

United Nations Standard Product and Services Code® (UNSPSC®) Position Statement

Significant benefits are attainable today in the Australian Digital Health Supply Chain. Both Australian and international reports¹ quantify financial benefits and improved health supply chain outcomes when the correct foundations are established for industry stakeholders.

The national standardisation of master data is one area identified by the industry where there is an unnecessary duplication of effort. By introducing standards to improve the industry's ability to 'talk the same language', collaboration will increase and the cost of effort for stakeholders will decrease.

The United Nations Standard Product and Services Code (UNSPSC) is one of the key coding systems used by procurement and supply chain management professionals across Australia. Unfortunately, its use across the healthcare industry is currently fragmented. Greater national alignment is required to remove this fragmentation, and unlock national benefits.

The UNSPSC is a four-level hierarchical set of product categories used by procurement and supply chain partners worldwide to classify their products and services. Inconsistent use of UNSPSC versions leads to inconsistent coding, and additional administrative effort. The primary users of UNSPSC codes in Australia have adopted UNSPSC codes at varying levels of the taxonomy for use in tendering and contracting. Future integration of the codeset into systems and processes will enable improved business and inventory analytics.

Following a review of UNSPSC versions used across the healthcare industry, stakeholders have ratified that *all four levels of the UNSPSC version 19 taxonomy (released July 2016)* **should be adopted**. This recommendation recognises the significant effort by the UNSPSC Organisation to increase the richness of healthcare segments within the UNSPSC taxonomy.

It is acknowledged that there is a broad range of other codesets in the market, and the decision to use a specific codeset needs to be based on the purpose of the analysis required. This position statement seeks only to confirm agreement on the use of a single version of the UNSPSC codeset for the Australian healthcare industry.

New versions of the UNSPSC will be considered annually in order to minimise the impact of the administrative change on stakeholders.

Where UNSPSC codes are requested, industry will now transition to requiring version 19 as part of their procurement and supply chain processes.

To endorse this industry position, the following stakeholders have confirmed their support.

Paul Broadbridge

Chief Digital Supply Chain Officer

¹ Healthcare Data Crunch Report, Mckinsey Strength in Unity







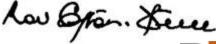


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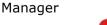
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