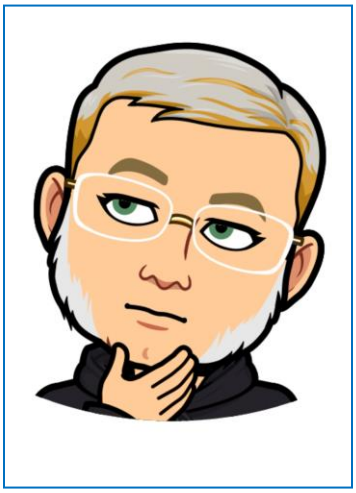
FROM THE PAGES OF *LEADERS & LUMINARIES* E-MAGAZINE …

Vintage Voice

Healthcare Supply Chain isn't, never was, nor should be an auxiliary

By Rick Dana Barlow



SCHAUMBURG, IL (May 8, 2024) – Two general types of law-enforcement vehicles scoot around the village in which I live and work.

There are the black-and-white SUVs (some are monochrome-colored and unmarked, identified only by special license plates and if you squint hard enough, you'll see the siren lights hidden by the darkened windshield) with "POLICE" in black letters against a white background, driven by officers who fight crime and slow speeders down.

Then there are the white SUVs with "AUXILIARY" in black letters, driven by officers who handle clerical and operational tasks at the station, direct traffic at churches, schools and entertainment events or when traffic lights aren't working, manage pedestrians at crosswalks, issue parking and other non-moving tickets and the like.

If you look up the definition of "auxiliary" you'll likely see "secondary or supplementary, supporting" as synonyms. Depending on the level of granularity of your dictionary you might also spot a delineation between "ancillary" and "auxiliary" as two words that mean the same thing but in different ways.

“Ancillary” represents the provision of something additional to a main function or part; “auxiliary” represents the offering of provision of help.

You also may think of the Men’s and Women’s Auxiliary, which are charitable organizations of volunteers that offer assistance or supplementary or additional help and support to a community.

Are auxiliaries important? Yes. Are they valued? Yes. (That is, until robots or artificial intelligence programming usurps the role.) Are they essential? No. Are they vital? No.

Somewhere, sometime between healthcare supply chain’s “official” emergence as a buying or purchasing function in the very early 20th century to now in the very early 21st century, healthcare supply chain as a function and profession slid into a perceived auxiliary role.

As the profession sought to update or upgrade its perception and reputation from “Purchasing” to “Materials Management/Services” they embraced such concepts as “Resource Management” in the 1990s with the top-tier executives and leaders bequeathed the shield of “Support Services” by the C-suite as overseeing a market basket of products and services that don’t quite fit as neatly anywhere else.

Dickering over whether the term and title of Healthcare Supply Chain actually represents supply chain or just a few components of supply chain as defined by the hospitality, manufacturing, distribution and retail industries is better left for another column and another day.

Suffice it to say, however, that supply chain in healthcare may be considered a “support service” because it fortifies clinicians with the products and services they need to deliver patient care and equips facilities with the products and services they need to operate and serve people. Yet it’s logical and safe to say with conviction that it’s neither supplementary, secondary or ancillary.

Why? Remove the function and the people who practice it from reality and watch what happens.

The “Our Purpose” paragraph that has braced the front page of Bellwether League Foundation’s web site for more than a decade wasn’t imprinted there by accident. It was and is designed to send a message and a call to action.

Healthcare Supply Chain is essential. It’s important. It’s vital. And it should be valued.

For decades, supply chain was regarded and classified as the second-largest expense in a healthcare organization below labor. Arguably, those days are gone. Sorry. Why? The advent and emergence of the expense bucket known as “purchased services.” P.S. not only includes products that are financially categorized separately from standard product contracts, but it also includes labor, as in consulting, contract, part-time and other specialized resources carved out or chiseled away from the labor expense pool.

Interestingly, while the category of labor isn’t necessarily overseen by a single person as so many department heads contribute to that budget, supply chain and purchased services are under the auspices of a single person or team reporting to someone who remains outside of the C-suite.

Is that problematic? Not necessarily. But it reinforces the fact that even if healthcare supply chain is not considered customary within the C-suite level, it’s definitely above auxiliary and support levels.

Outside of the healthcare provider segment, supply chain is a big deal within the healthcare supplier (manufacturing and distribution), hospitality, non-healthcare manufacturing and distribution and retail industries because its efforts and outcomes, strategies and tactics directly influence revenue generation and profit retention. Healthcare supply chain, on the other hand, plays in a different fiscal sandbox, explored in the cover story of *Leaders & Luminaries* Edition 6 last fall (https://www.bellwetherleague.org/ll/ll6/ll-issue-6.php) and likely will be illuminated further in next month’s (or a near future’s) “Vintage Voice” column. Stay tuned.

Rick Dana Barlow serves as Co-Founder and Executive Director, Bellwether League Foundation, and Executive Editor of BLF’s Leaders & Luminaries e-magazine. Barlow’s column, Vintage Voice, is posted/published in Leaders & Luminaries and here. Barlow has nearly four decades of journalistic editorial experience, more

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