharmacy, pharmacists have the potential to serve as critical healthcare providers by serving as points of care. In their current scope of practice, pharmacists can provide prescription medications, over-the-counter products and diagnostic, preventive and urgent care services.²⁰ An examination of pharmacy deserts found that pharmacy availability and accessibility was persistently lower in Black communities than in white and integrated communities, largely due to geographical barriers.²¹ Distributors maintain a strong partnership with pharmacies across the country, with 95 percent of pharmaceutical sales traveling through distributors in 2022. This relationship is particularly critical for independent pharmacies that distributors service — and especially for those who are underresourced and/or reside in medically underserved or difficult-to-reach communities. Distributors provide a broad range of services to these independent pharmacies through Pharmacy Service Administrative Organizations (PSAOs). Services provided to independent pharmacies from PSAOs include reducing unnecessary costs, keeping pharmacies up to date on industry changes, and allowing pharmacies to utilize the PSAO's contracting expertise to provide access to more patients among other benefits.

Financial Barriers

Financial barriers are cost-related constraints that prevent people from seeking care. <u>People who do not</u> <u>have health insurance coverage</u> tend to be non-senior adults in working families with low incomes. In general, people of color are more likely to be uninsured than white people.²² <u>People who are underinsured</u> (i.e., have healthcare insurance but have disproportionately high out-of-pocket costs or deductibles relative to their incomes) are more likely to lack adequate coverage.²³ This disproportionately affects Black people, people of color and individuals with low income.²⁴ <u>People who do not have paid sick leave</u>, or cannot take time off work to attend appointments, are also less likely to have access to healthcare.²⁵

Service Barriers

Service barriers occur when the type, quality or accessibility of providers do not meet individual or community needs and thus inhibit care-seeking behaviors. People with physical, intellectual and developmental disabilities experience barriers such as facility inaccessibility, staff inability to accommodate communication and support needs and provider bias.²⁶ Similarly, people who cannot access healthcare services that meet their social, cultural and linguistic needs (e.g., language preferences, literacy levels, representation among providers and staff) have worse access to healthcare.²⁷ People who live in an area experiencing a shortage of providers (e.g., primary care, specialty care, dental, mental health, nursing) have worse access to healthcare because the healthcare services in their area do not have the capacity to fully support their community.²⁸

¹⁸ Allyn International, "The Last Mile Challenge: Overcoming the Greatest Obstacle in Logistics," <u>https://www.allynintl.com/en/news-publications/entry/the-last-mile-challenge-overcoming-the-greatest-obstacle-in-logistics</u>.

Human Resources & Services Administration, "Ensuring Equity in COVID-19 Vaccine Distribution," Coronavirus (COVID-19) Information. <u>https://www.hrsa.gov/coronavirus/health-center-program</u>.
 Human Resources & Services Administration, "Ensuring Equity in COVID-19 Vaccine Distribution," Coronavirus (COVID-19) Information. <u>https://www.hrsa.gov/coronavirus/health-center-program</u>.
 Healthcare Distribution Alliance. "A Dialogue on Healthcare Equity and the 'Road Back from COVID-19.'" Perspectives. March 19, 2021. <u>https://hda.org/perspectives/2021/a-dialogue-on-healthcare-equity-and-the-road-back-from-covid-19%E2%80%9D/</u>.

²¹ Dima M. Qato et al. "Pharmacy Deserts' Are Prevalent In Chicago's Predominantly Minority Communities, Raising Medication Access Concerns." Health Affairs 33, no. 11 (November 2014): 1958–65. https://doi.org/10.1377/hlthaff.2013.1397.

²² Jennifer Tolbert, Kendal Orgera, and Anthony Damico. "Key Facts about the Uninsured Population." Kaiser Family Foundation, November 6, 2020. https://www.kff.org/uninsured/issue-brief/ key-facts-about-the-uninsured-population/.

²³ Sarah Collins, Munira Gunja, and Gabriella Aboulafia. "U.S. Health Insurance Coverage in 2020: A Looming Crisis in Affordability. Findings from the Commonwealth Fund Biennial Health Insurance Survey, 2020." The Commonwealth Fund (blog). August 19, 2020. https://www.commonwealthfund.org/publications/issue-briefs/2020/aug/looming-crisis-health-coverage-2020biennial.

²⁴ Andres Gallegos. "Misperceptions Of People With Disabilities Lead To Low-Quality Care: How Policy Makers Can Counter The Harm And Injustice." Health Affairs. April 1, 2021. https://www. healthaffairs.org/do/10.1377/forefront.20210325.480382/

²⁵ LeaAnne DeRigne et al. "Paid Sick Leave and Preventive Health Care Service Use among U.S. Working Adults." Preventive Medicine 99 (June 2017): 58–62. https://doi.org/10.1016/j. ypmed.2017.01.020.

 ²⁶ Michael Karpman and Sharon Long. "QuickTake: Even with Coverage, Many Adults Have Problems Getting Health Care, with Problems Most Prevalent among Adults with Disabilities." *Health Reform Monitoring Survey*. September 24, 2015. <u>https://hrms.urban.org/quicktakes/Many-Adults-Have-Problems-Getting-Health-Care.html</u>.
 27 National Center for Excellence in Primary Care Research. "What Is Cultural and Linguistic Competence?" *Oral, Linguistic, & Culturally Competent Services*. <u>https://www.ahrg.gov/ncepcr/</u>

²⁷ National Center for Excellence in Primary Care Research. "What Is Cultural and Linguistic Competence?" Oral, Linguistic, & Culturally Competent Services. https://www.ahrq.gov/ncepcr/tools/cultural-competence/definition.html.

²⁸ Andis Robeznieks. "Doctor Shortages Are Here—and They'll Get Worse If We Don't Act Fast." American Medical Association. April 13, 2022.

Healthcare Affordability

Healthcare affordability affects people's decisions about insurance coverage, care seeking and treatment adherence. About half of adults in the U.S. report difficulty affording healthcare costs, with larger shares among people with lower incomes, Black and Hispanic adults, and women. Four in 10 adults report some form of medical debt.²⁹ Most adults in the United States with medical debt are disproportionately people of color, underinsured or uninsured, and lower income.

Out-of-pocket expenses can prevent people from seeking recommended health screenings, preventive care and adhering to treatment plans (e.g., not filling prescriptions, skipping pills to stretch supply). Data from the Kaiser Family Foundation show that about one-third of Americans fail to take medications as prescribed due to cost, with 19 percent of respondents saying they do not fill their prescription and 12 percent saying they cut pills in half or skip doses.³⁰ A <u>2021 report</u> conducted by the Robert Wood Johnson Foundation found that unmet prescription needs were highest among uninsured adults and insured women, people with low incomes, and people with multiple chronic health conditions.³¹ To better serve patients, distributors are seeking to empower patients through medical adherence programs which are both a benefit to the patient and healthcare system.

How Distributors Promote Healthcare Equity

Distributors play a critical but often invisible role in ensuring people have <u>uninterrupted access to the</u> life-supporting medicines, supplies and equipment.³² As an intermediary between manufacturers and consumer organizations, distributors promote equity by providing safe, efficient and reliable delivery of medicines and healthcare products. Healthcare distributors strive to ensure that any person in any community can receive the medicines and products they need when they need them.

Providing Safe, Efficient Product Distribution



Distributors contribute to efforts to make sure all people in all communities can access and can afford the vaccines, therapeutics and supplies they need.

Distributors play a crucial role in ensuring products are <u>consistently available</u> in all communities.³³ To accomplish this, they leverage data related to sourcing, storage, customer purchases and transport logistics to illuminate patterns, anticipate issues, manage inventory, and control costs. These data allow distributors to create contingency plans and enterprise resilience strategies in anticipation of supply chain disruptions.

- Alex Montero et al. "Americans' Challenges with Health Care Costs," Kaiser Family Foundation. July 14, 2022.
 Thomas Goetz. "Health Insurance Aside, Americans Still Struggle to Pay for Their Medications." GoodRx Health. November 25, 2018.
 Michael Karpman et al. "In the Years Before the COVID-19 Pandemic, Nearly 13 Million Adults Delayed or Did Not Get Needed Prescription Drugs Because of Costs: Finding from the 2018-Control With the Version of Costs: Finding from the 2018-Cost of Costs: Finding from the 2018-Cost of Cost of Costs: Finding from the 2018-Cost of Cost of Costs: Finding from the 2018-Cost of Cost of 2019 Medical Expenditure Panel Survey." The Urban Institute. December 1, 2021. 32 Healthcare Distribution Alliance. "Delivering Pharmaceuticals and Value to Healthcare." <u>https://www.hda.org/getmedia/4e490d25-762b-433a-aea4-9622e6b7d826/Delivering-Medicine-and-</u>

Value-to-the-Health-System.pdf

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 Healthcare Distribution Alliance. "HDA Principles for Pandemic and Public Health Emergency Response." https://www.hda.org/getmedia/51158d66-3859-45a3-beac-8d1e9753b28a/HDA-

 33
 Healthcare Distribution Alliance. "HDA Principles for Pandemic and Public Health Emergency Response."

Distributors collaborate with their supply chain partners, including manufacturers and other distributors, to develop and implement response strategies that allow them to shift aspects of their logistical operations to ensure that inventory management and distribution remain as safe and efficient as possible during disasters and other disruptions. Common strategies include:

- 1. Increasing product inventory to anticipate emergency needs;
- 2. Identifying alternate routes to anticipate inaccessibility;
- 3. Providing advanced ordering options and inventory consultation for pharmacies and healthcare facilities;
- 4. Increasing capacity at alternative distribution centers; and,
- 5. Positioning supplies ahead of disruptions (e.g., backup generators, fuel, vehicles, linens, food, water).

Distributors' logistical expertise allows them to quickly spring into action during emergencies to rapidly deliver medical supplies and disaster aid packages around the clock to impacted communities, ensuring the right healthcare supplies are getting to the right areas at the right times.

- Following Hurricanes Harvey and Irma, Cencora used unconventional methods to deliver product directly to consumers, <u>sourcing rental trucks for local couriers who lost vehicles due to the flooding</u>. In addition, Cencora scout drivers used two-way radios to communicate with couriers about best pathways for completing their deliveries to hospitals, pharmacies, and clinics.
- Distributor expertise supported the <u>Supply Chain Control Tower</u> (SCCT), which aided to maintain supply chain resilience during the COVID-19 pandemic. This program was an information-sharing public-private partnership that allowed for enhanced monitoring of drug shortages and enabled swift responses toward them.

Distributors also strive to keep medicines and supplies affordable for patients.³⁴ The industry serves as the lowest-cost and most efficient link in the supply chain, in most cases providing next-day service to healthcare providers. A <u>2017 study</u> published by the University of Southern California Schaeffer Center for Health Policy & Economics showed that wholesalers are able to operate on the smallest margins of any other entity in the healthcare supply chain.³⁵ Cost-effective delivery provides savings to the healthcare system.

In the context of the drug pricing debate, it is important to note the clear distinction between the role that distributors play in the physical handling and distribution of essential medicines in the supply chain versus the role that other entities play in the payment chain. Distributors play a central role in ensuring the safe and efficient movement of vaccines, therapeutics and supplies from manufacturers to frontline providers and pharmacies who are treating patients. In contrast, payment chain entities, such as health plans and pharmacy benefit managers, serve as financial gatekeepers that determine which medicines a patient can access and the costs associated with those medicines.³⁶

Assuring Product Integrity

Distributors contribute to efforts to make sure that all people in all communities are given the right medical products.

Distributors work diligently to maintain the integrity of products in the healthcare supply chain so that people can be assured the medicines and medical products they consume are sourced, manufactured and distributed using proper practices related to ingredients, labeling, production/packaging processes and/or handling methods. Numerous laws, regulations and initiatives exist to strengthen supply chain security and safety amid mounting domestic and global threats.

getmedia/b312dcaa-4c76-48bc-9c7c-6ffb2ed1d56e/Principles-to-Promote-Access-to-Essential-Medicines.pdf

 ³⁴ Healthcare Ready. "Manufacturers and Distributors." <u>https://healthcareready.org/manufacturers-and-distributors-stories/</u>.
 35 Stephanie Hedt. "New Report Documents the Flow of Money Through the Pharmaceutical Distribution Chain." USC Schaeffer I Leonard D. Schaeffer Center for Health Policy & Economics

³⁵ Stephanie Hedt. "New Report Documents the Flow of Money Through the Pharmaceutical Distribution Chain." USC Schaetter Leonard D. Schaetter Center for Health Policy & Economics June 13, 2017.
36 Healthcare Distribution Alliance. "Principles to Promote Access to Essential Medicines and Reduce Out-of-Pocket Costs for Patients." Updated October 1, 2021. https://www.hda.org/

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The Drug Supply Chain Security Act, championed by HDA and distributors, requires product tracing for prescription drugs as they move through the supply chain.³⁷ Through implementation, distributors, along with supply chain trading partners, are complying with a range of legal requirements established to protect consumers from drugs and products that may be counterfeit, contaminated or stolen by:

- Providing product transaction data along with serialized product upon a change of ownership;
- Working with authorized trading partners; •
- Adhering to strengthened federal licensure standards; and, •
- Establishing processes to detect and remove potentially dangerous drugs from the supply chain.

Supporting Community-Clinical Partnerships

Distributors contribute to efforts to make sure that all people in all communities can follow through with the guidance they receive from healthcare providers to achieve optimal health.

To help their supply chain partners maximize efficiency and enhance their ability to prioritize patients, distributors have begun to establish partnerships, such as patient and administrator support, adherence program administration, and co-pay and prior authorization support, among other services.³⁸

Adherence programs provide a single point of contact between patients and prescribers, enabling better communication and counseling to educate patients and ensure compliance throughout the course of treatment. This individualized communication is facilitated through new and traditional techniques, such as online web portals and telephone outreach.

Distributors operate in partnership with pharmaceutical companies to provide patients with manufacturer copay assistance, making medications and treatments significantly more affordable. Insurance companies often require extensive paperwork and clinical information for review before approving a drug. Distributors can expedite the prior authorization process to ensure patients receive the medicines and treatments they need as quickly as possible.

Practicing Social Responsibility

As socially responsible organizations, distributors consider the environmental, social and governance impacts of their companies. From safeguarding the environment, to developing relationships with the customers and the communities in which they operate, to pursing diversity and inclusion in their workforces, distributors are mission-driven members of the healthcare sector.^{39,40} HDA and its members are committed to leading the healthcare distribution industry into a more diverse, equitable and inclusive future.⁴¹

Commitment to Healthcare Equity

By implementing the guiding principles for equity and access, HDA and its members demonstrate their commitment to supporting efforts to ensure people can receive equitable, accessible and affordable healthcare, especially those who are disproportionately impacted by health disparities.



Affordability

Affordability is a seminal issue for distributors and impacts their pricing strategy and overall operations. Distributors maintain⁴² low costs and overall efficiency by operating on the slimmest margins in the healthcare system (0.4 percent after taxes). HDA members ultimately save the

hda-factbook-the-facts,-figures-and-trends-in-healthcare/.

³⁷ U.S. Food and Drug Administration. "Drug Supply Chain Security Act Standards for the Interoperable Exchange of Information for Tracing of Certain Human, Finished, Prescription Drugs; Draft Guidance for Industry; Availability." Federal Register 87, No. 128 (July 6, 2022): 40258. <u>https://www.federalregister.gov/documents/2022/07/06/2022-14342/drug-supply-chain-security-act-standards-for-the-interoperable-exchange-of-information-for-tracing.</u>

³⁸ Healthcare Distribution Alliance and Deloitte LLP. The Role of Distributors in the US Health Care Industry. 2019. https://hda.org/publications/the-role-of-distributors-in-the-us-health-careindustry-8210cd8c1b20adf4dd87db4f48b2503d/

Davis, Jr., Chester "Chip." "World Health Day: HDA's Commitment to a More Sustainable, Resilient Supply Chain." Perspectives. April 7, 2022. https://www.hda.org/perspectives/2022/worldhealth-day-hdas-commitment-to-a-more-sustainable-resilient-supply-chain/. 40 Healthcare Distribution Alliance. "Healthcare Distributors Are Making a Difference in Local Communities." *Perspectives*. October 7, 2021. <u>https://www.hda.org/perspectives/2021/</u>

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healthcare ecosystem up to \$63 billion annually. HDA members are committed to lowering the costs to frontline providers and their patients through improving system efficiency, managing risk, and supporting policies that lower barriers to medical products and improve healthcare delivery.



Accessibility

Distributors play a crucial role in ensuring the availability and integrity of medical products. HDA members support greater health access across the nation by taking measures to improve the penetration of quality healthcare services into low density healthcare communities, and by empowering pharmacies, including independent and community pharmacies, to help individuals receive care and adhere to treatment plans.⁴³



Partnerships

HDA and its members believe that partnerships allow for more effective and equitable healthcare. The vast networks of distributors and their partners allow them to provide public and private organizations, including rural and safety-net providers, with an additional layer of resources that they would be unlikely to tap into on their own. HDA members engage in public-private partnerships to share information and coordinate strategies to bolster healthcare supply chain resilience and advance healthcare equity.



Environmental Sustainability

Healthcare distributors recognize their <u>responsibility</u> to protect the planet and drive meaningful actions on climate change. HDA members are committed to reducing the environmental impact of the health supply chain without compromising efficiency, reliability and integrity.



Preparedness

Distributors play a critical role in sustaining continuity of healthcare after a disruption. HDA members are committed to maintaining awareness of hazards and risks and enhancing their ability to rapidly mobilize essential medical products to maintain continuity of care.



Community Investment

Many healthcare distributors have implemented programs that invest in or alleviate the healthcare related struggles of vulnerable communities to improve equity and access. The ability for distributors to invest in and partner with communities is essential for both expanding equitable healthcare access and for improving local resiliency in case of shocks to the delivery system. Accordingly, HDA members are committed to engaging with and investing in local communities.

43 Davis, Jr., Chester "Chip." "HDA Distributors Proud to Partner with Pharmacists Each Step of the Way." Perspectives. October 21, 2021. <u>https://www.hda.org/perspectives/2021/hda-distributors-proud-to-partner-with-pharmacists-each-step-of-the-way/</u>.

About the Healthcare Distribution Alliance

The Healthcare Distribution Alliance (HDA) represents primary pharmaceutical distributors — the vital link between the nation's pharmaceutical manufacturers and pharmacies, hospitals, long-term care facilities, clinics, and others nationwide. Since 1876, HDA has helped members navigate regulations and innovations to get the right medicines to the right patients at the right time, safely and efficiently. The HDA Research Foundation, HDA's nonprofit charitable foundation, serves the healthcare industry by providing research and education focused on priority healthcare supply chain issues.