Economic activity in the hospital subsector grew in November for the sixth consecutive month, say the nation’s hospital supply executives in the latest Hospital ISM® Report On Business®.

The Hospital PMI™ registered 62.6 percent in November, down 0.4 percentage point from the October reading of 63 percent. This was the sixth month of growth following two months of contraction. The Business Activity Index increased slightly in November compared to October. The New Orders and Employment Indexes decreased in November. The Case Mix Index increased to 62.5 percent, up 1.5 percentage points compared to the October reading of 61 percent. The Days Payable Outstanding Index increased to 51 percent, up 0.5 percentage point from the October reading of 50.5 percent. The Technology Spend Index registered 58 percent, an increase of 2 percentage points from the October reading of 56 percent.

Survey panelists’ comments in November can be summarized in one term: COVID-19. Although this month showed continued growth, none of the panelists attributed that growth to elective procedures, and there were comments about having to cancel those procedures once again. This will have a negative impact on hospital revenues. Comments about availability of personal protective equipment (PPE) were mixed, with one panelist saying, “PPE availability has improved, and costs seem to be in line as well. Lead times for PPE has dropped to less than 10 days.” However, most comments indicated continuing challenges acquiring needed volumes of PPE. There were some comments indicating back orders had eased. One panelist wrote, “Manufacturers are getting better at filling orders.”

### About This Report

The information compiled in this report is for the month of November 2020.

The data presented herein is obtained from a survey of hospital supply executives based on information they have collected within their respective organizations. ISM® makes no representation, other than that stated within this release, regarding the individual company data collection procedures. The data should be compared to all other economic data sources when used in decision-making.

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