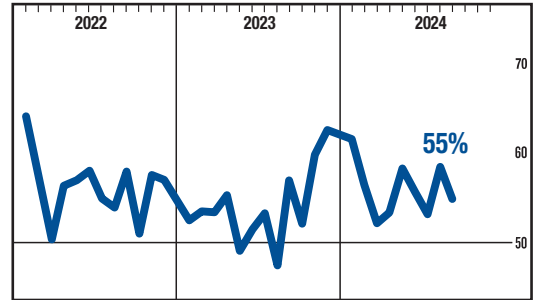


# HOSPITAL PMI® at 55%

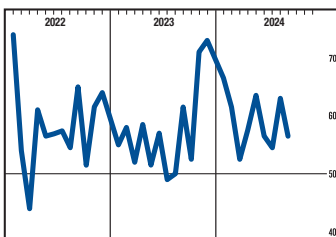
Economic activity in the hospital subsector grew in September for the 13th consecutive month after contracting twice in the previous four-month period, with 35 consecutive months of growth prior to that, say the nation's hospital supply executives in the latest Hospital ISM® *Report On Business*®.

The Hospital PMI® registered 55 percent in September, a 3.6-percentage point decrease from the August reading of 58.6 percent, indicating a 13th consecutive month of growth after a contraction in August 2023. The Business Activity Index expanded for the 13th straight month. The New Orders Index expanded for the second consecutive month, while the Employment Index also remained in expansion territory for the fifth straight month. The Supplier Deliveries Index remained in expansion (which indicates slower delivery performance) for the 13th consecutive month. The Case Mix Index contracted in September after expanding for four consecutive months, registering 48.5 percent, 4 percentage points lower than the previous month's figure of 52.5 percent. The Days Payable Outstanding Index returned to expansion in September, up 2 percentage points from the "unchanged" reading of 50 percent in August. The Technology Spend Index reading of 56.5 percent is a decrease of 0.5 percentage point compared to the 57 percent recorded in August. The Touchless Orders Index returned to contraction territory in September, registering 47 percent, down 6.5 percentage points from the 53.5 percent reported in August.

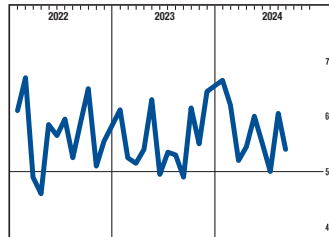
Generally, business is good as we move into the fourth quarter. Facilities are reporting that volumes have increased somewhat, as is usually the case at this time of year. Inventories are increasing as COVID-19 and flu vaccines and other seasonal medications arrive. However, some hospitals are reporting that some supply chains are showing signs of congestion, as back orders are up somewhat and some transportation disruptions have been cited. Hospitals are looking to fill vacant staff positions and reduce reliance on temporary labor. Some organizations have acquired or are building new facilities (both inpatient and outpatient), contributing to technology spend. It has also been reported that organizations are also looking to augment provider networks, which in some cases is related to expansion of their physical plants. **ISM**



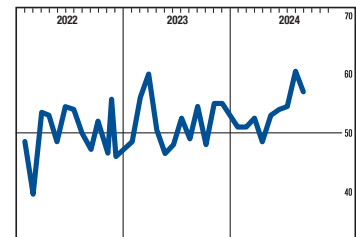
## Business Activity



## New Orders



## Employment



## About This Report

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