# **Position Statement**



# GS1 Healthcare advocates global approach for Automatic Identification Standards in Healthcare

GS1 Healthcare (GS1 global Healthcare user group) advocates a truly global approach in the development and implementation of global standards for automatic product identification in Healthcare. The GS1 System of Standards is extremely well suited to fit the specific needs of Healthcare. Therefore, GS1 Healthcare strongly recommends governments worldwide to endorse the use of the GS1 system, and more in particular the usage of GTIN's (Global Trade Item Numbers).

Global standards for automatic identification provide the opportunity to make the Healthcare supply chain more efficient and accurate, and thus safer. However, to realise all the benefits, these standards need to be global.

### **Automatic product identification in Healthcare**

GS1 Healthcare acknowledges that countries have regulated national identification systems for Healthcare items. These are obviously critical for many applications such as registration or reimbursement. Today, these national codes are typically required on packaging in a human readable form, but in some countries they are also required in the bar code. Regulatory requirements for identification vary by market, but global product identification should not vary by market.

GS1 Healthcare is aiming to make product identification as ubiquitous as in retail. At consumer goods retailers, more than 5 billion transactions, using GTIN's, are carried out each day. This makes it the most widely used system of standards in the world with more than 1.3 million companies having adopted the system worldwide.

At the heart of the GS1 system is the GTIN (Global Trade Item Number). This is an identification number for products and services. These numbers are allocated by the manufacturer, according to the GTIN allocation rules:

- a GS1 company prefix assigned to a company by GS1
- an item reference designated by the company
- a check digit

This GTIN identification number can then be carried on any type of data carrier, a bar code (linear or 2-dimensional) or a radio frequency identification tag, on the specific product or packaging.

## A GTIN can serve the needs of every country

GS1 can work with national regulatory bodies to ensure Healthcare items' national identification systems are accounted for in the GS1 Global Data Dictionary as GTIN attributes.

Manufacturers are willing to register GTIN's locally, so they can be loaded into national databases and, if still needed, linked to the national identification number.

However, embedding a national product identification number in a GTIN is not an appropriate solution for the Healthcare supply chain. In addition, national requirements to use other prefixes in the GTIN, other than the standard company prefix, will negate the benefits of global standardisation and should be avoided.



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#### Global standards needed to fully realise the Healthcare and economic benefits

Healthcare is by nature a global sector, with supply chains that often cross borders.

A global standardised system for traceability from product manufacture to patient treatment is imperative to comply with the increasing legal requirements for product traceability around the world.

In cases of cross border trading, a global identification number can be used to identify that product in any country without any restrictions or errors. This means that no trade barriers are created; barriers that could otherwise potentially impact patient care and safety in a specific country, if the product cannot be identified.

It also means that an efficient supply chain is enabled:

- Manufacturers can optimise their production process, while maintaining global reach.
- Distributors and wholesalers can optimise their supply chain management.
- Hospitals and pharmacy retailers do not have to re-package or re-label, and can benefit from more cost-effective software solutions and fully interoperable systems, as they are developed in a standardised way.

In all cases, economies of scale are realised and cost reductions can be achieved, having a positive impact on Healthcare expenditure in any country.

For all of the above reasons, GS1 Healthcare strongly urges everyone to think beyond borders when it comes to Healthcare supply chain standards and patient safety.

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#### **About GS1**

GS1 is a neutral, not-for-profit standards organisation dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility in supply chains. GS1 is truly global with 108 Member Organisations worldwide. More than 1 million companies worldwide have adopted the GS1 System of Standards.

#### **About GS1 Healthcare**

GS1 Healthcare is a global user community consisting of all Healthcare supply chain stakeholders, including manufacturers, distributors, Healthcare providers, industry associations and regulatory authorities. The mission of GS1 Healthcare is to lead the Healthcare sector to the successful development and implementation of global standards by bringing together experts in Healthcare to enhance patient safety and supply chain efficiencies. The vision of GS1 Healthcare is to be the recognised, open and neutral source for regulatory agencies, trade organisations and other similar stakeholders who are seeking input and direction for global standards in Healthcare for patient safety, supply chain security & efficiency, traceability and accurate data synchronisation.

For more information about the GS1 global Healthcare user group, please visit www.gs1.org/healthcare



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