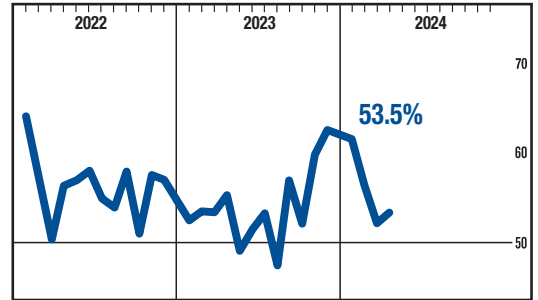


HOSPITAL PMI® at 53.5%

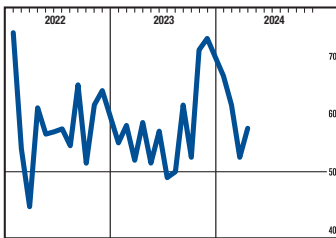
Economic activity in the hospital subsector grew in April for the eighth consecutive month after contracting twice in the previous four-month period, with 35 consecutive months of growth prior to that, say the nation's hospital supply executives in the latest Hospital ISM® *Report On Business*®.

The Hospital PMI® registered 53.5 percent in April, a 1.2-percentage point increase from the March reading of 52.3 percent, indicating an eighth consecutive month of growth after a contraction in August. The Business Activity Index expanded for the eighth consecutive month. The New Orders Index remained in expansion for the eighth straight month, and the Employment Index moved back into contraction territory. The Supplier Deliveries Index remained in expansion (which indicates slower delivery performance). The Case Mix Index contracted in April after expanding for six consecutive months, registering 49 percent, a decrease of 2 percentage points compared to the March figure of 51 percent. The Days Payable Outstanding Index returned to expansion in April, registering 52.5 percent, up 3 percentage points from the 49.5 percent reported in March. The Technology Spend Index reading of 54.5 percent is a decrease of 2.5 percentage points compared to the 57 percent recorded in March. The Touchless Orders Index registered 51.5 percent, down 1 percentage point from the 52.5 percent reported in March.

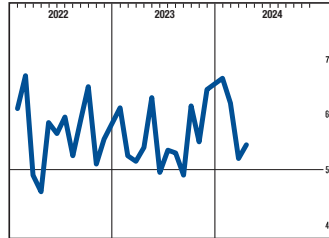
Hospital Business Survey Committee respondents' facilities had an uptick in patient volumes during April. Some suggested that volumes were back to pre-COVID-19 levels. Respondents continued to face margin pressures due to higher labor and supply costs. Some panelists indicated nonclinical layoffs and delayed backfilling of positions were means of controlling costs. Others mentioned supply utilization reductions as a potential cost-reduction strategy. The Change Healthcare cyberattack continues to cause revenue challenges. The Days Payable Outstanding Index expanded in April, with some respondents commenting they were actively working to preserve cash. Inventory levels contracted due to the volume increases and active efforts to burn pandemic stock and reduce hedge stock. **ISM**



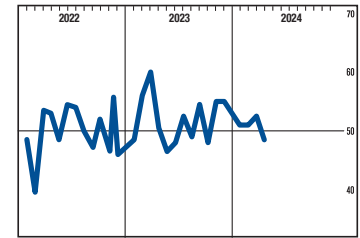
Business Activity



New Orders



Employment



About This Report

The information compiled in this report is for the month of April 2024.

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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