



Market Structure

The market structure disincentivizes production of low-margin drugs, like generic medicines. Without an adequate return on investment, manufacturers have less ability to continue investing in the infrastructure to produce these medications.



Increased Demand

An unexpected increase in demand can spur shortages.

During periods of inflation, demand for low-cost generics can outpace supply.

BIG QUESTIONS

Why Do Drug Shortages Happen?

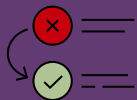
Many factors can contribute to drug shortages.

Regulatory Complexity

Manufacturers face complex regulatory challenges, including:



The introduction of new FDA-approved uses for a drug



Changes in guidelines



Workforce shortages



Public health emergencies



Weather



Natural disasters



Shortages of raw materials

Supply Chain Challenges

The complex nature of the drug supply chain can make it difficult to recover after a disruption.

Disruptions include:

