



## Care Coordination and the Supply Chain

October 21, 2015

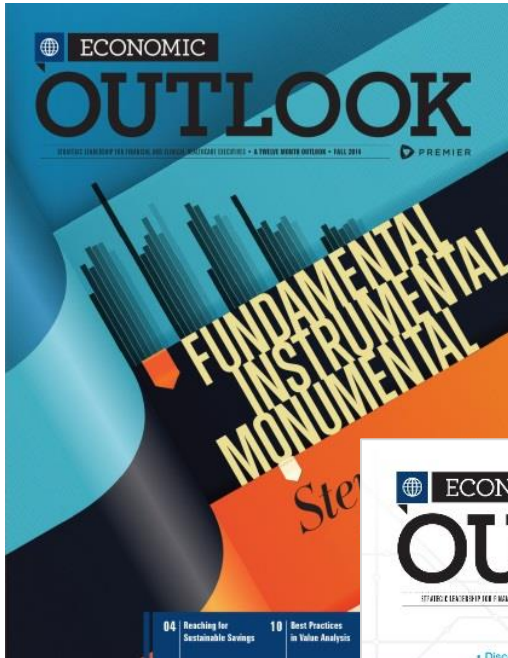
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Premier, Inc.

# ▶ Premier's *Outlook* publication series



- ▶ Published semiannually, April and October
- ▶ Features:
  - Results from semiannual health system executive survey
  - Member interviews
  - Commodity and inflation tables and projections
  - Aggregate patient volume and hospital performance data
  - Thought leadership on trends and strategies to improve healthcare



# Audience and stakeholders

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## Members

- ▶ Copies to CEO and CFO of all owner health systems
  - C-suite, supply chain and others via field team
  - Available on PremierConnect for all members
- ▶ Compare trends and best practices across health systems
- ▶ Participate in interviews and semiannual survey

## Suppliers and others

- ▶ Participate in annual survey on contract inflation
- ▶ Success story advertorials
- ▶ Media and investor coverage
  - Healthcare Finance News
  - Healthcare Supply Chain Association
  - Fortune
  - Forbes
  - Becker's Hospital Review
  - Politico
  - HealthLeaders Media
  - Modern Healthcare

# ▶ Primary care, care coordination and population health

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**Care coordination is an essential function in trying to meet the goals of the ACA and improve population health overall**

**Primary care providers are the backbone of care coordination**

# The evolution of primary care

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- ▶ Single provider communities
- ▶ Movement to hospitals and other healthcare facilities
- ▶ Influence of new diagnostics and advanced medicine
- ▶ New models of team-based care
- ▶ Return to home-based care/population health



## 1. Healthcare legislation

- Quality measures
- Payment and care delivery reform

## 2. Labor

- Staffing and skill mix
- Nursing and physician shortages

## 3. Managing high-use/chronic disease patients

## 4. HIT investments

- EHR implementation
- EHR interoperability
- Advanced data analytics

## 5. Pharmaceuticals

- Biosimilar approval delay
- Ongoing drug shortages
- Increasing generic prices

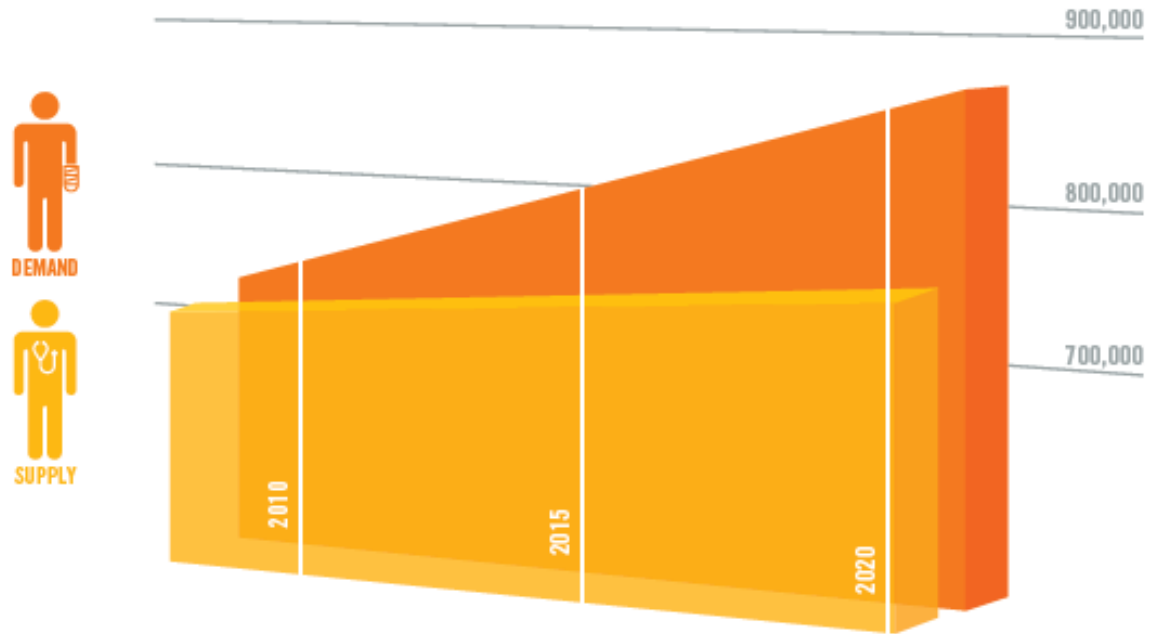
## Poll

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- ▶ Is your health system currently experiencing a shortage of primary care physicians?

# Physician supply and demand

Projected supply and demand, physicians, 2008-2020  
(all specialties)

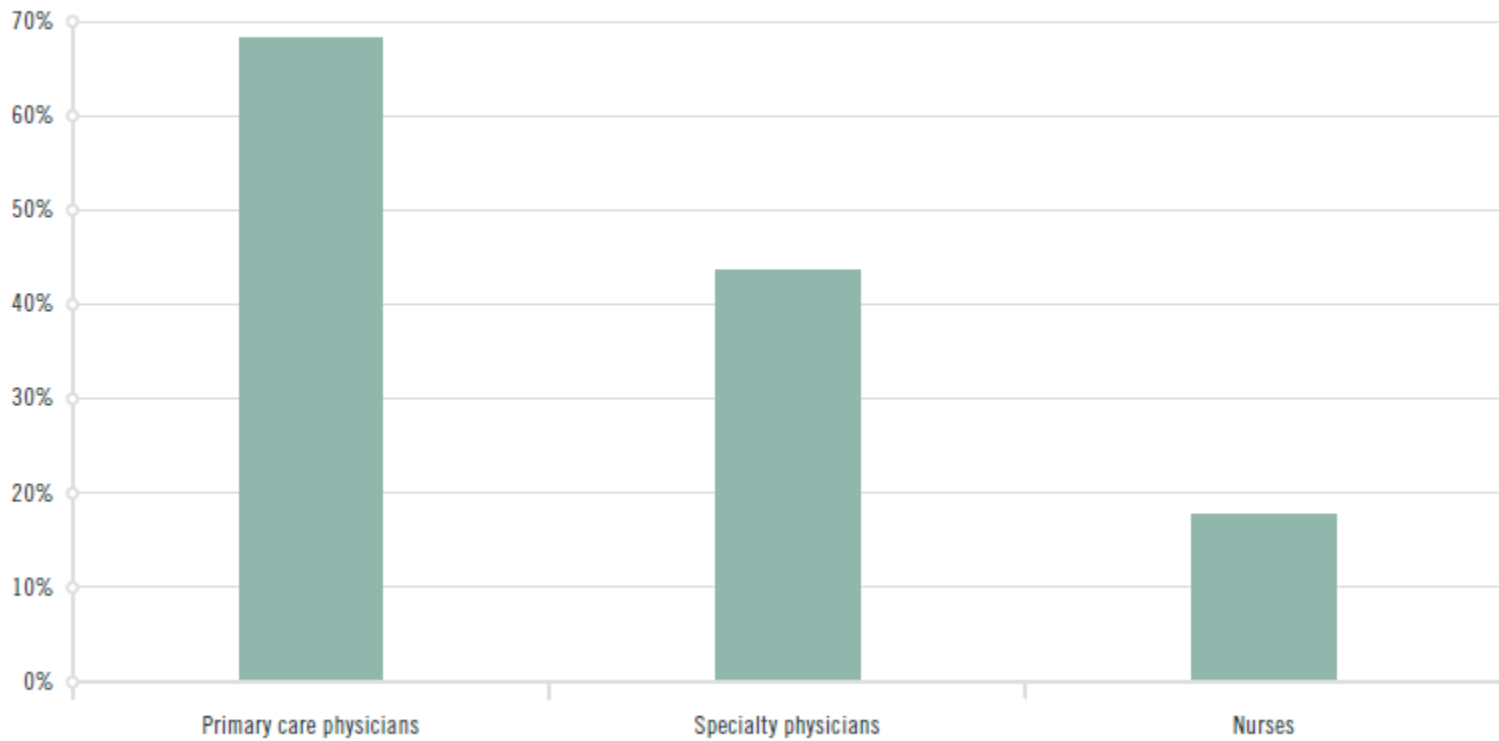


Source: Association of American Medical Colleges



# Workforce shortages and opportunities

Fig.1 Shortage of medical professionals (C-suite only)



Source: Premier online survey for Economic Outlook fall 2014 publication

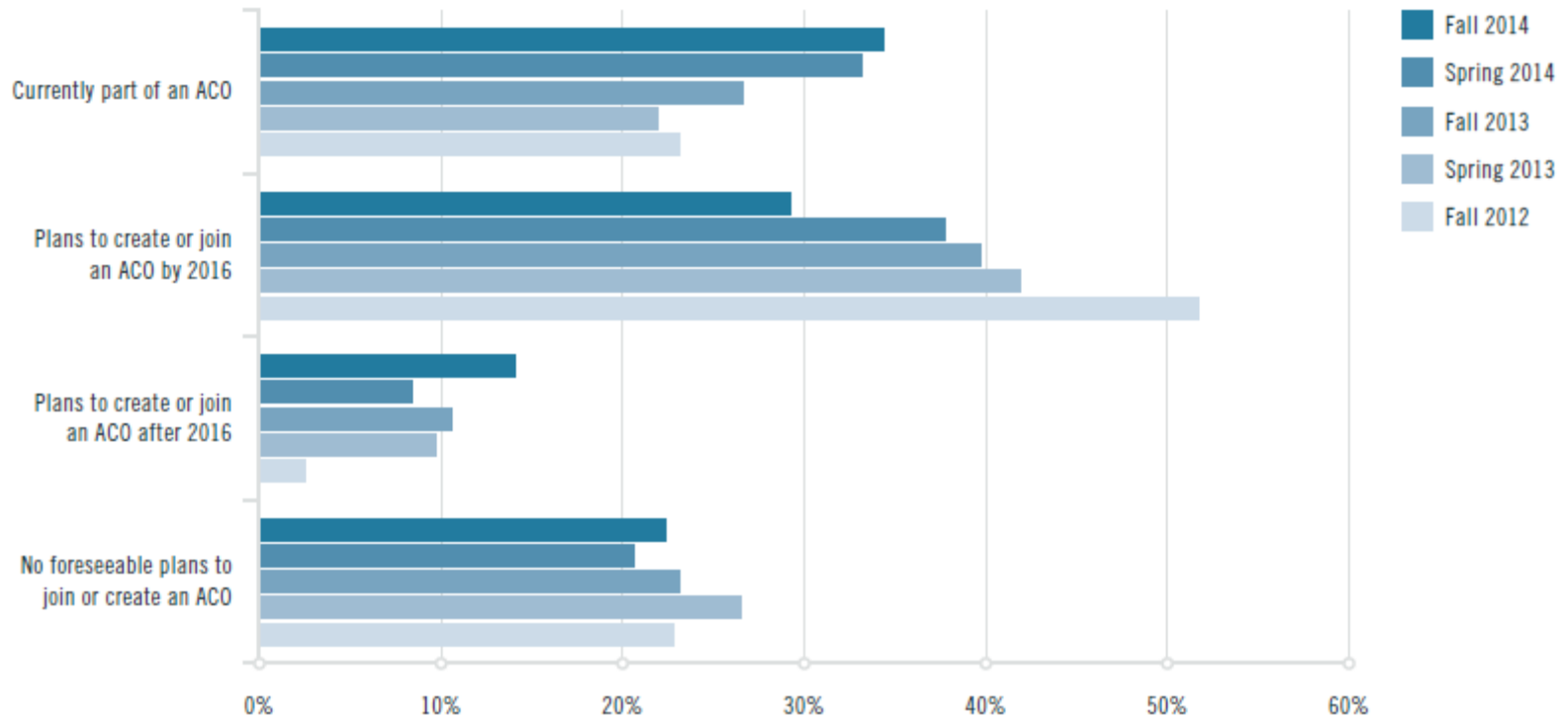
## Poll

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- ▶ Is your facility currently hiring more “physician extenders” (e.g., nurse practitioners, physician assistants) to fill primary care roles?
  - Nurse practitioners
  - Physician Assistants
  - Both
  - Neither

# ACO participation

Fig.1 ACO participation (C-suite only)



Source: Premier online survey for fall 2014 Economic Outlook publication

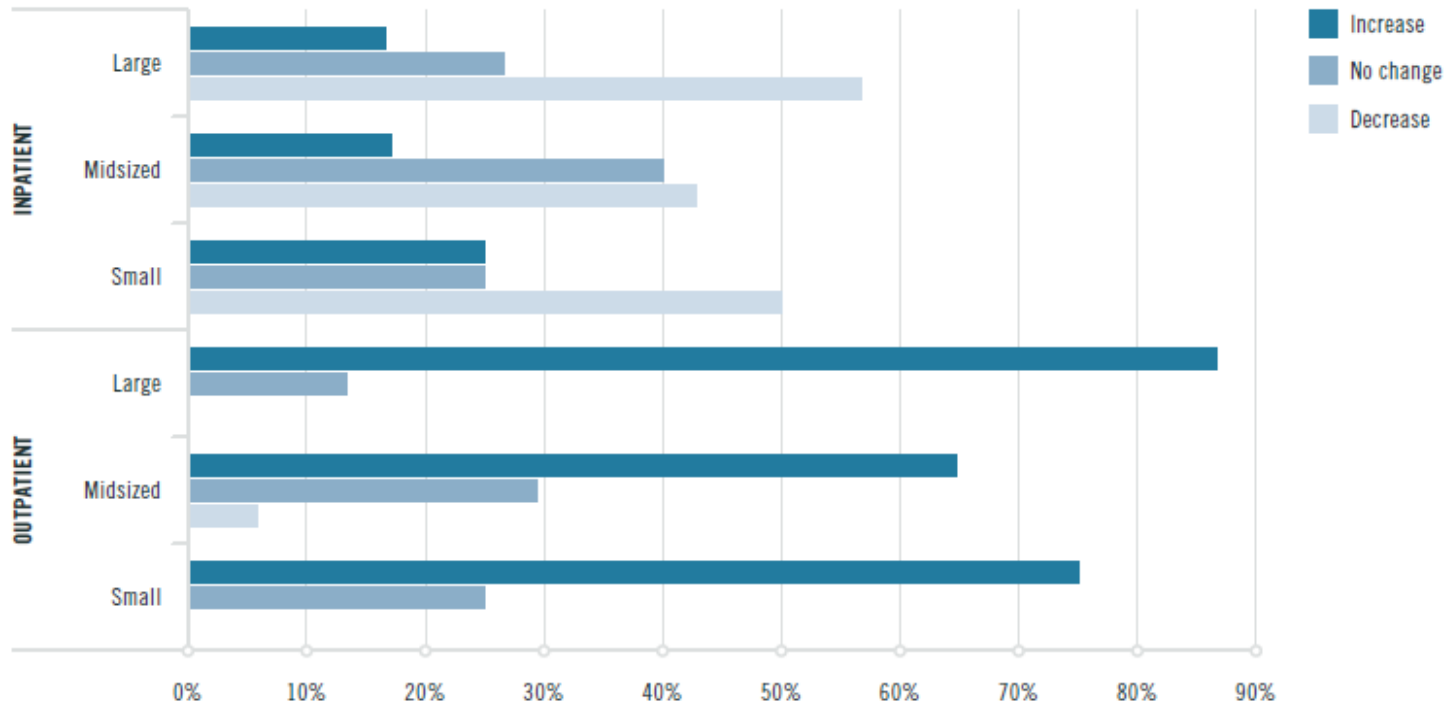
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- ▶ Is your organization/facility currently forecasting an increase in outpatient admissions?
- Yes, increase in outpatients
  - Yes, increase in inpatients
  - Yes, an increase in both inpatients and outpatients
  - No increase in admissions



# ▶ Shift to outpatient care

- ▶ Moving more activity to the outpatient setting requires greater care coordination

**Fig.3** Admissions forecasts by hospital size (C-suite only)



Source: Premier online survey for fall 2014 Economic Outlook publication

# Care coordination and the PCMH

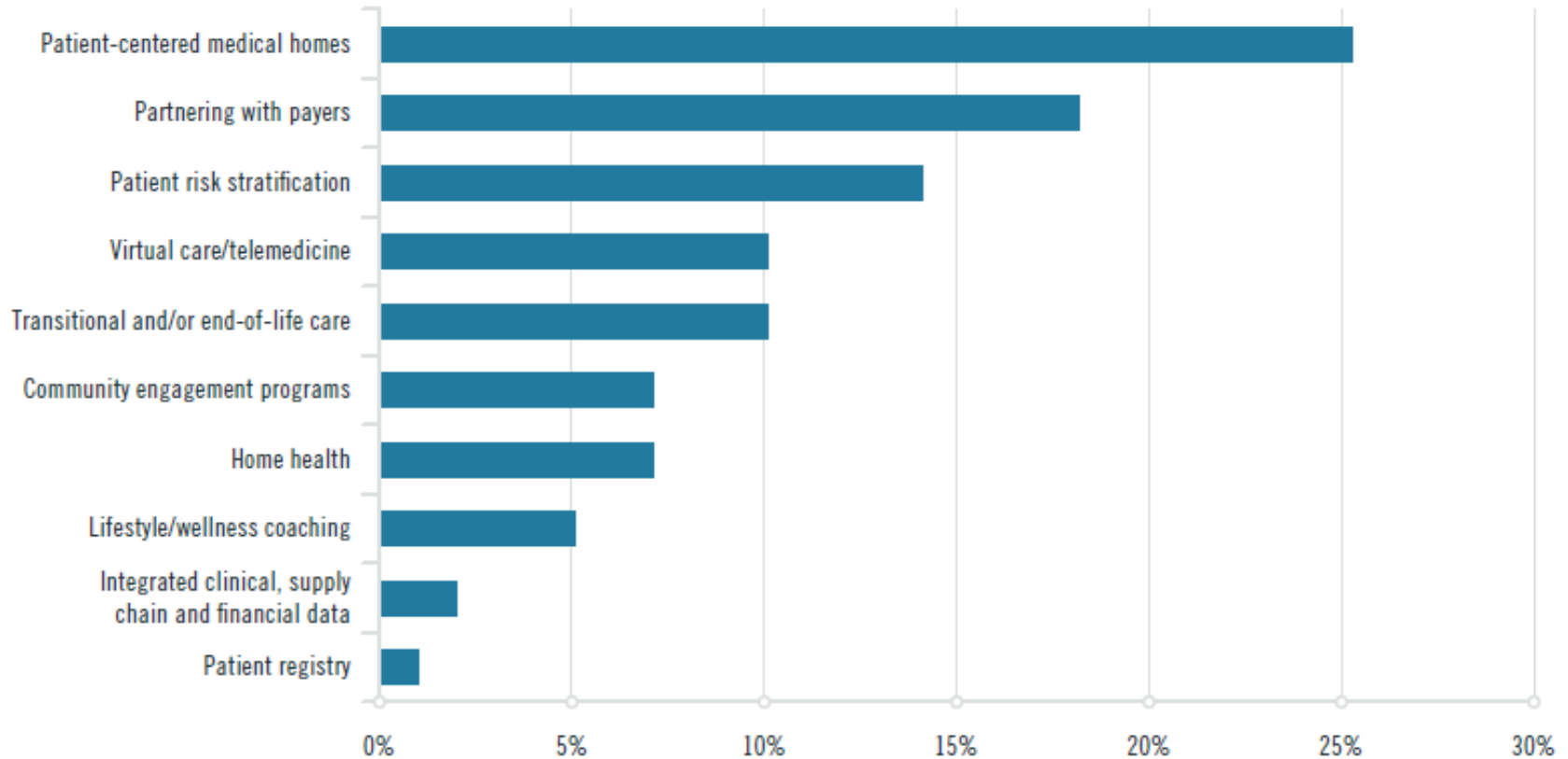
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- ▶ Person-centered
- ▶ Comprehensive
- ▶ Accessible
- ▶ Coordinated
- ▶ System-wide commitment to quality and safety

Source: Agency for Healthcare Research and Quality (AHRQ)

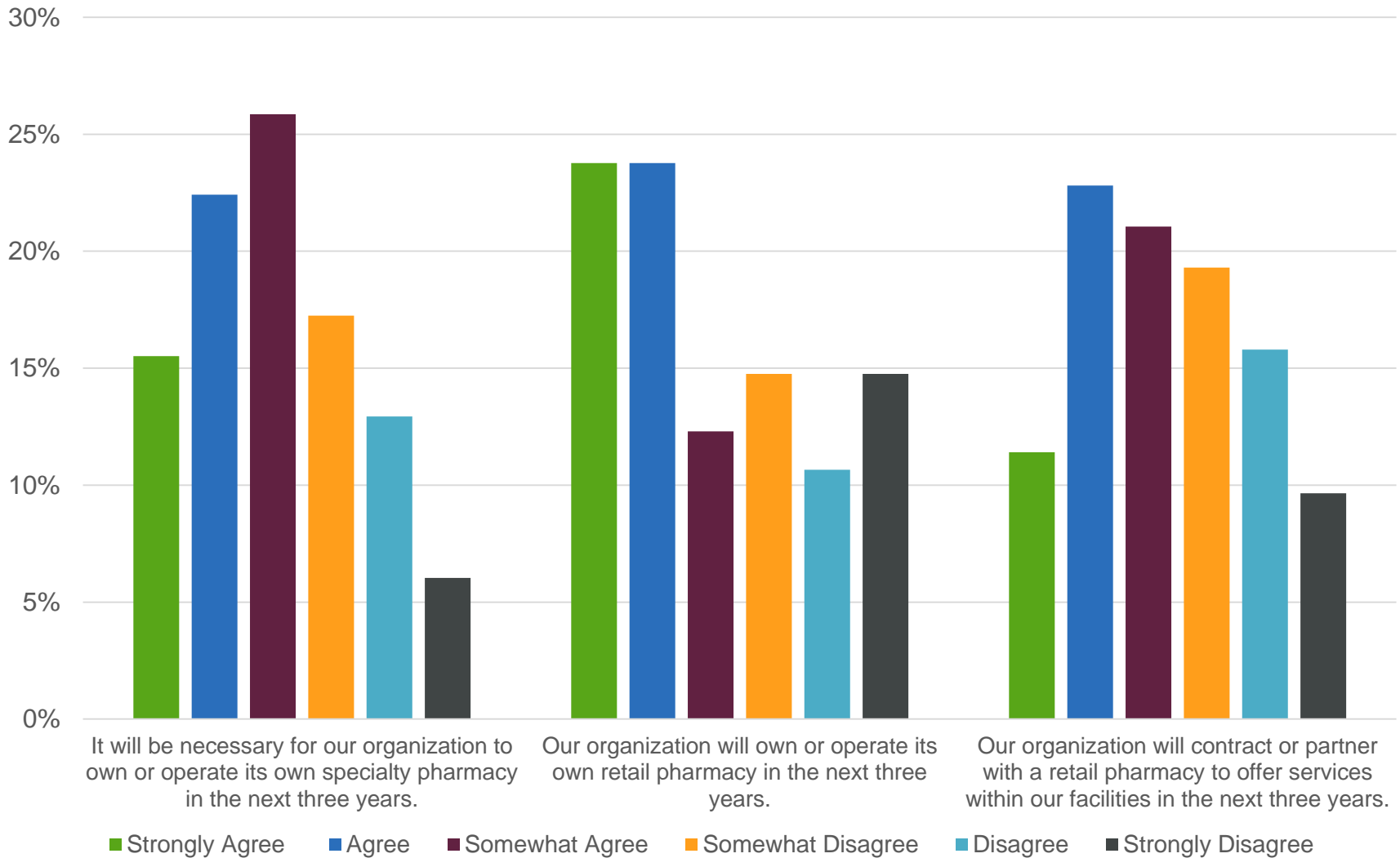
# Top areas of population health resource dedication

Fig.4 Top area of resource dedication for population health (C-suite only)



Source: Premier online survey for fall 2014 Economic Outlook publication

# Pharmacy integration





# Supply chain impact

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- ▶ Scale of ACOs
- ▶ Purchasing for physician's offices or non-acute facilities
- ▶ New products and services
- ▶ Healthcare alliances

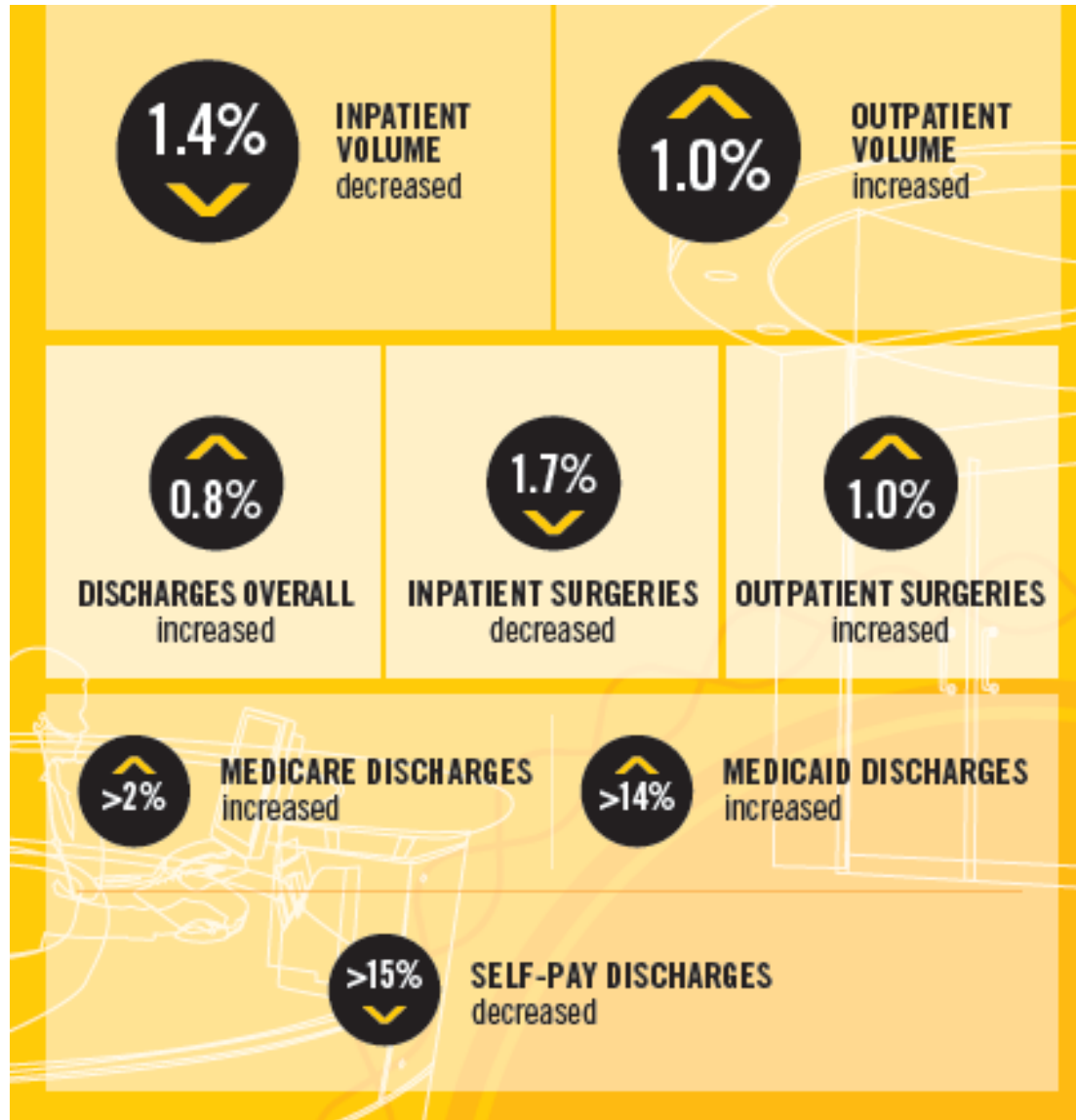
# Impact of alternative delivery models on supply chain

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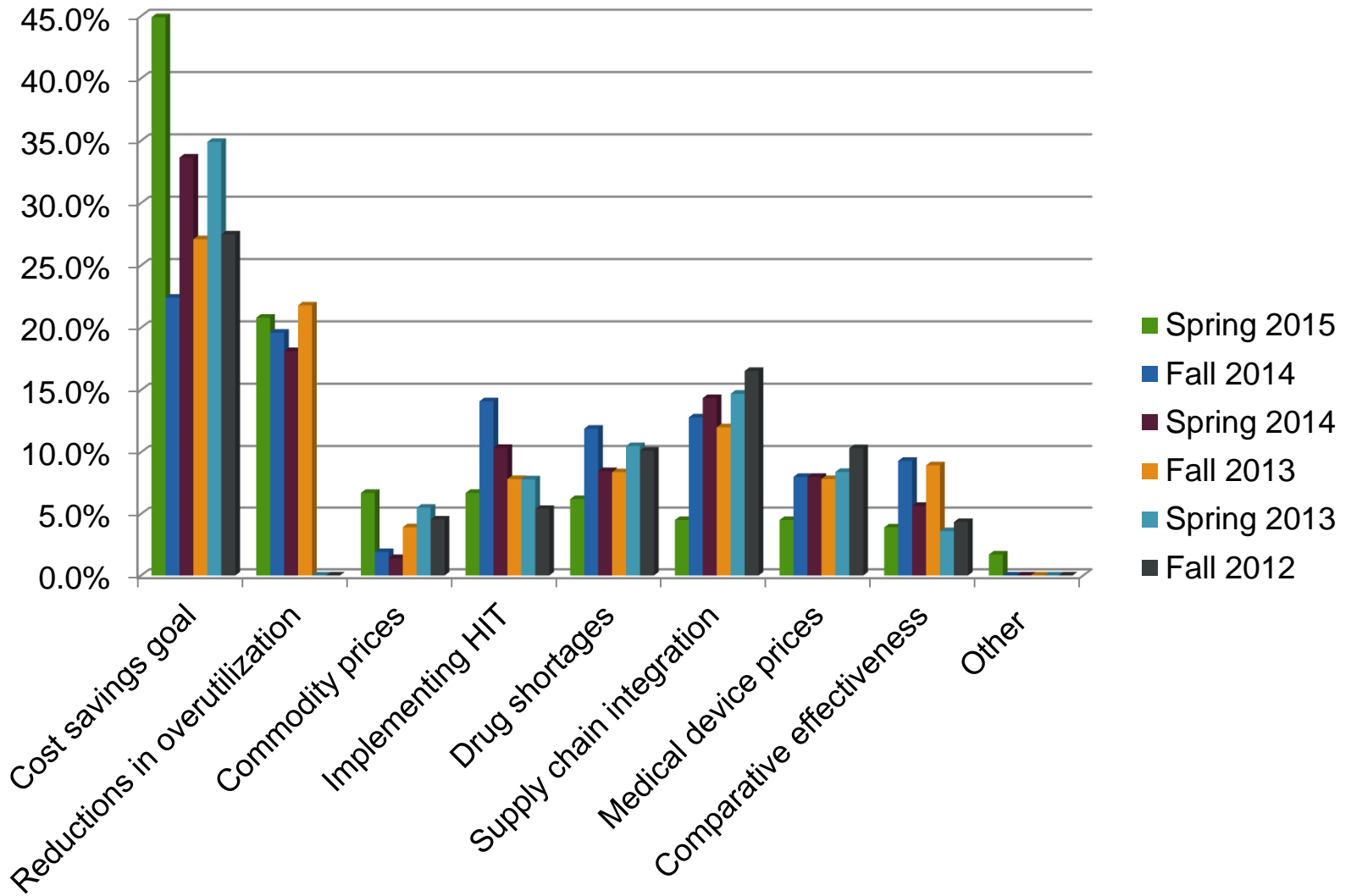
- ▶ Scale of ACOs
- ▶ Purchasing for physician's offices or non-acute facilities
- ▶ New products and services
- ▶ Healthcare alliances



# Admissions trends (2013-2014)



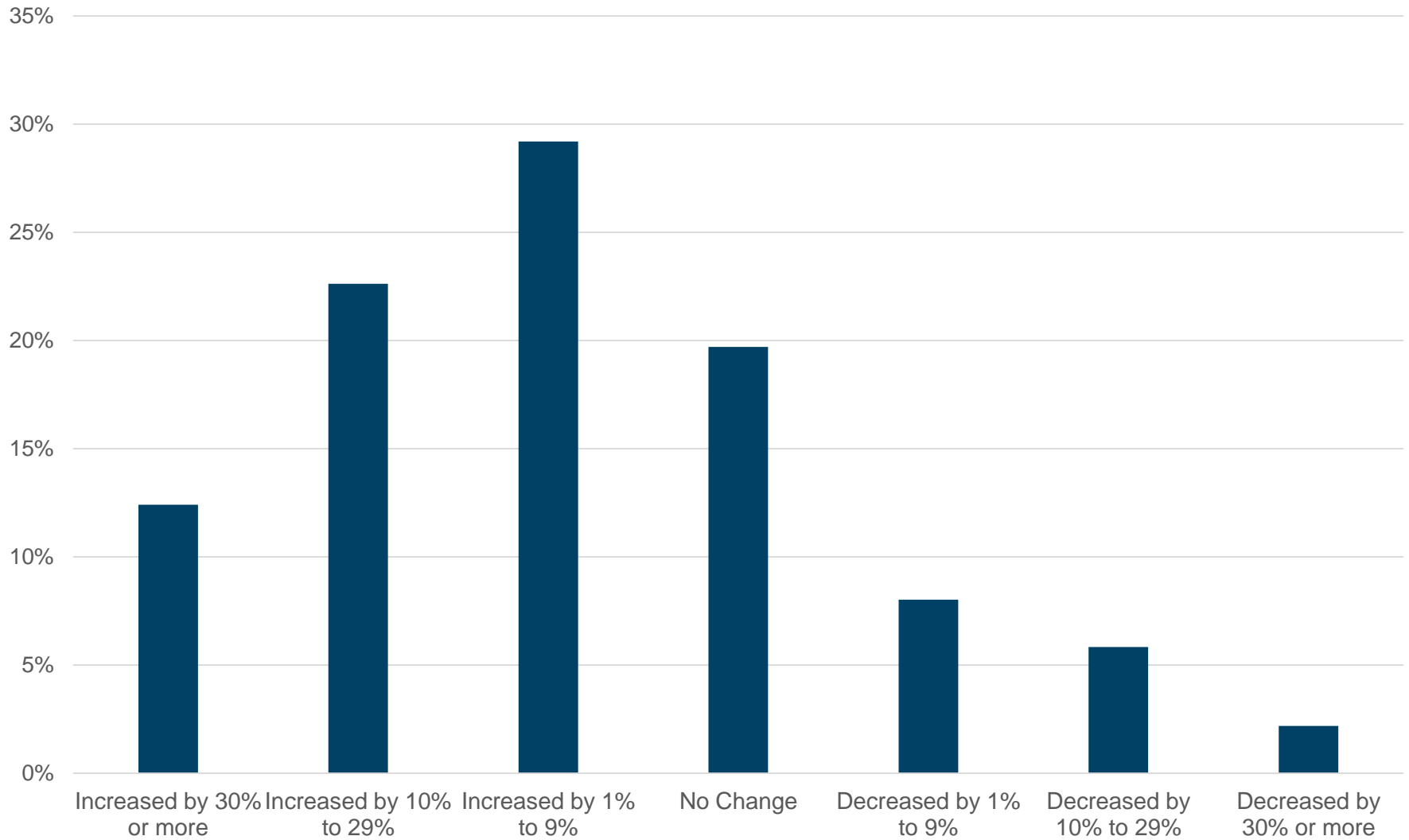
# Biggest issues impacting supply chain



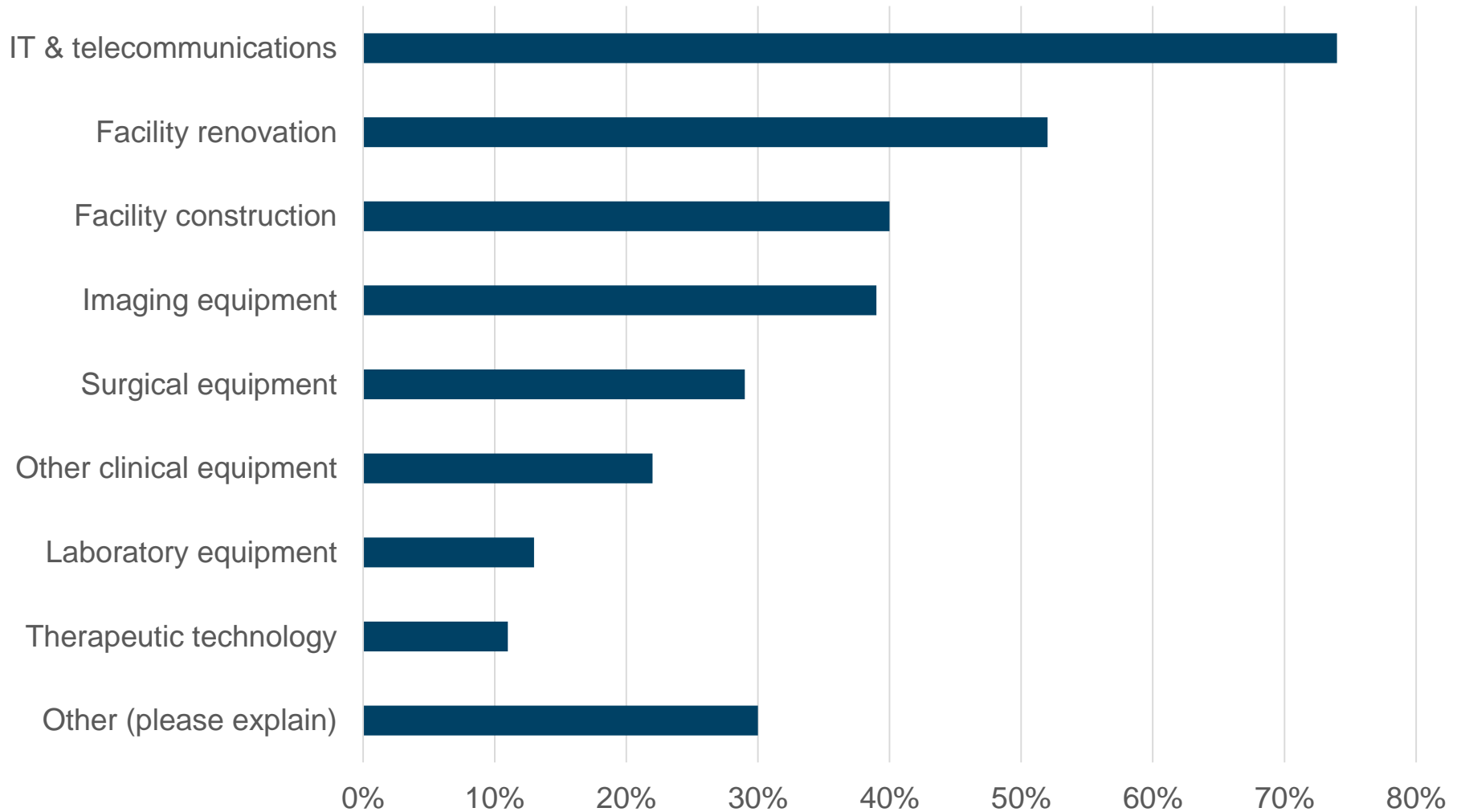
# Supply chain challenges

	<b>Agree</b>	<b>Disagree</b>
Our annual investment in supply chain will increase over the next three years.	82%	18%
New technologies will require a significant supply chain investment over the next three years.	88%	12%
Pharmaceutical price increases pose a challenge for our organization.	93%	7%
Drug shortages will continue to be a problem for our organization over the next three years.	96%	4%

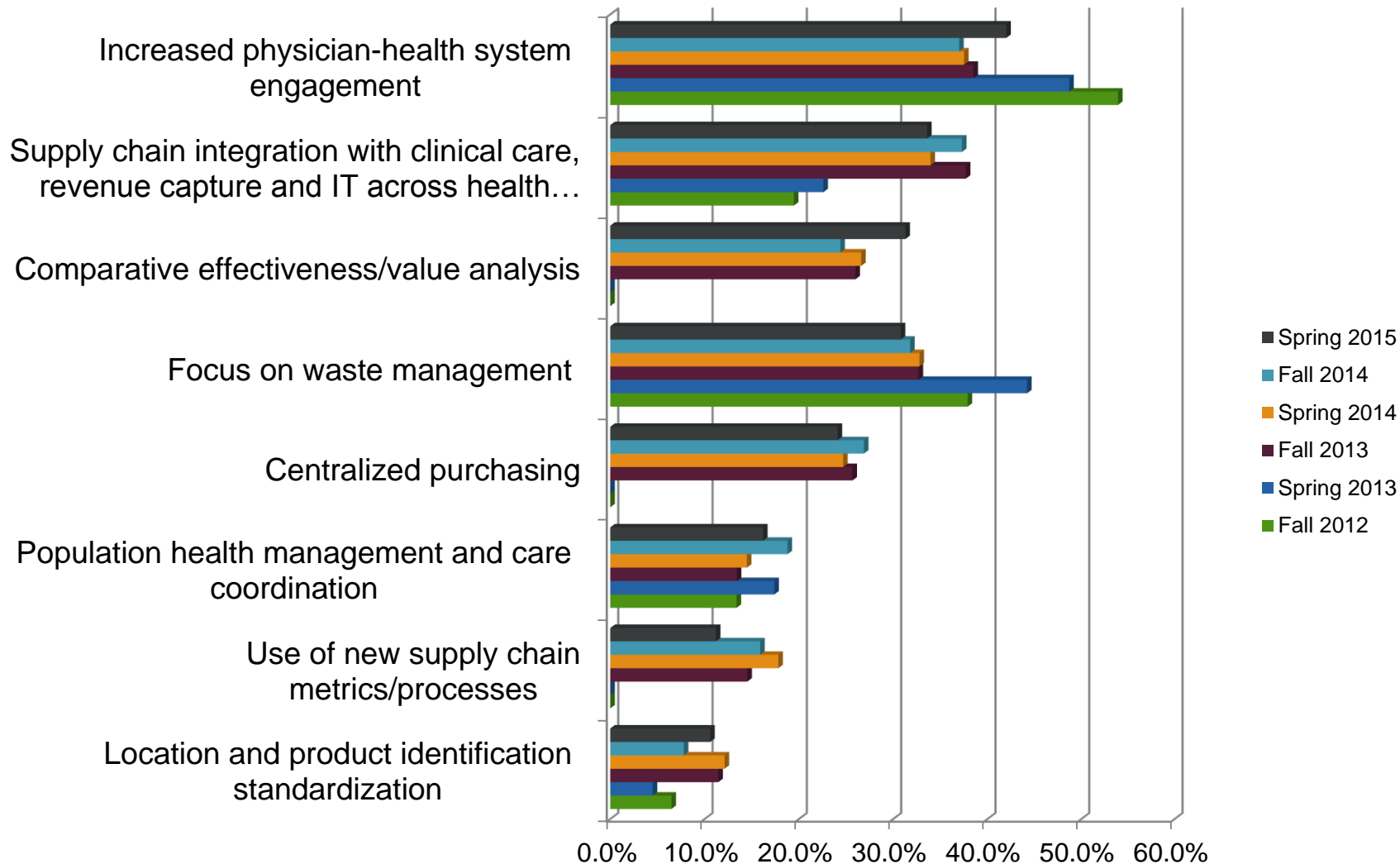
# Capital budgets



# Areas of capital expenditures

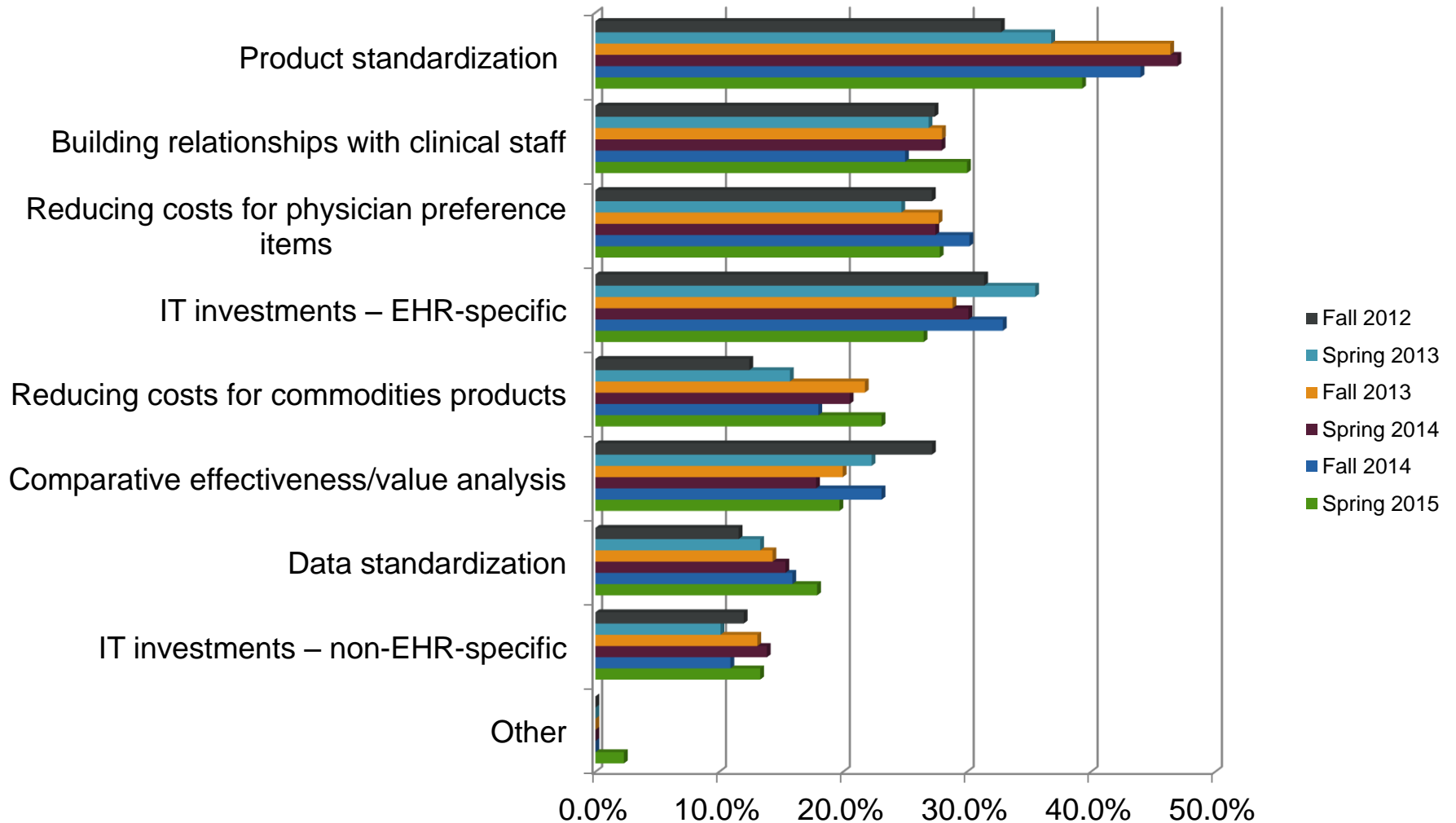


# Tactics to improve supply chain





# Resource dedication for supply chain



## ▶ Access to the *Outlook*

- ▶ PremierConnect for employees and members
- ▶ Amazon webstore:  
<http://outlookmarketplace.hostedbywebstore.com/>





**For more information:**

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