

The Healthcare Supply Chain of 2030: Mapping Priorities for the Future

SMI thought leaders shared insights during Executive Exchange discussions facilitated by L.E.K. Consulting that focused on the fundamental changes, innovation and collaboration needed to create a more advanced and resilient health system supply chain for 2030. Thank you to the SMI members who contributed their insights for these discussions.

Rapid transformation had been underway among U.S. health systems during the past decade, and was accelerated by the impact of COVID-19.

As transformation continues, health systems will rely on suppliers for unprecedented support. Providers and suppliers who develop "reciprocal interdependence" based on enduring trust and transparency will be poised to succeed.

Trust among providers and suppliers will orient the way to 2030



Understand total cost of care and broader priorities of health systems



Continue to elevate C-suite focus on supply chain for providers and suppliers



Develop mutual awareness of, and align, economic incentives for provider-supplier relationships

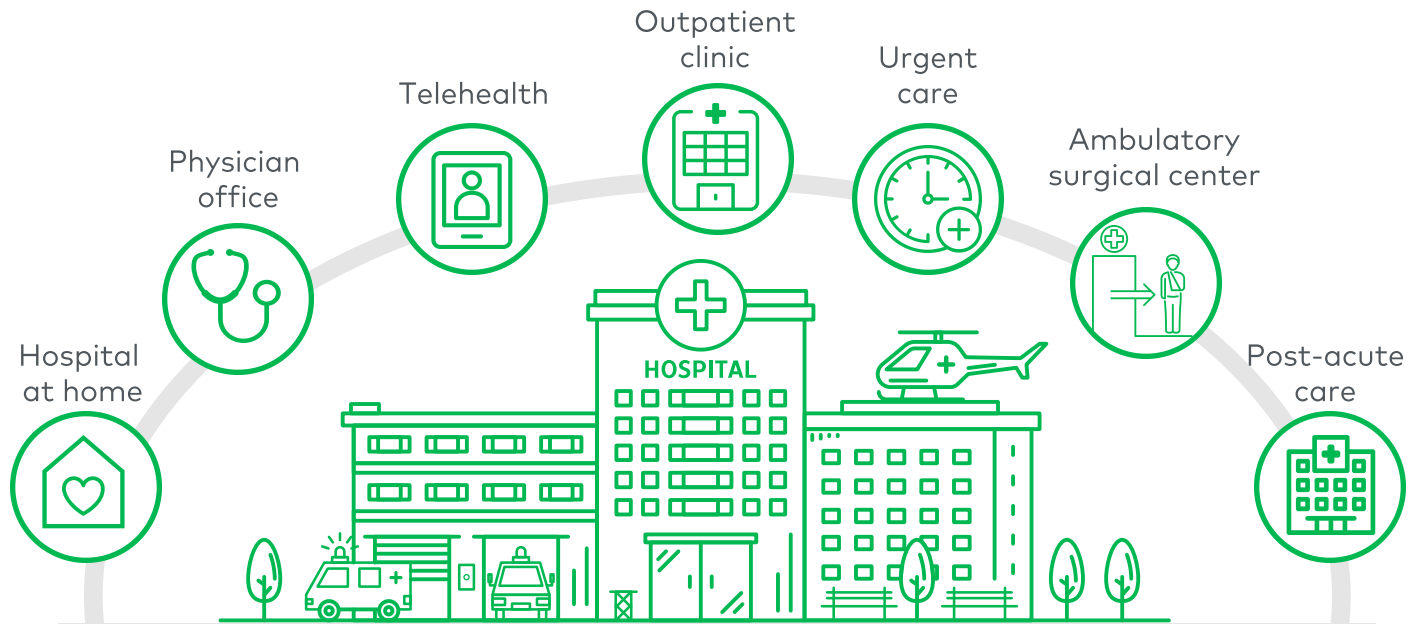


Evolve business models to support telehealth and care outside the hospital



Integrate supply chain and clinical teams for optimal quality and cost-effective patient care

In 2030, U.S. health systems will be larger, with a greater non-acute focus, more centralized decision-making and increased exposure to value-based care



Priorities for 2030 health system supply chain

1

Predictive and prescriptive supply chain analytics leveraging clinical data

- COVID-19 has illustrated the need for predictive and prescriptive analytics to deliver on clinical priorities and meet health system operational demands
- Data standardization across sites, greater visibility (clinical and supply chain) across sites, real-time data refreshes and predictive capabilities to drive faster decision-making are needed
- Real-time inventory and utilization data can optimize resource reallocation across sites and care settings, supporting non-acute care delivery

2

Talent to support forward-looking supply chain needs

- Growing reliance on rigorous analytics and data-driven decision-making as well as larger operational scale requires a talent pool with a broader set of capabilities in areas such as analysis execution, data interpretation and partner engagement
- Providers and suppliers will likely need to invest in talent with experience outside of healthcare to infuse their organizations with the knowledge required to deploy new tools and approaches
- The ideal talent pool should have the ability to manage more complex organizations and interface more closely with, and on, more dimensions with supply chain and clinical stakeholders

3

Deeper strategic partnerships with suppliers

- Increased transparency on mutual economics, strategic goals and capabilities can enable collaboration on a broader set of needs such as new models to support care outside the hospital or ways to reduce labor requirements
- Collaboration is vital to align incentives via mutually beneficial structures (e.g., gain/risk sharing) and requisite, measurable key performance indicators (KPIs)
- Providers should more clearly tier their suppliers and collaborate closely at the senior stakeholder level with select partners