



2025 Hospital Pharmacy Purchasing Trends Report



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Introduction

The current healthcare landscape presents multiple financial and operational challenges to hospitals and health systems. Declining Medicaid and Medicare reimbursements, ongoing staff shortages, increased labor costs, and supply chain unreliability are straining healthcare organizations' finances. These challenges pose a severe threat to many healthcare institutions, with nearly 800 rural U.S. hospitals at risk of closure due to financial problems.¹

Healthcare administrators are seeking ways to save in the face of rising costs, and pharmacy spending is no exception. According to the American Hospital Association's 2025 Cost of Caring Report, drug spending accounted for nearly 10% of total hospital expenditure in 2024.² However, hospital pharmacy purchasing teams face their own set of unique challenges that make reducing drug spending and improving operational efficiency increasingly complex.

This report covers the top current drug procurement challenges facing hospital pharmacy staff and the innovative solutions top systems are implementing in response.

The State of Procurement: Rising Costs & Complexity

Hospital pharmacy departments are navigating a particularly volatile purchasing environment. According to recent projections from the American Journal of Health-System Pharmacy, hospital prescription drug spending is expected to increase by up to **4%** in 2025 alone.³ This growth outpaces many other categories of hospital expense, like medical supplies and equipment spending, making pharmacy purchasing a critical area of focus for financial management.

Despite rising costs, reducing drug spending remains the top priority for pharmacy leaders. According to Bluesight's Hospital Pharmacy Operations Report (HPOR), **77%** of hospital pharmacy teams are actively focused on cutting costs through improved operations and more innovative procurement. Additionally, **63%** of those surveyed reported being assigned specific savings targets for 2025.⁴ These expectations are growing even as operational complexity increases, requiring teams to be both strategic and resourceful in how they source medications.

Over $\frac{3}{4}$ of Hospital Pharmacy Teams Are Focused on Driving Savings



The fragmentation of the drug supply chain only compounds the issue. Half of all pharmacy purchasing teams report sourcing medications from between four and six different suppliers, while **31%** report managing relationships with as many as 12 sources.⁴ This decentralization not only creates inefficiencies but also makes it difficult to compare pricing, track compliance, and make decisions that align with broader GPO agreements.

Complicating matters further is the nationwide shortage of experienced pharmacy technicians. The American Society of Health-System Pharmacists (ASHP) reports that **88%** of hospitals face technician staffing shortages, limiting the bandwidth of teams to thoroughly analyze purchasing options and execute cost-saving strategies manually due to the strain tech shortages put on the entire hospital pharmacy staff.⁵

To meet their cost-saving goals, purchasing teams need tools that allow them to centralize data, manage supplier relationships more efficiently, and see all relevant purchasing information in one place. Without a software-driven approach, pharmacy departments have to navigate rising costs with outdated processes and insufficient staffing – putting financial performance and patient care at risk.

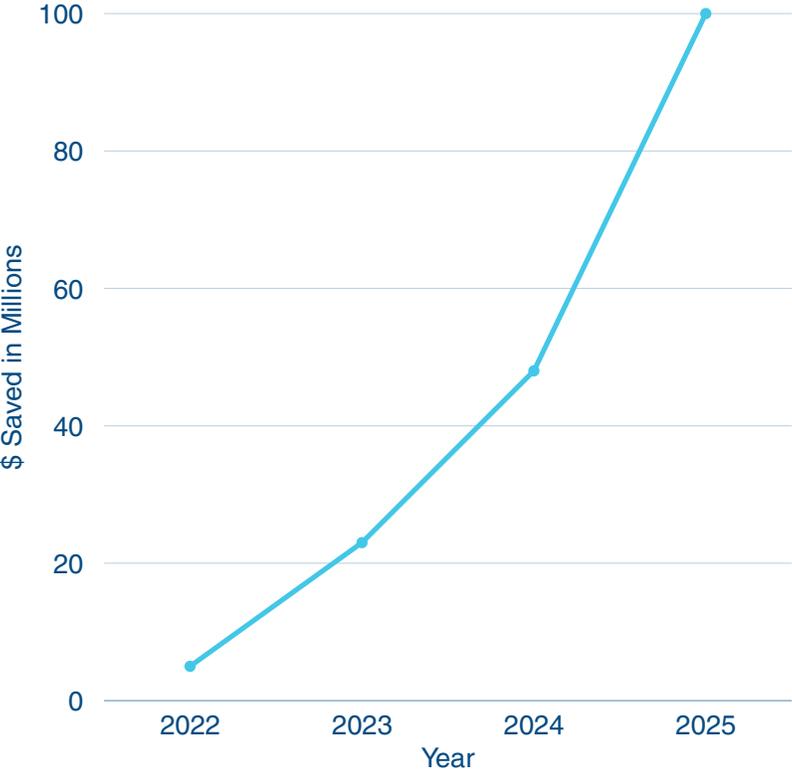


**>30% of
Hospitals
Report Sourcing
Meds from as
Many as 12
Suppliers**

How Health Systems Leverage Software to Lower Costs and Increase Efficiency

With the pressure to cut pharmacy costs mounting, many health systems are turning to new technology to improve transparency and streamline medication procurement. For example, nearly 500 hospitals have realized more than \$100 million in hard-dollar savings as of July 2025, leveraging Bluesight’s purchasing optimization software CostCheck. The majority of these sites adopted the platform within the past one to two years, demonstrating the growing urgency to modernize pharmacy purchasing.

Drug purchasing optimization tools like CostCheck streamline drug procurement by providing pharmacy teams with visibility into every National Drug Code (NDC) option available and make savings recommendations tailored to their specific contracts, consumption patterns, supplier pricing, and invoice history. The software integrates this internal purchasing data with industry-wide benchmarks, allowing pharmacy buyers to make informed purchasing decisions quickly.



Some platforms, like CostCheck, also monitor 100% of an organization's contracts, automatically flagging contract compliance issues, and alerting users to invoice discrepancies and overcharges. Importantly, it accounts for GPO and 340B purchasing ratios to ensure compliance while still driving down costs. This level of automation saves significant time, improves purchasing accuracy, helps pharmacy leaders meet their budget targets, and can save institutions up to 4% on their annual drug spending.

[Click here for a real-world example of how a 1,300-bed Integrated Delivery Network \(IDN\) saved \\$1 million with CostCheck in just seven months.](#)

Comprehensive Spend Optimization Software



Drug Shortages: Disrupting Patient Care and Pharmacy Budgets

While reducing drug costs is a key focus, purchasing teams must also contend with persistent and worsening drug shortages. These shortages not only challenge procurement teams but also compromise patient safety. Keeping hospitals adequately stocked with essential medications, while also pursuing cost savings, is an increasingly difficult balancing act.

According to Vizient, drug shortages cost hospitals nearly **\$900 million** annually in labor expenses alone – over double the cost in 2019.⁶ These costs stem from the hours spent identifying alternatives, manually reallocating inventory, and managing the fallout from unavailable medications. Pediatric facilities face elevated shortage challenges, reporting monitoring at least **25%** more shortages than general facilities.⁶ Furthermore, **75%** of hospital pharmacy leaders surveyed in the HPOR cited drug shortages as one of the most significant challenges in procurement today.⁴

Beyond logistics, shortages introduce real clinical risk. **Forty-three percent** of hospital pharmacy leaders reported medication errors related to drug shortages, an increase from **38%** in 2019.⁶ When substitutions are made without the proper controls or staff training, the risk to patients increases. This adds another layer of pressure on pharmacy departments already struggling with staffing, costs, and rising expectations from administration.

While advocacy organizations continue to fight for a more resilient drug supply chain, health systems need innovative solutions that help them address shortages proactively.

Intercept Shortages Before They Happen with Predictive Analytics

Although no software can eliminate shortages, modern predictive analytics tools are helping hospitals get ahead of them. ShortageCheck, Bluesight's latest pharmacy operations solution, provides up to **90 days'** advance notice of potential supply disruptions by monitoring nationwide market signals. These include demand spikes, fulfillment delays, and cross-system usage trends. The tool analyzes data from more than 2,500 hospitals to flag early signs of shortages, giving pharmacy teams the time they need to respond strategically.

By forecasting issues before they become crises, predictive analytics enables a shift from reactive inventory management to proactive shortage mitigation. Pharmacy teams can reallocate stock internally, adjust order volumes, or source alternatives before a shortage affects patient care. This is especially critical for high-demand or single-source medications where shortages can have cascading impacts across departments.

With predictive insights in hand, health systems are not only able to avoid last-minute scrambling but also improve cross-functional communication and planning between pharmacy, procurement, and clinical leadership.

**New Predictive
Analytics Software
Predicts Shortages
Up to 90 Days Early.**



Real World Shortage Prediction Example

On March 12, 2025, there was an official shortage of 10MG/ML IV bags of Acetaminophen announced, disrupting hospital pharmacy teams' daily operations. Without an advanced warning, already-strained teams had to quickly review current inventory and plan last-minute sourcing alternatives for other non-oral options for the drug.

ShortageCheck's predictive analytics detected this shortage in Acetaminophen IV bags on January 7, 2025 - **64 days before its official announcement**. If pharmacy staff had this information available to them at the time, they would have had over two months to prepare a shortage response plan methodically – transforming their shortage approach from reactive to proactive.

With predictive insights in hand, health systems are not only able to avoid last-minute scrambling but also improve cross-functional communication and planning between pharmacy, procurement, and clinical leadership.

[Learn more about cutting-edge predictive shortage analytics software here.](#)

Conclusion

Hospital pharmacy teams are under intense pressure in 2025, caught between rising drug prices, workforce shortages, fragmented supply chains, and a national shortage crisis. Cutting pharmacy spending is no longer just a cost-saving initiative. It's a strategic priority critical to the financial health of the broader organization.

Fortunately, modern solutions are emerging to help. With the right software, pharmacy departments can gain visibility into their purchasing landscape, act quickly on savings opportunities, maintain compliance with GPO and 340B requirements, and prepare for supply chain disruptions before they affect operations.

For health systems navigating a turbulent healthcare economy, investing in pharmacy purchasing technology can help safeguard operations and budgets. Pharmacy teams armed with data, automation, and predictive analytics are better equipped to protect budgets, support clinical care, and keep hospitals financially sustainable in the years ahead.

Visit bluesight.com to learn more about our suite of procurement optimization solutions.

Sources

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About Bluesight®

Bluesight powers hospital and pharmacy operations with intelligence that simplifies inventory management, procurement, and compliance. Through its suite of industry-leading solutions, Bluesight ensures that health systems protect every patient and optimize every dollar. Over 2,400 United States and Canadian hospitals rely on Bluesight every day to have efficient and safe operations.

Request a Demo

