



The Global Language of Business

GS1 Healthcare US

Healthcare GLN Quick Start Guide

For implementing GS1 Global Location Numbers (GLNs) in Trace, Chargeback, and Rebate Processes



If your company is looking to improve the management of rebates and chargebacks by implementing GLNs as the standard for customer identification, this Quick Start Guide will help you get started today. It provides a brief overview of the steps and resources that are needed for a successful implementation of GLN within the scope of trace, chargeback, and rebate (TCR) processes.

Implementation Steps for GLN in Trace, Chargebacks, and Rebates

1. Establish baseline discrepancy rate & potential ROI

Manufacturers, distributors, and healthcare providers can benefit from improvements that reduce pricing and chargeback discrepancies. It is important to understand the opportunity that can be addressed by implementing GLNs in rebate and chargeback processes. Establishing baseline metrics in the areas where improvement should be gained is essential.

- Establish current rebate/chargeback discrepancy rates with key trading partners. Focus on those discrepancies created due to a mismatch of the “customer.”
- Supporting information could include baseline price accuracy metrics by trading partner.
- Reference the [Price Accuracy Initiative POC: Using GLNs to Reduce Rebate & Chargeback Claim Discrepancies](#) for a method to calculate Return on Investment (ROI).

2. Secure executive support

Using the information gathered in Step 1 above, inform and educate executive management on the value of GLN implementation in trace, chargebacks, and rebates, and the need for implementation with key or critical mass trading partners. It is also a good idea to highlight to senior management any competitive advantages you believe will accrue to the company as a result using the GLN in these processes (i.e., opportunity for improved pricing accuracy). As with any project that will impact the business processes of the company, the support of senior management is vital.

Global Location Number (GLN)

GS1 Standards-based identification number used to uniquely identify legal entities, functional entities, and physical locations. GLNs are 13-digit numbers used to identify parties to business transactions, functional groups within a company, and physical locations that might ship, receive, process, or hold inventories.

GLN Supports:

- Unique global location identification
- Data sharing via GS1 Global Data Synchronization Network™ (GDSN®)
- Identification of the “where” in GS1 Electronic Product Code Information Services (EPCIS)

To learn more, visit www.gs1us.org/healthcare or contact us at gs1healthcareus@gs1us.org

3. Establish a project team

A cross-functional project team is crucial for successfully implementing GLNs in rebate and chargeback processes. Consider representation from the following organizational areas:

- Contracts and chargebacks
- Account master or set-up
- Information Technology (IT) and Electronic Data Interchange (EDI)
- Account managers

Inform other trading partners of the effort you are undertaking. Manufacturers, group purchasing organizations (GPOs), distributors/wholesalers, providers/end users, and solution providers all need to be aware of and potentially involved in the effort as they will likely be impacted by it.

4. Define process maps

Your organization, as the initiating entity, should provide a recommended process map to the trading partners with whom you intend to engage. Trading partners should agree on the basic outline of the process and data before GLNs are implemented. Multiple maps should be considered, including:

- Maps associated with the locations that will need GLNs (i.e., GLN hierarchy)
- Maps of the flow of information between trading partners throughout the impacted chargeback process
- Maps of EDI or other forms of automated data sharing

The degree of detail associated with each map can vary and should be discussed during the project initiation phase.

5. Assess your organization's readiness

Determine your organization's technology readiness for implementation and use of GLNs, including the existence of GLN placeholders in account master files, and mapping of those placeholders within key EDI transactions (e.g., EDI 867, 844, and 845).

6. Map GLNs to existing account numbers

Use GS1 US Data Hub® | Location and work with trading partners to establish the relationship between existing account numbers and available GLNs.

- **For manufacturers or distributors:** map existing account numbers to "validated" GLNs from GS1 US Data Hub | Location.
- **For providers:** take ownership of your GLN hierarchy in GS1 US Data Hub | Location, update and/or "validate" the hierarchy, and make sure the contact information for the hierarchy is up to date.

Refer to Section 6 of the [Best Practice Guide for Implementing GLN in Trace, Chargeback & Rebate Processes](#) or the [Guideline for Reconciling Accounts for Use with GS1 GLNs](#) for additional guidance.

7. Synchronize with trading partners

Synchronization between trading partners is essential for using GLNs in the TCR process. GLN hierarchies that are managed by the provider are ideal. However, GPO-enumerated hierarchies and hierarchies being co-managed by the GPO and provider are valuable as well.

- Synchronize GLNs with "validated" hierarchies.
- Use GS1 US Data Hub | Location as the source for location/address information, and the GPO roster as the source for eligibility.

Refer to Section 7 of the [Best Practice Guide for Implementing GLN in Trace, Chargeback & Rebate Processes](#) or the [Guideline for Reconciling Accounts for Use with GS1 GLNs](#) for more detail on the synchronization of GLNs.

Key Resources

Price Accuracy Initiative POC: Using GLNs to Reduce Rebate & Chargeback Claim Discrepancies

www.gs1us.org/poc-gln-rebate-chargeback

Best Practice Guide for Implementing GLN in Trace, Chargeback & Rebate Processes

www.gs1us.org/gln-trace-chargeback-rebate

Guideline for Reconciling Accounts for Use with GS1 GLNs

www.gs1us.org/reconciling-accounts-glns

Best Practice Guide: Building a GLN Hierarchy

www.gs1us.org/gln-hierarchy

GS1 US Data Hub | Location

www.gs1us.org/datahublocation

8. Transition business processes

There are a number of well-defined procedures that have been developed across the industry to accommodate the use of proprietary account numbers. Any such business practices will need to be modified to accommodate the transition to GLNs. Manufacturers, distributors, GPOs, and providers need to consider and evaluate the transition to GLNs in the processes involved. Refer to Section 6 of the [Best Practice Guide for Implementing GLN in Trace, Chargeback & Rebate Processes](#) for examples of business practices to consider.

- Experiment on a single business process with one or two business partners.
- Start small to avoid disrupting your day-to-day process.

9. Maintain

Synchronizing GLNs is not a “once and done” exercise. Standard Operating Procedures (SOPs) should be established for the on-going maintenance of GLNs for your trading partner accounts and/or for your own organization. The documents referenced in this Quick Start Guide should form the basis for SOPs on GLN allocation, reconciliation, synchronization, and hierarchy management.

GS1 Healthcare US

GS1 Healthcare US® is an industry group focused on driving the adoption and implementation of GS1 Standards in the healthcare industry to improve patient safety and supply chain efficiency. GS1 Healthcare US brings together members from all segments of the healthcare industry to address the supply chain issues that most impact healthcare in the United States.

Get involved

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For more information on the benefits or how to join, visit www.gs1us.org/healthcare/initiative or contact us at gs1healthcareus@gs1us.org

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GS1 US Corporate Headquarters

Princeton Pike Corporate Center, 1009 Lenox Drive, Suite 202
Lawrenceville, NJ 08648 USA
T +1 937.435.3870 | E info@gs1us.org
www.gs1us.org

Connect With Us

