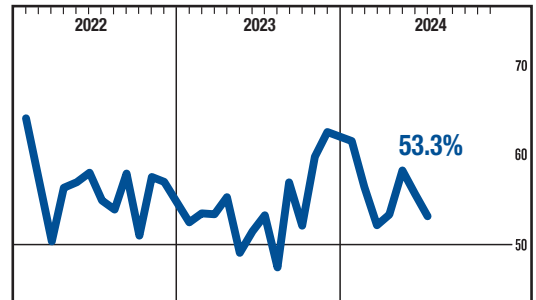


# HOSPITAL PMI® at 53.3%

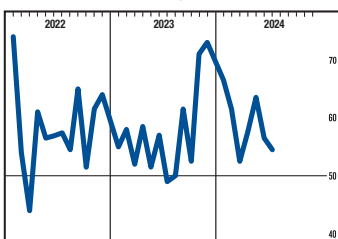
Economic activity in the hospital subsector grew in July for the 11th consecutive month after contracting twice in the previous four-month period, with 35 consecutive months of growth prior to that, say the nation's hospital supply executives in the latest Hospital ISM® *Report On Business*®.

The Hospital PMI® registered 53.3 percent in July, a 2.5-percentage point decrease from the June reading of 55.8 percent, indicating an 11th consecutive month of growth after a contraction in August 2023. The Business Activity Index expanded for the 11th consecutive month. New orders were unchanged in July compared to June, and the Employment Index remained in growth territory. The Supplier Deliveries Index remained in expansion (which indicates slower delivery performance). The Case Mix Index expanded in July, registering 53 percent, an increase of 2 percentage points compared to the previous month's figure of 51 percent. The Days Payable Outstanding Index remained in expansion territory in July, registering 51.5 percent, the same reading as reported in June. The Technology Spend Index reading of 54.5 percent is a decrease of 7 percentage points compared to the 61.5 percent recorded in June. The Touchless Orders Index returned to contraction territory in July, registering 48.5 percent, down 1.5 percentage points from the 50 percent reported in June.

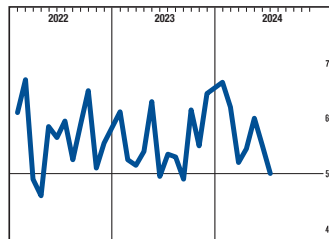


Geography had a major impact on panelists' evaluations of patient volumes, supplier delivery performance and inventory levels. Facilities impacted by Hurricane Beryl saw lower volumes and supply disruptions. Those not impacted reported strong inpatient volumes, with panelists commenting that there was no "summer lull" this year. Hospitals potentially threatened by Beryl reported increasing inventories, while those in other areas maintained efforts to reduce levels. Additionally, facilities impacted by the CrowdStrike IT outage saw an increase in backlogs. Shortages related to syringes and irrigation bottles continued. There was also mention of an uptick in medical device recalls. The Employment Index continued to expand, but comments were mixed. Some panelists outlined creative strategies and efforts to increase hiring, while others commented about hiring freezes due to margin pressure. **ISM**

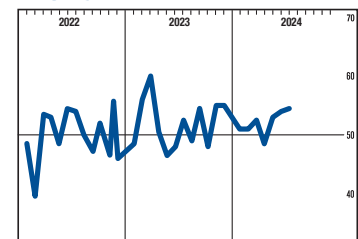
## Business Activity



## New Orders



## Employment



## About This Report

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

ISM shall not have any liability, duty, or obligation for or relating to the ISM® *Report On Business*® (ROB) Content or other information contained herein, any errors, inaccuracies, omissions or delays in providing any ISM ROB Content, or for any actions taken in reliance thereon. In no event shall ISM be liable for any special, incidental, or consequential damages, arising out of the use of the ISM ROB. *Report On Business*®, PMI®, Manufacturing PMI®, Services PMI® and Hospital PMI® are registered trademarks and trademarks of Institute for Supply Management®. Institute for Supply Management® and ISM® are registered trademarks of Institute for Supply Management, Inc®.

You shall not create, recreate, distribute, incorporate in other work, or advertise an index of any portion of the Content unless you receive prior written authorization from ISM. Requests for permission to reproduce or distribute ISM ROB Content can be made by contacting Rose Marie Goupil in writing at: ISM Research, Institute for Supply Management, 309 W. Elliot Road, Suite 113, Tempe, AZ 85284-1556, or by emailing [rgoupil@ismworld.org](mailto:rgoupil@ismworld.org); Subject: Content Request.