Pharmaceutical distributors are responsible for the safe storage and delivery of approximately 95 percent of medicines in the U.S. Moving medicines safely and securely from manufacturers to pharmacies and hospitals across the country is not easy, but an analysis from Berkeley Research Group (BRG) shows that HDA members do it every day for less than 1 percent of the cost of brand medicines — something no other entity in healthcare can do.

Distributors offer critical services to their customers beyond delivery, including information technology and data systems that help manage inventory and verify provider orders. Distributors also have strong capabilities to manage operational risks, such as identifying suspect and illegitimate products and assisting with recalls.

Nearly 330,000 pharmacies, providers and sites of care place orders for medicines with distributors. Each business day, distributors deliver approximately 10 million essential prescriptions and healthcare products from 1,500 manufacturers.

Ensuring Safe, Reliable Delivery of Medicines Across the Country

Research shows that distributors provide up to $63 billion in cost savings to the U.S. healthcare economy each year. Further, just-in-time delivery saves pharmacies and hospitals millions of dollars annually by not requiring them to carry extensive inventories.

Cost-effective delivery also helps the healthcare system save money by ensuring that patients and providers are able to access the medicine they need when they need it.

3 HDA Analysis, 2022.