



NEWS RELEASE

Premier Inc. Survey: Alternate Site Providers Report Increased PPE Needs but Face Challenges with Traditional Distribution Channels

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- Majority of respondents report a more than 50 percent increase in need for personal protective equipment (PPE).
- Three quarters of respondents have increased their PPE budgets by 50 percent or more.
- Fifty-nine percent report that they are planning to, or already have, reconfigured physical space to encourage social distancing.
- Forty percent of the COVID-19 deaths stem from nursing homes or long-term care facilities.

CHARLOTTE, N.C.--(BUSINESS WIRE)-- **Premier Inc.** (NASDAQ: PINC), a leading healthcare improvement company, today released survey results finding that the majority of alternate site providers, including senior living facilities, physician/medical offices, pharmacies and surgical centers, report a more than 50 percent increase in personal protective equipment (PPE) needs since the COVID-19 outbreak.

At the same time, securing PPE is still a challenge for alternate site providers. The majority of respondents are still unable to obtain PPE or disinfecting and sanitizing products, which continue to be in high demand. Most (83 percent) reported not having their PPE needs met by their traditional medical-surgical distributors, with a significant percentage looking to online retailers and other channels for product.

In order to reopen, many of these providers need to have an excess supply of these items on hand to avoid shortages later. The top items these providers have trouble securing are:

1. Isolation gowns

2. N95 masks
3. Disinfecting products (cleaners, sprays, etc.)
4. Hand sanitizer
5. Surgical masks

Ninety-five percent require at least some PPE for every person in their facility. As a result, nearly three-quarters of respondents (72 percent) have increased their PPE budgets by 50 percent, and nearly half (47 percent) have increased their spend by 100 percent or more.

“It is clear that traditional medical-surgical distributors are challenged to meet the PPE demands for alternate site providers,” said John P. Sganga, Senior Vice President of Alternate Site Programs at Premier. “Premier has implemented programs to direct these healthcare providers to alternative suppliers who are able to help meet their needs for PPE and other critical supplies. This includes our e-Commerce platform, **stockd**. It is critical that these facilities are not left defenseless in the future.”

Alternate site providers – which include nursing homes and long-term care facilities that account for **40 percent** of COVID-19 deaths – have **struggled to secure PPE** and other critical products due to allocation, a process that restricts ordering when demand for a particular product spikes. Allocations are typically set to match the customer’s historic purchase volume and are meant to protect the supply chain and prevent unnecessary hoarding. A downside of allocation is that it may limit the amounts healthcare providers can buy, even if they have legitimate reasons for larger orders. Alternate site providers do not typically have a purchasing history for PPE and have a difficult time **securing product on allocation**. Premier launched stockd to help organize the market for these providers and believes that a fundamental shift in the Strategic National Stockpile’s approach to product distribution is needed to more wholly meet providers’ needs going forward.

The survey also found that while almost all alternate site providers have implemented social distancing protocols, almost 60 percent report that they are planning to, or already have, reconfigured their physical space to further encourage social distancing.

In addition, 59 percent of respondents have expanded their use of telehealth. The most common social distancing protocols that have been implemented among these providers are:

1. Reduced patient appointments or resident capacity
2. Increase use of telehealth or virtual appointments
3. Furniture reconfiguration or removal
4. Installation of physical barriers or dividers

“These survey results show that care delivery has changed profoundly since the outbreak of COVID-19,” Sganga added. “We are starting to see changes in how spaces are designed, along with an increased need for supplies that

protect, clean and sanitize. As patient preferences for care delivery in an office or institutional setting decline, we're noticing an increase in telehealth offerings and adoption. The way we were accustomed to receiving care in settings like doctors' offices and skilled nursing facilities will largely be a thing of the past."

Survey Methodology

Premier's survey was conducted from May 20-June 10, 2020, and sent to a representative portion of non-acute care providers in the Premier membership. There were 221 respondents across all alternate site class of trades, including senior living, physician/medical office, home infusion provider, long-term care, pharmacy and surgical center, among others. Respondents represent approximately 2,650 facility locations and 95,000 skilled nursing facility and assisted living facility beds.

About Premier Inc.

Premier Inc. (NASDAQ: PINC) is a leading healthcare improvement company, uniting an alliance of more than 4,000 U.S. hospitals and health systems and approximately 175,000 other providers and organizations to transform healthcare. With integrated data and analytics, collaboratives, supply chain solutions, and consulting and other services, Premier enables better care and outcomes at a lower cost. Premier plays a critical role in the rapidly evolving healthcare industry, collaborating with members to co-develop long-term innovations that reinvent and improve the way care is delivered to patients nationwide. Headquartered in Charlotte, N.C., Premier is passionate about transforming American healthcare. Please visit Premier's news and investor sites on www.premierinc.com; as well as [Twitter](#), [Facebook](#), [LinkedIn](#), [YouTube](#), [Instagram](#) and [Premier's blog](#) for more information about the company.

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