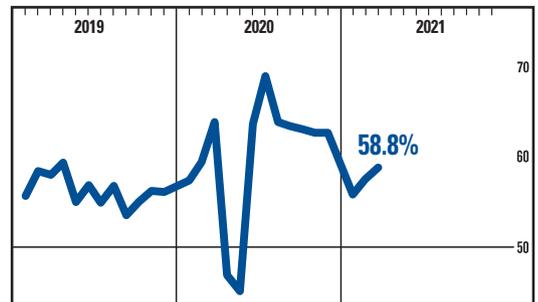


HOSPITAL PMI™ at 58.8%

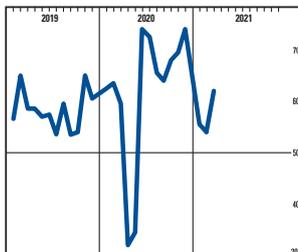
Economic activity in the hospital subsector grew in March for the 10th consecutive month, say the nation's hospital supply executives in the latest Hospital ISM® Report On Business®.

The Hospital PMI™ registered 58.8 percent in March, up 1.3 percentage points from the February reading of 57.5, indicating a 10th consecutive month of growth. The Business Activity and New Orders Indexes increased compared to February, while the Employment Index fell into contraction in March. The Case Mix Index increased to 54 percent, up 2 percentage points compared to the February reading of 52 percent. The Days Payable Outstanding Index decreased to 44 percent, down 6.5 percentage points from the February reading of 50.5 percent. The Technology Spend Index registered 51 percent, a decrease of 7 percentage points from the February reading of 58 percent.

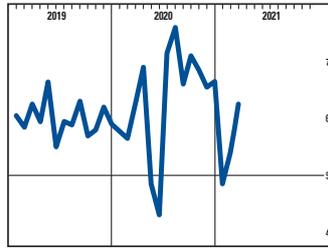


In March, hospitals began to see the shift in volumes they were hoping for in February. At some facilities, total volume was unchanged, but the patient mix significantly improved. “Lower coronavirus (COVID-19) admissions and increased elective procedures” was a sentiment echoed by many Business Survey Committee panelists. Extreme weather in the Midwest and South contributed to supply disruptions, including increased back-orders and product substitutions. Several panelists mentioned high levels of manual work-arounds required to find needed supplies. Gloves remain in short supply, as do needles and syringes. Panelists anticipate additional shortages of products made from petroleum-based raw materials. **ISM**

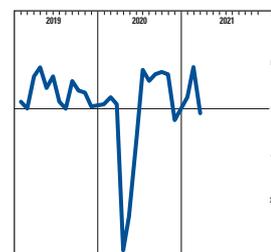
Business Activity



New Orders



Employment



About This Report

The information compiled in this report is for the month of March 2021.

The Hospital PMI™ was developed in collaboration with the Association for Health Care Resource & Materials Management (AHRMM), an association for the health care supply chain profession, and a professional membership group of the American Hospital Association (AHA).

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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