

Supply chain resilience for healthcare purchasing.

Medical devices that we use for the Dutch healthcare sector come from all over the world. That makes the supply chains can be long and vulnerable. Supply Chain Resilience is a project of Zorg Inkoop Network Nederland with the aim of increasing insight into the supply chain of (critical) medical devices for Dutch healthcare institutions.

About Zorg Inkoop Network Nederland

Zorg Inkoop Network Nederland is a knowledge and expertise center for healthcare purchasing. The network is founded by IAZ, Intrakoop, mProve, NFU and Santeon. The reason for establishing the network was the major shortage of medical devices during the corona crisis. The shortages still exist and therefore the collaboration has continued. We work together on central themes in healthcare such as sustainability and gain knowledge and insights. Currently, the focus of Zorg Inkoop Network Nederland is on improving the availability of medical devices. To achieve this, 'Meldpunt landelijke tekorten' (National Reporting Center for Medical Device Shortages) was launched last year. We achieve this together with the Ministry of Health, Welfare and Sport (VWS) and our network in healthcare. From hospital umbrella organizations to suppliers, from professional organizations to insurers.

Mapping and assessments: project Supply Chain Resilience

Supply Chain Resilience is the ability to be resilient across entire supply chains to prepare for unexpected events, respond to disruptions and maintain continuity of care. The project 'Supply Chain Resilience' focuses on the tactical perspective. In other words, gaining insight into the structure and risks of the supply chains regarding the locations of suppliers, producers, distribution centers, logistics routes, etc. And the potential availability risks and improvement measures with suppliers. There is no focus on the operational perspective (e.g. current disruptions).

Why is Supply Chain Resilience relevant for healthcare institutions and suppliers?

Both healthcare institutions and suppliers face common challenges:

- Unprecedented scarcity of medical devices and disruptions in supply chains (post COVID-19 pandemic)
- Increased scarcity of raw materials due to climate change, geopolitical and economic developments at a global level
- Need for sustainability: more sustainable products and supply chains
- Disappearance of medical devices due to stricter MDR

Healthcare institutions currently have insufficient insight into the risks of their supply chains. They ask their Purchasing department to take steps to increase this insight. Scarcity and disruptions in supply chains will therefore be a lasting factor for which we must find a solution together.

What is the purpose and approach of the project?

Supply Chain Resilience focuses on the availability of (critical) medical devices pillar. It is also related to sustainability, when it comes to the origin of products and raw materials, but this is currently outside the project scope. The project works on:

- Visualizing supply chains of (critical) medical devices
- Identify and analyze possible availability risks in these supply chains
- Identify potential improvements with the relevant supplier
- Advising healthcare institutions (healthcare institutions, GPO or national

Do



Critical medical devices



Tactical perspective (what could happen?)



Existing products (purchased by healthcare institutions).

Don't



All medical devices / portfolios suppliers



Operational perspective (what happens now?)



New or alternative products/suppliers

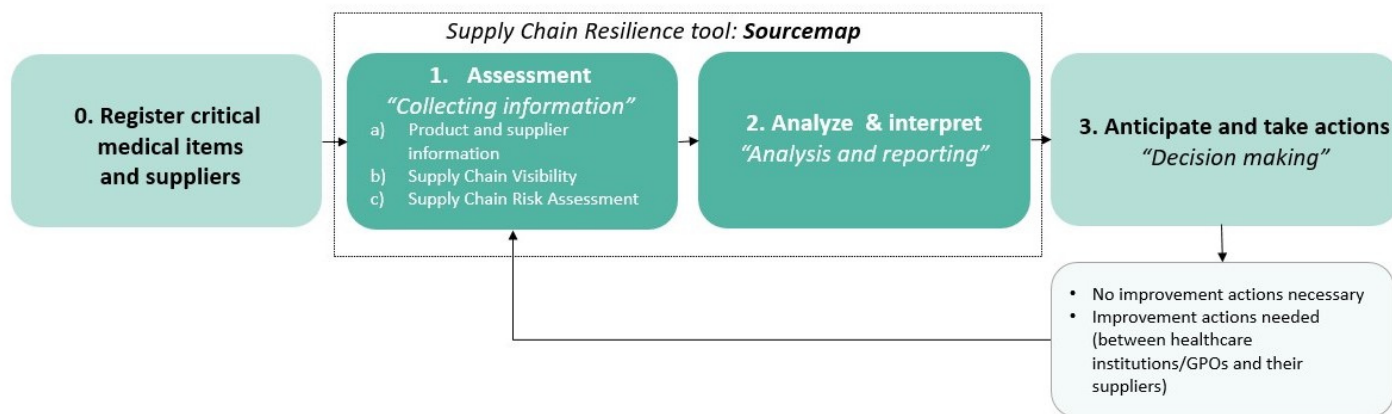
The planning of the project

The approach of Zorg Inkoop Netwerk Nederland follows the '4 A's'. Registration (Dutch: Aanmelden), Assessment, Analysis and Actions. Healthcare institutions register critical medical devices with supply chains that they would like to have mapped out, including insight into possible risks. This is followed by the assessment, collecting information about the origin of the medical device (supply chain and logistics routes), including a questionnaire about the supply chain design and possible risks. This is based on an analysis of the information provided by suppliers and an interpretation of the possible risk of the supply chain of the product in question. Finally, advice is given, with feedback to healthcare institutions, with insight into the supply chain and advice with possible improvement measures that can be discussed jointly with the supplier.

We use a Supply Chain Resilience tool from Sourcemap for this approach. Sourcemap is one of the world's leading software tools in the field of Supply Chain Resilience. Many medical suppliers use Sourcemap or an alternative software for supply chain visualization and supply chain risk management. So what we do isn't new. What is new is that we do this as an end user of products and for all healthcare institutions in the Netherlands.

With this project we can especially collaborate in the chain on availability of care. This is the shared interest of both buyers at healthcare institutions and sales/account managers at suppliers.

Resilience process overview with 4 A's



Frequently asked questions about the Supply Chain Resilience project

Question	Answer
+ What is the purpose of the supply chain assessment?	The supply chain assessment helps Dutch healthcare institutions increase insight into the supply chain of (critical) medical devices. Where do the medical devices come from and what route do the products take to reach the Netherlands? It also offers healthcare institutions insight into possible risks regarding the availability of medical devices.
+ What information does Zorg Purchasing Network Netherlands collect for the supply chain assessment?	Zorg Inkoop Netwerk Nederland collects information from suppliers for the assessment of the supply chain. The assessment is divided into two phases: <ul style="list-style-type: none"> • First phase – mapping. In this phase we collect information about the names and locations of production locations, suppliers, storage locations and logistics service providers of a specific product • Second phase – assessment. In this phase we collect information about availability risks in the supply chain at production locations, suppliers, storage locations and logistics service providers and the measures taken to manage those risks of a specific product. Consider the following categories: the design/structure of the supply chain, the main causes of availability risks, dealing with shortages & backorders, managing suppliers and aspects such as product safety and quality.

Question	Answer
<p>+ What is the planning of the supply chain project?</p>	<p>The first phase of the assessment started in January 2024, where we focus on 'mapping', an inventory of the chain partners. The second phase of the assessment consists of a questionnaire and assessment and will start at the end of March 2024. More information about this will follow.</p>
<p>+ Why a supply chain assessment through Zorg Inkoop Network Nederland?</p>	<p>We do this through Zorg Inkoop Network Nederland for the following reasons:</p> <ul style="list-style-type: none"> • Healthcare Purchasing Network Netherlands coordinates and bundles expertise so that the supply chain of healthcare institutions can become more mature • Requests by Zorg Inkoop Network Nederland save time for healthcare institutions, which have little or no time to request and analyze this information themselves. • Participation in the supply chain assessment of Zorg Inkoop Network Nederland is free of charge for suppliers • By requesting information centrally, suppliers only have to provide information once instead of to healthcare institutions separately
<p>+ How is the list of critical medical devices drawn up for the supply chain assessment?</p>	<p>The list of critical medical devices has been drawn up by a sounding board group SCR. This sounding board group was established for the first phase of the assessment and consists of members of the five collaborating organizations (GPOs) of Zorg Inkoop Network Nederland (Santeon, IAZ, Intrakoop, NFU and mProve). We have carried out an inventory at these GPOs to determine which critical medical items we want to inventory with suppliers in the first phase. These are approximately 60 items from 20 suppliers. From 2024, every healthcare institution can register items with Zorg Inkoop Network Nederland for a supply chain inventory.</p>
<p>+ As a supplier, do we receive more information from the healthcare institutions that have selected items for the supply chain assessment?</p>	<p>No, the supply chain assessment is carried out centrally through Zorg Inkoop Network Nederland, on behalf of the healthcare institutions. Questions about this can be asked to Zorg Inkoop Network Nederland by emailing: scr@zinn.nl</p>

Question	Answer
<p>+ Who is the best person at the supplier to answer the supply chain assessment questions?</p>	<p>The first contact for healthcare institutions is usually via the account manager or sales manager, but experience has shown that colleagues who are involved in supply chain planning and control can best provide answers to the questions.</p>
<p>+ How much time should we reserve as a supplier to participate in the supply chain assessment?</p>	<p>The questions can be answered by a person within the organization responsible for supply chain. Completing the questionnaire will take approximately 1 to 2 hours.</p>
<p>+ Is participation in the supply chain assessment mandatory?</p>	<p>Zorg Inkoop Netwerk Nederland carries out the supply chain assessment on behalf of healthcare institutions in the Netherlands. We kindly ask suppliers to cooperate, but there is no obligation from Zorg Inkoop Netwerk Nederland. Healthcare institutions are informed about the participation of their suppliers.</p>
<p>+ We use different Supply Chain software for our own suppliers. What should we do in that case?</p>	<p>In that case, the requested information will be available more easily and faster and can be shared/entered via the Sourcemap software.</p>
<p>+ Is our company data safe in the Sourcemap software tool?</p>	<p>Yes. Supplier data is very heavily protected/secured in Sourcemap:</p> <ul style="list-style-type: none"> • SOC 2 Type 2 + ISO 27001 certified and audited • GDPR compliant and data is the property of Zorg Inkoop Netwerk Nederland
<p>+ What does Zorg Inkoop Netwerk Nederland do with the information obtained?</p>	<p>The data requested during the assessment is processed in the cloud within a secure Azure environment of Sourcemap (our software supplier) on a server hosted in the EU. The information is encrypted using two-factor authentication. The data is not visible to other suppliers. The outcome of the mapping and assessment are shared with healthcare institutions, currently only upon request. Healthcare institutions decide for themselves what they do with this information.</p>