**Why is Healthcare Spend Analytics Required?**

1. To analysis spend from a specific vendor or category of spend.
2. Healthcare analytics helps you understand healthcare costs and different payer expenses.
3. You can spot where you’re paying too much and where you need to spend more money.

**Healthcare Spend Analytics:**

1. Healthcare Spend Analytics™ is the combination of an automated process that analyses and aggregates the detailed health care purchase information into easy-to-read graphical representations and visualization for the US health care system.
2. The results of this analysis can be used to identify trends, approaches, and even possible waste in a practice.
3. Healthcare Spend Analytics™ is the primary foundation to building a centre of health care excellence in the hospital supply chain.
4. It shows you trends by departments within an organizational budget. It is a great way to create a budget and manage a budget
5. Healthcare Spend Analytics™ provides the process and information to understand your spend with line item granularity.

**Hospital Supply Chain Management:**

The five Rs of reverse logistics are **returns, reselling, repairs, replacements, and recycling**.

**What is hospital supply chain management?**

"Hospital supply chain management" refers to all the processes involved in making sure that a health system's clinical staff have the medications, medical supplies, and non-medical supplies they need to care for patients. It includes the functions of procurement and contracting, materials management, and other functions involved in obtaining the many products, services, and materials hospitals require to care for patients.

**Major Component in Supply chain management:**

1. **Integration**

Integration starts at your strategic planning phase and is critical throughout your communications and information sharing and data analysis and storage.

1. **Operations**

Your operations require an accurate, real-time representation of your inventory and production schedules in order to monitor your output and forecast production and distribution patterns.

1. **Purchasing**

* The right supply chain software does a great deal in terms of sourcing products in your supply chain and ensuring you are taking advantage of the most competitive pricing and most reliable products.
* [Demand forecasting](https://www.scjunction.com/demand-forecasting-and-inventory-optimisation-solutions) gives you a solid and practical method of ensuring you have right product, in the right quantity, at the right time.
* Keep track of suppliers, competing producers, and demand cycles, so that you can reduce your operating costs across the sourcing and purchasing process.

1. **Distribution**

The transport, delivery, and return of goods is a component of your supply chain that can always be simplified, optimised, and corrected for better client service and reduced operating costs.

**Types of Products:**

Hospital supply chain is comprised of both medical and nonmedical products.

**Medical products** consist of clinical and pharmaceutical products like, stretchers, Anaesthesia Machines, Patient Monitors, ECG Machines, Surgical Tables, Surgical Lights, and Surgical Tools.

On the other hand, **nonmedical products** consist of those items that are required in order to provide service to the patients like Apron, Skeletons, Bones, and Medical Books etc.

Supply Chain : A trace of products or services from supplier to customer

KPI Metrics:

1. spend for a specific vendor or category
2. Also identified where we’re paying too much and where we need to spend more money
3. Help to decide or manage category wise budget
4. Product defects and late delivery tre