Department of Health Training Guide on Warehousing and Distribution of Family Planning, TB, and other Health Commodities in the Philippines

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About SIAPS

The goal of the Systems for Improved Access to Pharmaceuticals and Services (SIAPS) Program is to ensure the availability of quality pharmaceutical products and effective pharmaceutical services to achieve desired health outcomes. Toward this end, the SIAPS result areas include improving governance, building capacity for pharmaceutical management and services, addressing information needed for decision-making in the pharmaceutical sector, strengthening financing strategies and mechanisms to improve access to medicines, and increasing quality pharmaceutical services.

Recommended Citation

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Key Words


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ACRONYMS

3PL     third-party logistics
BL      bill of lading
DOH     Department of Health
FP      family planning
LMD     Logistics Management Division
PTR     property transfer receipt
SIAPS   Systems for Improved Access to Pharmaceuticals and Services
SCM     supply chain management
SOP     Standard Operating Procedure
USAID   US Agency for International Development
WHO     World Health Organization
BACKGROUND

As the national health policy maker and regulatory institution, the Department of Health (DOH) is the overall technical authority on health in the Philippines. It fulfils three major roles in the country’s health sector: leader, enabler and capacity builder, and administrator of specific services.

The DOH envisions that by 2030 it will be a global leader for attaining better health outcomes, a competitive and responsive health care system, and equitable health financing. At the same time, it will fulfil its mission to guarantee equitable, sustainable, and quality health for all Filipinos, especially the poor, and to lead the quest for excellence in health.¹

The Logistics Management Division (LMD) under Administrative Services manages and operates transit warehouses for the DOH and outsources additional warehousing and distribution operations to third-party logistics (3PL) providers. Health commodities that are procured by DOH health programs are delivered by suppliers to the LMD and subsequently to 3PL warehouses. Family Health Office commodities (Expanded Immunization Program, 36.27%; Family Planning (FP), 21.84%; Pharmaceutical Division, 18.55%; and National TB Program, 13.83%) represent the largest volume (90.49%) of products handled by the LMD (Nfor, Agaceta, Linatoc, Desano, 2017).

Challenges in supply chain management (SCM) of DOH health commodities in the Philippines are well known. Despite numerous efforts to address these issues, there are still specific areas in need of improvement. Both over- and under-stocking of health commodities at storage facilities and patient access points have been experienced. Specifically, maintaining adequate FP commodities at service delivery points remains a bottleneck according to the initial progress report on the implementation of Zero Unmet Need for Modern Family Planning (Executive Order No. 12, s. 2017) in the Philippines. Considering that the LMD is managing the warehousing and distribution of these commodities, it is apparent that this is an area with a huge opportunity for improvement.

In an assessment of the DOH’s warehouse management system in September 2017, key findings contributing to inefficiencies in warehouse and distribution included coordination and communication deficiencies, the burden of a paper-based warehouse management information system, and a lack of business intelligence. Weak coordination between programs and warehouse managers at all levels has led to mismatch between allocation quantities and end user requirements. Consequently, the system experiences periodic rejection of some deliveries, backlogs, and aging of inventory at warehouses. A lack of data analytics also hinders the optimization of processes and identification of actionable areas for improvement. In addition, there is a very heavy data burden on human resources for warehouse operations at all levels of the DOH’s supply system because of double data entry into a computer and on paper, and these data are not used as a basis for meaningful evaluation and decision making (Nfor et al., 2017).

¹ DOH Profile. Available at: http://www.doh.gov.ph/profile
The LMD has difficulty generating timely updates on inventory movement and delivery status due to a reliance on human memory, a paper-based information management system, unclear task and labor management, and difficulties in managing 3PL services and performance. Nfor et al. (2017) emphasized that “it will be expedient for DOH to implement warehouse technology solutions that will enable end-to-end commodity flow visibility to facilitate effective planning, distribution, and monitoring health commodities leading to improved availability and accessibility at point of care.” However, implementing technology solutions will only be effective if there is a working manual system in place. It is therefore important for the DOH to prioritize the optimization of its warehouse operations to lay down a foundation for a robust system before adapting an automated warehouse management system.

In September 2017, the US Agency for International Development (USAID)-funded Systems for Improved Access to Pharmaceuticals and Services (SIAPS) Program, implemented by Management Sciences for Health, supported the LMD in building human resource capacity on warehousing and distribution through training with Imperial Health Sciences, Inc., in South Africa. Three LMD warehouse managers completed the warehouse operations management course. The overall goal is to enable the LMD to strengthen adherence to good distribution and storage practices and ensure the timely distribution of FP, TB, and other health commodities to recipients. To achieve this, the information learned in the course must be applied in consideration of local context and be cascaded to other warehouse personnel.

A major action area identified as part of the improvement plan developed by the LMD as a response to the assessment and as a product of the training is to improve human resource capacity after harmonizing processes and guidelines for warehousing and distribution operations. This was included in the immediate to intermediate plans for the implementation of an automated warehouse management system for the DOH and the eventual harmonization of all DOH SMC activities. Staff training alone cannot solve the structural, organizational, or policy-related problems of the current DOH warehousing and distribution operations. However, training may enable personnel to respond to changing circumstances and can help improve and sustain good performance that is essential in achieving improved availability and accessibility of medicines (MSH, 2012).

In line with the DOH’s objective of strengthening its human resource capacity on warehousing and distribution of FP, TB, and other health commodities, this short-term technical assistance from SIAPS supported the LMD to develop a training guide on warehouse operations while considering the DOH’s strategic direction toward a harmonized SCM system. The assistance facilitated the updating of standard operating procedures (SOPs) on receiving, putaway and storage, pick and pack, and dispatch of health commodities and the development of training design and modules based on these updated SOPs.
TRAINING GUIDE ON WAREHOUSE AND DISTRIBUTION

Description

This guide is written for the DOH Philippines’ LMD. It can be used as support material in the training and development of new and existing staff involved in warehouse and distribution operations at all levels, particularly those who are involved in the process of receiving, putaway and storing, picking and packing, and dispatching of FP, TB, and other health commodities in DOH warehouses.

Organization of the Guide

The guide is divided into two main parts—training context and session plans—and includes supporting materials for facilitators and participants.

The training context section includes a conceptual framework that gives facilitators an understanding of how the training materials were developed. It also includes the LMD operational goals, which provide the vision that has shaped the training design.

Session plans contain the five units of the training program. Each unit outlines the proposed learning objectives, duration of time, methods, materials, and assessment activities.

The annexes for each unit contain supporting teaching and learning materials for participants and facilitators.

This is a basic guide covering priority areas identified by the DOH at the time of development; it may be expanded and modified according to the needs at the time the training is conducted.

Training Design

- The training strategy includes facilitator-lead and self-directed learning.

- The course design is based on performance standards set by the DOH’s LMD.

- The training is mainly done in an actual workplace setting, although off-site training may be conducted provided it does not hinder the achievement of the training objectives.

- The assessment of competency takes the trainee’s knowledge and attitude into account but requires evidence of actual performance of the work as the basis for the assessment.

- Training completion is based on satisfactory performance of all specified procedures.
PART 1
TRAINING CONTEXT
Based on the recommended good practices to ensure the safety of medicinal products in the Philippines (Marcelo, 2013), the LMD’s main warehouse operations must be aligned with good storage and good distribution processes. The framework (figure 1) used to develop this training guide is aligned with the principles of the World Health Organization’s (WHO) guide to good storage and distribution practices for pharmaceuticals as adopted in the Philippines through DOH FDA Administrative Order 2013-27. The underlying principle of these guidelines stems from safeguarding quality, safety, and efficacy of pharmaceutical products at all levels of the supply chain to ensure that they are appropriate for their intended use. Competent personnel are essential in ensuring that there is proper handling of products during storage and distribution processes to preserve their quality, safety, and efficacy until they are used by patients. All other activities of the supply chain will have been wasted if a medicine becomes ineffective or unsafe by the time it reaches the patient. Poor practices during storage and distribution can contribute to the degradation of a medicine’s quality, efficacy, and consequently, safety. This training guide follows the list of priority SOPs updated by the LMD and focuses on the development of competencies on receiving, putaway, storage, pick and pack, and dispatch of FP, TB, and other DOH health commodities.

**Figure 1. Conceptual framework**
The training approach involves self-guided, facilitator-led, and experiential methods to ensure that the knowledge, skills, and attitudinal domains of learning will be covered. It begins with an orientation of the good practices that maintain the quality of pharmaceutical products at all levels of the supply chain to contextualize the importance of each stakeholder’s roles and responsibility in ensuring that quality products reach the patient.

After establishing this context, the DOH’s commitment to achieving its vision for the health system is tackled to emphasize the alignment of the training program with the organizational goals of the department and the operational goals of the division. A brief orientation on the potential impact of adherence to good distribution and storage practices on the health benefits gained from the utilization of FP, TB, and other health commodities is also included. This ensures that staff understand how their work relates and contributes to the overall mission of the department. It is also intended to promote an improvement in attitude about work that will help create an environment for change.

The updated SOPs on specific warehouse tasks serve as the basis for building and strengthening skills. Procedures related to the shipment and transportation of products were intentionally excluded in the scope of this training guide as these activities are currently outsourced to 3PL providers. It is important to note the LMD’s goal of streamlining major processes toward the implementation of an automated warehouse management system and harmonizing systems for the entire DOH supply chain. This means that modifications to the current procedures and processes are introduced in the training to address the current and anticipated future demands of an integrated SCM system. Concurrent measures to align current operations to the updated SOPs were planned during the development of the SOPs and training guide to create an enabling environment for these modifications. Therefore, the SOPs and the training include contingencies and corrective actions in anticipation of circumstances in which the updated procedure will not be applicable due to institutional limitations. Sustainable change is effected when top management, middle management, and operations personnel are working toward the same goal. Therefore, this can be an opportunity to have all involved staff contribute to improving the warehousing operations of the DOH. One key area for monitoring and evaluating the impact of the training program will be minimizing and ultimately eliminating the occurrence of these contingencies in the intermediate and long-term implementation of this training guide.

The overall approach in developing this document was guided by the training process for an improved performance framework (figure 2). A desk review of assessment findings on SCM specific to warehouse operations and key informant interviews were the basis for defining performance problems and setting improvement goals. A training needs assessment involved consultations with warehouse administrators and supervisors, direct observations of and interviews with warehouse staff, and literature reviews.
Figure 2. Training process for improved performance (adapted from MDS-3 Managing Access to Medicines and Health Technologies (MSH))
LMD OPERATIONAL GOALS

The LMD envisions itself having a seamless operational and informational flow while ensuring adherence to good distribution and storage practices for pharmaceuticals. The objective is to streamline and document processes to obtain useful information at specific points of the process, consolidate data in a timely manner, and provide meaningful analysis to stakeholders. This will enable the LMD to track commodity flow at all levels and provide stakeholders with data that may be useful for decision making.

Figure 3 summarizes the intended operational and information flow within the LMD’s central warehouses. Information about commodities will be captured from the supplier’s delivery documents to generate a summary of delivered commodities at the end of receiving process. This dataset will be forwarded to a Demand and Supply Planning Technical Working Group to allow IT systems (i.e., pharmaceutical management information system) that are used to monitor commodities at service delivery sites to be updated. The dataset and information on the storage location will be used to generate and update stock/bin cards and eventually be consolidated into an inventory list. The inventory list will be the reference when generating the picking list that is based on the allocation plans from the programs. Completed picking lists will be used to update stock/bin cards and inventory lists and to generate a bill of lading (BL) and property transfer receipts (PTRs).

The streamlining of LMD warehouse processes is a step toward strengthening coordination mechanisms with the programs. It also forms the foundation for a harmonized SCM division within the DOH.

Figure 3. Operational and informational flow within the LMD at the central level
To achieve the LMD’s operational goals, the SOPs for the “Big 5” warehousing activities were updated accordingly. The following performance benchmarks are meant to be achieved through the implementation of the updated SOPs after training.

**Table 1. Current Challenges and Performance Benchmarks to be Addressed upon Implementation of Training on Updated SOPs**

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
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<tbody>
<tr>
<td>• Heavy burden on documentation due to double data entry into computer and on paper</td>
<td>• Reduction or elimination of unnecessary data encoding duplications</td>
</tr>
<tr>
<td>• Inaccessible data on stock and shipment status, warehouse capacity, and space availability</td>
<td>• Increased availability and accessibility of data on stock and shipment status, warehouse capacity, and space availability</td>
</tr>
<tr>
<td>• No location management system in place, which may be due to:</td>
<td>• Improvement of inventory, putaway, and picking and packing accuracy and associated documentation</td>
</tr>
<tr>
<td>o Outdated stock location codes, cards, and maps</td>
<td></td>
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<tr>
<td>o Reliance on personnel memory in identifying stock location and available storage space</td>
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<tr>
<td>o Difficulty in implementing appropriate stock rotation and first expiry/first out</td>
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<tr>
<td>o PTRs used as picking list, which does not allow for immediate updating of warehouse reports</td>
<td></td>
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<tr>
<td>• Task, labor management, and related tools are lacking in warehouses</td>
<td></td>
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<tr>
<td>• Delays in warehouse operations that may be due to:</td>
<td>• Decrease in processing time for receiving, putaway, and picking and packing</td>
</tr>
<tr>
<td>o Incomplete documentation from suppliers</td>
<td></td>
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<tr>
<td>o Unavailability of technical persons for inspection and acceptance of received commodities</td>
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<tr>
<td>o Variation in delivery schedules of suppliers</td>
<td></td>
</tr>
<tr>
<td>• Increased inventory holding time due to:</td>
<td>• Prevention of stock wastage due to expiration or damage</td>
</tr>
<tr>
<td>o Prolonged release of quality control tests from FDA</td>
<td></td>
</tr>
<tr>
<td>o Periodic rejection of shipments by recipients</td>
<td></td>
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<tr>
<td>o High percentage of nonmoving items</td>
<td></td>
</tr>
<tr>
<td>• Weak coordination mechanism in distribution and allocation planning with the programs</td>
<td>• Improved coordination and harmonization of data requirements for distribution and allocation planning with the programs</td>
</tr>
</tbody>
</table>
Moving Forward

During the updating of SOPs and the development of this training guide, the following steps to be completed prior to the training were identified:

- Define warehouse guidelines for:
  - Stock coding
  - Archiving of forms
  - PTR coding
  - Tracking shipments

- Update records on:
  - Warehouse and location codes
  - Stock and bin cards

- Update and develop forms needed for receiving, putaway and storage, pick and pack, and dispatch operations

- Define key performance indicators and persons responsible for monitoring and implementing the updated SOPs and the training guide
Part 2
Session Plans
UNIT OUTLINE

Unit 1: Good Distribution and Storage Practices

Unit 2: Receiving of Health Commodities

Unit 3: Putaway and Storage of Health Commodities

Unit 4: Picking and Packing of Health Commodities

Unit 5: Dispatch of Health Commodities
UNIT 1: GOOD STORAGE AND DISTRIBUTION PRACTICES

Learning objectives:

- Demonstrate understanding of the importance of good distribution and storage practices
- Relate good distribution and storage practices to the LMD’s updated SOPs

Time: One day (approximately 8 hours, including breaks)

Technique: Lecture with small group discussion

Materials: PowerPoint presentation, projector, laptop, handouts for each participant, copies of cases for discussion for each group, test papers

Process:

First Part: Introductory activities (30 minutes)

Ensure that:

- Participants sign the attendance sheet upon arrival and are provided with the discussion outline and notes.
- The session starts with a welcome greeting, introduction, and prayer or moment of silence. Create an opportunity for participants to meet one another.
  - Greet and welcome the leaders attending the workshop.
- The objectives of the workshop are explained and the schedule of activities is presented.
- The speakers and facilitators for each topic are introduced.

Second Part: Plenary sessions (approximately 3.5 hours)

A. DOH vision-mission, current challenges, and LMD operational goals (20 minutes)
B. Quality systems (20 minutes)
C. Personnel (20 minutes)
D. Premises and facilities (30 minutes)
E. Storage requirements (30 minutes)
F. Returned goods (20 minutes)
G. Dispatch and transport (20 minutes)
H. Product recall (20 minutes)
I. Warehouse operations procedures (30 minutes)
Ensure that:

- There is ample time for participants to ask questions
- The time for each presentation is adjusted depending on participants’ responses

**Third Part:** Small group discussion and sharing (1 hour)

- Group the participants (4 to 5 members per group)
- Designate a facilitator to guide the discussion
- Allow participants to reflect on good storage and distribution practices in relation to the presented case scenarios

**Assessment:**

Written test and feedback (1.5 hours)

- Answer the 30-item written test in 45 minutes
- After everyone is done, discuss the correct answer for each item and the rationale
- Allow time for questions
UNIT 2: RECEIVING OF HEALTH COMMODITIES

Learning objective:

- Demonstrate receiving, inspection, and processing of health commodities in DOH warehouses according to standards

Time: 4-hour training; 30-minute assessment per trainee

Technique: Demonstration and return demonstration with oral questioning

Materials: SOP on receiving of health commodities with attachments (reading material), forms, delivery documents, health commodities to be received during demonstration, warehouse equipment and tools

Process:

*Participants are expected to have read the SOP on receiving of health commodities and the attachments prior to this activity*

First Part: Introductory activities (30 minutes)

- Discuss the objectives of the receiving process
- Explain the structure of the activity
- Address any clarifications on the SOP

Second Part: Demonstration and return demonstration (2.5 hours)

A. Demonstration: Trainer performs the task step by step based on figure 4 while trainees observe
   - It is important to observe the proper techniques when performing the task as this sets the performance benchmark for the trainees

B. Demonstration with discussion: Trainer repeats the task step by step based on figure 4, but this time pauses at important steps to emphasize and discuss critical aspects of the task, while trainees observe and are given an opportunity to ask questions

C. Return demonstration: Trainer allows trainees to perform the same tasks, supports them in their attempts, provides guidance and feedback, and offers suggestions when difficulties are observed
   - It is important to let trainees perform the tasks by themselves
Do not interrupt the trainees immediately when they miss or incorrectly performed a certain step unless it is a matter of safety; instead, take note of the mistake and then allow the trainee to reflect and realize the mistake at the end of their performance.

Allow trainees to practice and observe one another until they master the skill after everyone has taken a turn.

**Third Part: Feedback**

- Utilize the “sandwich” technique (positive-negative-reinforcement) when providing feedback.

- It is important that trainees become confident to perform the task correctly and are not embarrassed if they make mistakes. Emphasize the importance of developing the proper attitude when performing a task to prevent or minimize problems associated with errors.

**Assessment:**

Demonstration with oral questioning

- Provide trainees with the necessary tools, materials, and equipment to demonstrate how to receive, inspect, and process health commodities in DOH warehouses according to standards.

- After demonstration, assess the trainee’s understanding of the importance of the steps performed. Utilize the training annex of the SOP as a guide for questioning.

- The final assessment is the responsibility of the assessor. Feedback on whether the trainee is competent or needs retraining will be provided at the end of the assessment.
Figure 4. Receiving of FP, TB, and other health commodities process flow
Are Replacement Samples Available?

No

Amend Delivery Documents

Yes

Sort Products According to Batch no. in each Pallet

Collect Samples

Place Quarantine Label

Sign Delivery Documents

Provide Copies of Delivery Documents to Putaway Staff

Update Summary of Deliveries Report

Quarantine Label

Summary of Deliveries Report
UNIT 3: PUTAWAY AND STORAGE OF HEALTH COMMODITIES

Learning objective:

- Demonstrate putting away and storage of health commodities in DOH warehouses according to standards

Time: 4-hour training; 30-minute assessment per trainee

Technique: Demonstration and return demonstration with oral questioning

Materials: SOP on receiving of health commodities with attachments (reading material, forms, delivery documents, health commodities to be received during demonstration, warehouse equipment and tools

Process:

Please refer to the process guide outlined in Unit 2 but use figure 5 for the step-by-step demonstration.

Assessment:

Demonstration with oral questioning
Figure 5. Putaway and storage of FP, TB, and other health commodities process flow
UNIT 4: PICK AND PACK OF HEALTH COMMODITIES

Learning objective:

- Demonstrate picking and packing of health commodities in DOH warehouses according to standards

Time: 4-hour training; 30-minute assessment per trainee

Technique: Demonstration and return demonstration with oral questioning

Materials: SOP on pick and pack of health commodities with attachments (reading material), forms, picking and packing documents, health commodities to be picked and packed during demonstration, warehouse equipment and tools

Process:

*Please refer to the process guide outlined in Unit 2 but use figure 6 for the step-by-step demonstration.*

Assessment:

Demonstration with oral questioning
Figure 6. Pick and pack of FP, TB, and other health commodities process flow
Unit 4: Pick and Pack of Health Commodities

Check and Approve Assembled Shipments

Discrepancies?

Yes

Adjust Quantities

No

Generate and Sign BL and PTR

Endorse Signed BL and PTR to Dispatch Team

Forward Completed Picking List to Monitoring Team

Update Stock Card, Inventory Record, and Location Map

Bill of Lading, Property Transfer Receipt

Stock Card, Inventory Record, and Location Map
UNIT 5: DISPATCH OF HEALTH COMMODITIES

Learning objective:

- Demonstrate dispatching of health commodities in DOH warehouses according to standards

Time: 4-hour training; 30-minute assessment per trainee

Technique: Demonstration and return demonstration with oral questioning

Materials: SOP on dispatch of health commodities with attachments (reading material), forms, dispatch documents, health commodities to be dispatched during demonstration, warehouse equipment and tools

Process:

Please refer to the process guide outlined in Unit 2 but use figure 7 for the step-by-step demonstration.

Assessment:

Demonstration with oral questioning
Figure 7. Dispatch of FP, TB, and other health commodities process flow
Supervise 3PL in Counting Commodities

Discrepancies?

Yes → Adjust Quantities

No → Ensure Signing of Delivery Documents by 3PL

Supervise 3PL in Loading Commodities

Prepare and Endorse Gate Pass

Forward Duplicate Copy of BL and PTR


ANNEX

SOP on Receiving of Health Commodities

1. **PURPOSE:**
   To ensure health commodities are received, inspected and processed in the DOH Warehouses according to standards

2. **SCOPE:**
   This procedure covers the process of receiving, inspection and processing of health commodities upon arrival of routine delivery and the submission of documentations to monitoring section, warehouse support officer, and warehouse staff for inventory and put away

3. **REFERENCES:**
   3.1. Administrative Order on Receipt of Donated Commodities
   3.2. Administrative Order on Receipt of Goods
   3.3. Administrative Order No. 2013-0027 - Good Distribution and Good Storage Practices
   3.4. LMD Warehouse Guidelines

4. **RESPONSIBILITY:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Receiving Officer</td>
<td>Assigned as the accountable receiving point person for DOH Warehouses and conducts the checking and receiving of health commodities particularly for quantities; assigned in the following order of priority:</td>
</tr>
<tr>
<td></td>
<td>1. Warehouse Personnel</td>
</tr>
<tr>
<td></td>
<td>2. Administrative Officer I (Supply Officer I)</td>
</tr>
<tr>
<td></td>
<td>3. Administrative Officer III (Supply Officer II)</td>
</tr>
<tr>
<td></td>
<td>4. Administrative Officer V</td>
</tr>
<tr>
<td>Support Staff (Job Order Personnel)</td>
<td>Assist in receiving operations such as: offloading of truck load, sorting products per batch no., placing quarantine label, sorting and distribution of delivery documents, endorsement of products to putaway team</td>
</tr>
<tr>
<td>Pharmacist</td>
<td>Must be involved when damaged stock is received, stock is missing</td>
</tr>
</tbody>
</table>

5. **DEFINITION OF TERMS:**
   5.1. **Health Commodities** – all health-related commodities and supplies which include medicines, medical supplies, equipment
   5.2. **Purchase Order (PO)** - Stated contract between the DOH and the supplier enumerating the stipulation and requirements of procured commodities
   5.3. **Delivery Receipt (DR)** - Document indicating the details of the commodities delivered by the supplier focusing on quantities per batch delivered, usually used for partial deliveries
   5.4. **Sales Invoice (SI)** - Document indicating the details of the commodities delivered by the supplier together with commodity cost, usually used for completed deliveries
   5.5. **Notice to Proceed (NTP)** - Document specifying the terms of delivery of the supplier coming from (DOH Office)
   5.6. **Request for Schedule of Delivery (RSD)** - Official Warehouse Form used by suppliers to request for schedule of delivery
   5.7. **Certified of Product Registration (CPR)** - Document issued by the FDA certifying that commodities are cleared for distribution and fit for consumption
   5.8. **Batch Notification (BN)** – document issued by the FDA certifying that antibiotic products are cleared for distribution and fit for consumption
   5.9. **Lot Release Certificates** – document issued by the FDA certifying that biological products are cleared for distribution and fit for consumption
5.10. **Shelf life** - length of time that a commodity may be stored without becoming unfit for allocation, calculated by taking the difference of the actual delivery date and expiration date; DOH policy requires minimum of 18 months shelf-life upon delivery.

5.11. **Replacement Samples** – Additional quantity of commodities delivered for FDA quality testing.

### 6. **PROCEDURE:**

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Key Step</th>
<th>Responsibility</th>
<th>Reference Document/Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Receive delivery documents after security verified validity of delivery</td>
<td>Security</td>
<td></td>
</tr>
<tr>
<td>6.2</td>
<td>Check the completeness and validity of delivery documents:</td>
<td>Designated Receiving Officer</td>
<td>Delivery Documents Checklist</td>
</tr>
<tr>
<td></td>
<td>• PO and/or Contract</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• DR</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• SI</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• NTP</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• RSD</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• CPR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For Antibiotics:
- Batch Notification

For Vaccines:
- Lot Release Certificates

*If all the documentation is in order, and agree the delivery should be accepted; otherwise perform procedure 8.1*

| 6.3 | Offload the delivery vehicle. | Delivery Personnel | |
| 6.4 | Inspect the commodities to verify description, pack size and quantity of each product received against the Purchase Order (PO) and Delivery Receipt (DR) | Designated Receiving Officer | PO/ Contract |
|     | | | DR |
|     | | | SI |

Check the following details of commodities delivered:

**Pharmaceuticals (Qualification):**
- Generic Name (Brand Name, if any)
- Dosage Strength
- Dosage Form
- Batch and/or Lot Number
- Expiration Date
  - Shelf Life (Computed)
- Labeling Instructions
- CPR

**Non-Pharmaceuticals:**
- Serial Number/s
- Warranty Certificate/s
- Brand
- Expiration (if applicable)

*If there are no discrepancy, the items should be accepted; otherwise perform procedure 8.2*
<table>
<thead>
<tr>
<th>6.5</th>
<th>Confirm availability of replacement samples for FDA Analysis</th>
<th>Designated Receiving Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.6</td>
<td>Sort products according to different batches and expiry dates and place the products on pallets. Ensure that the stacking of the pallets does not exceed 1.3 meter high.</td>
<td>Support Staff</td>
</tr>
<tr>
<td>6.7</td>
<td>Invite inspection and acceptance team to collect samples for FDA analysis and place quarantine label</td>
<td>Designated Receiving Officer, Quarantine Label</td>
</tr>
<tr>
<td>6.8</td>
<td>Affix signature over printed name and date of receiving on the “received as to quantity field” on the DR and SI</td>
<td>Designated Receiving Officer, DR, SI</td>
</tr>
</tbody>
</table>
| 6.9  | Sort out and provide a copy of the delivery documents to the following process owners:  
   a. **Monitoring Section** - for recording and monitoring of deliveries and updating of stock cards (*Photocopy of PO, DR, SI*)  
   b. **Warehouse Administrative Support Staff** - for the preparation of notice of delivery (NOD) to end users, Accounting and COA, and preparation of requests for inspection (*Original copies of PO, NTP, SI, DR & Photocopy of Contract, RSD, CPR, Batch Notification for antibiotics, Lot Release Certificates for Vaccines and Biological products*)  
   c. **Warehouse Inventory Officer** - for updating of records, BIN Cards, Locator Cards and inventory report per warehouse (*Photocopy of PO, DR, SI*)  
   d. **Warehouse Put Away Staff/ Point Person** - for the preparation and identification of available storage space (*Photocopy of DR and SI*) | Designated Receiving Officer, Support Staff, Delivery Documents:  
   - PO and/or Contract  
   - DR  
   - SI  
   - NTP  
   - RSD  
   - CPR  
   For Antibiotics:  
   - Batch Notification  
   For Vaccines:  
   - Lot Release Certificates |
| 6.10 | Endorse received commodities to Put Away Officers | Designated Receiving Officer |
| 6.11 | Record and update summary of Deliveries Report | Designated Receiving Officer, Summary of Deliveries Log |
7. **PROCESS FLOW DIAGRAM:**

- Receive Delivery Documents
- Check the Completeness of Delivery Documents
- Complete?
  - Any Major Deficiency?
    - Reject
  - Offload the Delivery Vehicle
  - Inspect Commodities
  - Any Discrepancy?
    - No
    - Accept Delivery
  - Reject Deliveries with Unmet Specifications
- Nonconformance Form
8. **CONTINGENCIES: CORRECTIVE ACTIONS:**

8.1. Incomplete documents during deliveries shall be classified as either Major or Minor.

   **Major Deficiencies** – *(Qualifiers for major deficiencies)*
   - Rejected outright

   **Minor Deficiencies** – *(Qualifiers for minor deficiencies)*
   - Health commodities must be received. Specify the deficiencies in the Summary of Deliveries Logbook and provide the delivery personnel a copy of the list of deficiencies. Supplier is required to comply with the documents within specified days.
8.2. Deliveries with unmet specifications shall be rejected outright. Fill out “Non-Conformance Product form” and have the delivery personnel co-sign the form. Provide a copy to the delivery personnel before departure for submission to the supplier.

8.3. Delivery documents shall be updated to reflect actual quantity after subtracting the number of samples obtained for FDA analysis.

8.4. All contingencies, corrective actions, and deviations from this SOP must be documented. Follow the procedures of SOP on Documenting Contingencies, Corrective Actions, and Deviations from SOPs.

9. DOCUMENTATION AND ATTACHMENTS:

9.1. Delivery Document Checklist
9.2. Purchase Orders (POs)
9.3. Request for Schedule of Deliveries (RSD)
9.4. Notice to Proceed (NTP)
9.5. Certificate of Product Registration (CPR)
9.6. Sales Invoice (SI)
9.7. Delivery Receipt (DR)
9.8. Batch Notification
9.9. Lot Release Certificates
9.10. Summary of Deliveries Log
9.11. Quarantine Label

Attachment 1: Read and Understood Form

I hereby declare that I have read and understood the abovementioned SOP.

<table>
<thead>
<tr>
<th>Name</th>
<th>I.D. Number</th>
<th>Date</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Attachment 2: Training

Once the staff have signified that they read and understood the SOP, let them demonstrate the step by step procedure. Use the following questions as a complementary method of assessment:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>QUESTION</th>
<th>ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is the purpose of this SOP?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Write down all the delivery documents you need to verify during receiving.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Differentiate “Purchase Order” and “Delivery Receipt.”</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Write down all the details of products received and that need to be verified against delivery documents.</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Explain how to compute for shelf life upon receiving.</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>What are the documents that needs to be provided to each of the following:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Monitoring Section</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Warehouse Administrative Support Staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Warehouse Inventory Officer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. Warehouse Put Away Staff/ Point</td>
<td></td>
</tr>
</tbody>
</table>

| CARRIED OUT BY: | | | |
| NAME | SIGNATURE | DATE | |
|       |           |      | |

EVALUATED BY: | | |
ASSESSMENT: | □ Competent | □ Not yet competent |
FEEDBACK: | | |
Put Away and Storage of Health Commodities

1. **PURPOSE:**
   To ensure that the health commodities are put away appropriately and stored in a manner that
   conforms to good storage practices and maintains the quality and integrity of the health commodities

2. **SCOPE:**
   This procedure covers the process of putting away of received health commodities to their specific
   location in DOH warehouses

3. **REFERENCES:**
   3.1. Delivery Receipt (DR)
   3.2. Sales Invoice (SI)
   3.3. Purchase Order (PO)
   3.4. AO No. 2013-0027 Good Distribution and Storage Process

4. **RESPONSIBILITY:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Put Away Staff</td>
<td>Identify the location/area where received commodities shall be stored and conducts the actual transfer of the said commodities from the receiving area to the identified storage space</td>
</tr>
<tr>
<td>Supervising Officer</td>
<td>Oversee the identification of storage space and the actual transfer of commodities by the Warehouse Put Away Staff/ Point Person; assigned in the following order of priority: 1. Warehouse Personnel  2. Warehouse Pharmacist</td>
</tr>
</tbody>
</table>

5. **DEFINITION OF TERMS:**
   5.1. **Designated Receiving Officer (DRO)** - Assigned as the accountable receiving point person for DOH Warehouses
   5.2. **Delivery Receipt (DR)** - Document indicating the details of the commodities delivered by the supplier focusing on quantities per batch delivered, usually used for partial deliveries
   5.3. **Sales Invoice (SI)** - Document indicating the details of the commodities delivered by the supplier together with commodity cost, usually used for completed deliveries
   5.4. **Purchase Order (PO)** - Stated contract between the DOH and the supplier enumerating the stipulation and requirements of procured commodities
   5.5. **BIN Card** - Document used to record the actual receipt and issuance of goods stored in the warehouse
   5.6. **Locator Card** - Document used to record the location of the commodities stored within the warehouse
   5.7. **FEFO** – First Expiry, First Out
   5.8. **Location Map** - Document used to summarize the location based on locator cards of commodities stored within the warehouse

6. **PROCEDURE:**

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Key Step</th>
<th>Responsibility</th>
<th>Reference Document/Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Receive DR, SI and PO from DRO</td>
<td>Put away staff</td>
<td>DR, SI and PO</td>
</tr>
<tr>
<td>6.2</td>
<td>Accomplish “Inventory Label Form” based on PO</td>
<td>Put away staff</td>
<td>Inventory Label Form</td>
</tr>
</tbody>
</table>

   *When two or more batches of the same products with different expiry dates are stored using the same pallet or at the same location, accomplish the label to indicate the batch numbers and expiry dates of all batches located at the bin location*
<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Key Step</th>
<th>Responsibility</th>
<th>Reference Document/Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.3</td>
<td>Identify location for storage of received commodities using the codes on the location map</td>
<td>Put away staff</td>
<td>Locator Map</td>
</tr>
<tr>
<td></td>
<td><em>If Locator map is not updated, follow procedure 8.1</em></td>
<td>Supervising Officer</td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Transfer commodities from receiving area to identified storage space following FEFO</td>
<td>Put away staff</td>
<td>DR, SI</td>
</tr>
<tr>
<td></td>
<td><em>Products that require special storage conditions such as inflammable, controlled and heat sensitive items should be appropriately handled and stored.</em></td>
<td>Supervising Officer</td>
<td></td>
</tr>
<tr>
<td>6.4</td>
<td>Place the accomplished &quot;Inventory Label Form&quot; per pallet</td>
<td>Put away staff</td>
<td></td>
</tr>
<tr>
<td>6.5</td>
<td>Prepare or update BIN Cards of health commodities</td>
<td>Put away staff</td>
<td>DR, SI, BIN card</td>
</tr>
<tr>
<td>6.6</td>
<td>Update Locator Cards of health commodities</td>
<td>Put away staff</td>
<td>DR, SI, Locator Card</td>
</tr>
<tr>
<td>6.7</td>
<td>Update Location map</td>
<td>Put away staff</td>
<td>Location Map</td>
</tr>
</tbody>
</table>
7. **PROCESS FLOW DIAGRAM:**

8. **CONTINGENCIES; CORRECTIVE ACTIONS:**
   8.1. Notify warehouse supervisor. Select a new location for the commodities then update the locator card and location map.
   8.2. All contingencies, corrective actions, and deviations from this SOP must be documented. Follow the procedures of SOP on Documenting Contingencies, Corrective Actions, and Deviations from SOPs.

9. **DOCUMENTATION AND ATTACHMENTS:**
   9.1. Delivery Receipt (DR)
   9.2. Sales Invoice (SI)
   9.3. Inventory Label Form
   9.4. Locator Card
   9.5. Location Map
   9.6. BIN Card
Attachment 1: Read and Understood Form

**READ AND UNDERSTOOD FORM**

I hereby declare that I have read and understood the abovementioned SOP.

<table>
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<tr>
<th>Name</th>
<th>I.D. Number</th>
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<th>Signature</th>
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</thead>
<tbody>
<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Attachment 2: Training

Once the staff have signified that they read and understood the SOP, let them demonstrate the step by step procedure. Use the following questions as a complementary method of assessment:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>What is the purpose of this SOP?</td>
</tr>
<tr>
<td>2.</td>
<td>Write down all the details you need to indicate in the &quot;Inventory Label Form.&quot;</td>
</tr>
<tr>
<td>3.</td>
<td>How do you identify the storage location of health commodities for put away?</td>
</tr>
<tr>
<td>4.</td>
<td>What is the purpose of updating the Bin Card, Locator Card and Location Map after put away process?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NAME</th>
<th>SIGNATURE</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**SOP on Pick and Pack of Health Commodities**

1. **PURPOSE:**
To ensure accurate picking of all health commodities as per allocation list of programs in compliance with good warehousing practices and timely preparation of documentation prior to delivery of goods

2. **SCOPE:**
This procedure covers the process of the Pick and Pack Procedure in the Warehouse and associated documentations

3. **REFERENCES:**
3.2. SOP on Demand and Supply Planning
3.3. Administrative Order No. 2013-0027 - Good Distribution and Good Storage Practices

4. **RESPONSIBILITY:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Warehouse Operations Team Leader</td>
<td>Accountable person for receiving the allocation list and generating picking list for endorsement to picking personnel</td>
</tr>
<tr>
<td>Designated Pick and Pack Supervisor (DPPS)</td>
<td>Accountable person for inspecting assembled shipments and signing of BL and PTR, assigned in the following order of priority: Warehouse Personnel Administrative Officer V/ Pharmacist Administrative Officer III</td>
</tr>
</tbody>
</table>
### Pick and Pack Team
Warehouse Support Staff assigned as:
- Picking Personnel – to retrieve items based on picking list
- Packing Personnel – to assemble items based on picking list

### 5. DEFINITION OF TERMS:

5.1. **Allocation List** – Document prepared by program managers to itemize products to be allocated to end users

5.2. **Inventory Report** – Document prepared by the monitoring team of LMD to list down the current supply of commodities in the warehouse containing the following information: Stock Code, Warehouse Code, Location Code, End-user, P.O/Contract of Service, Supplier, Delivery Date, Item Specification (Generic Name, Brand Name, Dosage Strength, Dosage Form, Pack Size, Lot/Batch No.), Expiry Date, Quantity, Unit, Unit Cost, Total Amount (PhP), Remarks

5.3. **FEFO** – First in, First Out

5.4. **Bill of Lading (BL)**- Document indicating the details of the commodities delivered by the supplier together with commodity cost, usually used for completed deliveries

5.5. **Stock Card** – Document used to record the status of commodities held in the warehouses

5.6. **BIN Card**- Document used to record the actual receipt and issuance of goods stored in the warehouse

5.7. **Locator Card**- Document used to record the location of the commodities stored within the warehouse

5.8. **Picking Tool/Equipment** - Tool/Equipment where picked items are placed such as a basket, cart, pallet, trolley or fork lift as necessary to aid in transferring products from storage location to designated area for picking and packing

### 6. PROCEDURE:

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Key Step</th>
<th>Responsibility</th>
<th>Reference Document/Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1.1</td>
<td>Receive and validate the duly approved allocation list from the Program End User/s</td>
<td>Warehouse Operations Team Leader</td>
<td>Allocation List</td>
</tr>
<tr>
<td></td>
<td>Check for the following details:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Agreement of quantity and pack size</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• FDA Test Analysis Requirement and Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If there are discrepancies, perform procedure 8.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1.2</td>
<td>Generate Picking List following FEFO principle</td>
<td>Warehouse Operations Team Leader</td>
<td>Allocation List</td>
</tr>
<tr>
<td></td>
<td>Picking List Details include:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Location code</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Product name</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Product strength</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Pack size</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Quantity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Batch/lot number</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Expiry Date</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If reference documents are not updated, perform procedure 8.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.1.3</td>
<td>Endorse pick list to identified Pick and Pack Team member</td>
<td>Warehouse Operations Team Leader</td>
<td></td>
</tr>
<tr>
<td>Ref. No.</td>
<td>Key Step</td>
<td>Responsibility</td>
<td>Reference Document/Record</td>
</tr>
<tr>
<td>----------</td>
<td>----------</td>
<td>----------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>6.1.4</td>
<td>Proceed to the storage location of the first product on the “Picking List” and pick the products with the exact details as stated on the “Picking List” using appropriate <strong>picking tool/equipment</strong>. If the item stated on the Picking list is not present in the specified storage location, perform procedure 8.3</td>
<td>Picking Personnel</td>
<td>Picking List Location Map</td>
</tr>
<tr>
<td>6.1.5</td>
<td>Place the products in the designated area ensuring that the health commodities are not placed directly on the floor and that no loose product units are left lying on a pallet. If the designated area for picking and packing is not available, perform procedure 8.4</td>
<td>Picking Personnel</td>
<td></td>
</tr>
<tr>
<td>6.1.6</td>
<td>Mark off the items in the &quot;Picking List&quot; to signify that that particular item has been picked completely. If the quantity stated on the Picking list is not available, perform procedure 8.5</td>
<td>Picking Personnel</td>
<td>Picking List</td>
</tr>
<tr>
<td>6.1.7</td>
<td>Repeat steps 6.1.4 to 6.1.6 as necessary depending on the number of items in the Picking List</td>
<td>Picking Personnel</td>
<td>Picking List</td>
</tr>
<tr>
<td>6.1.8</td>
<td>Assemble the health commodities per facility according to the picking list</td>
<td>Packing Personnel</td>
<td>Picking List</td>
</tr>
<tr>
<td>6.1.9</td>
<td>Invite the DPPS to check and approve the assembled shipments. If there are discrepancies, perform procedure 8.6</td>
<td>Packing Personnel Designated Pick and Pack Supervisor</td>
<td>Picking List</td>
</tr>
<tr>
<td>6.1.10</td>
<td>Generate BL and PTR and endorse to DPPS for signing</td>
<td>Packing Personnel</td>
<td>Picking List BL PTR</td>
</tr>
<tr>
<td>6.1.11</td>
<td>Sign the BL and PTR prior to issuance of the goods</td>
<td>DPPS</td>
<td>BL PTR</td>
</tr>
<tr>
<td>6.1.12</td>
<td>Place assembled shipments in a secure holding area pending availability of transportation</td>
<td>Packing Personnel</td>
<td>BL PTR</td>
</tr>
<tr>
<td>6.1.12</td>
<td>Endorse the signed BL and PTR and the items to the dispatch team</td>
<td>Packing Personnel</td>
<td>BL PTR</td>
</tr>
<tr>
<td>6.1.13</td>
<td>Forward the accomplished picking list to the Warehouse Monitoring Team for updating of the Stock Card (SC)</td>
<td>Packing Personnel</td>
<td>Picking List</td>
</tr>
<tr>
<td>6.1.14</td>
<td>Update Stock Card, Inventory Record and location map</td>
<td>Monitoring Personnel</td>
<td>Picking List Stock Card Inventory</td>
</tr>
</tbody>
</table>

---

**Annex**

---

39
7. **PROCESS FLOW DIAGRAM:**

```
Validate Allocation List

Valid ?

Yes

Generate Picking List

Endorse Pick List to Pick and Pack

Pick Items in the Pick List

Place Items in Designated Packing Area

Assemble Items per Facility

B

No

Request for Revised Allocation List

Picking List
```
8. **CONTINGENCIES: CORRECTIVE ACTIONS:**

8.1. Inform program regarding discrepancies and/or status of FDA test analysis. Request for a revised allocation list. Once the allocation list has been updated continue with procedure 6.1.2.

If an authorization letter to release quarantine products has been received from the program, document the transaction and continue with procedure 6.1.2. Inform the pharmacist regarding the following:

Program
Requester Name
Product Details:
  Name
  Dosage Form
8.2. Perform physical inspection of the warehouse to locate products. Update the documents accordingly.
8.3. Inform Warehouse Operations Team Leader. Perform physical inspection of the warehouse to locate products. Update the documents accordingly.
8.4. Inform Warehouse Operations Team Leader. Identify a vacant area in the warehouse to be used for assembling of items.
8.5. Put a cross mark on the quantity stated in the picking list. Write the actual amount of products picked beside the crossed out value and encircle the actual number. Inform Warehouse Operations Team Leader.
8.6. Instruct the Packing Personnel to correct the discrepancy: return excess or add deficient items.

9. DOCUMENTATION AND ATTACHMENTS:
9.1. Approved Allocation List from the Program/End-User
9.2. BL
9.3. PTR
9.4. FDA Test Analysis Results
9.5. Location Map
9.6. Picking List
9.7. Endorsement of the approved Letter from the End-User regarding the release of commodities prior to the FDA Test Result

Attachment 1: Read and Understood Form

READ AND UNDERSTOOD FORM

I hereby declare that I have read and understood the abovementioned SOP.

<table>
<thead>
<tr>
<th>Name</th>
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<th>Signature</th>
</tr>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Attachment 2: Training

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<table>
<thead>
<tr>
<th>ITEM</th>
<th>QUESTIONS</th>
<th>ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is the purpose of this SOP?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>How do you locate the products on the picking list?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>What good practices must be ensured when placing picked products in the designated area for packing?</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>How do you keep track of items already picked from the list?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>What is the importance of inviting the Designated Pick and Pack Supervisor after assembling the items?</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>What are the details that must be indicated in the following documents?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. BL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. PTR</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Which documents will you endorse to the following?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Warehouse Monitoring Team</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Dispatch Team</td>
<td></td>
</tr>
</tbody>
</table>
SOP on Dispatch of Health Commodities

1. **PURPOSE:**
   To ensure accurate and timely dispatch of health commodities to its intended recipients following Good Distribution Practices

2. **SCOPE:**
   This procedure covers the processing of health commodities and necessary documentation for dispatch of allocations from DOH Warehouses

3. **REFERENCES:**
   3.1. Terms of Reference of the Service Hauling Contract
   3.2. Commission on Audit Government Accounting Manual
   3.3. Administrative Order No. 2013-0027 - Good Distribution and Good Storage Practices

4. **RESPONSIBILITY:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Dispatch Team Supervisor (DDTS)</td>
<td>Assigned as the accountable point person for validating and signing documents related to dispatch of health commodities; assigned in the following order of priority:</td>
</tr>
<tr>
<td></td>
<td>1. Warehouse Personnel</td>
</tr>
<tr>
<td></td>
<td>2. Administrative Officer I (Supply Officer I)</td>
</tr>
<tr>
<td></td>
<td>3. Administrative Officer III (Supply Officer II)</td>
</tr>
<tr>
<td></td>
<td>4. Administrative Officer V</td>
</tr>
<tr>
<td>Dispatch Team</td>
<td>Assist in dispatch operations such as: accomplishment of documents, supervision of physical count, and endorsement to 3PL, composed of:</td>
</tr>
<tr>
<td></td>
<td>1. Warehouse Personnel</td>
</tr>
<tr>
<td></td>
<td>2. Support Staff</td>
</tr>
</tbody>
</table>

5. **DEFINITION OF TERMS:**
   5.1. **Bill of Lading (BL)** - Document indicating the details of the commodities delivered by the supplier together with commodity cost, usually used for completed deliveries
   5.2. **Proper Transfer Report (PTR)** - Form used to document the information associated with all commodity transfers within DOH and other government offices
   5.3. **BIN Card** - Document used to record the actual receipt and issuance of goods stored in the warehouse

6. **PROCEDURE:**

<table>
<thead>
<tr>
<th>Ref. No.</th>
<th>Key Step</th>
<th>Responsibility</th>
<th>Reference Document/Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Receive signed delivery documents (BL and PTR) from the Warehouse Pick and Pack Team</td>
<td>Dispatch Team Member</td>
<td>BL PTR</td>
</tr>
<tr>
<td>6.2</td>
<td>Accomplish “Vehicle Request Form” after identifying schedule and vehicle requirements such as:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Truck Capacity</td>
<td>Dispatch Team Member</td>
<td>Vehicle Request Form</td>
</tr>
<tr>
<td></td>
<td>• No. of Trucks</td>
<td></td>
<td>BL PTR</td>
</tr>
<tr>
<td>Ref. No.</td>
<td>Key Step</td>
<td>Responsibility</td>
<td>Reference Document/Record</td>
</tr>
<tr>
<td>---------</td>
<td>--------------------------------------------------------------------------</td>
<td>------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td></td>
<td>Validate and sign Vehicle Request Form</td>
<td>Designated Dispatch Team Supervisor (DDTS)</td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Email an advance copy of the signed “Vehicle Request Form” a day before the scheduled arrival of 3PL Checker for endorsement</td>
<td>Dispatch Team Member</td>
<td>Vehicle Request Form</td>
</tr>
<tr>
<td>6.4</td>
<td>Endorse paper copy of the signed “Vehicle Request Form” to the 3PL checker</td>
<td>Dispatch Team Member</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>3PL Checker performs regular visit to the central warehouse every afternoon prior to pick up of items (??)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.3</td>
<td>Duplicate BL and PTR</td>
<td>Dispatch Team Member</td>
<td></td>
</tr>
<tr>
<td>6.4</td>
<td>Endorse one copy each of the BL and PTR to 3PL upon arrival of the 3PL Vehicle</td>
<td>Dispatch Team Member</td>
<td>BL PTR</td>
</tr>
<tr>
<td></td>
<td><strong>If there are delays due to unavailability of vehicle or vehicle did not conform with the requirements, perform procedure 8.1.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.5</td>
<td>Supervise 3PL in conducting physical count of the picked-&amp;-packed commodities</td>
<td>Designated Dispatch Team Supervisor (DDTS)</td>
<td>BL PTR</td>
</tr>
<tr>
<td></td>
<td><strong>If a discrepancy has been found, perform procedure 8.2</strong></td>
<td>3PL Checker</td>
<td></td>
</tr>
<tr>
<td>6.6</td>
<td>Ensure that the 3PL Checker has properly stamped and signed the delivery documents and that 3PL issues the waybill</td>
<td>Warehouse Dispatch Team</td>
<td>BL PTR Waybill</td>
</tr>
</tbody>
</table>
7. **PROCESS FLOW DIAGRAM:**

- Receive BL and PTR from Pick and Pack Team
- Complete Vehicle Request Form and Email Advance Conv to 3PL
- Endorse Signed Vehicle Request Form to 3PL
- Duplicate BL and PTR
- Endorse BL and PTR to 3PL Representative
- Vehicle Request
Ensure Signing of Delivery Documents by 3PL

Supervise 3PL in Counting Commodities

Discrepancies?

Yes → Adjust Quantities

No → Supervise 3PL in Counting Commodities

Prepare and Endorse Gate Pass

Forward Duplicate Copy of BL and PTR
8. **CONTINGENCIES; CORRECTIVE ACTIONS:**
   8.1. Inform and submit a report to the Warehouse Operations Head. The Warehouse Operations Head calls and emails the 3PL on the incident. The report must be compiled and considered as part of 3PL's Monthly and Quarterly Performance Evaluation.
   8.2. Perform counter-checking. If the error has been validated, instruct the Packing Personnel to correct the discrepancy: return excess or add deficient items.

9. **DOCUMENTATION AND ATTACHMENTS:**
   9.1. BL
   9.2. PTR
   9.3. Waybill (issued by the 3PL)
   9.4. Vehicle Request Form
   9.5. Bin card
   9.6. Evaluation/Daily Activity Form
   9.7. Distribution and Shipping Monitoring Report

**Attachment1: Read and Understood Form**

**READ AND UNDERSTOOD FORM**

I hereby declare that I have read and understood the abovementioned SOP.

<table>
<thead>
<tr>
<th>Name</th>
<th>I.D. Number</th>
<th>Date</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2.

**Attachment 2: Training**

Once the staff have signified that they read and understood the SOP, let them demonstrate the step by step procedure. Use the following questions as a complementary method of assessment:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>QUESTION</th>
<th>ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is the purpose of this SOP?</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>What are the details that must be indicated in the vehicle request form?</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Differentiate waybill and bill of lading.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>What is the importance of supervising 3PL during the physical counting of picked-&amp;-packed commodities?</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>What are the documents that you need to forward to the Warehouse Monitoring Team?</td>
<td></td>
</tr>
</tbody>
</table>

**CARRIED OUT BY:**

**EVALUATED BY:**

**ASSESSMENT:**

- ☐ Competent
- ☐ Not yet competent

**FEEDBACK:**
### Background

- In September 2017, The USAID-funded Systems for improved Access to Pharmaceuticals and Services (SIAPS) Program, implemented by MSH supported the Logistics Management Division in building HR capacity on warehousing and distribution through training with Imperial Health Sciences, Inc. at South Africa.
- Goal is for LMD to observe good storage practices and ensure the timely distribution of commodities to recipients.

### Reference


### Learning Objectives

- This training aims to strengthen the observance of GDP and GSP of LMD. Specifically, at the end of this unit, the warehouse personnel must be able to:
  - Demonstrate understanding of the importance of good distribution and storage practices
  - Relate good distribution and storage practices with LMD’s updated SOPs

### Outline

- Quality Systems for Pharmaceuticals
- Vision and Mission of LMD
- Current Challenges of LMD
- Operational Goals of LMD
- Good Storage and Distribution Practices
  - Quality System
  - Personnel
  - Premises and Facilities
  - Storage Requirements
  - Returned Goods
  - Dispatch and Transport
- Procedures and Contingencies

### Background

- DOH-FDA adopted the WHO’s guide to Good Distribution and Storage Practices for Pharmaceuticals (2013):
  - Goal is to maintain the original quality of the product in the supply chain.
Annex

Quality System

Determinants of Pharmaceutical Quality

Purpose of Quality Assurance
- Help ensure that each medicine reaching a patient is safe, effective and of appropriate quality

Quality of Pharmaceutical Products
- Quality:
  - “Fitness for use”
  - Determined by the starting materials, equipment, and technical know-how that go into producing and packaging it
- A medicine that passes all laboratory test upon receipt may be useless within a few months if packaging, storage and transportation conditions are not maintained properly.

Quality System Activities
- Technical:
  - Evaluating pharmaceutical product documentation
  - Performing or reviewing quality-control laboratory test
  - Monitoring product performance
- Managerial:
  - Selecting reliable suppliers
  - Preparing contract terms
  - Monitoring supplier performance
  - Performing inspection procedures throughout the distribution network
**Quality System**

- Product traceability must be ensured throughout the supply chain
  - Expiry dates and batch numbers as part of a secure distribution documentation
  - A suitable product coding and identification system is in place and developed in collaboration with the various parties involved in the supply chain

**Objective of LMD**

- To streamline and document processes to obtain useful information at specific points of the process, consolidate data in a timely manner, and provide meaningful analysis to stakeholders

---

**Pharmaceutical Quality Assurance Framework**

- Five elements are critical to achieving the expected treatment outcomes:
  1. API has been shown to be safe and effective for this treatment
  2. Product is of suitable quality to provide an effective outcome
  3. Prescriber has accurately identified the need for the treatment
  4. Prescriber or dispense has properly instructed the patient on how to use the product
  5. Patient complies with the prescribed regimen correctly

**Current Challenges and Operational Goals of LMD**

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy burden on documentation due to double data entry into computer and on paper</td>
<td>Reduction or elimination of unnecessary data encoding duplications</td>
</tr>
<tr>
<td>Inaccessible data on stock and shipment status, warehouse capacity, and space availability</td>
<td>Increased availability and accessibility of data on stock and shipment status, warehouse capacity, and space availability</td>
</tr>
</tbody>
</table>

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**Vision of LMD**

- The LMD envisions itself having a seamless operational and informational flow while ensuring adherence to good distribution and storage practices for pharmaceuticals.

**Current Challenges and Operational Goals of LMD**

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
</tr>
</thead>
</table>
| No location management system in place, which may be due to:  
  - Outdated stock location codes, cards, and maps  
  - Reliance on personal memory in identifying stock location and available storage space  
  - Difficulty in implementing appropriate stock rotation and first expiry first out  
  - PTFs used as picking list, which does not allow for immediate updating of warehouse reports  
  - Lack of labor management, and related tools are lacking in warehouse | Improvement of inventory, putaway, and picking and packing accuracy and associated documentation |
Current Challenges and Operational Goals of LMD

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Delays in warehouse operations that may be due to:</td>
<td>- Decrease in processing time for receiving, putaway, and packing</td>
</tr>
<tr>
<td>▪ Incomplete documentation from suppliers</td>
<td></td>
</tr>
<tr>
<td>▪ Unavailability of technical persons for inspection and acceptance of received commodities</td>
<td></td>
</tr>
<tr>
<td>▪ Variation in delivery schedules of suppliers</td>
<td></td>
</tr>
</tbody>
</table>

Current Challenges and Operational Goals of LMD

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Increased inventory holding time due to:</td>
<td>- Prevention of stock wastage due to expiration or damage</td>
</tr>
<tr>
<td>▪ Prolonged release of quality control tests from FDA</td>
<td></td>
</tr>
<tr>
<td>▪ Periodic rejection of shipments by recipients</td>
<td></td>
</tr>
<tr>
<td>▪ High percentage of nonmoving items</td>
<td></td>
</tr>
</tbody>
</table>

Current Challenges and Operational Goals of LMD

<table>
<thead>
<tr>
<th>Current Challenges</th>
<th>Performance Benchmarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Weak coordination mechanism in distribution and allocation planning with the programs</td>
<td>- Improved coordination and harmonization of data requirements for distribution and allocation planning with the programs</td>
</tr>
</tbody>
</table>

Good Storage and Distribution Practices

- Quality System
- Personnel
- Premises and Facilities
- Storage Requirements
- Returned Goods
- Dispatch and Transport
- Product Recall

Personnel
Department of Health Training Guide on Warehousing and Distribution of Family Planning, TB, and other Health Commodities in the Philippines

**Personnel**

- Adequate number of qualified personnel to achieve pharmaceutical quality assurance objectives
- Have training in relation to good storage practice, regulations, procedures and safety.
- Observe high levels of personal hygiene and sanitation
- Should wear suitable protective or working garments appropriate for the activities they perform

**Premises and Facilities: Storage Areas**

- Storage areas should be clean and dry and maintained within acceptable temperature limits.
  - Temperature and relative humidity should be provided, checked, monitored and recorded
  - Materials and pharmaceutical products should be stored off the floor and suitably spaced to permit cleaning and inspection.
  - Pallets should be kept in a good state of cleanliness and repair.

**Premises and Facilities**

- Storage areas should be clean, and free from accumulated waste and vermin. There must be:
  - Sanitation program
  - Pest-control program
  - Procedures for clean-up of spillage

- Storage areas should have adequate lighting

**Premises and Facilities: Storage Areas**

- Unauthorized persons are prevented from entering storage areas
- Storage areas should be of sufficient capacity to allow the orderly storage of the various categories of materials and products

**Premises and Facilities: Storage Areas**

- Receiving and dispatch bays should protect materials and products from the weather
- Where quarantine status is ensured by storage in separate areas, these areas must be clearly marked and their access restricted to authorized personnel
Premises and Facilities: Storage Areas

- Physical or other equivalent validated (e.g. electronic) segregation should be provided for the storage of rejected, expired, recalled or returned materials or products.

- Highly active and radioactive materials, narcotics and substances presenting special risks of abuse, fire or explosion, should be stored in a dedicated area that is subject to appropriate additional safety and security measures.

Premises and Facilities: Storage Areas

- Rejected materials and pharmaceutical products should be identified and controlled under a quarantine system designed to prevent their use until a final decision is taken on their fate.

- Broken or damaged items should be withdrawn from usable stock and separated.

Premises and Facilities: Storage Areas

- Pharmaceutical products should be:
  - handled and stored in such a manner as to prevent contamination, mix-ups and cross-contamination.
  - stored in conditions which assure that their quality is maintained
  - appropriately rotated (PEFO).

Documentation

- Written instructions and records should be available which document all activities in the storage areas including the handling of expired stock.

Premises and Facilities: Storage Areas

- Rejected materials and pharmaceutical products should be identified and controlled under a quarantine system designed to prevent their use until a final decision is taken on their fate.

- Broken or damaged items should be withdrawn from usable stock and separated.
Documentation

- Permanent information, written or electronic, should exist for each stored material or product indicating recommended storage conditions, any precautions to be observed and retest dates.

Labelling and Containers

- All materials and pharmaceutical products should be stored in containers which do not adversely affect the quality of the materials or products concerned, and which offer adequate protection from external influences.

Documentation

- Records should be kept for each delivery. They should include the description of the goods, quality, quantity, supplier, supplier’s batch number, the date of receipt, assigned batch number and the expiry date.

Labelling and Containers

- All containers should be clearly labelled with at least the ff:
  - name of the material
  - the batch number
  - the expiry date or retest date
  - the specified storage conditions

Documentation

- Comprehensive records should be maintained showing all receipts and issues of materials and pharmaceutical products according to a specified system, e.g. by batch number.

Labelling and Containers
Receipt of incoming materials and pharmaceutical products

- Ensure that rejected pharmaceutical products cannot be used. They should be stored separately from other materials and pharmaceutical products while awaiting destruction or return to the supplier.

Receipt of incoming materials and pharmaceutical products

- On receipt, each incoming delivery should be checked against the relevant purchase order and each container physically verified.

- Each container should be carefully inspected for possible contamination, tampering and damage.

Receipt of incoming materials and pharmaceutical products

- Samples should be taken only by appropriately trained and qualified personnel and in strict accordance with written sampling instructions.

- Following sampling, the goods should be subject to quarantine and should remain in quarantine until an authorized release or rejection is obtained.

Stock rotation and control

- Periodic stock reconciliation should be performed by comparing actual and recorded stocks.
  - Significant discrepancies should be investigated as a check against inadvertent mix-up and/or incorrect issue.
  - Damaged containers should not be issued unless the quality of the material has been shown to be unaffected.
Stock rotation and control

- Control of obsolete and outdated materials and pharmaceutical products
  - Precautions should be observed to prevent issue of outdated pharmaceutical products

Returned Goods

- Returned goods, including recalled items, should be placed in quarantine unless approved to be reissued following a satisfactory re-evaluation
  - Any reissued stock should be identified and recorded; Pharmaceuticals returned from patients should not be taken back as stock

Dispatch and Transport

- Pharmaceutical products should be transported in such a way that their integrity is not impaired and storage conditions are maintained
  - Monitor conditions such as temperature during transportation is recommended. Monitoring records should be available for review.

- Dispatch and transport of materials and pharmaceutical products must be documented
- Records for dispatch should be retained, stating at least:
  - the date of dispatch
  - the customer's name and address
  - the product description, e.g. name, dosage form and strength (if appropriate), batch number and quantity
  - the transport and storage conditions.
Procedures and Contingencies

- Receiving
- Put away and storage
- Pick and Pack
- Dispatch

Put away and storage

Receiving

Pick and Pack

Receiving

Pick and Pack
Conclusion

Warehouse personnel have vital roles in achieving all of these goals!

Conclusion

- Everyone involved in the distribution of pharmaceutical products have a responsibility to ensure that the quality of pharmaceutical products.

- Adopting and implementing GSDP within LMD will significantly contribute to the achievement of DOH's goal of providing quality healthcare to all Filipinos.