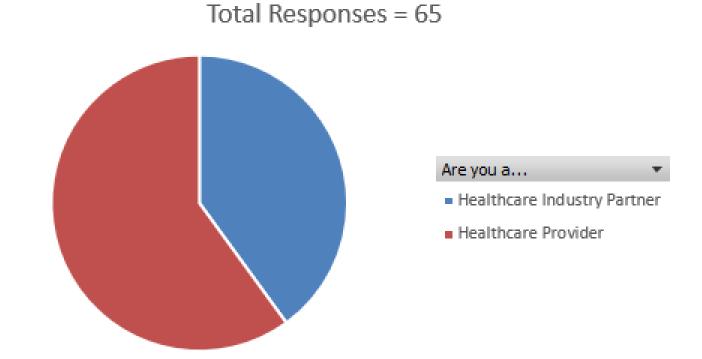


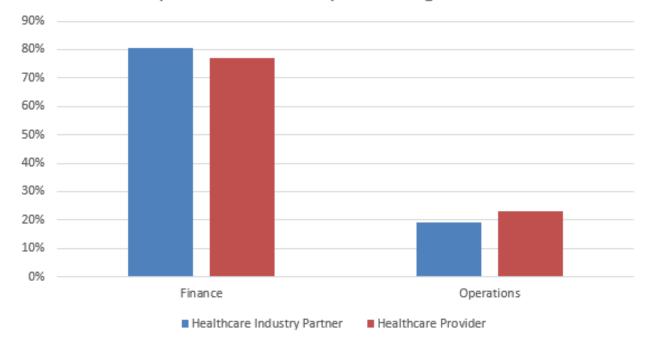
## **Provider Supply Chain Reporting Relationships**





# **Provider Supply Chain Reporting Relationships**

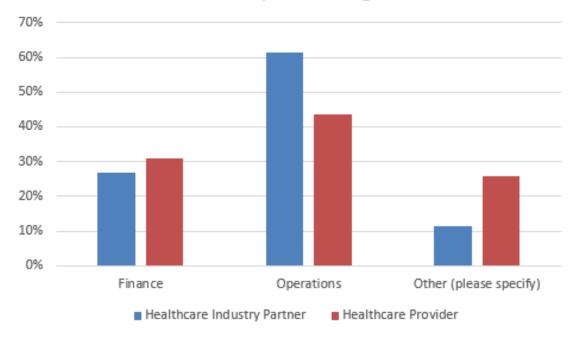
In your experience, where does Supply Chain typically report in a healthcare provider organization?





## **Provider Supply Chain Reporting Relationships**

In your experience, what makes the most successful reporting relationship for Supply Chain in a healthcare provider organization?



#### Other responses:

Finance or Operations and not sure it matters. Have had both CEO

C-Suite

I have reported through Operations, Finance, and even to the Chief Information Officer

I'm not sure I can say with any certainty. Operations makes more sense, but Finance has more clout in most IDNs.

It should be a matrix role between Finance & Operations, both connections are imperative for success.

reporting isn't the issue, it's the top-down support and accountabilities

Whoever leader has most influence in organization. Finance and Operations reporting each have their own strengths and weaknesses

With Matrix reporting structures, all of the above (outside of IT).



## **Provider Supply Chain Reporting Relationships**

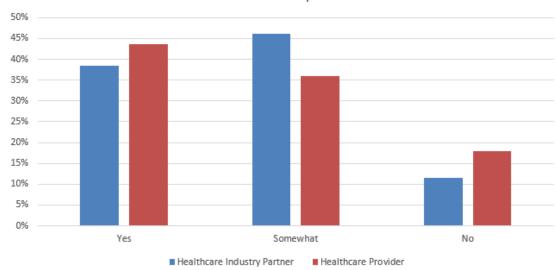
In your experience, what percentage of acute care Healthcare Provider supply chain leaders have the title of Chief Supply Chain Officer?

Response Type	Average % of CSCO Titles
Healthcare Industry Partners	41%
Healthcare Providers	41%



# **Provider Supply Chain Reporting Relationships**

During the acute stage of the COVID-19 Pandemic, many provider supply chain leaders reported a much higher level of engagement with their c-suite leaders. Now that the critical stage of the pandemic has passed, do you think provider supply chain leadership has remained more engaged with c-cuite leadership than it was before the pandemic?



#### Other responses:

- Slightly
- It feels that way, but that's an entirely subjective feeling



## **Provider Supply Chain Reporting Relationships**

Industry Partner comments regarding the optimal reporting relationship for supply chain and supply chain's engagement with the c-suite in provider organizations:

Advantage of reporting to CFO - measure revenue from reimbursement plus cost savings measurement based on overview opportunities to not impact reimbursement revenue.

Optimal would be it the CEO with strong CFO/Chief Clinical Officer alignment.

Supply Chain is critical to ensure therapy can be delivered to patients, when needed, every day. Therefore, Supply Chain should be considered essential to a Provider organization and embedded with the Senior Leadership Team.

Supply Chain typically manages the second largest expense outside of labor. This is the primary reason to have the CSCO report to the CFO, as it will balance it with the operational & clinical needs.

The CEO or COO reporting relationship is ideal.

Would be conjecture at this point.



# **Provider Supply Chain Reporting Relationships**

Provider comments regarding the optimal reporting relationship for supply chain and supply chain's engagement with the c-suite in provider organizations:

Category Management and contract management strategically positions Supply Chain in front of c-suite. Effective VAT process and escalation path helps too.

I am not certain that it really matters what vertical Supply Chain reports through (Operations, Finance, IT, etc) as long as there is consistent communication, trust, and integrity in the relationship. I can see the benefit of having supply chain report up through the COO because it can create more alignment with the leaders supply chain needs to advance projects. But, in our organization the CFO still holds the most power over resource allocation and we've found ways to be closely aligned with operations to get things done without having to change our reporting structure. I still think the ultimate goal would be to make the CSCO a c-suite position (reporting directly to the CEO). But I don't that's any more realistic now than it was before or during the pandemic.

I don't know which way works better- we've been under Finance and Operations before

I don't think it matters if Finance or Operations, as long as right level with right leader. I do think it drives some changes in scope and think Financial is better.

I have a long career in HealthCare Supply Chain and have reported to Chief of Staff, CFO and COO. Hands down, the most effective reporting (and end result) has been the COO reporting role.

I think that supply chain significantly impacts both operations and finance so regardless of which channel the department reports into, the other channel will have a dotted line.



## **Provider Supply Chain Reporting Relationships**

And more Provider comments regarding the optimal reporting relationship for supply chain and supply chain's engagement with the c-suite in provider organizations:

I think the best reporting location for Supply Chain would be a centralized services department (finance). If it's moved under health system operations (or nursing), how would that align for research and the medical schools? As long as we're somewhere in the central services space, that would work in my opinion.

I think the optimal reporting structure is through the CMO's office

Physician and provider engagement requires greater integration of Supply Chain with Operations. This alignment encourages stronger alignment with utilization management needed for transformational change.

Regardless of the reporting hierarchy, the key is to have very good relationships with key c-suite members (CEO, CFO, COO, CMO, CNO, etc). My span of control is split between CFO and COO. Core supply chain through COO. AP and ERP support through CFO.

Reporting directly to COO or CFO, whomever has more organizational influence. Long for the day when provider supply chain leaders are viewed at the level of non-healthcare CSCO's who often report to the CEO or COO

reporting relationship is important, but if reporting thru finance, would share a dyad approach to clinical leadership is also critical.

Supply chain has to have the c-suite support and a direct line of communication with them to continue to manage to optimal levels for cost and clinical integration.



## **Provider Supply Chain Reporting Relationships**

The final group of Provider comments regarding the optimal reporting relationship for supply chain and supply chain's engagement with the c-suite in provider organizations:

Supply Chain Management can be an official part of the C-suite or report to a C-suite member (CFO). What is most important is you have the ability to get the C-suite attention when necessary and work in an integrated fashion with the clinical practice.

Supply Chain needs to be a part of the C-Suite as everything we do affects the organization both Operationally and Financially.

Supply Chain needs to be viewed as a strategic partner who is aligned with not only financial goals, but operational goals as well. SC should be linked with safety leaders, diversity, legal, in addition to COO, CFO, CNO, CMO, CEO.

Supply Chain needs to report directly to a C-Suite leader to keep topics at that level in organization. Also need strong relationship with CMO and CNO on C-Suite. Lots of discussion on supply chain being in C-Suite, not a lot of progress towards that.

Supply chain supports operations and needs to report directly to Operations

Supply chain will end up with the agenda of whoever it reports to. If it reports to Finance, it will be viewed as a financial lever. If Operations, an operations lever. When Supply chain reports to the CEO (optimal) it can more easily play between but it is a rare reporting relationship. CEO ideal, COO as a next best case, but definitely in the c-suite is optimal.

We still have a focus around savings (which is tactical and doesn't align with the quadruple aim of quality, outcomes, experience and - yes - cost)