

# Laying the National Supply Chain Foundations for UDI

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# Agenda

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1. **Australian Healthcare and NEHTA – The Who**
2. Supply Chain Reform – The Why
3. NPC and eProcurement Status – The How
4. The NPC and UDI – The Next Logical Step

# NEHTA's Structure

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The National E-Health Transition Authority (NEHTA) is a company established by the Australian, State and Territory governments in 2005 to develop better ways of electronically collecting and securely exchanging health information.

Independent company – state and federally government funded, including:

- Board of Directors (CEOs of Health Jurisdictions, an Independent Director and an Independent Chair)
- Board Committees
- The Chief Executive Officer
- The Company Secretary
- The NEHTA Organisation

# Myths Busted

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## Myth 1 – The World is Flat



Christopher Columbus (1492)  
Ferdinand Magellan (1505)  
Sir Francis Drake (1567)  
Orville and Wilbur Wright (1903)

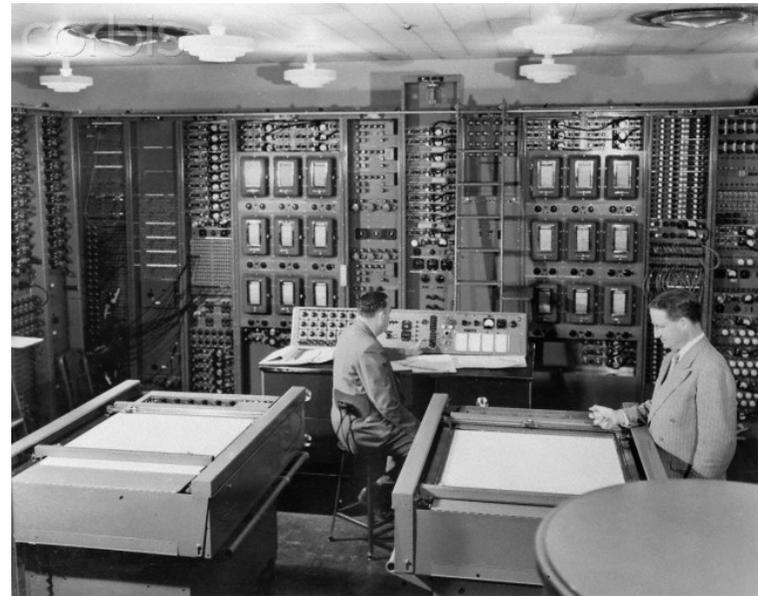
**✘ Myth Busted**

# Myths Busted

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**Myth 2 – Thomas J. Watson  
(CEO IBM) 1943:  
"I think there is a world market  
for maybe five computers"**



Steve Jobs, Apple (1976)  
Bill Gates, Microsoft (1981)  
Tim Berners-Lee, World Wide Web (1991)  
James Gosling, Java (1995)

**☒ Myth Busted**

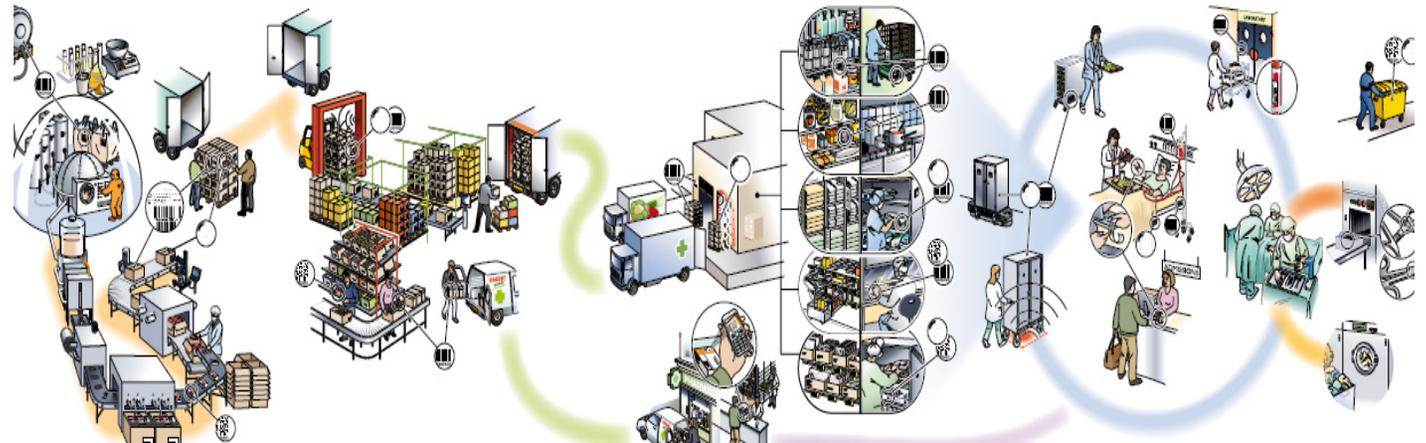
# Myths Busted

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## Myth 3 – Selling medical products into healthcare is complex

1. Tendering
2. Contracting
3. Ordering
4. Logistics
5. Procurement
6. Pricing
7. Clinical
8. Regulatory



**Myth True**

# eHealth Supply Chain Reform

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## Supply Chain Reform needed because:

1. Lack of standardised **product** identification
2. Lack of standardised **location** identification
3. Multiple product data catalogues being maintained per hospital, per hospital network and per state

## Poor supply chain costs the health system money:

- **Wrong product** ordered/delivered
- Wrong quantity/**poor forecasting** and inventory management

## Automating processes enables supplier and buyer organisations to:

- Reduce **redundant** purchasing tasks
- Improve **inefficient** work practices
- Achieve greater **accuracy** in procurement and tendering

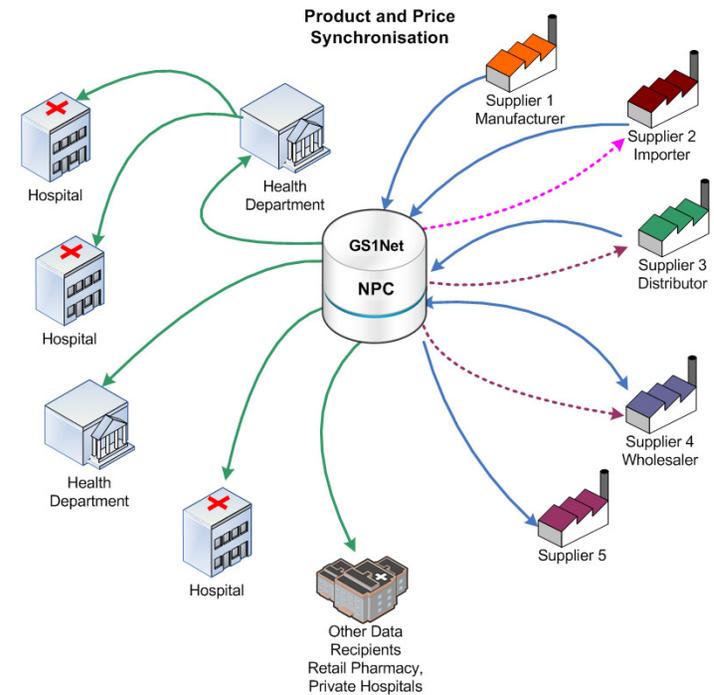
# Myths Busted

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## Myth 3 – Selling medical products into healthcare is complex

1. NPC
2. GTINs
3. GLNs
4. eProcurement
5. Recallnet



**❌ Myth Busted**

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# eHealth Supply Chain Reform

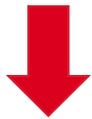
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## Information is the enemy of disease

70yr old woman goes to hospital for a hip replacement...

Wrong prosthesis turns up...



No surgery =

1. **Cost to patient** – pain, increased iatrogenesis, stress, time, financial
2. **Cost to health system** – theatre, staff, bed, medications, other patients



# eHealth Supply Chain Reform

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## Accurate Data is Critical

eHealth Supply Chain Reform can deliver:

- ✓ The right **products**, at
- ✓ The right **price**, for
- ✓ The right **person**, in
- ✓ The right **location**, at
- ✓ The right **time**

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# The National Product Catalogue

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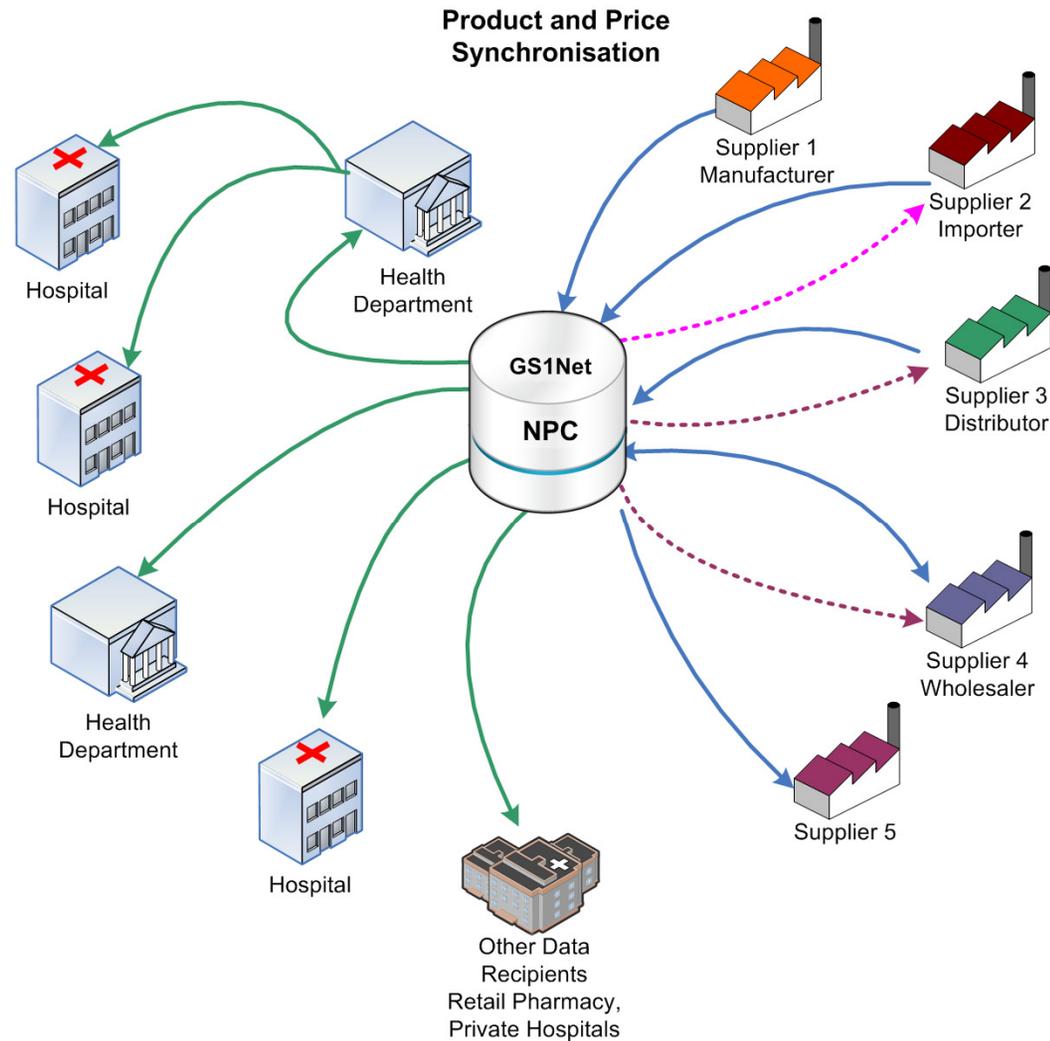
## The Solution:

- The National Product Catalogue (NPC) is a way for suppliers to provide standardised and accurate product and price data electronically to the Australian health departments and private hospital providers.
- The NPC provides suppliers with a single mechanism to communicate structured catalogue data to many health customers – and the health customers a single way to access this data from multiple suppliers.
- The NPC enables synchronisation of product and pricing data for accuracy in electronic procurement.



# NPC – Data Synchronisation

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**Product data is common to all - Price data is customer specific**

# NPC – Data Usage

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## National Product Catalogue

- **284,000+** items, **400+** suppliers
- All **jurisdictions** accessing data
- Clean, standardised data in all systems

## Private Sector

- Private Hospitals
- Community Pharmacies / pharmacy software providers
- Accurate reference of Prosthesis Rebate Code for billing benefits



## Clinical Outcomes Focus

- Clinical Terminologies – Australian Medicines Terminology (AMT)
- Product tracking and recall
- Bedside scanning (incl. batch, exp., serialisation, etc) => patient record
- TGA approval of pharmaceuticals



NEHTA anticipates that full implementation of the NPC will save the public healthcare sector at least \$AUD200 million per annum by ensuring accurate, valid and up-to-date product data, and improved communications and supply chain operations

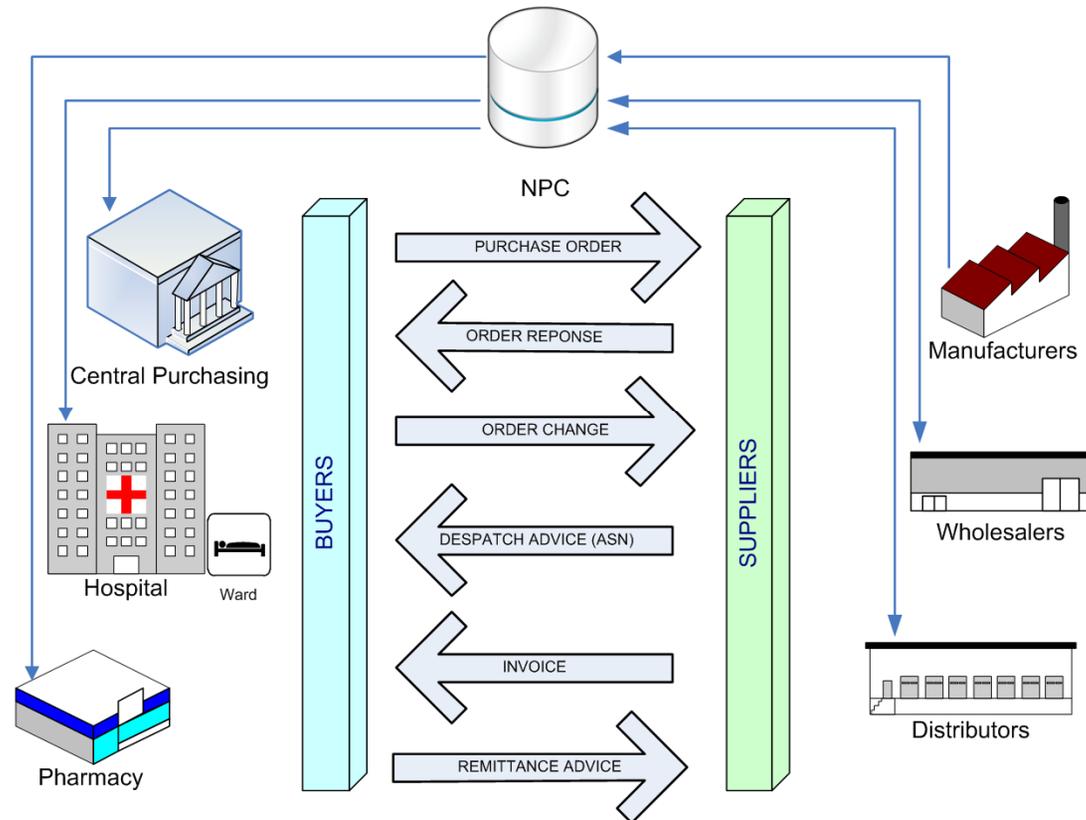
*(Deloitte, 2004. Recommendations for National IM & ICT Enablers in the Health Sector Supply Chain report).*

# eProcurement solution



## eProcurement

NPC is key to standard **data** and a shared identifier across all parties – **GS1 Product Number (GTIN)**



# Conclusion

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1. Lack of standardised **product** identification = **GTIN**
2. Lack of standardised **location** identification = **GLN**
3. Multiple product data catalogues being maintained per hospital, per hospital network and per state = **NPC**
4. Inaccurate and inefficient procurement practice = **eProcurement**

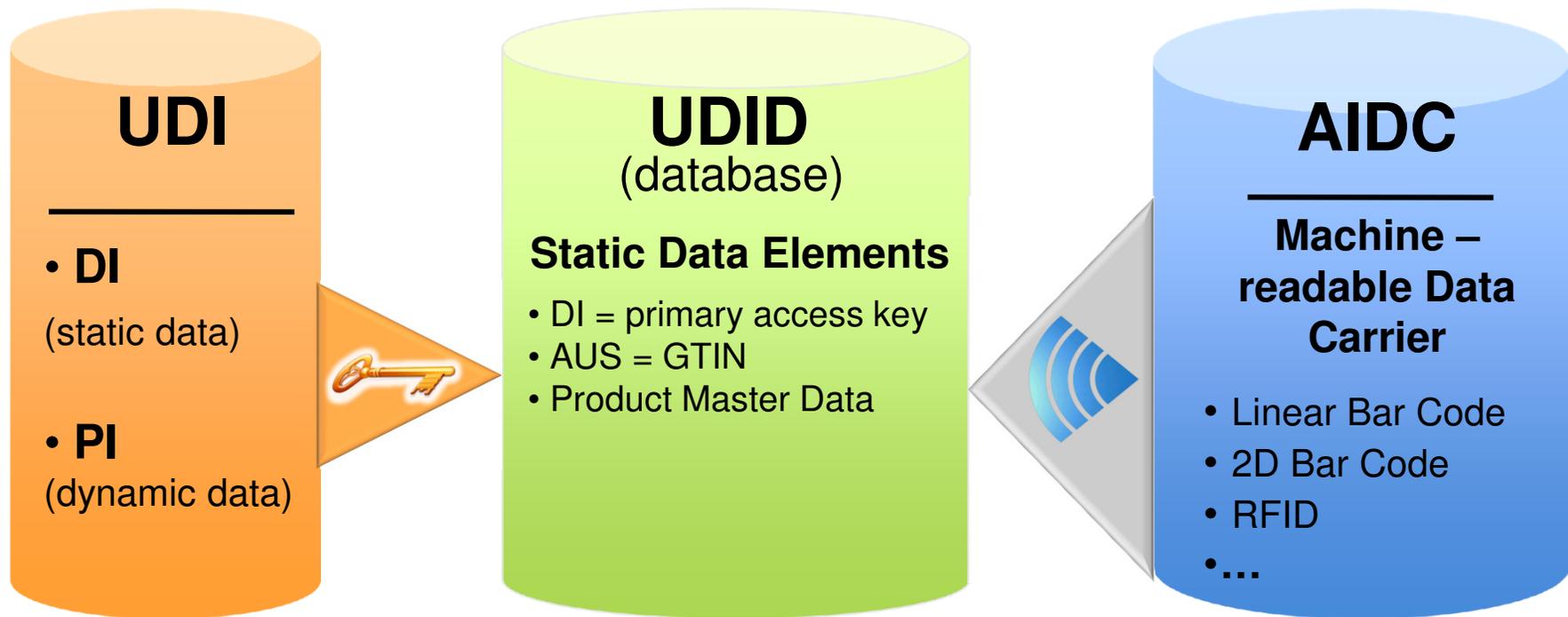
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# The UDI System



**DI = Device Identifier (GTIN)**

**PI = Production Identifiers** (i.e. lot/batch no., serial no., expiry *[use by]* date, date of manufacture)

# The potential for the UDI System in an Australian Context

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## **UDI** (Unique Device Identification)

- DI = Device identifier = **GTIN** ([NEHTA GTIN Statement](#))
- PI = Production Identifier = GS1 **Application Identifier structures** for lot/batch no., serial no., expiry date, in any combination in combination with GTIN

## **UDID** (Unique Device Identification Database)

- The **National Product Catalogue** ([NEHTA Press Release](#)) and GS1 Locatenet for Healthcare (GLN Directory)

## **AIDC** (Automatic Identification and Data Capture)

- ISO compliant GS1 machine-readable **data carrier** on the product or it's packaging, which contain the UDI: linear or 2D barcodes, RFID ([NEHTA SCRG AIDC Statement](#))

# Future-proofing the NPC for UDID

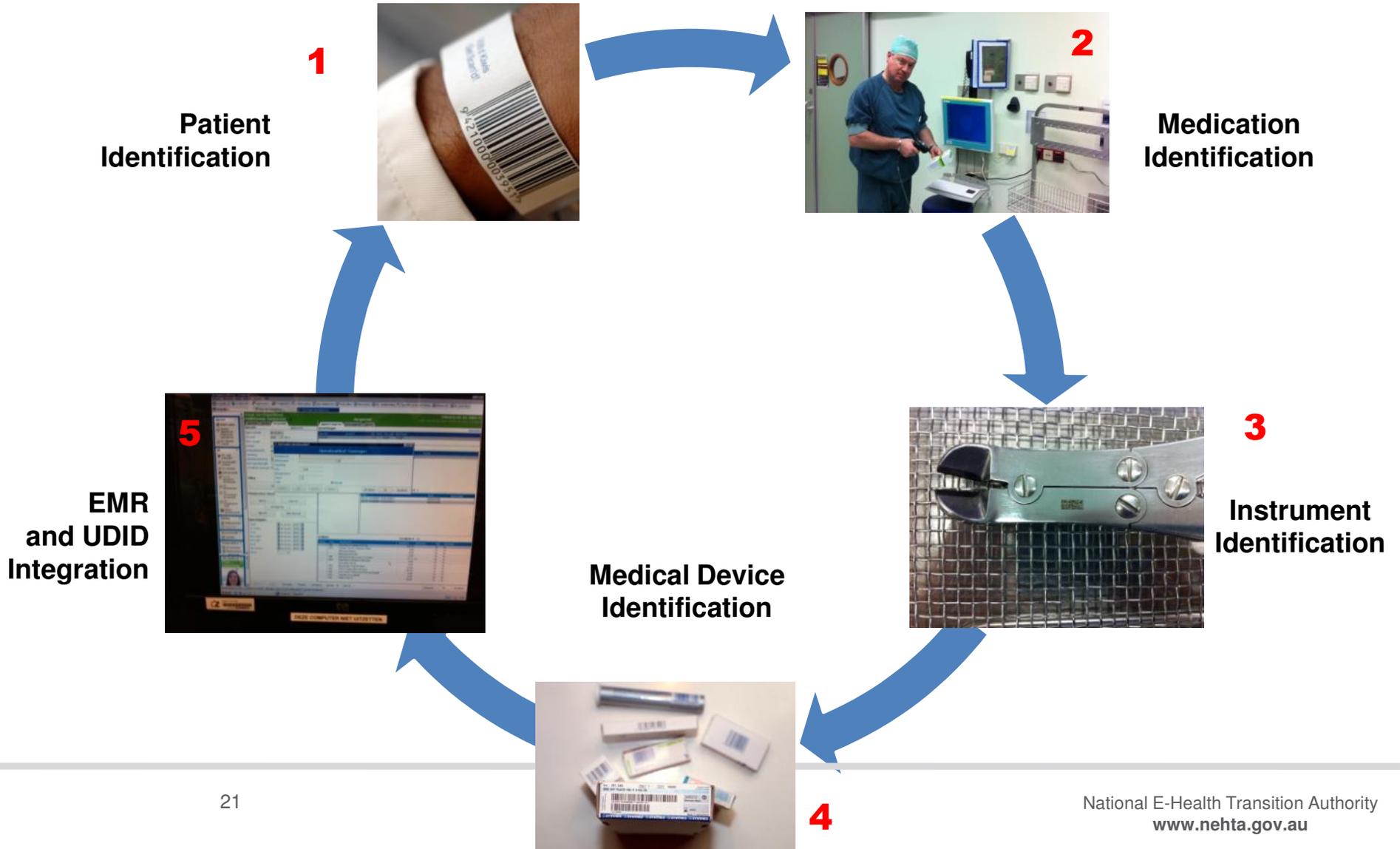
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- For our market it is important that suppliers are:
  - Not duplicating effort by providing the same data to two different databases (NPC and UDID) via different mechanisms
  - Able to leverage the integrated GDSN to provide UDI data
- NEHTA and the Australian Therapeutic Goods Administration (TGA, Australian Regulator) will continue to collaborate to ensure minimum additional work effort to Australian suppliers as a result of UDI introduction, should we implement UDI
  - Note: Timeline for UDI introduction in Australia to be confirmed
- 19 UDID data elements are already supported in the NPC or GS1 Locatenet data sets
- The UDID fields not yet supported are subject to GS1 GSMP Change Requests and so will be incorporated in the NPC or GS1 Locatenet as released

# Supply Chain Nirvana

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# Contact and Questions

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Supply Chain

[www.nehtasupplychain.com.au](http://www.nehtasupplychain.com.au)

NEHTA specific information

[www.nehta.gov.au](http://www.nehta.gov.au)

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