An exchange of business information electronically has made significant headway in the pharmaceutical and healthcare sector in recent years and is now a reality among the most important vendors in the sector.

The challenge now facing the industry is the integration of this kind of solutions through electronic transactions among a wide variety of customers and suppliers of different characteristics and volumes. The inclusion of retailers such as chemists, drugstores, or pharmaceutical wholesalers in this type of solution is now becoming a reality. EDICOM is ready with specific solutions that let you extend the benefits of EDI or Electronic Invoicing to these targets.

In this sector we can also find another great hub of information, as in the case of large healthcare centres and hospitals, driven by the need for made-to-measure EDI solutions designed for integration with the private internal management systems used to administer and manage the logistics operations keeping the supply chain going in the centres.

¿Would you like to know more?

What is the source of the technology for electronic data interchange in the healthcare sector?

As in other major economic and industrial sectors, B2B technology has already been in use for around two decades now, and in this sense the Spanish health sector is no different. The main difference, and a milestone in the industry, was the consensus among major players in the health and pharmaceutical sector on the need to join forces and achieve a space where B2B communications are always carried out under the same standards, which greatly facilitates the connection between business partners.

This consensus and its stability over time was possible thanks to the creation of a working group which has now been up and running for 11 years under the auspices of GS1 (Global Standard One) and coordinated by EDICOM as EDI service provider.
Which stakeholders are involved in the Healthcare sector B2B communication flow?

The healthcare sector in Spain is based on four fundamental pillars. Private and public hospitals, grouped into health services, pharmaceutical wholesalers and their suppliers (pharmaceutical laboratories and healthcare material providers). In addition, attempts are currently being made to connect with retail clients such as chemists’ shops and drugstores, a very interesting project focusing a large part of the efforts of laboratories and wholesalers, since we are talking about a network of over 21,300 retail outlets.

I would also like to include a diagram I often use in my presentations, which I find helps identify the stakeholders involved in the healthcare sector.
What were the original driving forces behind the use of EDI technology among the different health sector trading partners?

What happened was similar to what went on in its day in other sectors such as Retail, where the intensive use of EDI technology by major retailers acted as a beacon for suppliers, who gradually began to roll out B2B communication systems in the need to connect with their customers.

In Healthcare, there was also a clear drive by the larger companies, but unlike in Retail, it was the large-scale suppliers and laboratories that exerted the greatest pressure. They needed to automate their purchasing processes and standardize procedures with the Public Health Administrations (hospitals) and major pharmaceutical distributors to achieve efficient administrative and logistics management in a sector where the speedy supply of products is crucial.

What are the particular features of healthcare sector EDI?

Perhaps the most important feature of this sector is the use by all sectors stakeholders (hospitals, wholesalers, suppliers, retail pharmacies and chemists’) of the same standard, discussed and commonly accepted by all parties through working groups. It was not something imposed by one of the parties on the other, as occurred in other sectors such as retail or the automotive industry, where in the same sector different standards were used depending on the client (Edifact, XML, VDA, Odette…).

Moreover, given the participation of all parties, a message flow was designed and established as standard, taking in the whole purchasing process, from order to invoice, which greatly facilitates trade relations and logistics operations between trading partners.

What impact have Public Institutions had on furthering new communication technologies in the sector?

Today, the public sector, through the different regional health services, concentrates most of the purchases of medical devices and pharmaceuticals, so its weight and importance in the industry is vital. In addition, the need for swift supply and the transparency measures that accompany purchases by the public sector have notably fomented the use of powerful EDI platforms able to manage, integrate and store transactions carried out by hospitals.

We can find several examples of large-scale EDI projects in the public health sector, such as those initiated by SAS (Andalusian Health Service), Osakidetza (Basque Country Health Service) or the AVS (Valencian Health Agency), projects that have encouraged the entry of a large number of suppliers to EDI.
Is there a common line of work among health sector companies or associations? Where is it heading?

There is an “EDI Health Group” responsible for monitoring the evolution of EDI technology in the sector and setting up new agreements between the different healthcare sector stakeholders through quarterly meetings. This group is comprised of companies and public services, representing the general interests of the sector.

What kind of EDI technological solution is most often used in the health sector?

The health sector mainly uses EDI Platforms which are able to process (send, receive and store) the whole message flow, from purchasing to billing, something very important both for public and private companies, since they are able to integrate the messages with their internal management systems automatically.

Lately, with the gradual incorporation into the field of retail pharmacies, chemists and drugstores, the standard platforms are calling for solutions for document publication which allow receivers with no EDI solution to access a framework where they can easily manage and view the documents received. In this case, we are mainly talking about electronic invoicing.

Do you know of any EDI project relevant for its importance and dimensions in the sector? What does it consist of?

The Pierre Fabre Group’s EDI solution in Spain is a good example of a complete B2B platform, ready to link up all their trading partners and set up to integrate the messages with the internal management systems.

This pharmaceutical company’s EDI platform is ready to process the whole message flow generated from the purchase order until the message is sent.

Moreover, it is rounded off with the integration of a document publication solution for clients who don’t have a technological solution, enabling them to issue 100% of their bills electronically, as well as other documents such as order confirmations and despatch advices or delivery notes. All in all, it is a really well-rounded platform which lets you automatically send and integrate the practical totality of the transactions generated, while providing real-time control of the status of key transactions for a company, such as invoices.

“In the mid-term the future seems set on a course where wholesalers and laboratories will try to connect and integrate their B2B community with as many pharmaceutical establishments as possible, through document publishing solutions free for the receivers (pharmacies/chemists/drugstores).”

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What do you see as the key prospects for EDI in the Healthcare sector?

As things stand today, EDI has achieved a high degree of rollout, and the way forward is marked by two main factors: incorporation of the Spanish state’s retail pharmacy network into the prevailing EDI system, and the change in legislation that makes the retail pharmacies, chemist’s shops or drugstores important prescribers of pharmaceutical products.

This way, in the mid-term the future seems set on a course where wholesalers and laboratories will try to connect and integrate their B2B community with as many pharmaceutical establishments as possible, through document publishing solutions free for the receivers (pharmacies/chemists/drugstores).