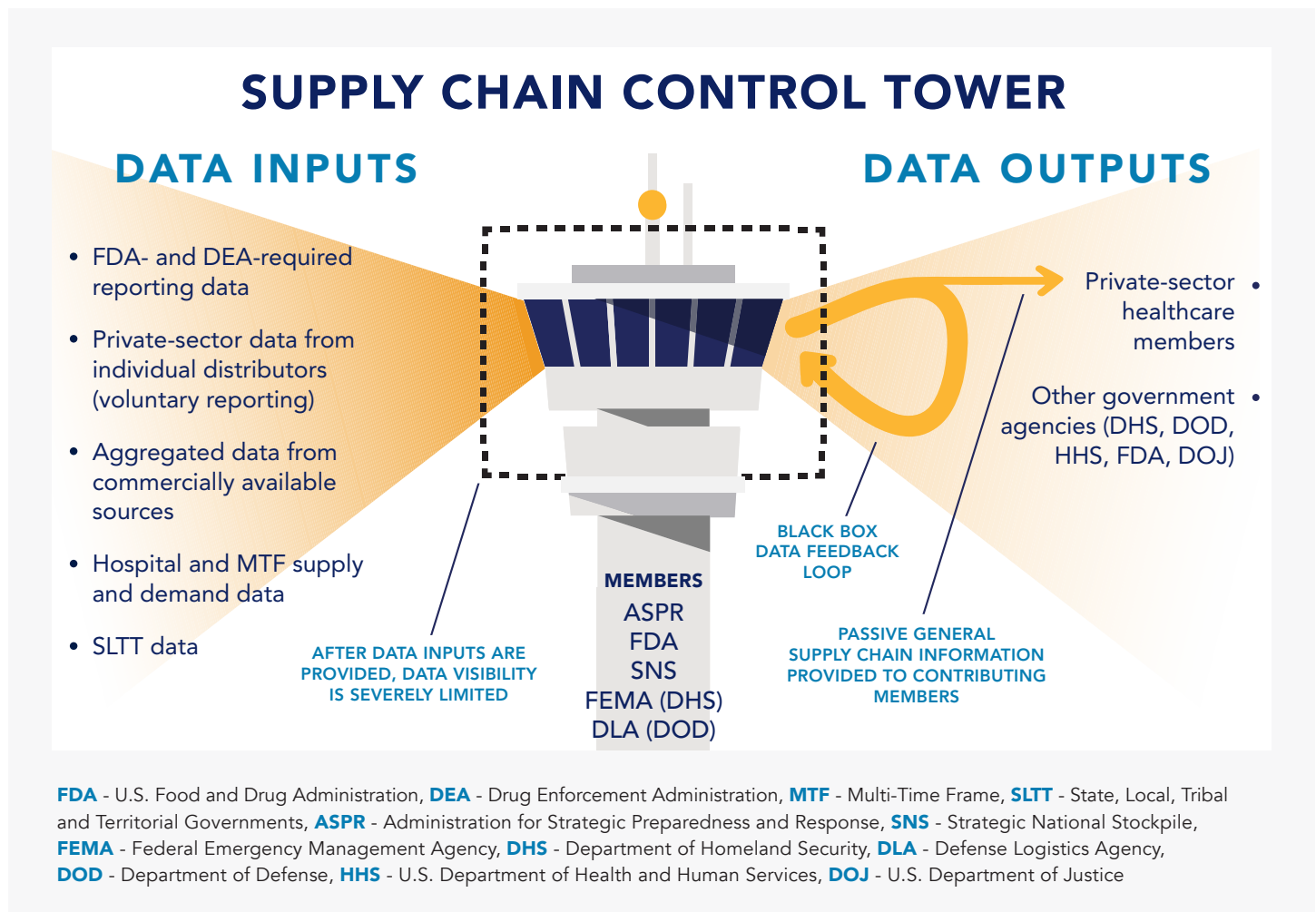


U.S. Healthcare Supply Chain Monitoring Structure: Issues and Recommendations

A reliable and resilient healthcare supply chain is critical to help ensure the health and safety of patients. In the post-COVID-19 environment, the healthcare stakeholders in the public and private sectors acknowledge the need for improved coordination and information sharing to better understand the current supply chain and vulnerabilities.

The [Supply Chain Control Tower \(SCCT\)](#) is a public-private partnership between the Department of Health and Human Services (HHS), other federal agencies and private-sector companies. It was developed during the COVID-19 pandemic to facilitate supply chain visibility, inform decision-making — and was a key tool used to ensure that the pharmaceutical supply chain remained resilient under the pressures of a global pandemic. The SCCT aggregates voluntarily shared data and commercially available distribution information, capturing and representing 90 percent of the U.S. pharmaceutical distribution market.¹



While the SCCT enhanced relationships between the private and public sectors on supply chain issues, there are several challenges that must be addressed to provide data illumination and support supply chain resilience.

¹National Academies of Sciences, Engineering, and Medicine. *Building Resilience into the Nation's Medical Product Supply Chains*. The National Academies Press, 2022. <https://doi.org/10.17226/26420>.

Currently, the SCCT does not facilitate two-way communication. As a result, private partners lack access to critical SCCT data, specifically those around demand surge and end-to-end tracing for healthcare [products](#). Additionally, the SCCT does not collect information from direct care providers, API manufacturers, managed care organizations or non-hospital healthcare facilities, leaving a significant gap in the data.

RECOMMENDATIONS TO IMPROVE THE SCCT FRAMEWORK

In its recent report, [Healthcare Supply Chain Resilience and Data Illumination](#), HDA identifies challenges to data and information sharing within the SCCT and provides recommendations to improve that framework:

CHALLENGE		HDA RECOMMENDATION
	Lack of Understanding: Unclear how the federal government uses and analyzes data. Industry does not receive insights into the U.S. pharmaceutical supply chain.	Release federal government analyses on vulnerabilities, threats and issues to enhance private sector understanding of how data are used.
	Technology Barriers to Data Sharing: There is no technology-enabled platform to share data with the SCCT. Currently, requests are fielded by email and phone.	Automate data sharing to ensure a consistent and timely flow of accurate supply and demand data to the federal government.
	Light Switch Transparency Barriers: Current voluntary agreements will end as the COVID-19 response transitions into recovery, and accordingly, SCCT may not receive desired data, further reducing output usability.	Incentivize and inform industry partners who voluntarily share data and analysis to help sustain the current level of information sharing.
	Policy Barriers to Effective Collaboration: Policies like The Sherman Antitrust Act and DOJ/FTC monitoring prohibit inter-company agreements that could facilitate data collaboration.	Reduce or eliminate barriers to data sharing by modifying existing antitrust regulations and federal practices.
	Barriers to Visibility: Lack of visibility into the supply chain inhibits effective risk monitoring and response to disruptions.	Provide more comprehensive products on the entire supply chain to all partners through SCCT and increase the bidirectional data flow.
	Barriers to Trusted Partnerships: Industry shared supply chain data during the COVID-19 pandemic, but the federal government could not receive or analyze information submitted through nontraditional mechanisms. The SCCT communicated primarily with known data suppliers, leaving large information sets untapped.	Work with an expanded group of healthcare supply chain stakeholders through SCCT to gather comprehensive data. Establish a public-private sector framework to enable formal, mutually beneficial information sharing.

Learn about the distribution industry's approach to healthcare supply chain resilience and data illumination through [HDA's report](#). [Visit **hda.org/preparedness-and-response** for additional information.](https://hda.org/preparedness-and-response)