SureCost

A SureCost White Paper

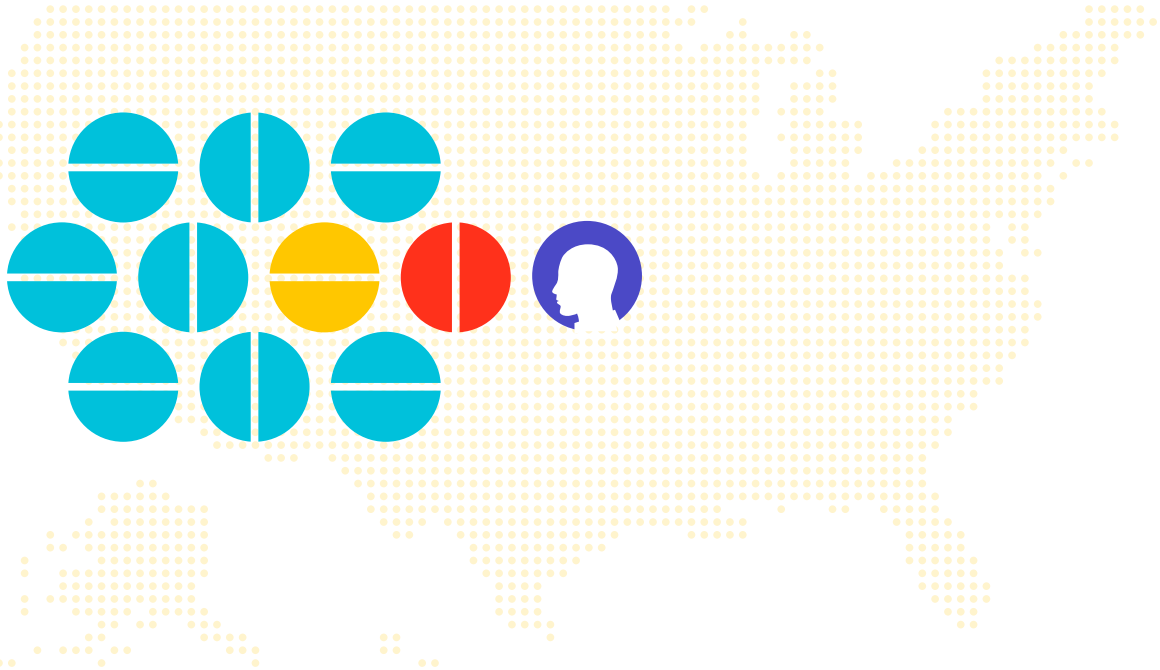
From Reactive to Predictive: How SureCost Drug Shortage Insights™ Transforms Pharmacy Supply Chain Management

Drug prices in the United States are among the highest in the world. Post-pandemic market compression and the Inflation Reduction Act have intensified price volatility — making smarter, tech-enabled pharmacy purchasing no longer optional.

Executive Summary

Drug shortages have reached a critical inflection point in American healthcare. With more than 323 active shortages recorded in the first quarter of 2024 — an all-time high — pharmacies of every type face mounting pressure to protect patient care, control costs and manage increasingly strained operations. The traditional model of reacting to shortages after they occur is no longer viable.

SureCost Drug Shortage Insights™ is a purpose-built solution that empowers pharmacies to move from reactive crisis management to proactive, predictive supply chain strategy. By combining FDA data, wholesaler feeds and proprietary predictive analytics, the platform gives pharmacy teams the foresight they need to detect supply disruptions early, evaluate risk accurately, expand sourcing options and execute purchasing decisions with speed and confidence — often days or weeks before a shortage appears on official lists.



The Drug Shortage Crisis: Scope and Impact

A Growing, Systemic Problem

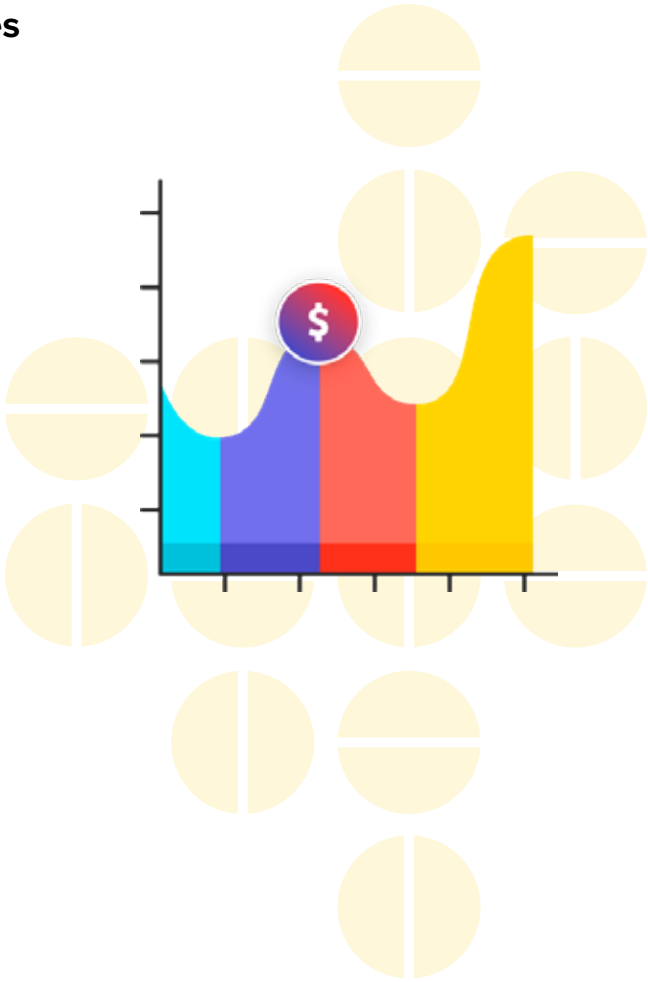
The United States pharmacy supply chain is under unprecedented stress. Active drug shortages reached their highest recorded level in Q1 2024, with 323 items affected. As of mid-2025, more than 250 of those shortages remain unresolved, with 42% having begun in 2022 or earlier.[1] These are not isolated events or minor inconveniences. They span nearly every therapeutic class, from sterile injectables and anesthetics to antibiotics and chronic maintenance medications.

The root causes are systemic and deeply entrenched: manufacturing failures, low drug pricing that discourages adequate production capacity, supply chain fragility and quality control issues, all of which are further compounded by external shocks such as natural disasters. None of these drivers are expected to diminish in the near term.[2]

Pharmacies need backup sourcing when a wholesaler's fill rate drops from 96% to 70% overnight — as occurred with GLP-1s in 2024.

Clinical, Operational and Financial Consequences

The downstream effects of drug shortages are felt at every level of pharmacy operations.



Clinically, patients bear the most direct burden. Delayed therapies, forced substitutions, missed doses and medication errors are all common consequences. According to Vizient survey data, the percentage of facilities reporting one or more medication errors directly related to a drug shortage rose from 38% in 2019 to 43% in 2024,[3] meaning nearly half of all facilities are now directly linking drug shortages to patient harm events.

Operationally, the toll on pharmacy staff is immense. Rather than focusing on patient care, teams are diverted to chasing product, contacting wholesalers, rewriting formularies and managing exceptions, often while already short-staffed. Hospitals across the U.S. spent more than 20 million hours managing shortages in 2024 — more than double the 8.6 million hours reported in 2019.[3] That is the equivalent of over 9,600 full-time employees spending an entire year doing nothing but chasing drugs.

Financially, the impact compounds quickly. Emergency purchasing, rush shipments and lost prescriptions erode the bottom line at every turn. Vizient's 2024 survey found that hospital labor costs alone related to drug shortage management reached nearly $900 million annually, up from $359 million in 2019 — a nearly 150% increase in five years.[3] When the cost of more expensive alternative therapies, direct off-channel purchases and delayed or canceled procedures are factored in, the true financial burden is significantly higher. The hidden costs of overtime, staff stress, eroded clinician trust and compromised patient care add a further burden that is difficult to quantify but impossible to ignore.

- Lost rebates
- Costly shortfalls
- Non-compliance
- Out-of-stocks
- Overstocks
- Delays in patient care
- Regulatory issues
- Hidden costs

Why Reactive Management No Longer Works

For years, pharmacies have relied on the FDA shortage list and wholesaler alerts as their primary signals for supply disruption. While still valuable data points, these sources are inherently reactive: they report on shortages that have already materialized. By the time a shortage appears on an official list, opportunities for early mitigation have often already passed. Pharmacies need tools built for foresight, not hindsight.

SureCost is built and continuously refined by a team with over 75 years of collective pharmacy expertise — professionals who understand the pressures your team faces and are committed to your success.

The SureCost Approach: Detect, Evaluate, Expand, Execute

SureCost Drug Shortage Insights is organized around a four-step operational framework designed to carry pharmacy teams from early awareness to confident action.

1. Detect – Know Before It Becomes a Crisis

The platform continuously monitors FDA data, wholesaler feeds and SureCost's integrated partner network to identify early signals of supply disruption. This includes slowing fulfillment rates, allocation notices and vendor-level constraints — indicators that often precede official shortage designations by days or even weeks.

This early warning capability is the foundation of the entire framework. When a pharmacy can see trouble trending before it arrives, the entire response posture changes from scrambling to planning.

2. Evaluate – Understand the True Risk

Once a potential shortage is detected, SureCost immediately evaluates its significance using verified, daily-updated data. The platform's predictive analytics engine assigns each affected item a risk score, a confidence level and, where possible, an estimated resolution date. It also displays a six-month trend line showing where supply has been and where it is expected to go.

This transforms a vague alert into an actionable intelligence briefing. Rather than simply knowing that drug X is in short supply, a pharmacy team can see that drug X carries a 90% confidence shortage risk expected to last eight more weeks — and plan accordingly. In some cases, the data may indicate a shortage is likely to resolve within a week, supporting a well-reasoned decision not to act. Either way, the decision is data-driven.

3. Expand – Broaden Sourcing Options Before It's Too Late

When shortage risk is confirmed, SureCost leverages its aggregated vendor network to surface alternatives immediately. For every affected drug, the platform identifies:

Equivalent NDCs — the same medication from a different manufacturer, grouped by GCN/GDC classification using First DataBank data

Therapeutic class alternatives — broader substitution options when equivalent NDCs are unavailable

Real-time vendor availability and pricing — showing which preferred vendors have alternatives in stock and at what price

For multi-site organizations, this intelligence is shared across locations, ensuring that every site works from the same sourcing options and priorities, eliminating duplication and reducing confusion.

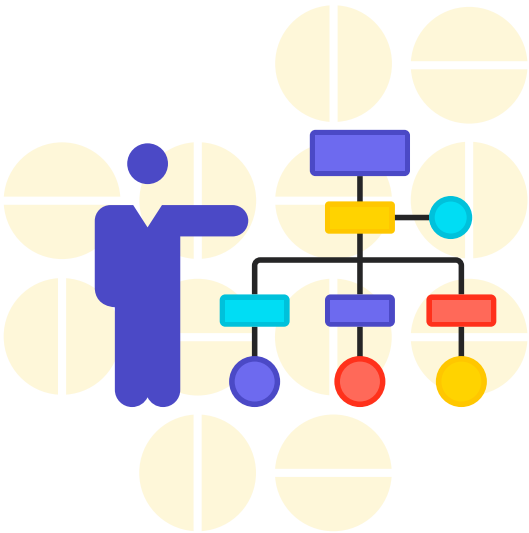
4. Execute – Act With Speed and Confidence

With all vendor data, baseline pricing and shortage intelligence consolidated in a single platform, pharmacy teams can move from identifying a shortage to sourcing a replacement in one seamless workflow. SureCost scans preferred vendors in real time, identifies what's available and cost-effective and enables immediate purchasing action — all within minutes.

This eliminates the frantic phone calls, manual vendor searches and off-contract emergency buys that characterize reactive shortage management. For organizations already using SureCost for procurement and inventory management, the integration is seamless. For those seeking a standalone solution, Drug Shortage Insights™ can operate independently as a dedicated supply risk module.

SureCost Drug Shortage Insights is the only platform that combines predictive risk scoring, real-time vendor availability and enterprise-wide coordination in a single, unified workflow.

Key Platform Capabilities



Dual Shortage Views

All shortages — a market-wide view incorporating FDA data, wholesaler signals and SureCost predictive risk indicator

Tracked shortages — a personalized watchlist of pinned items relevant to a specific pharmacy or health system

For enterprise organizations, corporate leaders can pin critical items that automatically populate across all location watchlists, enabling consistent enterprise-wide prioritization.

Predictive Analytics and Risk Scoring

The forecasting engine applies machine learning to continuously updated supply data, producing risk scores, confidence levels and projected resolution timelines. At a three-week outlook horizon, SureCost's predictive accuracy exceeds 95%.

Equivalence and Therapeutic Alternative Intelligence

Powered by First DataBank data and SureCost's product group framework, the platform identifies equivalent NDCs and therapeutic class alternatives for every shortage-affected item — with real-time availability and pricing from connected vendors.

One-Click Reporting and Collaboration

Any shortage view — tracked list or all-shortages — can be exported as a CSV file with a single click. The export includes drug names, risk levels, predicted resolution dates and recommended alternatives, facilitating communication with leadership, Pharmacy and Therapeutics committees, prescribers and field teams.

Role-based Access

SureCost supports defined user roles — drug shortage manager and drug shortage viewer — ensuring that the right team members have the appropriate level of access and authority within the platform.

For enterprise organizations, corporate leaders can pin critical items that automatically populate across all location watchlists, enabling consistent enterprise-wide prioritization.

SureCost replaces siloed data and scattered purchase orders with centralized visibility: analyzing pricing and availability across your entire vendor network to surface the best option in real time.

Application Across Care Settings

Long-term Care Pharmacy

LTC residents depend on consistent, uninterrupted therapy across multiple chronic medications. Even short supply disruptions can carry serious clinical consequences. SureCost provides early warnings and rapid equivalence identification, enabling LTC pharmacies to coordinate substitutions with prescribers proactively, reducing last-minute scrambles and protecting continuity of care.

Community/Retail Pharmacy

For retail pharmacies, a shortage at the counter risks not just one prescription but the ongoing trust of the patient. SureCost helps community pharmacists identify real-time alternatives and offer solutions on the spot, turning a potential lost prescription into a demonstration of reliability and resourcefulness.

Hospital and Health System

Health system teams face particular risk from injectable shortages involving critical drugs such as anesthetics and IV medications, where on-the-fly substitution may not be clinically viable. SureCost's predictive alerts give hospital pharmacy teams the lead time needed to adjust procurement plans, communicate with clinical staff and maintain compliance readiness, ensuring uninterrupted care even in a turbulent supply environment.

Return on Investment

The financial and operational ROI of proactive shortage management is substantial and multidimensional. The ROI of proactive shortage management operates across five distinct value drivers, each with direct, measurable impact on pharmacy performance.

Value Driver	Impact
Reduced emergency purchasing	Avoids inflated off-contract and secondary-market pricing
Labor efficiency	Redirects staff time from shortage management to patient care
Prescription retention	Prevents lost patients and lost revenue in retail settings
Compliance support	Maintains formulary integrity and documentation readiness
Clinician trust	Reduces friction and strengthens relationships across care teams

SureCost customers collectively manage over $18 billion in annual purchases, typically achieving savings of 2—5% or more on cost of goods sold — a figure that grows meaningfully when proactive shortage management reduces off-contract and emergency spend.

Conclusion

Drug shortages are not a temporary disruption. They are a structural challenge built into today's pharmaceutical supply chain — one that will continue to affect patient care, pharmacy operations and financial performance for the foreseeable future. The question is no longer whether shortages will occur, but whether your pharmacy will be ready when they do.

SureCost Drug Shortage Insights™ represents a fundamental shift in how pharmacies engage with this challenge, moving from a posture of reaction to one of prediction, preparation and control. By combining the breadth of SureCost's integrated vendor network with the power of AI-driven predictive analytics, the platform gives every pharmacy buyer, manager and pharmacist the intelligence they need to stay ahead of disruption, protect their patients and preserve their bottom line.

Sources

1. American Society of Health-System Pharmacists (ASHP). Drug Shortage Statistics. ashp.org/pharmacy-practice/resource-centers/drug-shortages. Accessed March 2025.

2. U.S. Food and Drug Administration. Drug Shortages: Root Causes and Potential Solutions. FDA; 2019. fda.gov/media/131130/download.

3. Vizient, Inc. Beyond the Shortage: The Hidden Cost of Drug Supply Chain Disruptions. Vizient Drug Shortages Survey; June 2025. vizientinc.com.

4. Vizient, Inc. Drug Shortages and Labor Costs: Measuring the Hidden Costs of Drug Shortages on U.S. Hospitals. Vizient; June 2019. vizientinc.com.

SureCost customer data reflects aggregated annual purchase volume and cost savings analysis across the SureCost platform, 2025.

Stop reacting. Start predicting.

Book Your Demo Today

See how SureCost can help your pharmacy move through all four stages — detect, evaluate, expand, execute — in a personalized walkthrough built around your care setting and your biggest operational challenges. No obligation. Just a focused look at what's possible.

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