



AHRMM
Advancing Health Care through
Supply Chain Excellence



CQO:
The Health Care
Supply Chain

AHRMM State of the Union: Education and Data Strategies & Resiliency Solutions

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SESSION ABSTRACT

Learn about AHRMM's education and data strategies as well as innovative solutions for the health care field addressing today's dynamic supply chain environment. Transitioning to an interactive dialogue session, we will focus on solutions that will move the health care supply chain towards resiliency by identifying the top 3 things supply chain stakeholders can do over the next 12 months and the tactical elements that need to be addressed.

LEARNING OBJECTIVES

- Describe AHRMM's education and data strategies and solutions focused programs.
- Identify the key factors leading to supply and raw material shortages and disruptions.
- Discuss key strategic themes as we reimagine the health care supply chain.

SESSION OVERVIEW

- Keys and Data Strategy
- Pathways Education Program
- Medical Equipment and the Shared Economy Model
- UDI Forum
- Supply Chain Resource Council
- Interactive Dialogue (Solutions not Sound Bites)

AHRMM KEYS FOCUS ON VALUE

- ▲ In most organizations, the C-Suite's view of supply chain is limited to per unit invoice cost and total gross dollar "savings".
- ▲ **Most supply chain organizations are effective at measuring value downstream** to their customers/stakeholders.
- ▲ **AHRMM Keys are focused on changing the value conversation upstream** to the senior executive/C-Suite stakeholders of supply chain.
- ▲ Using the AHRMM Keys can help organizations begin to create a balanced scorecard view of the health of the organization's supply chain and its role in supporting organizational strategic goals.

AHRMM KEYS CATEGORIES

AHRMM has developed and launched 29 KPIs

KPI's reside within six categories:

- **Finance**
- **Operations**
- **Patient Safety**
- **Resiliency**
- **Data Standards**
- **Environmental Sustainability**



KEYS TEMPLATES

Each Key is broken down into the follow sub-sections:

- Purpose
- Value
- Equation
- Example
- Input Description and Sources
- Points of Clarification



AHRMM KEYS PILOT PROGRAM

Feedback has strengthened, tested, & refined the process!

The pilot program is active and able to include hospitals systems (including parent-child relationship options)

Expanded to include ALL 29 Keys.



PILOT PROGRAM



Dashboard

Mike Schiller (AHRMM HQ) Sign out



View reports



Settings



Supply Expense as % of Net Patient Revenue



Spend Under Management (SUM)



Inventory Turns



Supply Chain FTEs Per \$1M in Total Non-Labor Supply Expense



Expired Products as % of Total # of On-Hand Products in Inventory



Percentage of Items Stored in the Item Master with Identified Substitutes



Primary Distributor Fill Percentage Rate



Percentage of Items Stored in the Item Master Populated with a GTIN



Percentage of Office Supply Expense Comprised of EPP Products

Powered by

KPI Works

PILOT PROGRAM: BENCHMARK ANALYSIS



Supply Expense as % of Net Patient Revenue



Mike Schiller (AHRMM HQ) [Sign out](#)

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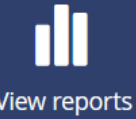
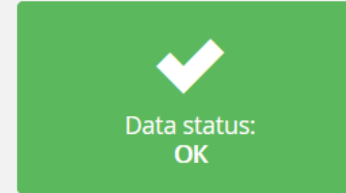
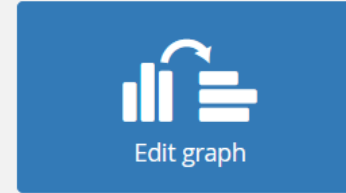
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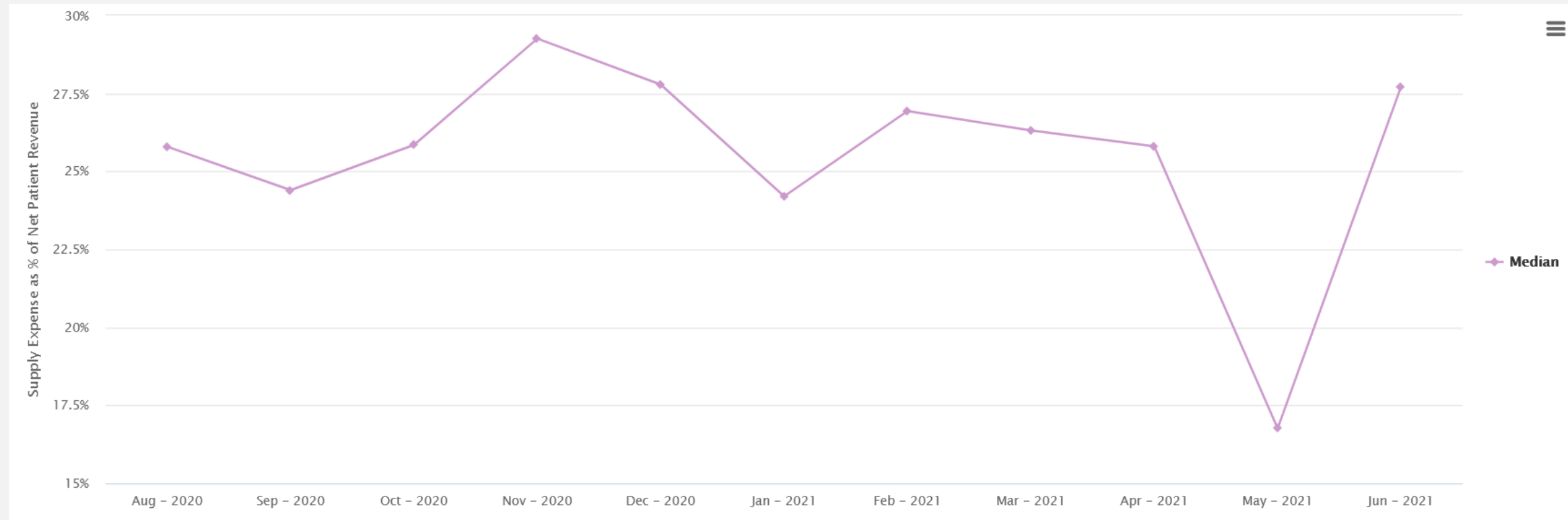
Annual Supply Expense:



View reports



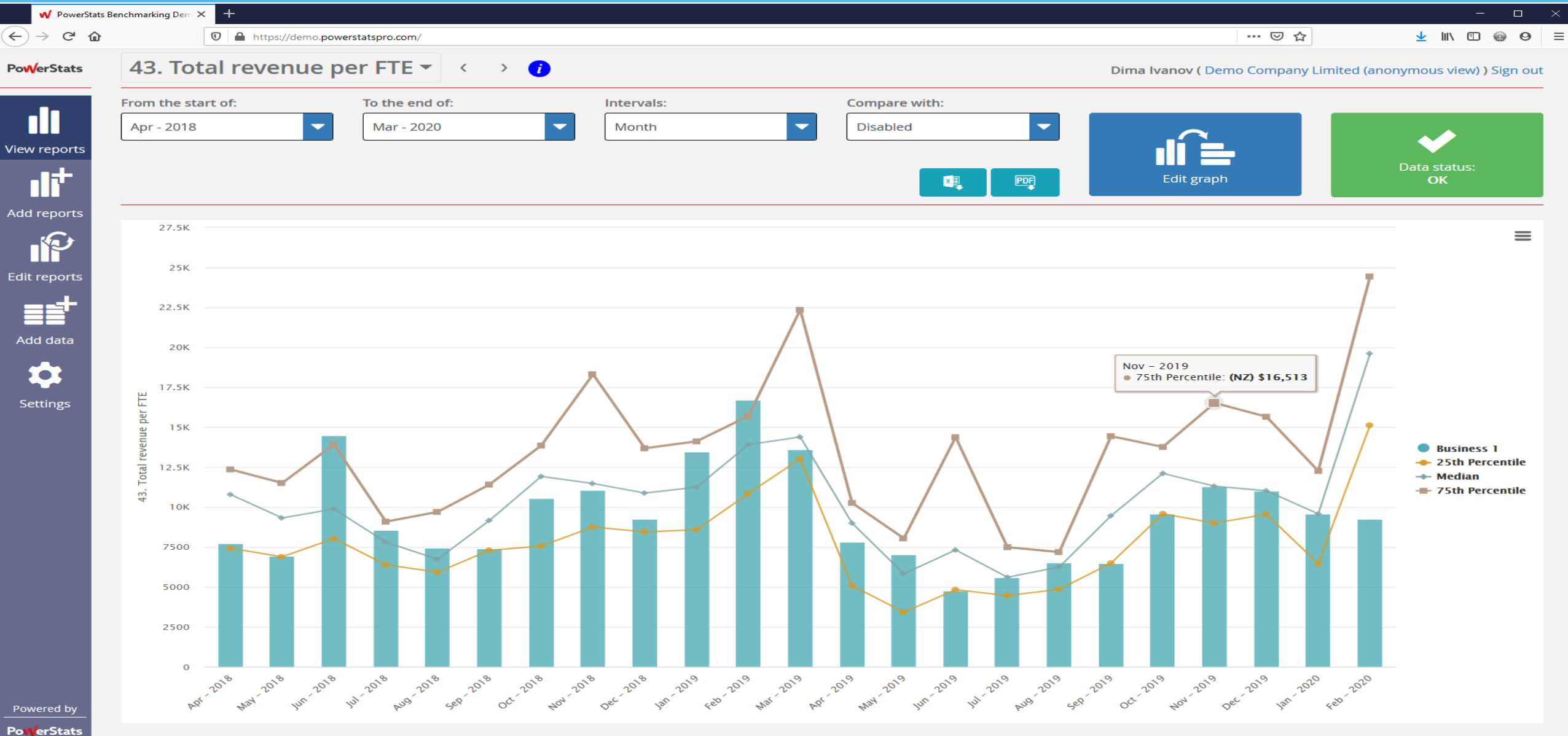
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PILOT PROGRAM: COMPARATIVE ANALYSIS



PATHWAYS EDUCATION PROGRAM



Coming Soon!

AHRMM Education Pathway

Continue on your **CAREER PATH** or create a new one through the **AHRMM Education Pathway**.

AHRMM's Education Pathway is a new education structure that is intended to help health care supply chain professionals continue their education and earn recognition in the process.

Professionals can set upon or continue a path of learning by choosing the subject and education level that suit them best based on their amount of experience, education and career path.

This Education Pathway will provide badges for completed courses, certificates upon badge completion, and a master's certificate when completing an entire curriculum composed of Foundations, Intermediate and Advanced level certificates. Participants will be able to share their certification badges with their professional networks on LinkedIn and other social media to showcase their expertise and achievements.

The first curriculum to be released will be **Foundations of Inventory Management** and **Foundations of Procurement**.

Look for the new AHRMM Education Pathway in the coming months!

ahrmm.org/Education-Pathway



MEDICAL EQUIPMENT AND THE SHARED ECONOMY

DYNAMIC VENTILATOR RESERVE



- A public-private effort launched in April 2020 to help distribute existing ventilators from low-use to high-need areas of the U.S.
- A collaborative voluntary effort that established an online inventory of ventilators and associated supplies
- Managed through a third-party virtual inventory platform

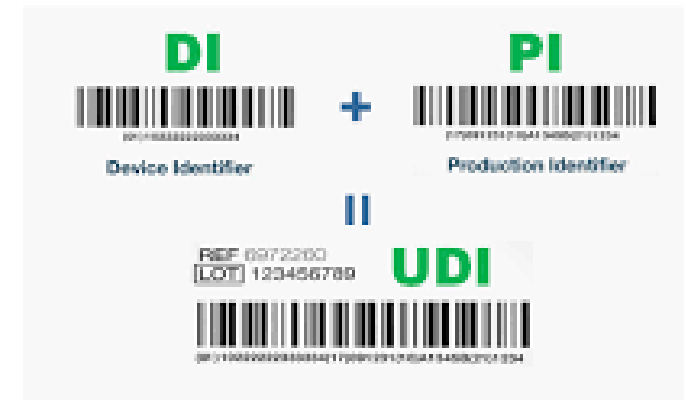
MEDICAL EQUIPMENT AND THE SHARED ECONOMY

- AHRMM is exploring an expansion of this program to include multiple medical devices and equipment
 - Survey data indicated strong interest in a shared economy model for medical equipment
 - A Round Table Session will be held at AHRMM22 to discuss and refine program details
- Suggested equipment included:
 - Hospital beds, stretchers, mobile radiography, enteral feeding pumps, dialysis equipment, infusion/feeding pumps, physio monitors, etc.



UDI FORUM: POWERED BY THE AHRMM LUC

- 6 hours of content over 3 days
- Dates: Tuesday November 1st through Thursday November 3rd
 - Current state with a presentation by the FDA
 - Clinical care, patient outcomes and RWE
 - How UDI solves supply, efficiency and analytics challenges across supply chain stakeholders
 - Health IT discussion and identification of necessary functionality enhancements
 - UDI's role in modernizing the recall process
 - Preparing for the future

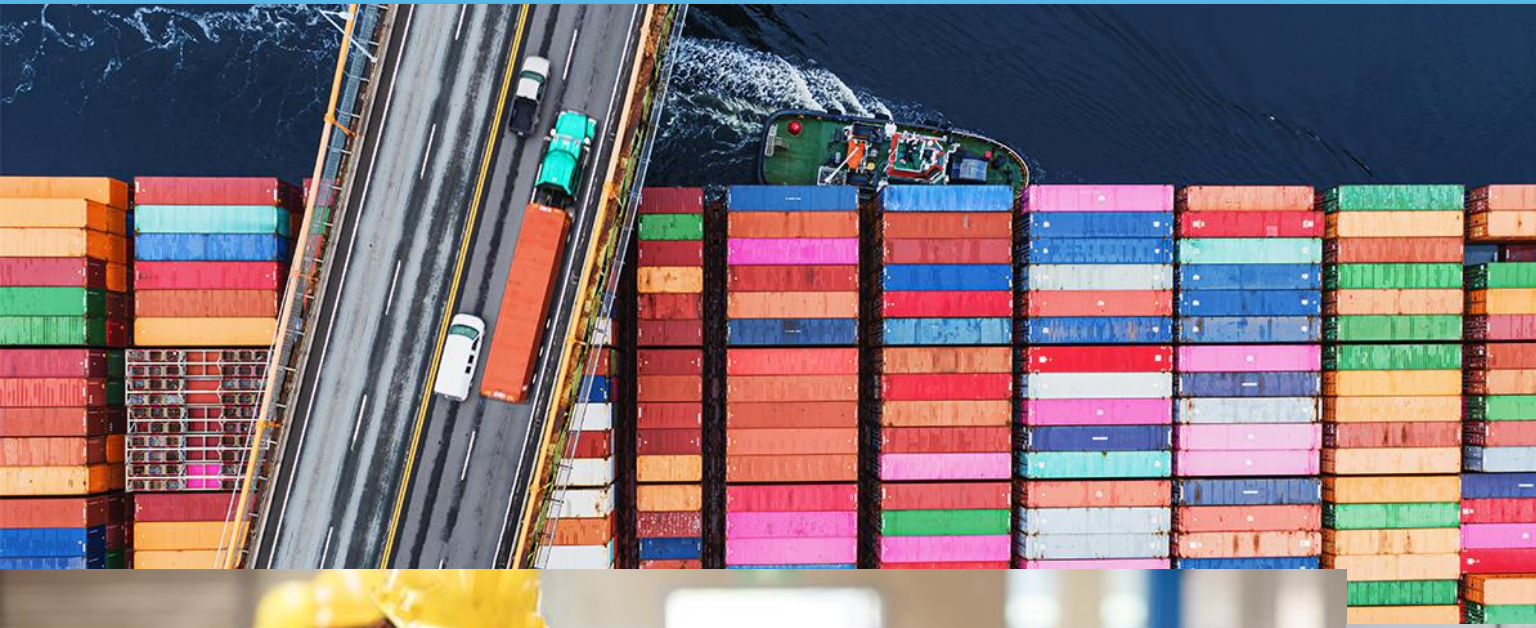


SUPPLY CHAIN RESOURCE COUNCIL

AHRMM's Supply Chain Resource Council (SCRC) brings together **supply chain leaders and professionals** from across the health care field with the goal of **understanding the extent and impact supply shortages, disruptions wage and labor constraints** are having within the hospital setting - the front lines of patient care - as well as **capturing and documenting solutions** to these challenges. Information collected during the call is drafted into a report and shared with **AHA, AHRMM** and other Professional Membership Group (**PMG**) leaders, the **White House Response Team, various Federal Agencies** and the broader health care field.



INTERACTIVE DIALOGUE: (SOLUTIONS NOT SOUND BITES)



A BRIEF RECAP: PPE PRICING TRENDS

- Hospitals continue to pay **two to three times** pre-pandemic pricing. They wanted to emphasize that the bigger issue now is everything outside of PPE, with **continued backorders on products** (many of which bear a much higher price and utilization, therefore overall impact) across all service lines. Members are paying up to **500% upcharge** and up more to obtain product from gray market or other sources.
- Inflation on your N95 masks from our standard suppliers/distributors saw inflation of about **93%** from March 2020 to today.
- Inflation on N95 masks from our non-standard suppliers as compared to the starting point on distributed product was about **1066%**
- Isolation masks are currently **75%** more than pre-COVID
- Particulate Respirator and Surgical Mask – Pandemic (2020-2021) – Up to **700% increase** in extreme circumstances sourced from alternate vendors (many of those were vendors we had never worked with before).
- Surgical Masks - Varied manufacturers - Pandemic (2020-2021) - **1,000% increase** in extreme circumstances sourced from alternate sources.

A BRIEF RECAP: FUEL SURCHARGES

90-Day Fuel Surcharge History				
Effective Start Date	Ground Surcharge	Domestic Air Surcharge	International Air Export Surcharge	International Air Import Surcharge
05/02/2022	16.75%	22.25%	23.75%	27.50%
04/25/2022	16.75%	20.75%	22.25%	26.00%
04/18/2022	16.75%	20.75%	22.00%	25.75%
04/11/2022	16.75%	21.75%	23.50%	27.25%
04/04/2022	15.25%	20.00%	23.25%	27.00%
03/28/2022	15.00%	16.50%	19.00%	22.75%
03/21/2022	15.25%	18.50%	21.50%	25.25%
03/14/2022	13.00%	17.25%	20.50%	24.25%
03/07/2022	12.75%	14.50%	15.75%	19.50%

FORWARD LOOKING: RESILIENCY ACTIVITIES

- ASPR Healthcare and Public Health (HPH) Sector Supply Chain Resiliency Work Group (SCRWG)
 - Essential Medical Devices
 - PPE Standardization
- FDA Supply Chain Resiliency Program (SCRCP) Workshop June 7th – 9th
 - Define and Measure Resiliency
 - Building and Sustaining Resiliency
 - Collaboration and Engagement
- ASPR TRACIE and Healthcare Ready are developing the Disaster Available Supplies in Hospitals (DASH) tool
 - An online, interactive tool to estimate supplies that may need to be immediately available during various emergencies based on a hospital's characteristics
 - Several modules including pharmaceuticals, personal protective equipment (PPE), burn, and trauma supplies will be available

The health care supply chain IS NOT broken, rather it is performing perfectly as designed...

INTERACTIVE DIALOGUE: (SOLUTIONS NOT SOUND BITES)

- So, how/are we operating differently today?
 - Supplies/pharma/raw materials
 - Shortages and disruptions
 - Inflationary pressures
 - Labor/wage compression
 - Staff fatigue and wellness

- What are the top 3 things we can do now?

- What tactical elements need to be addressed?



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Thank you

If you have any questions, I can be reached at:

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