**AHRMM Keys for Supply Chain Excellence/**

**KPI Analysis Tool Benchmarking Pilot**

**Executive Overview**

The AHRMM Keys are a standardized set of key performance indicator (KPI) metrics that equip health care supply chain leaders with the information and data needed to measure supply chain performance over time, quantify the value of their organization’s supply chain to executive leadership, and move supply chain closer to operating from the intersection of Cost, Quality, and Outcomes (CQO). The KPI Analysis Tool allows hospitals and health systems to benchmark their own performance using the AHRMM Keys and conduct comparative analysis with other health care organizations.

**AHRMM Keys Value**

Health care supply chain professionals play a critical role in their health care organizations’ efforts to deliver high quality care at an affordable cost to patients. The AHRMM Keys provide the field with a vetted and standardized set of accessible, metrically based indicators to achieve this. The AHRMM Keys allow supply chain departments to measure their performance over time in six key areas: Finance, Operations, Patient Safety, Resiliency, Data Standards, and Environmental Sustainability.

The AHRMM Keys help supply chain professionals:

* initiate continuous process improvement dialogue with key stakeholders
* demonstrate supply chain performance to executive leadership, department heads, chief officers
* changes the conversation with the C-suite and makes supply chain a more strategic partner
* unlock health care supply chain excellence and operate from the intersection of Cost, Quality, and Outcomes (CQO)

Suppliers, Distributors, and Solution Providers play an important role in enabling top performance from the hospitals and health care systems they are in partnership with. Recognition of and support for a standard set of key performance indicators from all stakeholders in the field will allow for stronger relationships and alliances as we, collectively, seek to advance the health care supply chain.

**KPI Analysis Tool (Benchmarking & Comparative Analysis Pilot)**

AHRMM’s benchmarking pilot allows hospitals/systems to measure their own supply chain performance using the AHRMM Keys and compare their performance to other hospitals and systems of similar size and setting. The benchmarking platform, KPI Works, is a powerful tool for visual analysis and reporting. Quick facts:

* The pilot is free and open to any hospital or system – one does not need to be an AHRMM member to access the Keys or use the benchmarking tool.
* KPI Works is intuitive and user-friendly; uploading data using the predefined Excel template is a quick and simple process.
* Users are not required to enter data for all 29 Keys; start by uploading data for just one or two KPIs!
* Interested parties can schedule a demo by contacting [ahrmm@aha.org](mailto:ahrmm@aha.org) or sign up directly for the pilot at <https://kpiworks.com/projects/ahrmm/>.

**The more organizations that participate, the more robust the data, reports, and tools become.** AHRMM plans to continue to expand the Keys and welcomes feedback on existing KPIs and ideas for other metrics that would be valuable to the field. Provide input directly at ahrmm.org/keys or email [ahrmm@aha.org](mailto:ahrmm@aha.org).

**29 AHRMM Keys for Supply Chain Excellence**

**Finance**  
Supply Accounts Payable (AP) Days

Supply Expense Per Case Mix Index (CMI) Adjusted Discharge

Supply Expense as Percent of Net Patient Revenue

Spend Under Management (SUM)

Inventory Turns

Supply Chain Labor Expense Per Case Mix Index (CMI) Adjusted Discharge

**Operations**

Perfect Order-Operations

Total Suppliers Per $1M Non-Labor Supply Expense

Percentage of Purchase Order Lines with Expedited Shipping Costs

Supply Chain FTEs Per $1M in Total Non-Labor Supply Expense

**Patient Safety**

Expired Products as a Percentage of Total Number of On-Hand Products in Inventory

Recall Management – Closed Volume Percentage Rate

Recall Management – Delayed Recalls Percentage Rate

**Resiliency**

Internal Requisition and Order Fill Percentage Rate

Primary Distributor Backorder Percentage Rate

Percentage of Items Stored in the Item Master with Identified Substitutes

Primary Distributor Fill Percentage Rate

Non-Labor Supply Expense Per Case Mix Index (CMI) Adjusted Patient Days (APD)

**Data Standards**

Percentage of Invoice Lines Received with a Global Trade Identification Number (GTIN)

Percentage of Invoice Lines Received with a Global Location Number (GLN)

Percentage of Items Stored in the Item Master Populated with a Global Trade Identification Number (GTIN)

Percentage of Purchase Order Lines Sent Out with a Global Trade Identification Number (GTIN)

Percentage of Purchase Order Lines Sent Out with a Global Location Number (GLN)

**Environmental Sustainability**

Percentage of Office Supply Expense Comprised of Environmentally Preferable Purchasing (EPP) Products

Virgin Paper Reduction and Sustainable Printing

Percentage of Medical Supplies That Are Reprocessed

Linen Pounds Per Adjusted Patient Day (APD)

Copy/Print Page Volumes Per Employee

Waste Pounds Per Adjusted Patient Day (APD)

**The AHRMM Keys can be found at** [**https://www.ahrmm.org/keys**](https://www.ahrmm.org/keys)**. A downloadable PDF version of the Keys is available to AHRMM members on the website.**