HOSPITAL

PMI® at 50.4%

The Hospital PMI® registered 50.4 percent in March, a 6.5 percentage point decrease from the February reading of 56.9 percent, indicating a 22nd consecutive month of growth. The March reading is the lowest since January 2021 (55.8 percent). The Business Activity Index fell into contraction territory in March, and the New Orders Index decreased in March compared to February. The Employment Index decreased slightly in March compared to February. The Case Mix Index registered 43 percent, a decrease of 12.5 percentage points compared to the February reading of 55.5 percent. The Days Payable Outstanding Index reading of 52 percent is down 4 percentage points compared to the figure of 56 percent reported in February. The Technology Spend Index registered 56 percent, a 2.5-percentage point increase from the February reading of 53.5 percent.

Business Survey Committee panelists consistently commented on the reduction of COVID-19 patients in their hospitals. Several commented that staffing shortages were preventing them from meeting demand for elective procedures. Others indicated that a lag is typical between COVID-19 spikes and a return to more “normal” caseloads. Comments about supply shortages were mixed: Some panelists indicated they were seeing slight improvement; others were still struggling with high volumes of back orders and product substitutions. The Employment Index indicated growth, and a few respondents noted that recruitment efforts had shown results, but the majority commented on the need for additional staffing and constraints caused by ongoing shortages. The notable decline in the Case Mix Index was attributed to the waning of COVID-19 and the slow transition to elective procedures. ISM

About This Report

The information compiled in this report is for the month of March 2022.

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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