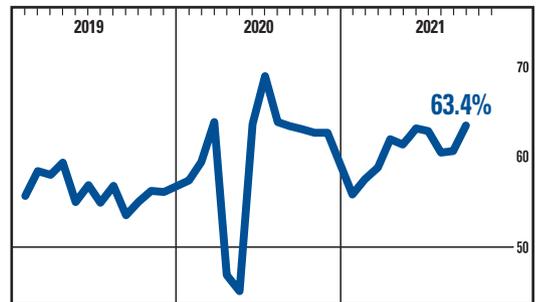


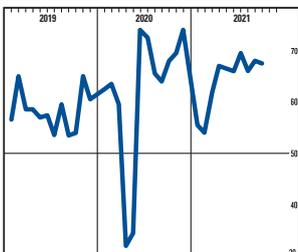
# HOSPITAL PMI® at 63.4%

The Hospital PMI® registered 63.4 percent in October, increasing 2.8 percentage points from the September reading of 60.6 percent, indicating a 17th consecutive month of growth. This is the highest reading since August 2020 (63.8 percent). The Business Activity Index decreased slightly from September. The New Orders Index increased in October compared to September. The Employment Index remained in contraction, with a minimal increase in October compared to September. The Case Mix Index decreased to 54.5 percent, down 1 percentage point compared to the September reading of 55.5 percent. The Days Payable Outstanding Index registered 51.5 percent, an increase of 3.5 percentage points from the September reading of 48 percent. The Technology Spend Index registered 53 percent, an increase of 1 percentage point from the September reading of 52 percent.

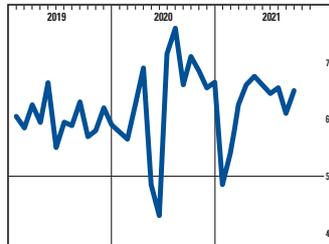


This Business Survey Committee respondent quote might best sum up the month: “It’s crazy out there.” Back orders and their impact on operations was top of mind in describing the month of October. Shortages and delays impacted availability of supplies and equipment, well beyond personal protective equipment (PPE). Respondents indicated their facilities were increasing inventory levels and devoting significant resources to identifying clinically acceptable substitutions. The grip of COVID-19 loosened in some parts of the country, but many panelists commented that intensive care units (ICUs) remained at capacity and elective procedure postponements continued. One respondent indicated elective procedures had been delayed 30 days; another reported a moratorium on procedures requiring post-operative inpatient recovery. Staffing shortages continued for all levels and types of employees, and some comments cited the negative impact of higher staffing costs on hospital margins. **ISM**

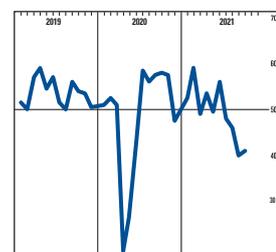
## Business Activity



## New Orders



## Employment



## About This Report

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