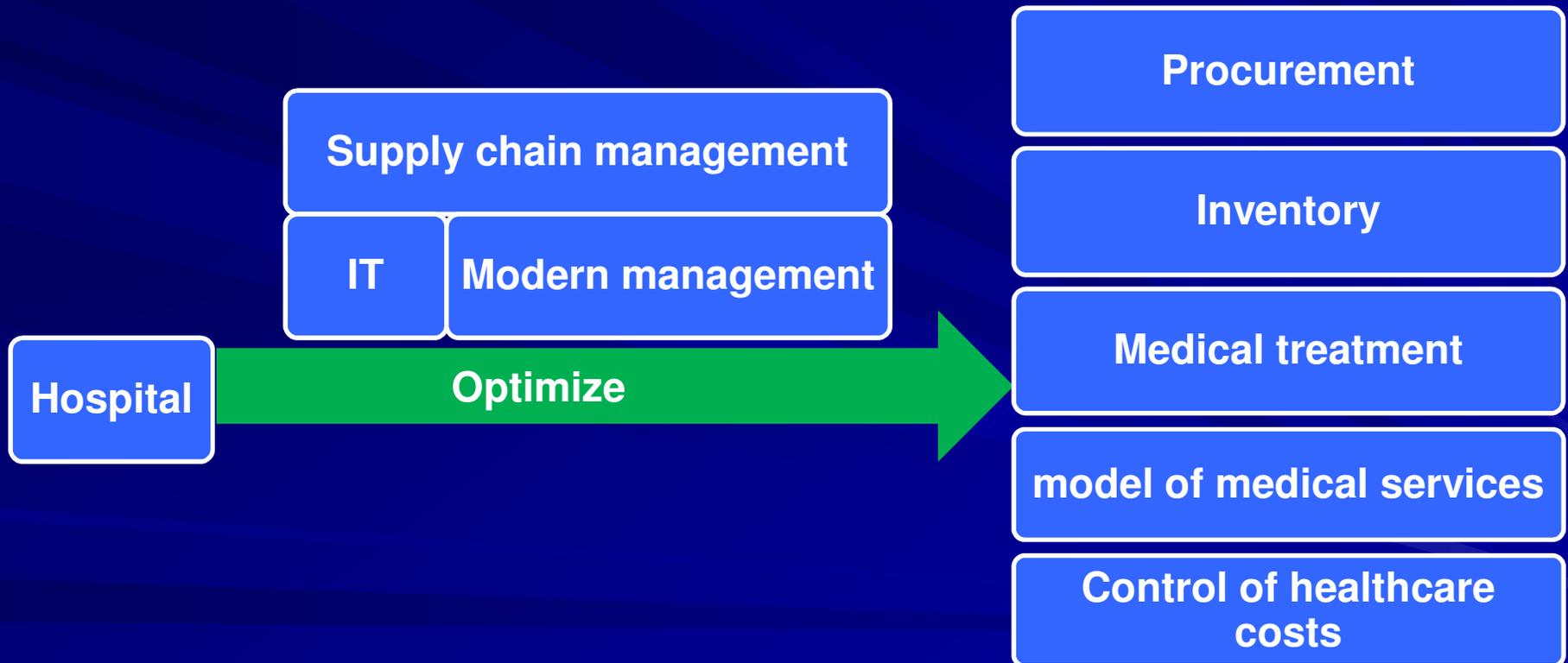


Current Situation and Prospects of Supply Chain in Chinese Healthcare industry

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Necessity



Current situation of healthcare supply chain management in China

- Healthcare service management
- Material supply
 - The variety of materials that hospitals need for more than those the average business needs for.
 - Hospitals not only need a variety of consumption of medical supplies, but need cleaning materials, energy supplies, research materials, etc.

■ Inventory Management

- Hospital will be able to outsource all or part of the inventory to Medicine Trade Company or pharmaceutical logistics company in the supply chain.

■ Warehouse Management

- At present, many hospitals have a material storage and scrap material storage.
- The type of storage is general storage, which is used as reserve and circulation of goods in hospital.

■ Drugs (material) logistics management

- The efficiency of supply chain management
 - Due to the limit of traditional mode, the medical supply chain is uncompleted
 - It hasn't established an effective and whole supply chain so as to be inefficient.

To Set up Modern Healthcare Supply Chain in China

- Information technologies support modern medical service industry
- To apply IC, RFID and other advanced technologies
- To develop traceability system for safety of foods, drugs and patients.
 - To establish food and drug database
 - To complete an effective medical supply chain system

The contents of healthcare supply chain

- To improve patients safety

- People

- Tracking patients

- Special population

- Infectious disease

- Mental disease

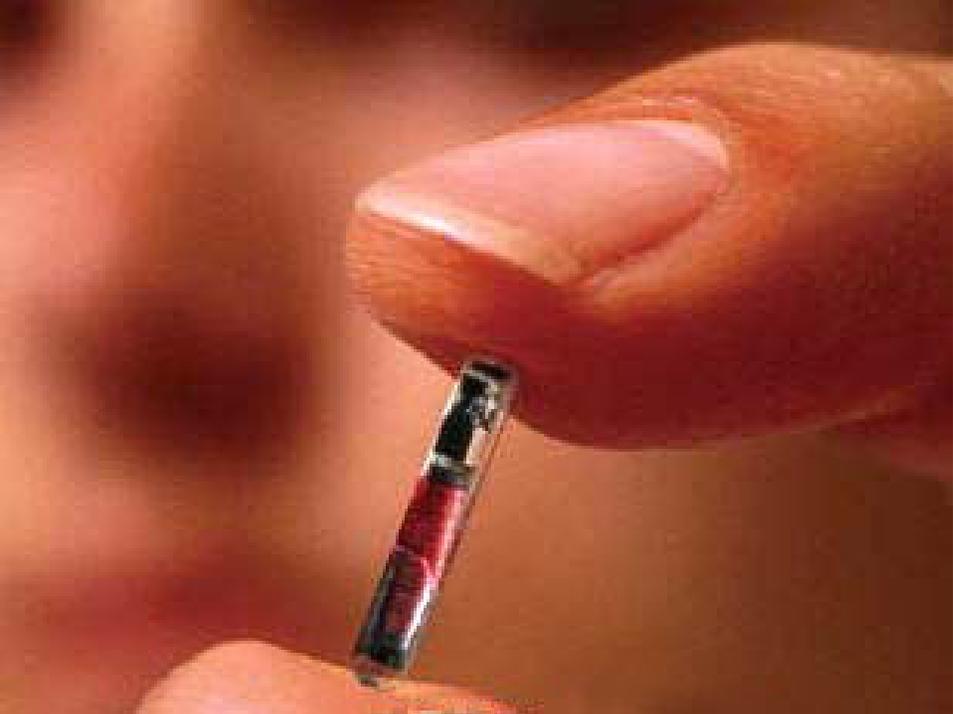
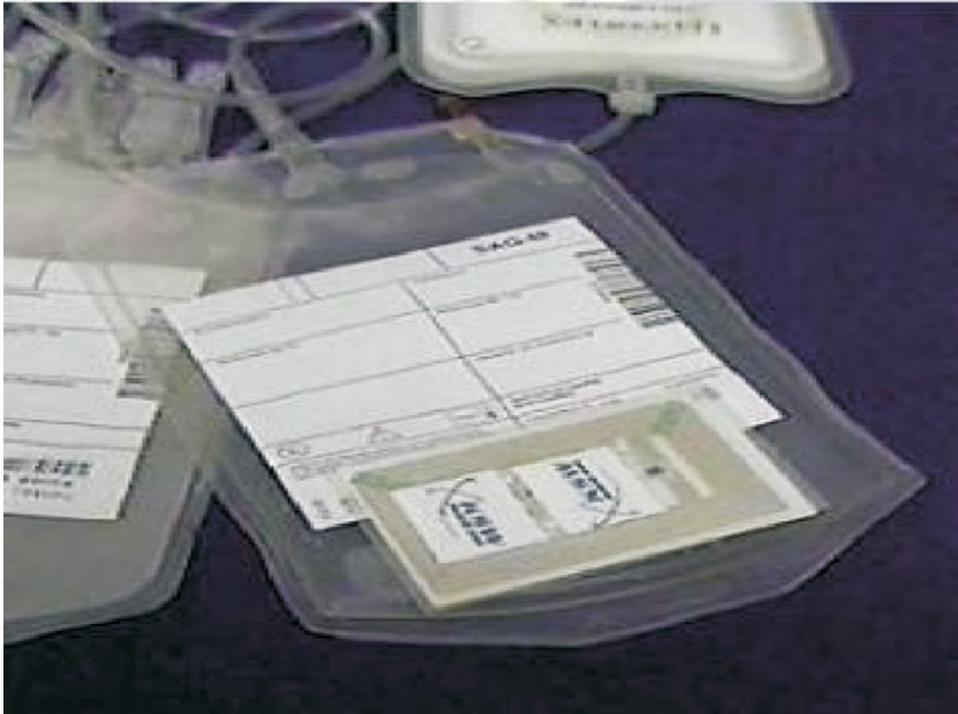
- AIDS

– Materials

- Foods
- Drugs
- Medical devices
- Blood products
- Medical wastes

The applications of modern supply chain in medical and health industry

- Patients locating and tracking
- To identify the identity of patients
- Management of medical devices and equipments
- The inquiries and management of real-time location and use of medical equipment
- Management of drugs, blood, medical materials
- To anti-counterfeit drugs
- To avoid medical errors



Emergency Supply Chain

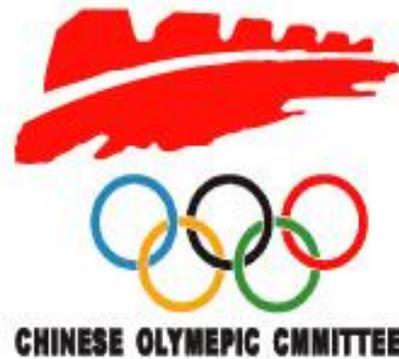
- A call for emergency supply chain due to the 5.12 Wenchuan earthquake
- The transportation, distribution, tracking management of food, medicines and medical equipment, and other relief supplies



■ Epidemic disease prevention, medical waste disposal, patients tracking



Modern medical supply chain in Olympic Games

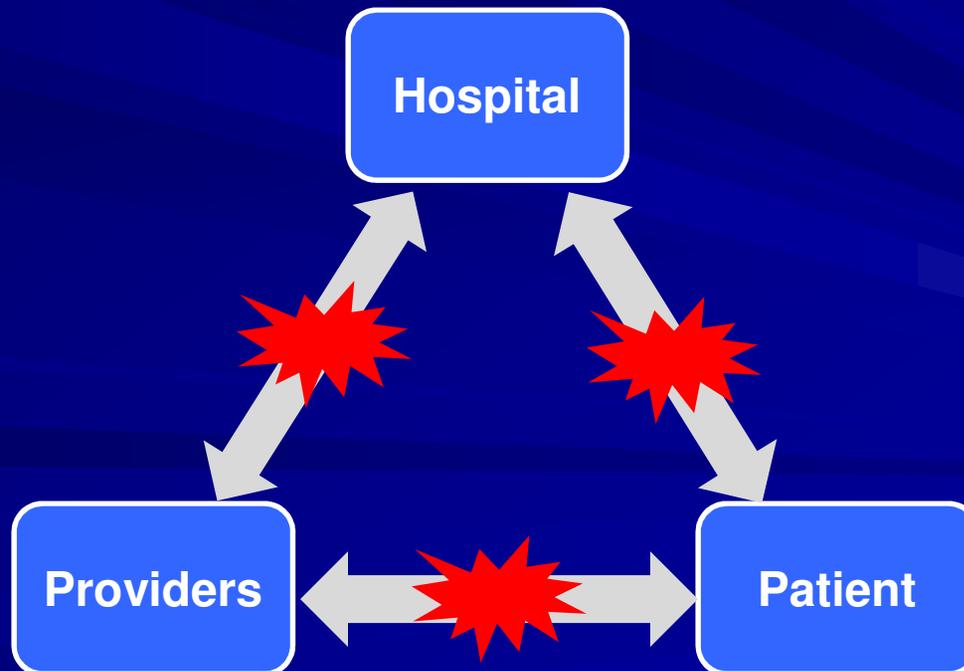


■ Food Safety

- Tracking and tracing whole process from production to consumption in the entire food chain for the usage of inquiry, analysis, evaluation, alarming of the food safety information.
- Applying IC card, RFID technology to livestock and poultry production in breeding base for the Olympic (ear or foot tag), to track and trace the whole chain including farming, slaughtering, partition, transportation, sales, and consumption.

Existing problems

- Lack of public data interface or national coding standard
 - Systems are not compatible with each other
 - Data can not be exchanged
 - Information can not be shared



The importance of adopting international standards

- Standardization is the foundation to establish medical supply chain.

- Food and Drug

- Raw materials (agriculture, forestry, chemical)

- Production (enterprise, quality inspection)

- Circulation (stores, pharmacies)

- Supervision (Trade and Industry, Drug Administration)

- Users and Patient Safety

- Use (efficacy, drug adverse reactions)

- Pollution, poisoning

- To improve the efficiency the supply chain in healthcare in China we plan to apply international standards.
- Due to Standardization can upgrade the level of supply chain we are ready to work with all of you to develop and maintain global standards in healthcare to improve the efficiency and ensure food and patient safety.

Thank you !

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