News Brief



U.S. Supply Chain Issues Lead to Shortage of More Than 300 Drugs

Over 300 critical medications are in shortage, the highest level since 2014, according to the American Society for Health-System Pharmacists. The shortfalls are heavily rooted in America's drug supply chain problems and are particularly focused on commonly used generic drugs. Shortages of cancer drugs and other life-saving medications are also impacting Americans.

The drug shortages are so serious that the White House and Congress reviewed the situation and weighed in. A recent congressional report examined the underlying causes of the shortages occurring in the drug market. Shortages of critical medications continue to rise; however, the report noted that shortages are not a new problem. They're caused by several factors, including economic drivers, insufficient supply chain visibility, and continued reliance on foreign and geographically concentrated sources for medications. Drug shortages have ripple effects on patient care, causing treatment delays, increasing medication error risks and requiring less-effective alternative treatments.

New drug shortages increased by nearly 30% between 2021 and 2022.

The shortages are most severe for generic drugs, which account for 90% of the market, rather than brand-name medications. However, various drugs are impacted, such as children's Tylenol, amoxicillin, contrast dye for medical scans and chemotherapy.

This national shortage is forcing many physicians to develop workarounds and cut corners, often resulting in gaps between patient treatments. The U.S. Food and Drug Administration (FDA) has identified problems and worked with manufacturers, but largely, it lacks the expertise and authority to address bigger economic issues with the generic drug industry. The Biden administration is also being pressured to prepare a government-wide response. Outside the FDA, some White House officials are confirmed to be focused on bolstering drug supply chains and quality.

Summary

According to the report, the average drug shortage lasts about 1.5 years. Many shortages have been going on for months or years, and no clear end is in sight. In fact, America's supply chain disruption and the resulting drug shortage could worsen as generics manufacturers cut back on production. Still, it's unclear whether the government will be able to tackle this issue.

Contact us for more information.