

NEWS RELEASE

Premier Inc. Survey: As COVID-19 Spreads to New Hotspots, Hospitals Should Prepare for up to a 17X Surge in Supply Demand

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- Surge for personal protective equipment (PPE) for facilities with confirmed COVID-19 patients varies from 3X to 17X, depending upon item.
- Survey respondents treating COVID-19 patients say supply shortages and burn rates for PPE were among the biggest surprises and lessons learned.

CHARLOTTE, N.C.--(BUSINESS WIRE)-- **Premier Inc**. (NASDAQ: PINC), a leading healthcare improvement company, today released survey results quantifying the surge capacity needed for personal protective equipment (PPE) and other supplies in hospitals as COVID-19 cases spread to new areas of the country. Survey data shows that active cases of COVID-19 create surge demand of 17X the typical burn rate for N95 respirators, 8.6X for face shields, 6X for swabs, 5X for isolation gowns and 3.3X for surgical masks.

Premier's survey is the first to quantify surge capacity and supply burn rates, by category, for the provider community, essential facts needed to prepare for an influx of COVID-19 cases. According to the survey, availability of PPE and burn rates for PPE products were the two most commonly cited "surprises" of the pandemic.

"Since our **earlier survey** of hospitals' supply levels, we have much more precise detail on the increased use of supplies," says Premier President Michael J. Alkire. "Our data shows that many providers believed they were well equipped, only to see their stocks depleted in a matter of days as they started requiring increased use of PPE across a broader population of healthcare workers. In providing new information on surge needs, we hope more hospitals will better understand what's ahead so they can begin conserving supplies and adjusting their overall plans before they have a confirmed case. As we've seen repeatedly with this pandemic, planning and preparedness are essential

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to providing continuous, quality care."

According to the survey, hospitals ranked the supply of N95 respirators as their top concern. Comparing the number of respirators the hospital used before and after confirmed COVID-19 cases were admitted, Premier calculated a surge need of up to 17X. The survey also found that the average respondent had 23 days of N95 inventory on hand. However, those with active COVID-19 patients had an average of just three days' worth.

"To date, most attention about supply shortages has focused on N95 masks, which was one of the first PPE items to fall into short supply as consumption surged to provide care to COVID-19 patients," Alkire says. "Although this supply remains a top concern, backorders for surgical masks, isolation gowns, thermometers and disinfecting wipes are surging and quickly surpassing demand for N95s. This is an early warning signal of product shortages that may be on the horizon and need to be planned around."

Other surge requirements are provided in the table below.

Supply	Surge Need	Inventory on Hand (Without COVID-19 Patients)	Inventory on Hand (With COVID-19 Patients)
Surgical Masks	3X	3.6 days	2 days
Face Shields	8.6X	3.7 days	3.3 days
Isolation Gowns	5X	4.5 days	2.7 days
Viral Swabs	6X	10 days	9.3 days

[&]quot;Based on the surge capacity needs identified, as well as best practices learned from hospitals in hotspots like New York, Premier encourages every facility to begin surge planning for these supplies immediately," Alkire says. "At a time when many providers are operating in crisis mode, these statistics are critical to our hospitals as we assist them in using predictive modeling to prepare for their future supply needs."

Survey Methodology

Premier's survey was conducted from March 16-20, 2020, and sent to a representative portion of the Premier membership. Approximately 1,591 unique hospitals across 40 states responded, or 32 percent of the nation's total hospitals. Not every respondent answered every question. Approximately 42 percent of the respondents reported having at least one confirmed COVID-19 case being treated at their facility.

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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