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## HSCA RELEASES FOURTH ANNUAL REPORT ON VALUE GPOS DELIVER TO THE HEALTHCARE SUPPLY CHAIN

*Report Highlights COVID-19 Response Efforts, Role in Increasing Provider use of Telehealth to 70 Percent, and Leadership on Supply Chain Resiliency.*

**Washington, DC (June 4, 2021)** – The Healthcare Supply Chain Association ([HSCA](#)), which represents the nation’s leading healthcare group purchasing organizations (GPOs), today released its fourth annual [report](#) on the value that GPOs deliver to the healthcare system. The report, which was based on existing academic research and on a survey of HSCA member GPOs, found that GPOs played a critical role in supporting COVID-19 response efforts; helped promote an increase in member provider use of virtual health operations from 2 percent to 70 percent; drove quality throughout the healthcare system; increased competition; and advanced supply chain resiliency while delivering up to \$34.1 billion annually in critical cost-savings to providers.

“The COVID-19 pandemic placed enormous and unprecedented stress on the entire healthcare system, including hospitals, other healthcare providers, and the supply chain. GPOs have been critical partners to America’s healthcare providers in the COVID-19 fight, working closely alongside hospitals and other providers to help support access to essential products and safeguard patient care,” said HSCA President and CEO Khatereh Calleja. “This year’s HSCA Annual Value Report confirms what hospitals, healthcare providers, suppliers and policymakers see every day: GPOs enhance quality, increase competition, reduce costs, strengthen visibility, and support response efforts to crises like COVID-19.”

HSCA Annual Value Report findings include:

- **GPOs Are Invaluable Partners to Emergency Response Efforts.** GPOs help members prepare, respond and rebuild after public health threats and man-made or natural disasters. **GPOs have taken a number of innovative steps to support COVID-19 response efforts**, including supply coordination efforts to help medical teams obtain much needed supplies and support surge capacity, adding new manufacturers to contracts to rapidly increase supplies, and working with non-traditional and adjacent industries to fill supply gaps for essential products such as hand sanitizer, isolation gowns, and surgical caps.
- **GPOs Encourage Adoption of Telemedicine and Innovative Healthcare Technologies.** GPOs helped member providers swiftly transition to telehealth and virtual operations during COVID-19, resulting in member use of telemedicine **increasing from 2 percent of providers prior to March 2020 to more than 70 percent by the end of April 2020**. GPOs also provided timely updates on policy developments supporting telehealth adoption and helped members apply for telemedicine funding from The Coronavirus Aid, Relief, and Economic Security Act (CARES).



- **GPOs Drive Quality Throughout the Healthcare System**. As supply chain leaders in quality assurance, **GPOs’ fierce commitment to quality helped to protect member hospitals from purchasing counterfeit or inferior goods during the COVID-19 pandemic**, working around the clock to field thousands of inquiries and vet new manufacturers for compliance with standards set by the FDA and National Institute for Occupational Safety and Health (NIOSH) and ensure safeguards for product quality.
- **GPOs Support Supply Chain Resiliency**. GPOs are actively involved policy efforts to strengthen supply chain resiliency, enhance upstream visibility, and drive quality throughout the healthcare system. As part of those efforts, **HSCA issued a [series of principles and recommendations](#) to further strengthen supply chain resiliency** and enable an effective response to public health crises, and **provided testimony to the National Academies of Sciences, Engineering, and Medicine (NASEM)** on ways to increase the resiliency and security of the medical product supply chain.
- **GPOs Promote Competition**. GPOs are dedicated to increasing competition and ensuring continued access to essential medicines and products and have **successfully helped bring new manufacturers to market since the beginning of the COVID-19 to help meet surges in demand**. Multiple GPOs have also launched partnerships with domestic manufacturers to increase the supply of essential medical products, which has proved to be critical during COVID-19.
- **GPOs Strengthen Supply Chain Visibility and Tracking**. GPOs use more than 100 billion data points on clinical, financial, and operational healthcare performance to offer insights and provide **efficiencies, predictability and context to purchasing and supply decisions**. During COVID-19, GPOs leveraged their unique line of sight and data analytics to provide tracking, forecasting and predictive modeling.

“Hospitals and healthcare providers are increasingly relying on GPOs for a broad range of services to improve healthcare in U.S.,” added Calleja. “GPOs are committed to helping America’s healthcare providers to respond to challenges like COVID-19 and provide quality care for the patients they serve.”

For the full HSCA Annual Value Report, visit [here](#).

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### **About the Healthcare Supply Chain Association (HSCA)**

The Healthcare Supply Chain Association ([HSCA](#)) represents the nation’s leading healthcare group purchasing organizations (GPOs), which are critical cost-savings partners to America’s hospitals, nursing homes, nursing home pharmacies, clinics, home healthcare providers and surgery centers. GPOs deliver billions in savings annually to healthcare providers, Medicare and Medicaid, and taxpayers. HSCA and its member GPOs are committed to delivering the best products at the best value to healthcare providers, to increasing competition and innovation in the market, and to being supply chain leaders in transparency and accountability. For more information, visit [www.supplychainassociation.org](http://www.supplychainassociation.org). Follow HSCA on Twitter [@HSCA](#).