CQO:
The Health Care
Supply Chain

AHRMM20+

Cost, Quality and Outcomes Summit

CQO: Building a More Resilient Health Care Supply Chain

SEPTEMBER 24–OCTOBER 2, 2020

The Association for Health Care Resource & Materials Management (AHRMM), a Professional Membership Group of the American Hospital Association (AHA), is the leading professional organization for the health care supply chain field. AHRMM advocates on behalf of the health care supply chain professional and supports its membership through the development of relevant educational content and is committed to preparing the supply chain professional to adapt to, and strategically guide their organizations as they navigate today's rapidly changing health care environment.

AHRMM

Mission

AHRMM strives to advance health care through supply chain excellence by providing education, leadership and advocacy to professionals in hospitals, health systems and related organizations that are accountable to the community and committed to health improvement.

Vision

Advancing health care through supply chain excellence.

Values

Vision • Integrity • Excellence • Risk Taking • Strategic Partnering

CQO: The Definitions

The CQO Movement focuses on the inter-relationships between:

Cost: All costs associated with caring for individuals and communities

Quality: Care aimed at achieving the best possible health

Outcomes: Financial results driven by exceptional patient outcomes

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The CQO Movement

AHRMM launched the Cost, Quality and Outcomes (CQO) Movement to advance the role of the health care supply chain in delivering higher quality care at a more affordable cost, and in a manner that delivers the highest value to patients. It was the changing landscape of the Affordable Care Act (ACA) and the way it impacted care, payment/reimbursements and reemphasized the patient at the center that allowed CQO to emerge. Supply chain was poised to act; to take advantage of the opportunity the ACA presented and elevate the profession.

Fundamental to CQO is the belief that supply chain is the best suited to operate at the intersection of cost, quality and outcomes because of its unique role in interacting and/or "touching" all other departments and partners within health care. The CQO Movement explores the inter-relationships between these three elements, as opposed to the more historic view in which these factors were considered separately, often by different functions within the hospital environment, e.g., clinical, financial, etc.

More information about CQO and a wide array of tools, best practices and educational resources are available at:

› ahrmm.org/CQO-movement

AHRMM CQO

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Executive Summary

The COVID-19 pandemic has changed virtually every aspect of health care this year, and the 2020 AHRMM CQO Summit was no exception. Rather than gathering attendees in a room in a single physical location, this year's Summit brought together stakeholders from throughout the health care supply chain – providers, suppliers, distributors, group purchasing organizations (GPO), technology partners, product and service providers and others – through a dynamic online experience: AHRMM20+.

From September 24 to October 2, 2020, participants engaged in a series of seven CQO workshops centered around the theme of health care supply chain resiliency. They discussed the challenges they have faced during the COVID-19 pandemic and lessons learned to date, shared best practices with one another, and collectively began to build a path forward to greater supply chain resiliency in health care – what that might look like, what it would take, and what stakeholders can do individually and in collaboration with one another to get there.

The CQO Summit workshop series kicked off with a keynote session on partnership strategies to ensure a resilient supply chain, with the subsequent sessions building on that theme. Because the workshops were facilitated across multiple dates and times, rather than the traditional format of a half-day, in-person event, more supply chain leaders had the opportunity to participate. Their ability to attend multiple sessions strengthened conversations as individuals carried ideas from one workshop into the next.

Key Themes from the 2020 CQO Summit

Summit attendees agreed that the COVID-19 pandemic has exposed weaknesses and the fragile nature of the health care supply chain. While the most visible and highly publicized impact has been the shortage of personal protective equipment (PPE), ventilators and other supplies critical to treating COVID-19 patients, the pandemic has also highlighted an array of other issues that point to the root causes of supply chain inefficiencies during the course of this pandemic.

The U.S. health care field has been struggling with many of these challenges for quite some time: lack of trust, transparency and bi-directional data sharing among trading partners; the need for robust analytics and demand planning to guide production and procurement; the balance of establishing emergency supply reserves versus unnecessary hoarding; physician preference versus supply standardization; and opportunities for savings beyond product price alone.

The following key themes emerged:

Data Is More Powerful When It Is Shared

The problem in health care is not that we don't have enough data, rather, stakeholders need to share that data across the health care field and use it more effectively. Bi-directional data sharing was the term that arose during the workshops, where suppliers provide visibility into their operations from raw materials to finished products, and providers share inventory levels, consumption and demand forecasting data. With greater transparency into each other's supply chain operations, providers and suppliers

can better manage the flow of supplies from the manufacturer to the point of consumption.

Balancing Trust with Restraint

Before health care stakeholders can become more transparent about their operations, they must first build trust with one another. One concern raised in relation to the COVID-19 pandemic was the human tendency to hoard limited resources. This behavior can result in unanticipated shortages in the marketplace, the inability for other providers to procure needed supplies and potential waste as these supplies go unused or expire on shelves. If suppliers share available inventory levels, will health care organizations model restraint in ordering patterns and avoid the temptation to order more supplies than needed?

Establishing Emergency Preparedness Reserves

Workshop participants acknowledged that the COVID-19 pandemic exposed operational and emergency supply vulnerabilities across health systems, hospitals, suppliers and distributors. They discussed the need for all supply chain stakeholders to come together to collectively determine how to build an emergency reserve of supplies in the U.S., which products should be included and in what quantities, where they should be stored, and how they should be managed and distributed to ensure adequate supply while avoiding waste.

The Expansion of Supply Chain Roles

During the pandemic, health systems and hospitals have called on their supply chain leaders to expand their roles into new areas and responsibilities, such as procuring equipment and services to support mobile clinics and other emergency care areas. There is also the need to further extend patient care into the non-acute care setting, whether it is transitioning patients with other serious conditions from the intensive care unit (ICU) to long-term care (LTC) facilities to open up space to care for critically ill COVID-19 patients, or moving COVID-19 patients from the ICU to outpatient settings, including the home. Supply chain leaders who have traditionally focused on supply management within the four walls of the hospital are now being asked to extend the reach of their expertise. This also includes the negotiation and management of service contracts and other non-labor expense areas that impact overall cost, quality and outcomes.

Physician Engagement and Clinical Data Integration

The supply chain challenges faced during the pandemic have driven greater collaboration between clinical and supply chain teams, as they have worked together to identify new supply sources, determine the efficacy and safety of alternative products and forge new pathways for delivering patient care outside of the hospital. While the health care field has been stressing the need for a more clinically integrated supply chain, where sourcing decisions take into account clinical and financial outcomes, this approach has grown organically in the wake of COVID-19. Coming out of the workshops, participants will be working to develop key performance indicators (KPI) around physician engagement and clinical data integration to help health care organizations measure their success in these areas moving forward.

The Benefits of Bringing Manufacturing Closer to Home

The geographic concentration of overseas raw materials production and medical supply manufacturing has grown over the years, with the COVID-19 pandemic underscoring the problems associated with this approach. China was hit with the initial virus outbreak, closing its factories which resulted in dramatically reduced manufacturing and export levels of PPE while at the same time demand for those same supplies increased on a global level. This has prompted U.S. regulators, health care suppliers and providers, advocacy groups and others to take a hard look at how we can prevent this

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problem in the future by increasing onshore or near-shore manufacturing. Workshop attendees explored the advantages of this approach beyond supply availability. They acknowledged how it could improve social determinants of health by providing opportunities for local and community-based businesses owned by women, minorities and veterans, generating jobs in underserved communities and delivering associated social benefits (e.g. food, education, housing, health insurance).

Savings Beyond Product Costs

Faced with shrinking supply budgets, health care organizations have engaged in many practices over the years to procure products at a lower price and reduce process inefficiencies and costs, such as sole source contracts, product standardization and just in time/lean inventory management methodologies. In response to the pandemic, health care supply chain stakeholders have questioned some of these practices as they limit supply availability. Furthermore, efforts to increase manufacturing capabilities in the U.S. or near-shore, while improving supply access, will no doubt raise prices. Workshop attendees discussed potential ways to reduce expenses elsewhere in the supply chain to alleviate financial pressures, including the management of non-labor expenses such as purchased service agreements, increasing transactional efficiency through greater process automation, and reducing freight, transportation and logistics costs.

No Going Back to "Business as Usual"

At the close of the Summit, everyone agreed that supply chain resiliency is vital to the health care field, and while the discussions and sharing of ideas during the Summit was a great place to start, it cannot end there. AHRMM is now transitioning some of the CQO workshops into the AHRMM Health Care Learning Community (HCLC) work groups where participants will collaborate on developing recommended practices that can be shared throughout the AHRMM community and broader health care field.

"The 2020 CQO Summit brought together leaders and innovators from all areas of the health care supply chain who shared their insights and generated ideas on how to collaboratively address challenges and strengthen operations," said AHRMM Senior Director of Supply Chain, Mike Schiller. "They agreed that we cannot go back to 'business as usual' once the dust settles from the pandemic, but rather continue these conversions to ensure we keep moving forward as we collectively look to advance the health care supply chain."

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CQO Summit Keynote

Partnership Strategies to Ensure a Resilient Supply Chain

The COVID-19 crisis has exposed the fragile nature of the health care supply chain. Lack of transparency, demand signals, utilization and robust data analytics are a few of the variables that have hampered our ability to respond to demand for supplies and equipment. What lessons can we learn from this current pandemic moving forward, and ensure they are hardwired to build a more resilient supply chain? In this session, presenters and attendees shared their vision to improve planning to minimize disruptions and enhance bi-directional data sharing between health care organizations and suppliers.

Post COVID-19 Mega Trends

- The acceleration of digital engagement through connecting hardware and software solutions to increase efficiencies, advance capabilities and improve outcomes.
- Shifting patient flows as care is increasingly provided outside of a hospital's four walls.
- Pressure on the health care equation in a value-based environment with a greater need for efficiency in patient care delivery.

The discussion was then opened up to the attendees, asking about the changes they have seen in provider and supplier interactions as a result of the pandemic, and their suggested best practices for supply chain resiliency moving forward.

Presenters

Brandt Paulik
Senior Director, Medical Device Supply Chain Insights, Strategy and Innovation, Johnson & Johnson

Erika Wakefield
Senior Director, Supply Chain Customer Insights, Johnson & Johnson

Broader Collaboration

It was suggested that providers in the same geographic region collaborate to collectively form emergency reserves of products rather than each individual organization having its own "stockpile" of supplies. Through this approach, participating providers could shift items in the emergency reserve to places where they are needed, maximizing resources while minimizing costs and the risk for expired products and waste.

"The health care supply chain is too transactional and reactive. We need better planning. We were caught with this pandemic, much of it unprecedented, but it is still our duty to do better."

CQO Summit attendee

"We collaborate with emergency managers for our health care organization and emergency response personnel for the state where we attend each other's meetings and present ideas on disaster preparedness," said a provider attendee. "One of the concepts we kicked around was to create a private/public partnership in an attempt to get funding for a supply stockpile with mechanisms in place for monitoring supply levels and replenishing them to keep it fresh. That could help us stay sharper with the stockpiles in aggregate instead of all of us going off and building our own stockpiles, which will end up with us wasting product that health care can ill afford to waste."

Transparency and Data Sharing

It was widely agreed that stakeholders need greater visibility into provider, manufacturer and distributor supply chains, up to where raw materials for products are sourced. Attendees also acknowledged how the manufacturing of raw materials and products should be re-established in the U.S. and surrounding regions (e.g. South America, the Caribbean) to minimize the types of disruptions U.S. health care organizations experienced when COVID-19 shut down manufacturing in China.

"We started down the transparency road almost a year ahead of the pandemic and have been building it into our sourcing process, attempting to gather information from manufacturers about raw materials, their distribution network, redundancy and business continuity plans," said a provider attendee. "Unfortunately, the response we are getting is that information is proprietary. I believe as more of my peers start asking these questions, we will start getting answers."

> *"We can't try to do all of the transparency at once but maybe we can find common ground areas as beachheads for partnerships. We have to start somewhere."*
>
> CQO Summit attendee

A supplier attendee stated, "I know what I would want for information from behind the walls of a health care institution, but I am naïve to what would be valuable to a provider from our side. We can't try to do all of the transparency at once but maybe we can find common ground areas as beachheads for partnerships. We have to start somewhere."

"We can no longer have an inside-out supply chain where we make this stuff, throw it over the fence and say 'good luck,'" said Paulik. "We need a more outside-in approach that is connected and transparent, leverages automation and personalization and drives the efficiencies that come with collaboration."

Data Analytics

This is an unprecedented time for what can be achieved through data sharing and analysis in health care, noted another attendee, pointing to the ability to apply algorithms and artificial intelligence (AI) against data. He suggested the development of a health care risk model that would enforce minimum thresholds for resiliency against future pandemics.

> *"COVID-19 has shown not just the supply chain world but the entire world exactly how critical resiliency will be and now is the time for everyone to have their voices heard."*
>
> Erika Wakefield, Johnson & Johnson

"It would take collaboration across the health care field, which I understand is hard to do, but this may be the window of time to achieve it. We are in a much more powerful place than we were five years ago when it comes to what we can achieve with data."

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CQO Workshop

Developing a CQO "Top 10 List

AHRMM has defined the Cost, Quality, and Outcomes (CQO) Movement, and the health care field has widely adopted it. Beyond the definitions and case studies, it's time to define "what" CQO looks like in the acute and non-acute care settings. In this session, participants compiled an initial comprehensive list of how they define CQO, from which an AHRMM work group will subsequently develop a CQO Top 10 List and publish it as an easy-to-reference infographic.

The facilitators teed up the discussion by describing how AHRMM launched CQO as a new way of approaching supply chain; one that looks not just at cost but also how a product impacts clinical and financial outcomes. They noted how the principles of CQO include: looking at stakeholder education, the impact that supply chain has on patient care, the criticality of supply chain in the management strategy of patient care, and how supply chain is uniquely positioned at the intersection of CQO to lead the movement as health care continues to evolve over time. They emphasized how CQO is not a supply chain-only solution, but rather a health care solution designed to more broadly address patient outcomes and the quality of care we deliver inside our facilities.

When asked to identify or define what CQO means to them, there were a broad range of answers in the chat. Some of the responses include:

- It is the sweet spot where cost and quality are in balance and that balance leads to a positive outcome for all involved (patient, provider, organization).
- CQO is the supply chain solving health care problems.
- Use of evidence to drive supply chain decisions to most effectively match the use of resources to meet the needs of patients, communities and clinicians.
- CQO is the opportunity for supply chain to work with clinicians to impact cost, quality and outcomes, enabling us all to provide better care to our patients in whatever setting they are in.
- To provide the best position for all in the health care equation, to have a positive impact across all levels of care delivery.
- Patient-centric: all components that comprise patient care delivery to produce the outcomes needed, in a cost-sustainable way to the individual organization and health care as a whole.
- CQO is the value associated with the delivery of a product or service relative to the quality or the product/service in relation to the cost.

Workshop Facilitators

Mary Marvar
North American Sales Director, Procter & Gamble

Josh Roth
Market Logistics Leader, Procter & Gamble

Bob Taylor
CMRP, SVP, Supply Chain, RWJBarnabas Health

"There is a focus on cost but for us it is about the product and outcomes. Sometimes you may spend a little bit more the first time, but you only have to buy it once and it gives you the outcome you are looking for. The cost is less in the long run."

Josh Roth, Procter & Gamble

CQO Workshop

Mitigating Risk in the Health Care Supply Chain

In the past, a limited number of health care leaders may have listed their supply chains as a potential risk factor. The current COVID-19 environment has changed that thinking with supply chain making the list of identified risks. Mitigating this risk is a prime opportunity for supply chain and risk management professionals to collaborate more intentionally than ever before. In this session, attendees collaborated to develop an enterprise risk management (ERM) template for organizations to use as a starting point.

Workshop Facilitators

John Blackketter
BusinessCare Integration Manager, Cook Medical

Joni Callis
Marketing Manager, Cook Medical

Mike Hughes
VP of Supply Chain Solutions, Cook Medical

What's Top of Mind for the Hospital C-Suite

To set the stage for the discussion, Blackketter and Hughes presented findings from a Sage Growth Partners (SGP) survey of U.S. hospital executives that explored the impact of COVID-19 on their organizations – their concerns, the impact on their operations and their changing priorities. Included in the survey findings were:

- **Staff getting sick and supply chain risk dominate executive mindshare:** Hospital executives are worried about the health of their hospital employees during the pandemic. They are also concerned about the health of the supply chain, including the lack of transparency and visibility that suppliers have in their own supply chains.
- **What hospitals need in their supply chains:** When asked what their hospitals need moving forward, the top needs expressed by hospital leaders were personal protective equipment (PPE), COVID-19 test kits, financial assistance and respirators.
- **Use of technology solutions on the rise:** In light of the pandemic, executives are placing increased importance on previously overlooked technologies, such as virtual care, supply chain analytics, hospital communication, and clinical surveillance and infection prevention solutions.
- **Patient safety is the number one concern:** When evaluating those matters that are top of mind for the C-Suite, patient safety is by far their greatest concern, followed by human capital/workforce management and supply chain.

Data Standards as a Solution

Blackketter and Hughes noted how standards implementation can provide tremendous value in mitigating risk in terms of inventory management, seamless transactions, safety and security – getting the right product, to the right patient, at the right time for improved patient safety. They went on to describe the components of GS1 data standards: Global Location Numbers (GLN) to identify locations, Global Trade Item Numbers (GTIN) for item identification and the Global Data Synchronization Network (GDSN) for sharing of standardized data between providers and suppliers.

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“The GS1 standards really are built for trading partners – we have a piece, you have a piece, and this interconnectivity along with some other tools in the box (Electronic Data Interchange or EDI) help us build that transparency and eliminate errors,” said Hughes.

Enterprise Risk Management (ERM) Matrix

For the remainder of the workshop, attendees offered their ideas on the risk factors that providers and suppliers must take into consideration when improving supply chain resiliency. The categories of risk included: financial, human capital, patient safety, technology, operations and hazards, legal and regulatory, and strategic and reputational. Below are insights from attendees in some of these risk areas.

“It goes back to the transparency that can be achieved between providers and suppliers. It takes both teams working together to ensure we are capturing all of the benefits that data standards can provide. The whole point is to ensure we have great oversight into the supply chain but first and foremost it is to protect patient safety.”

John Blackketter, Cook Medical

ERM Framework

Developed by CQO Workshop Participants on 9.29.2020

Financial	Human Capital	Pt. Safety	Technology	Operations & Hazards	Legal & Regulatory	Strategic & Reputational
Bidding wars for scarce items	Labor action	Sub-optimal substitute (no QC, adverse outcomes)	Unique ID not universally adopted	Unpredictable sources, lack of standardization, no redundancy	New requirements and/or regulations	Lack of a global approach to supply chain resiliency
Cash flow situation of the hospital	Lack talent investment to manage change and leadership	Quality of products and their availability/sustainability	Inventory visibility to suppliers/distributors	Safety stock and pandemic supply plan to ensure stable operations	EUAs from the FDA	Balancing variation reduction with supply chain risk mitigation
Payment terms with vendors (esp. smaller vendors)	Integrating education	Documenting Value Analysis and Education inclusion for selecting new products & equipment	Data streams and interoperability	Integration and adoption of emerging supply chain technologies used in other industries, such as robots for picking, etc.	Products allowed into the country due to EUA have now been recalled	Supply chain maturity development, both operational and talent
Financial, cost of money, available money	Staff health and availability (health, ability to get to work, shared economy)	Policy and direction on use of PPE as well as utilization guideline recommendations	EHR interoperability with ERP/MMIS systems	Proceduralization – operations/strategic	Data integrity/UDI implementation, etc.	C-Suite buy in on focus/investment in supply chain
End to end supply chain – assurance to support organizations	Quality of products and their availability/sustainability	Potential for end to end supply chain - (EUA, counterfeit, recall) *Note:* https://www.cdc.gov/niosh/npptl/usernotices/counterfeitResp.html	Lack of predictive analytics to project supply chain needs in crises	Several operations teams did some of their own supply ops. Need to address the shadow supply chains	State entities - subject to state procurement and contracting laws	Tie-in/connection to OUTCOMES .... But also how are outcomes being used to standardize care pathways
	Covid fatigue...reduced compliance with PPE protocols, slippage of supply chain standards (especially those affected by COVID, reduced compliance in staying up to date in protocol/process changes)		There is a risk to non-acute, critical access and other non-hospital organizations having different levels of technology support or understanding that can adapt the same advantages as other organizations			Trust should be quantified by agreed upon mutual measures between suppliers and providers
			PPE dashboards			

Financial

In the financial category, attendees pointed to the need for the health care community to engage with small and medium size U.S. businesses for the domestic production of medical supplies to reduce the risk of supply disruptions.

"We need to think about risk in the supply chain end-to-end as we think about the desire of organizations to produce more product domestically," said one attendee.

> *"In order for small- and medium-sized domestic businesses to engage in manufacturing, they will need long term commitments from providers and suppliers. They will need to know that once things settle back down production won't move back offshore completely."*
>
> CQO Summit attendee

How do we provide that assurance from the purchasing community to help support these organizations?"

Technology

With regards to technology, attendees expressed the need for greater inventory visibility among provider, suppliers and distributors as well as improved system interoperability and data sharing. Comments from one attendee: "We need disparate systems to talk to one another to share data more broadly across health care. There needs to be bi-directional data sharing and trust if we are going to gain the visibility and transparency we need in the health care supply chain."

Legal and Regulatory

Under the legal and regulatory category of risk, attendees spoke about the risk of providers accessing alternative supply channels through the U.S. Food and Drug Administration's (FDA) Emergency Use Authorization (EUA) process. One attendee stated: "We have seen a lot of product coming into the U.S. through EUA but at some point, the FDA will begin to rescind EUAs and non-traditional manufacturers that have not pursued 510(k) clearance for their products will no longer be able to sell them in the U.S."

Human Capital

Attendees noted how the pandemic has demonstrated the dedication of health care staff members to help not only patients but one another during the crisis – and the importance of health care leaders maintaining trust among their employees.

"The new term – 'shared economy' – can extend not only to supplies but also to staff," said AHRMM Senior Director of Supply Chain, Mike Schiller. "We saw this in peak COVID-19 months with innovative staffing models – staff moving to hard hit areas in order to help other clinicians. From a strategic perspective, we should look at the shared economy as a technology platform, an area for advancement coming out of the pandemic."

> *"In the U.S., health care staff and patients rely on us (supply chain) for safety and for the quality of products we bring to the table. Nothing would undermine supply chain more than losing that element of trust."*
>
> CQO Summit attendee

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CQO Workshop

Operational and Surge Inventory Strategies

In this session, CQO Summit attendees discussed how and which data to use to help guide strategic decision making across the health care supply chain continuum. They explored the role that the shared economy and virtual inventory platforms play as organizations augment current just in time (JIT) methodologies and enhance their on-hand operational and surge inventory levels.

Inventory and Logistics Management Challenges

At the opening of the workshop, Scher described how the COVID-19 pandemic has escalated the many challenges health care supply chain has been facing with regards to logistics and inventory management. He explained that while in a typical year there are a "handful" of backorders and product allocations, in April 2020, there were 11,000 products on allocation, describing this as "basically everything used in health care."

"Our organizations need to be better prepared for this in the future, not only from a global supply chain perspective but from a tactical and operational perspective," said Scher. "We really learned that inventory and logistics management must be elevated. One way to do that is to really plan and prepare."

> *"We have been touting the idea of transformational supply chain management. If our organizations didn't understand the importance of supply chain before COVID-19, they do now."*
>
> Kenneth Scher, Nexera

Workshop Facilitator

Kenneth Scher, MBA, MS, CMRP
Vice President, End to End Supply Chain, Nexera

According to Scher, operational priorities around inventory and logistics management include zero stockouts and managing variability, but also communication among supply chain, customer service lines, administrators and support staff; and capitalizing on relationships and partnerships with suppliers, distributors, GPOs and technology vendors.

When considering how CQO relates to the logistical and operational aspects of supply chain, Scher describes it as "how clinical staff perceives supply chain by what we have in our storerooms, how products are presented and getting product to them on time."

He stressed the need to leverage technology when overcoming historic supply chain challenges and those raised by the pandemic, saying this is the perfect time to begin efforts that have been in discussion within supply chain for a long time, including demand planning and predictive forecasting.

"This is the new role of supply chain, including the design and implementation aspects of surge and stockpiling planning, strategy aspects, operational aspects and general emergency preparedness," said Scher.

Best Practices in Emergency Supply Reserves

Scher asked attendees for their insights on best practices in emergency supply reserve planning and management as well as general emergency preparedness in the health care supply chain. Collaborative planning was a major theme that emerged. As one attendee pointed out, while collaborative planning occurs among competitors in the consumer products space, it is rare among competing health care provider organizations. He felt health care could benefit from more collaboration with regards to emergency supply reserves, including the best methods for stockpiling and the products that should be included.

Others pointed to successful collaboration efforts between state governments and provider organizations. One attendee described how multiple health care organizations (e.g. hospitals, long-term care) came together through his state's department of health to discuss stockpile planning and response scenarios based on regional needs. When COVID-19 hit their region, they had an emergency reserve of mechanical ventilators and N95 respirators that were deployed to meet clinical needs.

> *"You have to be collaborative with your neighbors, regardless of who they work for."*
>
> CQO Summit attendee

"They weren't waiting on federal or state resources, rather the regional coalition had its own plan that they put into place when COVID-19 hit," he said. "They came together and worked through the issues ahead of time so when it got wild, they had resources. You have to be collaborative with your neighbors, regardless of who they work for."

Attendees acknowledged the benefits that come from cloud-based data sharing and the need for health care supply chain to more broadly leverage data standards and cloud-based platforms to help better collaborate and prevent future supply shortages.

"With a cloud-based inventory platform, we saw hospitals in smaller markets with lots of inventory while others were out," said one attendee. "We need data standards so that hospitals can share inventory information with one another."

With regards to selecting the items to keep in an emergency reserve, one provider attendee, who works in a region with frequent hurricanes, described how her organization already had an emergency supply list on hand prior to the pandemic. They have updated this list based on supply demand during COVID-19, including items that were immediately put on allocation in February and March 2020, and "items that were flying off the shelf because of panic orders."

They key factor for her organization's planning has been data and analytics. They looked at run rates during the COVID-19 spike in their area in June 2020 and compared it to pre-pandemic run rates for the same items. In this way, they determined how much of each supply they will potentially need in their emergency reserve. Next they assigned 30, 60, 90, 120-day status and extrapolated to determine inventory volumes, and applied volume metrics for each to determine how much storage space was needed. They also had to determine the shelf life of each product to manage expiry dates and avoid waste.

> *"You have to take a look at your data. Once we jump into resiliency data to determine where our risks really are in the supply chain, common materials and what common manufacturers are using the same plants, we will get our arms around that data and that will help us fine-tune this list."*
>
> CQO Summit attendee

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CQO Workshop

Hide and Seek and Supply Chain Transparency

Inventory levels in the health care setting have traditionally been based on historical usage from purchase order (PO) history and intuition. In more advanced cases, point of use (POU) technology provides a more accurate accounting of what has been used. Is demand planning just a pipe dream for the health care supply chain? During this workshop, participants worked to identify the barriers that exist, and how they can be overcome in achieving true transparency and accurate visibility into utilization across the supply chain continuum.

Supply Shortages Are Not a New Challenge

At the start of the workshop, Martin shared the results of a 2018 survey of supply chain leaders asking what they believed were their current biggest challenges and what challenges they were likely to face three years ahead. Supply shortages rose to the top. She pointed out how lack of visibility into inventory has been a problem in health care for quite some time, adding that transparency can help smooth operations and reduce costs, which improves organizational profitability and the reduction of waste.

Supply Forecasting Effectiveness

Martin polled the workshop participants, asking for their opinion on how health care supply chain performs with regards to forecasting, with the majority responding that forecasting was "somewhat accurate." She asked them how inaccurate forecasting impacts their organizations.

"The demand planning that takes place in health care right now is taking the approach that history is the best predictor of the future," said one attendee.

Workshop Facilitator

Rachel Martin
Senior Director, Supply Chain Operations, Vizient

"If we look at supply chain cyclical supply usage data, we have decades of it, so I don't think it's the absence of data. The problem is that it's very difficult to model forward-thinking demand planning on historical data."

CQO Summit attendee

The Need for Bidirectional Data Sharing and Understanding

While workshop participants acknowledged that providers face challenges with forecasting and demand planning, the overarching issue that emerged was provider lack of understanding of their supplier and distributor processes and the need for increased communication and bidirectional data sharing among trading partners.

"How much advanced demand planning do you have to provide a major manufacturer that is producing products in another country, that come over on a ship, and have to be sterilized and staged – it's not like flipping a switch," commented one workshop participant. "We can't say if we just forecast better, it will immediately translate into any type of upstream change because upstream must accommodate shipping, production schedules, line changes, sterilization schedules, etc."

> *"What questions do we ask to understand their (manufacturers and distributors) upstream supply chains and where they have resiliency so we can help facilitate or accelerate change to minimize future disruption?"*
>
> CQO Summit attendee

"Where we really stumble is upstream measurement and questions from supply chain leaders to their supplier partners (manufacturers and distributors)," commented another attendee.

"I think the challenge isn't getting an inaccurate internal look but getting an external look into distribution – that has been the black box – the distribution to the supplier and understanding how many days supply of inventory on hand, what is in transit and not in transit – those have been walls that have been hard to break through," added another workshop participant.

The Path Forward

Martin stressed the need to increase visibility to inventory "at every node of the whole value chain," explaining how "this is new to health care because we are not used to sharing that level of detail about our operations." But she also acknowledged the challenges that can arise from this level of health care wide transparency.

"On the supplier side, their concern is that if they share that they have 600 units in stock, their customers will place POs for those 600," said Martin. "The ways we can step into this greater transparency is to share 'available to promise' or 'inventory status,' but at some point we have to get to where we are comfortable with sharing multi-level inventory."

Martin said the next step is forecast and order collaboration where there is a rolling, ongoing forecast so that providers can signal to suppliers increased need with enough time for them to respond. "Providers need to understand their suppliers' lead times so they can share their order forecast and help them smooth out their demand," said Martin.

When considering the challenges health care stakeholders will need to overcome to be able to share more and be more transparent for a more resilient supply chain, Martin pointed to activity-based costing as another critical component of future strategy.

"Right now, I do not get rewarded for more efficient behavior, nor do I get penalized for less efficient behavior," she said. "If we can figure out how to connect that through supply chain, from consumption to manufacturing, then those who are able to drive more efficient process for the end-to-end supply chain to be successful should be able to see the reward associated with that. Health care struggles with how to identify, quantify and measure those small incremental costs realized throughout the supply chain."

"I also want to put in a plug for talent," Martin added. "We as leaders need to make the case that the way we survive this thing is by having good solid talent that is nimble. In my case, I wouldn't have been able to do it without a strong, confident, hard-working team."

> *"To make a shift in health care, it will take supply chain professionals from across all trading partners and organizations to work together. I am grateful for organizations like AHRMM for creating opportunities to have discussions like this one today."*
>
> Rachel Martin, Vizient

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CQO Workshop

Savings Outside of Product Costs

During this workshop, participants explored opportunities to identify areas to drive savings and efficiencies beyond product pricing alone. With post-COVID-19 supply chain topics centered on diversifying vendor portfolios, moving to more multi-source contracts, domestic procurement strategies and increasing on-hand inventory levels, the reality is that the budget line item for supply costs will increase. Topics of discussion included transactional efficiencies, inventory utilization, non-labor expense management and freight management.

There Is No Going Back

Niven underscored how the COVID-19 pandemic has helped supply chain leaders see the limitations in our processes. She equated March and April 2020 to "The Hunger Games" as providers struggled to secure desperately needed supplies, stating: "You may have found a supplier with PPE, but by the time you got to your computer and made a PO that PPE was gone."

Niven stressed that we must never go back to the way it used to be, explaining how these workshops have set a foundation to help hardwire lessons learned during the pandemic so that we can take "the best of the best" and use it moving forward.

"Now is time to think and have a plan for execution. We need to be able to explore ideas, but we also need to fail quickly. If something isn't going to work, figure that out quickly so you can go onto the next thing."

Karen Niven, Premier

Workshop Facilitator

Karen Niven, MS, BSN, RN, CVAHP
Director Performance Groups, Premier

"Here is the opportunity AHRMM has put forth and workshops to lay the groundwork – our challenge now is to not go back to business as usual, not go back to the way we used to do things," said Niven. "Now is time to think and have a plan for execution and innovation. We need to be able to explore ideas, but we also need to fail quickly. If something isn't going to work, figure that out quickly so you can go onto the next thing."

How Will You Be Managing Your Supply Chain Moving Forward after COVID-19?

When asked what changes providers and suppliers have implemented or plan to implement in response to COVID-19, responses included greater supply chain collaboration with clinical staff on product decisions, the ability to be more agile and nimble in decision making and feedback, and a greater shift from just in time to just in case inventory.

One provider workshop participant raised the issue of capital constraints caused by delayed or cancelled elective procedures during the pandemic, and the need for providers to collaborate with their suppliers on different payment options to help them through this current financial crisis.

"We are pushing our suppliers and distributors to look at variable payment options that are in-house, notes that are kept in-house and not

financed out to a third party, and the ability to break payments with no interest over a two to four-month timeframe," he said. "It really helps with budgeting, lets the CFO manage capital going in and out and provides a placeholder each year."

Contracts with GPOs and suppliers will also look different as product usage over the past six months will not likely reflect usage moving forward. Attendees stressed the need for trading partners to work very closely with each other moving forward, keeping in mind how COVID-19 supply spending impacts future rebates and contract commitments.

Improving Transactional Efficiencies

If the health care community plans to move a portion of supply production back on-shore or near-shore to the U.S., the cost of those supplies will likely rise. Workshop attendees discussed ways that supply chain leaders can improve operational efficiencies to achieve savings as well as other areas of spend where they can lend their expertise for labor savings and other cost reduction initiatives.

"Sit down with the individual in your organization who manages the chart of accounts, go through it with them and ask what things you can put through on a PO," said one workshop participant. "Determine whether your PO system is capable of handling things that were typically check requests or automated clearing house (ACH) payments. Ask if the organization has in place a purchase card system and if not, how that would resonate with accounting. In these ways, you can try to reduce labor costs on the accounting side and standardize data coming through a single system."

"Continue to do all the great things you do with products with value analysis and engagement with physicians, and focus on other aspects that we should be held accountable for even if we don't exactly control those dollars," the participant added. "One way to do it is to make yourself the expert in negotiating – that will open some doors."

> *"Continue to do all the great things you do with products with value analysis and engagement with physicians, but health care is a business and there are so many other aspects that we should be held accountable for even if we don't exactly control those dollars."*
>
> CQO Summit attendee

If I Could Talk to My Pre-COVID-19 Self, What Would I Say?

Niven closed the workshop by asking attendees what advice they would give to themselves at the beginning of the pandemic.

"Hang in there, it will be alright," said one workshop participant. "The respect we have gained in supply chain has been tremendous. We have taken control of a lot of things that we couldn't control before just because of the circumstances. People now come to us for advice."

> *"Trust in the relationships that you have through AHRMM and the collaboration with individuals in these workshops. All of these things build us, and set us up to have dialogue around price savings beyond cost and focused on quality and outcomes. This will set the stage for us to leave our practice and the health care field better than we found it."*
>
> Karen Niven, Premier

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CQO Workshop

Tying Clinically Focused KPIs to CQO

During this workshop, participants focused on the metrics needed to measure a health care organization on the required level of clinician and physician engagement, and clinical data integration with the goal of driving to best practices. The outcome of the session will guide the development of the AHRMM Keys for Supply Chain Excellence – Key Performance Indicators (KPI) that every health care supply chain should be measuring.

Workshop Facilitators

John Cherf, MD, MPH, MBA
Chief Medical Officer, Lumere; Orthopedic Surgeon, Advocate Physician Partnersl

Jimmy Y. Chung, MD, MBA, FACS, FABQAURP, CMRP
Associate Vice President, Perioperative Portfolio, Providence St. Joseph Health

Mike Duke, CMRP
Co-Chair of the AHRMM Keys for Supply Chain Excellence Task Force

The AHRMM Keys Project

Duke kicked off the workshop by providing some background on the AHRMM Keys project, describing how it started last year as an effort to identify a set of key performance indicators (KPIs) for individual stakeholders to measure their performance. He explained how it is not a comparative benchmarking platform where a health care organization compares itself against peer organizations, but rather a strictly uniform set of KPIs for an organization to gauge and measure its own progress.

In early 2020, AHRMM assembled a group of stakeholders to discuss the focus for phase two of the project, including individuals with roles in supply chain, finance and supplier organizations. The group recommended expanding the keys into areas such as environmental sustainability, supply chain resiliency and data standards (UDI) adoption. They also recommended creating a roadmap to AHRMM's balanced scorecard for the keys, and to map to the Quadruple Aim and the CQO Movement.

> *"Supply chain is more robust from a clinical perspective today than I have ever seen it in my career. Let's take advantage of this opportunity to make some improvements."*
>
> John Cherf, MD, MPH, MBA, Lumere

The KPIs include measures around cost of care and cost reduction, but also patient experience, clinician experience, clinical outcomes, patient safety and CQO. Health care organizations will be able to leverage the KPIs to better quantify the value of supply chain to their executive leadership and other stakeholders. The goal of this workshop was for attendees to provide their input in the areas of clinical quality and physician/clinician engagement.

COVID-19 and the Clinically Integrated Supply Chain

The workshop facilitators explored some of the critical trends that have emerged because of COVID-19, and the issues health care organizations are facing this year. Dr. Cherf

acknowledged how the pandemic has put supply chain top of mind, particularly in the eyes of clinicians.

"Pre-COVID-19, if you had asked clinicians to have a conversation about supply chain, it was a sleepy topic and there was not much of an appetite for change," said Dr. Cherf. "Now, even the general public has knowledge about PPE because of the pandemic. "Supply chain is more robust from a clinical perspective today than I have ever seen it in my career. Let's take advantage of this opportunity to make some improvements."

Dr. Cherf added he is also seeing far more interest among providers and suppliers in the concept of performance-based contracting, which requires physician engagement to help "write the code, understand the code and measure it." He stressed the need for reliable data, stating, "the idea of integrating clinical data and improving physician engagement supports the move to performance-based contracting."

When asked how he would define the clinically integrated supply chain, Dr. Chung answered:

"That's the key to discovering the metrics that are important to us. We talk about clinical integration in the sense of making sure all of the key stakeholders and caregivers within an organization are all focusing on the patient as the primary customer. If we start with that as our foundation and build on that concept, it will lead us toward operational and clinical integration."

Dr. Chung explained how many hospitals are still within the realm where clinicians make clinical decisions and finance and supply chain teams make financial decisions. When clinicians want a product, they ask supply chain and supply chain, in turn, tries to find the best price for it.

> *"We are all trying to head toward a hybrid model where clinical decisions and financial decisions come together to provide the best value."*
>
> Jimmy Y. Chung, MD, MBA, FACS, FABQAURP, CMRP, Providence St. Joseph Health

"We are all trying to get away from that model and head toward a hybrid model where clinical decisions and financial decisions come together to provide the best value," said Dr. Chung. "This means bringing together all of the clinical stakeholders so they can agree on the best clinical option, then having supply chain engage with clinicians to act as advisors, help them negotiate the best contract and then track compliance with those contracts."

What Is the Role of the Physician Leader in Supply Chain?

Dr. Cherf opened up the discussion to workshop attendees when he asked for their insights on the role of a physician leader in supply chain and how they fit into the organization.

One provider attendee explained how his supply chain team is connected with the health system's chief medical officer (CMO). They also have a physician in the medical office who has been assigned as a supply chain liaison. This physician, who has been specifically tasked with being part of the supply chain group, reports into the CMO team.

A physician in attendance described her role running surgical services for a health system and how she served as the "bridge that supply chain used to have influence over clinical activity, and the bridge that clinicians used to have influence over supply chain activity."

"The pressure for me in that vertical and silo was about operational efficiency and clinical effectiveness," she said. "That is the perspective I brought to supply chain when we were choosing products, rationalizing vendors and suppliers, and negotiating and creating contracts. I helped the two groups come together and see both sides with regards to a decision. Having both sides come to the table and work well together was the critical piece."

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> *"Making sure you are integrating the right practice then having those conversation at the clinical level around the right products seems to be the new winning formula for supply chain as we talk about clinically integrating."*
>
> CQO Summit attendee

Another provider attendee who has worked in value analysis noted how it isn't enough to have a physician at the supply chain table because that physician might not have credibility throughout the entire health care organization. For example, the opinions of a neurosurgeon who serves as the supply chain liaison might not be valued by clinicians in cardiology or obstetrics and gynecology. Instead of one individual physician working with supply chain, she suggested the organization's clinical practice councils invite supply chain representatives to participate in their meetings so they can interact with all clinical leaders.

"Making sure you are integrating the right practice then having those conversation at the clinical level around the right products seems to be the new winning formula for supply chain as we talk about clinically integrating," she said.

Having the Right Data

Physicians are data driven individuals; they want evidence before approving a change in products or practice. Workshop participants agreed that supply chain must present accurate, complete and timely data or else they will quickly lose their credibility among the clinical team.

"We all know many systems drive utilization based on the preference card, which is 90 percent wrong," said one physician attendee. "If you show a physician a list of all of the things he or she used in a case based on the preference card and that information is wrong, then your credibility is gone and the trust is over. But if you run an accurate list and the physician can agree on those items, you can then turn the conversation to cost. The next set of data is the outcomes – proving to a physician that if he or she uses this item, the outcomes will be better, worse or equal as compared to a similar item."

Dr. Chung emphasized the need for metrics that demonstrate real life clinical outcomes, such as surgical site infections (SSI), falls, readmissions and mortality rates. He asked attendees how easy it is for supply chain and operational teams to have visibility into these types of metrics.

"Instead of trying to decide whether to use one product over another, we need to think about what we are trying to accomplish as an organization and which metrics will help get us there," said a workshop participant. "Sometimes it is about practice and other times about product. Next we look at the evidence to tell us what drives those better outcomes, which should drive lower costs of care overall. Once we determine what we are trying to accomplish, then the metrics start to become clear."

> *"Instead of trying to decide whether to use one product over another, we need to think about what we are trying to accomplish as an organization and which metrics will help get us there."*
>
> CQO Summit attendee

AHRMM Senior Director of Supply Chain, Mike Schiller, stressed that data standards must be part of the equation, specifically the FDA's UDI. He explained how implementation of the UDI in the item master should carry through to physician preference cards, patient clinical documentation, the electronic medical record (EMR) and claims forms so that product data is standardized throughout operational, clinical and financial systems.

"Once we capture all of that data and can move it downstream to the registries, then we can capture device performance as well," said Schiller. "We need to build the infrastructure to begin to tie this data together."

What Does Health Care Really Want to Achieve?

In closing, Dr. Chung questioned the goal of health care organizations, including what that was in the past, what it is now and how it will change in the future. He stated:

"As health care becomes more patient centered, with value-based payment programs, we need to redefine what we do. It's no longer focused on doing procedures but taking care of a population with a limited amount of resources in the most efficient way. That as the model for taking care of our common customer, the patient, should bring together clinical and supply chain professionals on a common pathway to bring the best, most cost effective, highest value care to all of our patients."

"The foundation for clinical integration is – number one – the patient is ultimately everyone's customer, and number two – you must take into consideration the patient's experience and overall outcomes as what drives choice and outcomes for your organization and for the patients. I don't think we have been very good at identifying outcomes metrics that supply chain and clinicians can both agree on and that's why this conversation we are having is so critical to how we move forward."

Jimmy Y. Chung, MD, MBA, FACS, FABQAURP, CMRP, Providence St. Joseph Health

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CQO Workshop

Supply Chain's Role in Social Determinants of Health

COVID-19 has expanded recognition that factors such as race, ethnicity, income, access to healthy food and education have a significant impact on an individual's and a community's health. In this final workshop of the 2020 CQO Summit, attendees discussed supply chain's role and health care company opportunities to increase demand and drive community investment that can lead to access to employment, food, education, housing and other factors that ultimately create healthier communities.

Workshop Facilitators

Karen Conway, CMRP
Vice President, Healthcare Value, GHX

Ruben Dario Taborda
Former Senior Director, Hospital and Distributor Supply Chain Solutions, Johnson & Johnson

Social Determinants and COVID-19

When introducing the topic, Conway referenced a recent poll of health care leaders where 72 percent of those surveyed believe social determinants will play a much bigger role in health care delivery moving forward. COVID-19 has escalated health care disparities in communities of color as these populations typically have higher rates of chronic conditions (e.g. hypertension, diabetes, obesity) that make them more susceptible to virus complications. They are also more likely to be working on the frontlines in jobs that are deemed essential, increasing their risk for exposure.

Participant poll question:

Does your hospital have a program to address social determinants of health?

- 21% yes
- 11% no
- 8% considering

Supplier Diversity Efforts

Taborda explained how supplier diversity efforts, where larger companies invest in small- to mid-sized companies located in underprivileged communities, have a multiplier effect with benefits expanding throughout the population in terms of more jobs and access to health insurance. He acknowledged that a major challenge to these programs is establishing commitment among purchasing entities to buy

Participant poll question:

Did your organization partner with local businesses to address COVID-19 related issues (e.g. product shortages)?

- 40% yes
- 8% no

Do you anticipate working with these companies in the future?

- 48% yes
- 3% no

locally when products made by U.S. businesses are likely higher in cost than those manufactured overseas.

"Health systems and hospitals must determine whether the community benefit of supply diversity outweighs the internal benefit of trying to hit a supply cost metric," he said.

COVID-19 revealed the devastating impact of global supply chain disruptions on U.S. health care delivery, and the need for more medical supplier manufacturing on-shore or near-shore to the U.S. so that critical products are more easily accessible. In doing so, the pandemic could open the door for more supplier diversity opportunities, with health care organizations creating demand and health care companies investing more purchasing dollars in small- to mid-sized businesses in their communities. As a result, the increased demand and these investments could not only improve the financial health of local populations through new job opportunities, but also their physical health through all of the related benefits that come from employment (e.g. safer housing, access to healthier food, greater access to health care, etc.).

Supply Chain's Role in Social Determinants

Conway asked workshop participants to envision how community development and supply diversity relates to supply chain and the role they can play in the social determinants of health. She pointed out how those individuals with unmet social needs are more likely to visit emergency rooms (ER) for care (the most expensive care setting), are less likely to show up for routine doctors' appointments because they don't have transportation and suffer higher rates of chronic conditions and depression.

Conway pointed to the Geisinger Fresh Food Pharmacy program as an example of how supply chain can directly impact the health of those in the community. The program, which was featured in the 2018 AHRMM CQO Report, provides patients with nutritional meals, education and one-on-one support, with results indicating better disease management, more engaged patients and lower emergency room visits and readmission rates.

Geisinger's supply chain has played a role by managing the contracting, procurement and delivery of products and services to support the program. They also built a tool internally to link increased demand of patients participating in the program to food inventory so they could more accurately determine how much product to have on the shelves.

Workshop participants offered their own examples of how supply chain can improve social determinants of health in their communities. One attendee noted how supply chain has the opportunity to help coordinate care in the home.

> *"We as supply chain professionals can help coordinate delivery of products and services to patients' homes and can also credential these suppliers."*
>
> CQO Summit attendee

"If we don't coordinate care, patients have multiple people coming into their homes – somebody to set up a piece of equipment, another to check vital signs, another to deliver groceries, etc. We, as supply chain professionals, can help coordinate delivery of products and services to patients' homes and can also credential these suppliers."

Another attendee explained how her community has many farms but getting healthy food to certain populations is a challenge. Her health care organization has partnered with health departments and other local groups to conduct community needs assessments with supply chain playing an active role in the planning and implementation.

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“If it is one thing that supply chain is good at, it is logistics,” she said. “I help to champion a program to get healthy food to kids, including good food to homes on weekends. We needed to figure out logistically and contractually how to get 1,200 kids food to take home on weekends, and we have another 800 kids on the list. It takes everyone pulling in all resources to help that part of health because it’s a huge issue.”

A workshop attendee from a supplier organization described his company’s non-profit program, which is focused on the procurement of medical supplies and donations. As part of this work, the company helps new suppliers navigate the “big journey” from the FDAEUA program to 510(k) approval.

“The program is a magnet for women and minority-owned businesses, which tend to be smaller,” he said. “When we talked to one of our partners, a very large hospital, they said they’re struggling to meet targets for supplier diversity because of barriers to entry into the medical supply chain. How do we help these companies succeed?”

Where Do We Go from Here?

Many of the workshop participants expressed the desire to participate in programs to improve social determinants of health and support supplier diversity but expressed concerns as to where to start and how to help when they have only limited resources available.

“Like everyone, I have limited resources and can’t set up a whole group to invent this on my own, but I can take a crack at doing something meaningful to help the community,” said one attendee.

AHRMM Senior Director of Supply Chain, Mike Schiller, explained how the association plans on moving this conversation, and others, into the AHRMM Health Care Learning Community (HCLC), a collaborative community model based on the successful AHRMM Learning UDI Community (AHRMM LUC) model. The goal is to bring a larger group of stakeholders together to develop deliverables that can benefit the broader health care field.

“Let’s not try to solve this in a silo. How do we link these efforts to what we are already doing? We need more demand planning and domestic suppliers. How do we look at multiple needs at the system level and build partnerships? Supply chain is good at that.”

Karen Conway, CMRP, GHX

Conclusion

The 2020 AHRMM CQO Summit truly demonstrated the resilient nature of the health care supply chain, with health care leaders from throughout the field and across the country coming together virtually, to share ideas on the path ahead.

The challenge of supply chain resiliency is what these leaders are facing every day. COVID-19 has impacted them directly and there is no way to turn away from the operational realities the pandemic has highlighted. Supply chain has become a critical priority for every supplier and provider organization, down to the clinicians and patients who rely on products. The need for greater supply chain resiliency is everyone's reality.

Supply disruptions, particularly lack of PPE, has driven health care organization leaders, clinicians and patients to better understand how critical supplies get from the manufacturer to the caregivers and the patients, and recognize the tremendous struggles supply chain professionals have faced during the pandemic.

While supply chain awareness in health care is at an all-time high, take this opportunity to share with your organization's leaders what you have learned from this year's CQO Summit to secure their support and resources for change. Demonstrate how the role of supply chain has escalated by the current crisis and explain how change must begin today if we hope to avoid the level of supply disruption we've experienced this year.

AHRMM will begin transitioning some of the CQO Summit workshops into the AHRMM Health Care Learning Community (AHRMM HCLC) work groups where participants will collaborate on the development of recommended practices that can be shared throughout the AHRMM community and broader health care field. Get involved in one or more of these work groups where stakeholders from across the supply chain continuum will continue work on resiliency planning in a forum that promotes unbiased and effective collaboration, communication and positive change.

Visit ahrmm.org/HCLC to learn more and get involved.

"Let's continue to challenge ourselves. When you source, you have the ability to impact so many people. Sourcing and supply chain processes can definitely make a difference here, whether it's around logistics or diverse suppliers. Everyone can contribute to this in health care. The question you should ask yourself is: What can you do differently?"

Ruben Taborda, former Senior Director, Johnson & Johnson

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