



## Suppliers and GPOs

# GAM launches E\_GEN, a platform for exchanging product and supply information

Today's French health institutions are challenged by new regulations that require new capabilities to track and trace all healthcare products. More than ever, doctors and pharmacists need reliable and complete trade item data for increased knowledge about the products they use on patients. In 2016, Groupement d'Achat Mutualiste (GAM), a French group purchasing organisation (GPO), launched the deployment of the E\_GEN platform to automate the exchange of inventory data between its members and their suppliers. Connected to the Global Data Synchronisation Network® (GDSN®), the platform receives up-to-date product and order tracking information (order status, shipping advice and more) to ensure better data quality and greater patient safety.

*By Stéphane Ancel*



## Automating the flow of information

Healthcare professionals need complete and accurate data about healthcare products to enable highly efficient processes such as order-to-cash, inventory management and the dispensing of products they use every day. In fact, the quality of data received is especially critical when it comes to ensuring the quality of patient care and safety.

For more than a decade, French hospitals have been aware of this need and have attempted multiple times to synchronise product information with their suppliers and their points of care. Yet, the automated flow of information is not yet a widespread reality in France's healthcare sector.

Some suppliers have offered the possibility of turning manual purchase orders into electronic

ones, but have not gone further to automate the entire order-to-cash process. In addition, deployed solutions have used proprietary protocols that impede interconnectivity between actors. In 2018, FAX technology for sending and receiving healthcare product orders is used in most situations.

However, regulations (e.g., European Union's Falsified Medicines Directive and Unique Device Identification, and the French Code of Public Procurement) are evolving and aim to automate product information and exchange formats. This represents a major opportunity to deploy an electronic catalogue, which can be an essential tool for market access.

GAM, as a facilitator of relationships between healthcare institutions and their suppliers, wants to harmonise product data and its exchange formats.

The GPO's strategy is to rely on new tools to facilitate the automation of information flow and by using regulatory requirements as a driver for logistics optimisation.

## The need for global standards

Created in 2012, GAM consolidates the purchases of healthcare and medico-social organisations associated with health insurance companies. GAM's objective is to provide solutions to its members to reduce operating costs while improving the quality of care for patients and residents. The GPO selects a small panel of suppliers per procurement segment based on competitive bidding. In return for an identified volume of purchases, the selected suppliers apply specific commercial conditions (e.g., prices, terms for delivery) for the duration of the contract on the selection of their products.

In 2016, GAM launched a project to digitalise product information and all the data related to healthcare supplies. The specifications of the planned project was to build a solution based on existing international standards in order to be the least restrictive and facilitate a lower-cost deployment for all stakeholders.

With this goal in mind, GAM chose to implement GS1 standards to identify products and to share

product information through the GDSN, to enable the interoperability of systems between actors.

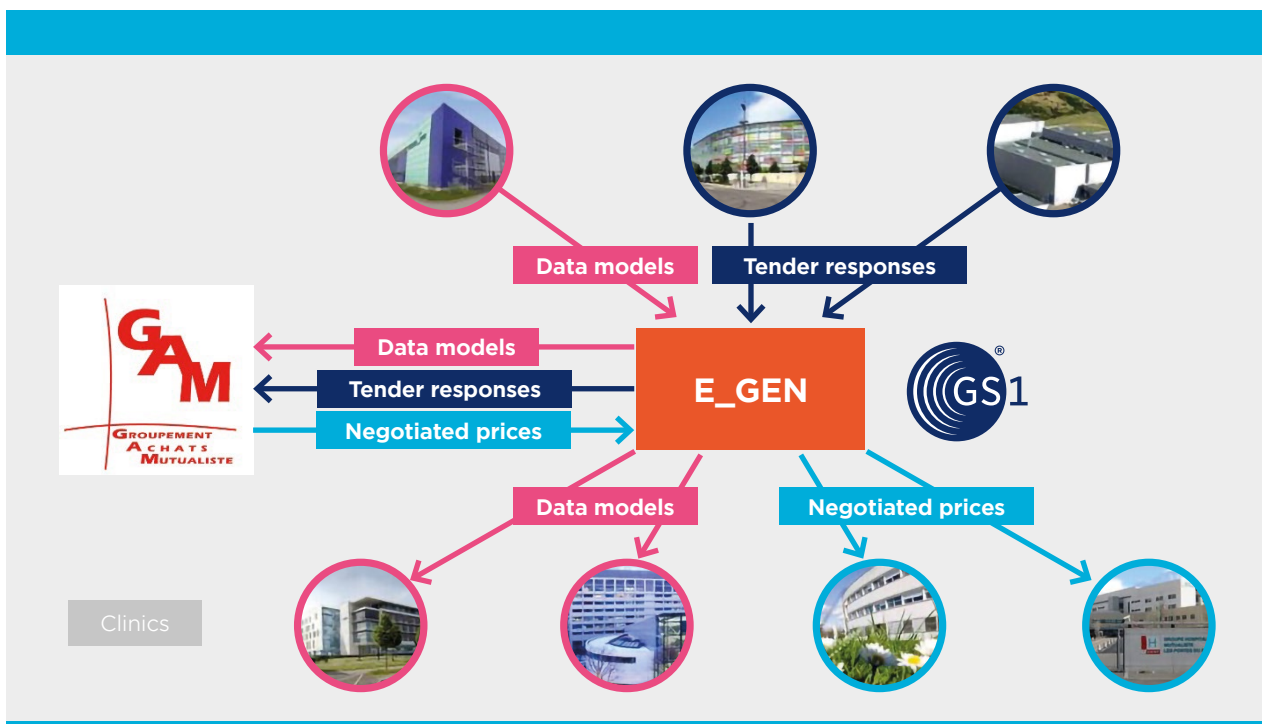
GAM teams contributed to the development of a pharmaceutical drug and medical device data model in the working groups led by GS1 France. This step was essential to facilitate the deployment of the product sheets by facilitating consensus with all the players, including institutions, purchasing groups and manufacturers.

To save time, the project managers relied on logistics processes that had proven their worth in other sectors such as mass-market supply chains. The strategy aimed to adapt these processes to the unique need of the healthcare sector.

## Introducing the E\_GEN platform

GAM chose @GP—an IT provider that is active in agribusiness and DIY sectors—to provide an interoperable platform that complied with GS1 standards. @GP developed a customised platform and GAM branded it E\_GEN.

GAM is the first GPO in France to initiate a platform that enables the full digitalisation of supply chain data flow between suppliers and healthcare providers. E\_GEN is a platform for order tracking information and a database for



product information exchange. The platform receives suppliers' data models and tender responses, and sends consolidated information to healthcare providers.

Two steps were launched in parallel to create the database E\_GEN: a first step to perform integration tests of suppliers' data models to the E\_GEN database; a second step to develop interfaces with the healthcare providers' IT systems to provide them with consolidated information through E\_GEN.

Once the suppliers' electronic catalogues are accessible to healthcare providers, a second phase will be launched on the platform for electronically distributing electronic data for order tracking, including orders, despatch advices, delivery notes and invoices.

GAM wanted to ensure perfectly synchronised data between all suppliers and healthcare providers before advancing to the next phase. This will make the content of the data exchanges reliable and enable the automated integration of orders and delivery notices, electronic invoicing in EDI and other processes all along the supply chain.

### Expected benefits of the E\_GEN platform include:

- ✓ Improved quality of existing product data in the ERP systems of healthcare providers (identifiers, data model contents and negotiated purchase prices)
- ✓ Faster and streamlined transactions based on reducing the "red tape" burden along with the automation of information
- ✓ Improved patient safety by adding traceability product data from suppliers into healthcare providers' IT systems

But that's just a start and more than ever in healthcare: "It is the function that creates the organ."

### About the Author



Since 2012, **Stéphane Ancel** has been leading GAM, a group purchasing organisation (GPO), for 100 private hospitals in France. He started his career as a CEO of Polyclinique du Parc, care provider in the city of Dole, France. From 2001 to 2008, he was in charge of investments and services at Helpevia, a private French GPO. He then managed the purchasing department of GHMF, a group of 85 care providers from 2008 to 2012.

### About GAM

**Groupement d'Achat Mutualiste (GAM)** is a public group purchasing organisation that manages an annual volume of purchases of €70 million on behalf of 50 health establishments and 400 medico-social structures. It supports high performance for all actors, thanks to mutualisation and professionalisation of purchasing and logistical activities. The goal of GAM is to generate savings for institutions and member services through the levers of price, commercial conditions and specific commitments made by suppliers. GAM acts on behalf of health facilities and services (medicine, surgery, obstetrics, follow-up care and rehabilitation, home care and medico-social (early childhood, disability and elderly).

[www.gam-mut.fr](http://www.gam-mut.fr)