

HDA Principles for Pandemic and Public Health Emergency Response

The nation's primary pharmaceutical distributors are committed to assisting the country and our frontline healthcare providers during public health emergencies, including the COVID-19 pandemic. Approximately 95 percent of medications shipped in the United States arrive at their dispensing location because of an HDA member company. HDA's 36 distributor members are working around-the-clock to increase medical capacity and enhance our national supply of critical medications and products required to fight this pandemic, protect our frontline care providers and enable treatment for patients.

Pharmaceutical distributors use their extensive networks to respond to evolving customer needs by working closely with manufacturers, sourcing organizations, industry partners and government agencies to anticipate changes in demand, mitigate disruptions and ensure that healthcare providers everywhere have access to available medicines. Distributors consider a range of data points to meet the constantly changing inventory needs of healthcare providers. This includes information from the federal and state governments, data from acutely impacted areas as well as data from a number of third-party healthcare organizations.

Working as the conduit between manufacturers and healthcare providers, America's pharmaceutical distributors are in the business of finding the safest and most efficient ways to deliver medicines to healthcare providers and their patients. This is our core expertise, and it is during public health crises that distributors should, more than ever, play a vital role in the emergency response efforts.

Supply Chain Coordination

Principle

During times of declared public health emergencies, HDA supports a consolidated point of contact within the federal government to serve as a conduit to provide guidance to and interaction with the healthcare supply chain. This coordination will help leverage existing supply chain resources and expertise.

Background

Coordination between the public and private sector is essential to effectively addressing challenges stemming from any declared state of emergency. During the COVID-19 pandemic response, pharmaceutical distributors are in daily communication with FEMA, FDA, DEA and

other federal agencies as well as state governments to respond to the unique challenges and remove any regulatory barriers that can slow down or impede access to medicines needed by healthcare providers.

To further facilitate uninterrupted access to the pharmaceutical and healthcare products HDA members provide, we encourage seamless communication (federal and state agencies) and interagency collaboration to identify and minimize inefficiencies and gaps in preparedness and response as well as provide guidance to the industry.

Treatment and Vaccine Distribution

Principle

As new COVID-19 treatments and vaccines become available, HDA recommends that the federal government partner with and provide detailed guidance to pharmaceutical distributors on how essential treatments and vaccines should be distributed during the COVID-19 declared public health emergency. It is critical that federal and state authorities work together to designate priority populations, localities and eligible facilities, and communicate that information to the supply chain to ensure that as products are approved and manufactured for COVID-19, decisions and plans for distribution can be made.

Background

HDA distributor members stand ready to maximize the efficiencies of the existing private-sector distribution system to support response efforts to deliver treatments and vaccines to where they are most needed. This is particularly important when a new treatment or vaccine is first entering the marketplace. Distributors have significant experience in delivering new medicines expeditiously and can be integral to ensuring:

- Inventories are pre-positioned in the supply chain to help facilitate ready access to providers;
- Drugs are available to providers as swiftly as possible;
- Treatments and vaccines can reach facilities designated under each state's emergency preparedness plan; and,
- Distribution plans comply with existing federal and state regulations.

Data Sharing

Principle

HDA understands that having accurate and timely information about the availability of supplies and medicines is vital during a declared public health emergency. HDA members are committed to working closely with federal and state governments to share information about the availability of essential medicines.

Background

Pharmaceutical inventories fluctuate continuously depending on customer orders and deliveries, which have been occurring at an unprecedented rate during the COVID-19 pandemic. As quickly as products arrive at a distribution center, they are distributed to frontline healthcare facilities.

The supply chain is purposefully fluid, allowing for the rapid movement of goods and products to where they are most needed. Many distributors have a network of strategically located distribution centers across the country to supply their customers. These facilities often support several states and the surrounding region.

Strengthening communication between federal and state agencies and the pharmaceutical supply chain is imperative to maintaining and leveraging existing distribution channels, and appropriately managing distribution of medical products during a declared state of emergency.

Supply Chain Production

Principle

HDA believes that a robust and diversified global supply chain of pharmaceutical products minimizes risks for supply disruptions and shortages of medical products. While

increasing American manufacturing is a worthwhile goal, HDA believes that these proposals deserve thoughtful and careful discussion to avoid supply disruptions and abrupt increases in the cost of medicines. Any effort to reorganize or incentivize shifts in supply or sourcing of pharmaceutical ingredients should be well planned and gradual to avoid disruption to existing supply chains.

Background

Patients across the country depend on the uninterrupted delivery of prescription medicines. Pharmaceutical distributors work around-the-clock to ensure these products are available to healthcare providers and their patients. These prescription medicines and healthcare products range from common over-the-counter medications to complex cold chain pharmaceutical products, which require constant temperature monitoring. Regardless of the product, distributors provide the logistics expertise, inventory range and technology to provide access to the medicines patients need.

Increasing domestic production of active pharmaceutical ingredients (API) and finished dose medicines is a laudable objective, but will take many years and significant financial investment, as well as potential adjustments to existing regulations. While efforts should be made to increase domestic production, in the interim, as a means to improve the resiliency of the supply chain, it will be important for the supply chain to have a clearer picture of manufacturers' production capabilities including the source of the API in their medicines. Improved communication about production capabilities (and limitations) would provide greater insight into the availability and sustainability of pharmaceutical production, particularly of essential medicines.

HDA and its members are committed to working with policymakers, regulators and supply chain stakeholders to tackle complex drug supply issues and ensure the availability of safe and effective drugs.

For additional HDA materials and pandemic response resources, visit: <https://www.hda.org/preparedness-and-response/>

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.