

Supply Chain Guidance for Premier GPO Members

Premier's Disaster Preparedness and Response team continues to follow UPS contract negotiations closely, monitoring updates from both [UPS](#) and [IBT](#), and we're now just a few weeks away from August 1st and the potential start of a nationwide strike.

The collective supply chain team across our Food, Pharmacy, Med-Surg and Services portfolios continue to have ongoing conversations with our suppliers, and Premier's guidance we have collected for members is summarized below:

1. **Diversify Freight Carriers:** If health systems currently don't have FedEx account, they should open one. FedEx may not be able to take on new accounts once a strike is in progress. Members can use one of two Premier contracts: a) Directly with FedEx / **PP-MM-727** or b) Cardinal OptiFreight® (which uses FedEx) / **PP-SV-352**.
2. **Check on Stock of Unique Items:** Members should scan OR and procedure consignment shelving to see if they have full inventory of various sizes to minimize the need for next-day shipping for late scheduled cases.
3. **Redirect Logistics:** Members may consider moving some slow-moving yet critical items to their primary distributor's distribution center (DC), since their distributor has its own fleet and can ship these products through regular distributor deliveries.
4. **Leverage Resources:** ASPR Technical Resources, Assistance Center, and Information Exchange (TRACIE)'s **Disaster Available Supplies in Hospitals (DASH)** tool can assist in estimating supplies that may need to be immediately available. DASH recommends average par levels for specific supplies that acute care hospitals may need to have on hand to respond to a disaster in their community for the first 48 hours until resupplied.

Additional Contingency Planning Considerations:

The potential UPS strike and its consequences require a well-structured plan to ensure the continuation of hospital services. Each department has unique needs, and as such, will need to cater to these needs with specific guidance. The following guidelines should be implemented across specific departments, taking into consideration the extent of the potential disruption.

Minor Delays (1-3 days):

1. **Pharmacy:** Adjust ordering patterns to account for potential delays, ensuring that drugs with short shelf lives or those needed for urgent treatments are readily available. Consider collaborating with local pharmacies as a backup plan.
2. **Laboratory and Imaging:** Maintain additional stock of essential reagents, equipment, and disposable supplies. Create a schedule for performing critical tests and imaging procedures, considering any supply delays.
3. **Patient Care Services:** Forecast the potential for delays in patient-specific orders, such as custom prosthetics or specialty devices, and plan accordingly.

Major Delays (4-7 days):

1. **Surgical Department:** Review the schedule of elective surgeries that require specific supplies and consider rescheduling if supply chain disruption continues. It's essential to prioritize emergencies and procedures that can't be delayed.
2. **Emergency Department:** Ensure sufficient stock of critical emergency supplies. Plan for efficient usage and potential substitution for certain supplies.

Complete Cessation of UPS service:

1. **All Departments:** Initiate the use of safety stock and supplies procured via alternative suppliers and carriers as needed. Regularly review stock levels and update procurement plans accordingly. Elevate any emergencies and priorities to DisasterResponse@Premierinc.com as necessary.
2. **Administration:** Approve temporary measures like local purchasing if necessary and adjust patient scheduling considering the supply disruption.

Cross-Departmental Actions:

1. **Communication:** Create a robust communication plan to keep all departments informed about the current status of supplies, potential delays, and the actions being taken to mitigate risks.
2. **Collaboration:** Encourage interdepartmental collaboration to effectively manage resources, share information about supply status, and develop creative solutions to address potential shortages.
3. **Prioritization:** Prioritize patient care supplies and services that directly affect patient safety and health outcomes. Non-emergency services and supplies can be temporarily deprioritized.
4. **Review and Adjust:** Monitor the situation closely and adjust plans as necessary. The situation may change rapidly, requiring flexible and adaptable plans.

Leveraging your GPO and Community Resources

1. **GPO and Local Health Departments:** Stay in regular communication with Premier GPO team as well as local health departments to keep them informed of your supply status and needs. They can help coordinate resources and may be able to provide emergency supplies.
2. **State Health Department and Emergency Management Agencies:** During a large-scale disruption like a nationwide UPS strike, these agencies can play a significant role. They have the authority and capability to mobilize resources across the state, and they can advocate at the federal level on behalf of healthcare providers.
3. **Federal Agencies:** In severe cases, the Federal Emergency Management Agency (FEMA) and the Department of Health and Human Services (HHS) can be involved. These agencies have access to the Strategic National Stockpile, which can be used to supplement local supplies during a national emergency. Premier has close connections

with these agencies and has been actively discussing the topic, and overall, continues to advocate for policies and regulatory actions that support a stronger healthcare supply chain

This playbook serves as a dynamic guide that needs to be updated continuously based on the evolving situation. Each department should work closely with the supply chain management team and provide regular updates on their needs and stock levels. The ultimate goal is to ensure the continuation of high-quality patient care, despite potential supply chain disruptions.

For additional information, please visit the [UPS Strike page](#) in our Disaster Preparedness Response community in PINC AI™.

Latest UPS Updates as of July 18:

UPS Activates Business Continuity Plans, Will Train Non-Labor Union Employees Ahead of Looming Strike

Source: “Until negotiations at the table resume, we continue to emphasize the importance of reaching a tentative agreement before Aug. 1 to provide certainty for our employees, our customers and the U.S. economy. We are ready to get back to the negotiating table and finalize a deal.

While we have made great progress on a new agreement, we have a responsibility as an essential service provider to take steps to help ensure we can deliver our customers’ packages if the Teamsters choose to strike. We, therefore, have begun implementing business continuity plans to prepare for any outcome. [Click here](#) for more information.”

Disclaimer: The information provided in this document regarding disruption guidance is intended to serve as a resource for hospital systems facing a potential disruption due to the impending UPS strike. While we have made every effort to ensure the accuracy and completeness of this guidance, the specifics of each hospital system's situation may vary significantly, and as such, this information should be adapted to each individual context.

While we believe that the strategies and recommendations contained herein may be useful in mitigating the impact of potential supply chain disruptions, their implementation and the results thereof are ultimately the responsibility of the hospital system. This document should be used as a tool for guidance and not a substitute for a robust, comprehensive disruption management plan, tailored to the individual hospital system's needs.

Please be aware that the situation surrounding the potential UPS strike is dynamic and subject to change. As such, the information contained herein may become outdated or irrelevant. Recipients are encouraged to stay informed about the most recent updates and to adapt their plans accordingly.