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## *Pharmacy Compounding: The Supply Chain World*

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### **PHARMACY COMPOUNDING SUPPLY CHAIN DEFINED**

In Chapter 2, we defined *pharmacy compounding* using phrases such as “personalized medications for patients,” “made from scratch,” and “individual ingredients mixed together in the exact strength and dosage,” etc. Let’s focus on the supply chain, and how the new law will potentially impact participants in this supply chain.

A dear friend of mine, whom I believe is one of the best supply chain professionals I have met in my career, used to say, “It all begins with an order.” He was almost right with his comment. It does all begin with an order—or in pharmacy compounding, a doctor’s prescription—from customers/patients. Knowing the patient demand for compounded drugs provides the foundation for the planning of the supply chain.

There are three main parts to the pharmacy compounding supply chain: from doctor prescription/patient demand to ingredients, from ingredients to compounding pharmacies, and from compounding pharmacies to patients (Figure 3.1).

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### **FROM PATIENT/DOCTOR PRESCRIPTION TO INGREDIENTS**

Supply chain professionals know that accumulating patient demand in an order management system is a key first step. A good order management system uses a solid bill of materials module to break down the patient