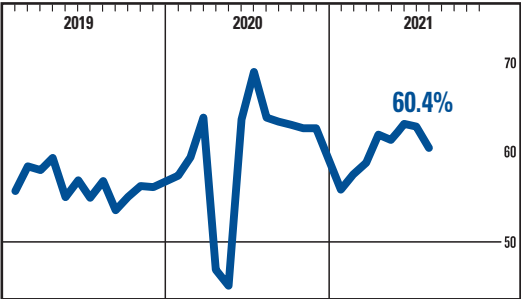


# HOSPITAL PMI® at 60.4%

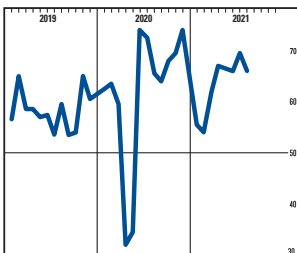
Economic activity in the hospital subsector grew in August for the 15th consecutive month, say the nation's hospital supply executives in the latest Hospital ISM® Report On Business®.

The Hospital PMI® registered 60.4 percent in August, decreasing 2.4 percentage points from the July reading of 62.8 percent, indicating a 15th consecutive month of growth. The Business Activity Index decreased in August compared to July, and the New Orders Index increased slightly. The Employment Index remained in contraction in August. The Case Mix Index increased to 56 percent, up 3 points compared to the July reading of 53 percent. The Days Payable Outstanding Index registered 48 percent, a 5-percentage point decrease from the July reading of 53.0 percent. The Technology Spend Index registered 50 percent, a decrease of 3 percentage points from the July reading of 53 percent.

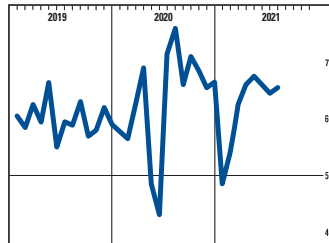


In August, Business Survey Committee panelists commented on the increase in demand driven by COVID-19 patients. Some indicated that they were still able to accommodate elective procedures, while others had to shift all resources to COVID-19 care. In the July report, comments suggested an imminent increase in inventory levels. This was born out in August, when the Inventories Index increased 14.5 percentage points, from 47.5 percent to 62 percent. The spike in COVID-19 cases and ongoing shipping delays were the most-cited reasons for the large increase. Panelists attributed staff vacancies and hiring difficulties to pandemic burnout, mandatory vaccination for staff and higher pay in other industries. Comments such as “Staff leaving hospital as they do not want to be forced to get the COVID-19 vaccine,” and “Better pay rates at other businesses” were common. **ISM**

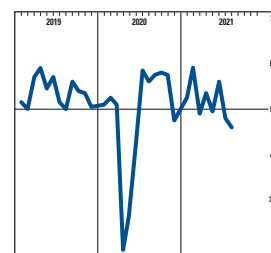
## Business Activity



## New Orders



## Employment



## About This Report

The information compiled in this report is for the month of August 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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