

2026 Supplier Conference

August 4, 2026



AT THE FOREFRONT

UChicago
Medicine



Invite List

Wifi: UChicago Guest

Username: UCMED080426@uchicago.edu **Pass:** db328

American Red Cross	Cintas	GE HealthCare	Medline Industries	PACE Systems	Stryker
American Regent	Clorox Purell	GHX	MedSpeed	Pfizer	Superior Health Linens - HLSG
Apex Analytix	CME	Hologic	Medtronic	Philips	Supply Logistics & Procurement Services
Baxter	Coloplast	Hueman People Solutions	Mercer	Point B	Sysmex
BD	Convatec	ICU Medical	Meridian IT	Qiagen	Takeda
Beckman-Coulter	Crothall	Illumina	Mindray North America	Roche Diagnostics	Thermo Fisher Scientific
Beeline	DePuy/Synthes; Ethicon; JNJ	Inter-City Supply	Moderna	Salesforce	Tri-anim Health Services
BioMerieux	Experian Health	Ipsen Biopharmaceuticals	Morgan Linen Services	Schneider Electric	TriMedx
Bio-Rad	ExpressScripts	J.P. Morgan Chase	North American Corp	Siemens	Varian
Biotronik	Fisher & Paykel	Johnson Controls Inc	ODP Business Solutions	Slalom	Verathon
Boston Scientific	Fisher Healthcare	Language Line / Pacific Interpreters	Olympus	Stago	Vizient
Cardinal	Fresenius Kabi	Long Grove Pharmaceuticals	Omniceil	Staritas	Werfen
CDW	Fresenius Medical Care	Mayo Clinic Laboratories	OSG Output Services Group	Stericycle / Waste Mgmt	Xerox
Cepheid	Fujifilm Sonosite	McKesson	P4	STERIS	Zimmer Biomet
		MedEx Ambulance			

The Reva and David Logan Center For The Arts

Housekeeping

Housekeeping Items

- Restrooms
- Exits
- Microphones

WIFI: UChicago Guest

User name: UCMED080426@uchicago.edu

Password: db328

How to access slides:

www.uchicagomedicine.org/about-us/supply-chain

Quick Links → 2026 Supplier Conference.



13th Annual UCM Supplier Conference

Purpose:

- Orient key supplier leadership to UCM critical business objectives, expectations, and distinct business practices.
- Update on progress and changes from last year's conference.

In order to

- Engage suppliers to work continually, passionately and collaboratively to deliver needed improvements and value to our patients.

Format:

Presentation with Q&A opportunities

UChicago Medicine Supplier
Conference Attendee Survey



Agenda

Topic	Presenter	Title	Time
Welcome	Eric Tritch	SVP, Supply Chain and Support Services - CSCO	1:00pm
Organizational Priorities	Tom Jackiewicz	President UChicago Medicine Healthsystem	1:10pm
Strategic Plan & Operations Strategy	Krista Curell	President UCMC/NWI & System Chief Operating Officer	1:20pm
Clinical Priorities	Tipu Puri, MD, PhD	Chief Medical Officer UCMC	1:30pm
Exec Panel Question and Answer Session			1:40pm
Supply Chain Strategy	Eric Tritch	SVP, Supply Chain and Support Services - CSCO	1:50pm
Pharmacy Strategy	Denise Scarpelli	Vice President & Chief Pharmacy Officer	1:55pm
Sourcing and Value Analysis	Ian O'Malley	Exec Director, Strategic Sourcing	2:10pm
IT Security and Privacy Update	Karen Habercoss	Chief Information Security & Privacy Officer	2:20pm
IMPACT Purchasing Update	Alder Derosé	Director, Community Sourcing and Strategy	2:35pm
Operations Update	Bob Boyden	Exec Director, Supply Chain Operations	2:45pm
Supply Chain Systems Update	Anurag Jaiswal	Exec Director, Supply Chain Systems and Analytics	3:00pm
Supplier Payables Strategy Update	Sam Gonzalez	System Director, Accounts Payable	3:10pm
Question and Answer Session			3:20pm
Closing Remarks	Eric Tritch	SVP, Supply Chain and Support Services - CSCO	3:30pm

Executive Leadership Update

Tom Jackiewicz

President
UChicago Medicine



Krista Curell

President UCMC/NWI &
System Chief Operating Officer
UChicago Medicine



Tipu Puri, MD, PhD

Chief Medical Officer
UCMC



Organizational Priorities

Tom Jackiewicz

President, UChicago Medicine



Over the Past 5+ Years, We've Successfully Executed On Our System's Strategy for Growth & Excellence

Vision 2025's Major Priorities



Major Progress for the Health System

- Recognition, Recruiting, & Performance Growth
- Geographic Growth
- Programmatic, Partnership, & Infrastructure Growth
- International Growth
- **Financial Growth & Health: from FY20 to FY26 (Projected)¹**
 - **Operating revenue growing 249% to \$6.3B**
 - **EBIDA increasing 260% to \$585M**
 - **Operating income increasing 644% to \$327.9M**

*Doesn't include
U of C Faculty
Practice
(\$426.8M of
Patient Care
Revenue in
FY25)²*

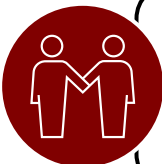
Our New Enterprise Strategy, Elevate 2035, Includes Ambitious Goals for the Next Decade



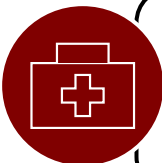
Aspirations



1. Eminent academic health system at the forefront of discovery, education & clinical innovation



2. Academic system of choice for patients, clinicians, researchers & team members



3. Provider of highest value care to all

Goals

- **Top 10 in NIH funding**
- **Double annual clinical trial research revenue**
- Leading academic system in tertiary and quaternary volume and number 1 in cancer care in Chicago
- *US News and World Report* Honor Roll
- Maintain Magnet designation
- Leapfrog hospital safety grade A
- **Grow the Pritzker scholarship endowment to recruit top talent and reduce debt**
- **Top 10 number of Howard Hughes Medical Institute Investigators**
- Top-ranked employer in Chicago
- National leader in health equity and clinical outcomes
- Top consumer experience scores in Chicago

***Academic Eminence Goals**

Our Goals Require Continued Growth & Financial Stewardship

ELEVATE2035



Biological Sciences
Pritzker School of Medicine

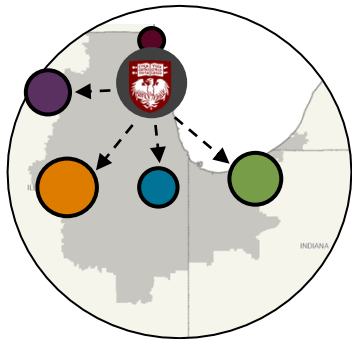
Our Success Requires:

- Doubling the size of our system again (to roughly \$10B) by 2035
- Materially growing EBIDA

Accomplished Through:

Organic Growth¹

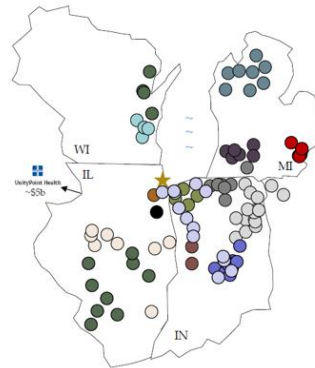
Including Material Physician Recruitment



Grow by ~330 Full Time Ambulatory Clinical Providers²
(Roughly 35% - 50% Would Require Additional Investment to Accommodate)

Investment: Roughly \$350M-\$450M in Facility Investments

Inorganic Growth¹



Pursuit of At-Scale Transactions

Opportunistically Acquire Strategic Tuck Ins

Investment: Varies Based on Opportunity

Financial Stewardship

- A Access
- C Care
- H Hardwire
- I Innovate
- E Excel
- V Value
- E Expand

Forecasted Cumulative Savings
FY24-26: \$369M

¹Locally, Regionally, & Nationally / Internationally

²Additional FTEs Needed to Support Inpatient Not Included

Note: Additional details on each avenue available in pre-read materials

Changing Dynamics Will Make Future Success More Difficult Than Our Past 5 Years for the Health System

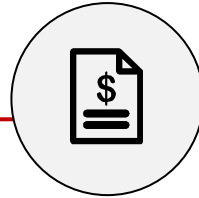


Government & Regulatory Environment

Material financial risks are mounting based on pressure from the new federal administration:

- Cuts to Medicaid funding
- Site-neutral reimbursement
- Cuts to drug rebate program
- NIH funding cuts

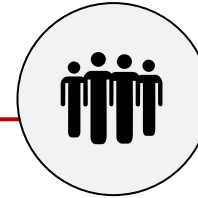
Our current analysis estimates the above **could impact the health system by up to \$145M annually**



Payer & Insurance Challenges

Payer negotiations and relationships become increasingly strained as insurance companies are continuing to consolidate and increase their buyer power

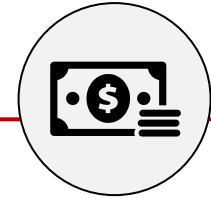
Additionally, less timely and increasingly bureaucratic compliance from payers are negatively impacting key metrics of our financial health (e.g. accounts receivable, bad debt)



Demographic & Competitive Environment

The Chicagoland & NW IN market is a flat and aging population, which (beyond recruitment & labor challenges), makes **for a more challenging competitive landscape. Opportunities still remain** in select growing markets (e.g. NW IN).

There is a dichotomy of competitor investments: major capital investments in our key markets, while simultaneously disinvestment in the South Side of Chicago



Lack of Capital to Invest & Grow

In our current long-range financial plan, we have Strategic Capital earmarked for the health system, but major assumptions include:

- Hitting material volume growth
- Major realization in performance improvement (*\$165M in cumulative savings over the next 5 years*)
- No major impact from the federal government actions



Using Tech and AI to Improve Access, Ease Clinician Workloads and Create a Better Patient Experience

- Built an agentic primary care and population health model with AI agents that proactively identify care gaps, contact patients and schedule preventive health exams and vaccinations
- Using ambient AI to support clinical workflows and reduce documentation burdens in the clinic, hospital and ED
- Implementing tools that help teams distill and streamline the review of large amounts of data, such as revenue cycle
- Beginning to examine how AI can help address chronic access issues, such as how we can use AI to fill in gaps where human capacity is highly constrained

Strategic Plan & Operations Strategy

Krista Curell

President, UCMC Hyde Park & UChicago Crown Point, Executive Vice President, System COO



The AbbVie Foundation Cancer Pavilion

OPENING APRIL 2027

575K

square feet, seven stories

80

private inpatient beds with family space

90

consultation & exam rooms

200+

cancer experts under one roof

1st

freestanding cancer center in Illinois

67

private infusion bays by cancer type

Built around the patient experience



Level 1 Main Entrance



Teaching Kitchen, Education Center, & Resource Center



Oncology Rapid Assessment Clinic (ORAC)



Inpatient Room



Patient & Family Amenity Space



We began with listening

Since 2022, we have built the Cancer Pavilion alongside the people it serves. What we heard shaped the care and experience model as well as the building itself.

WHAT WE HEARD

Make care easier to navigate

Keep families close

Support the whole person

Make it feel welcoming

Help with practical barriers

HOW IT SHAPED THE PAVILION



Clinics, imaging, infusion, and support brought together in one place



Sleeper sofas, family lounges, showers, and video-enabled exam rooms



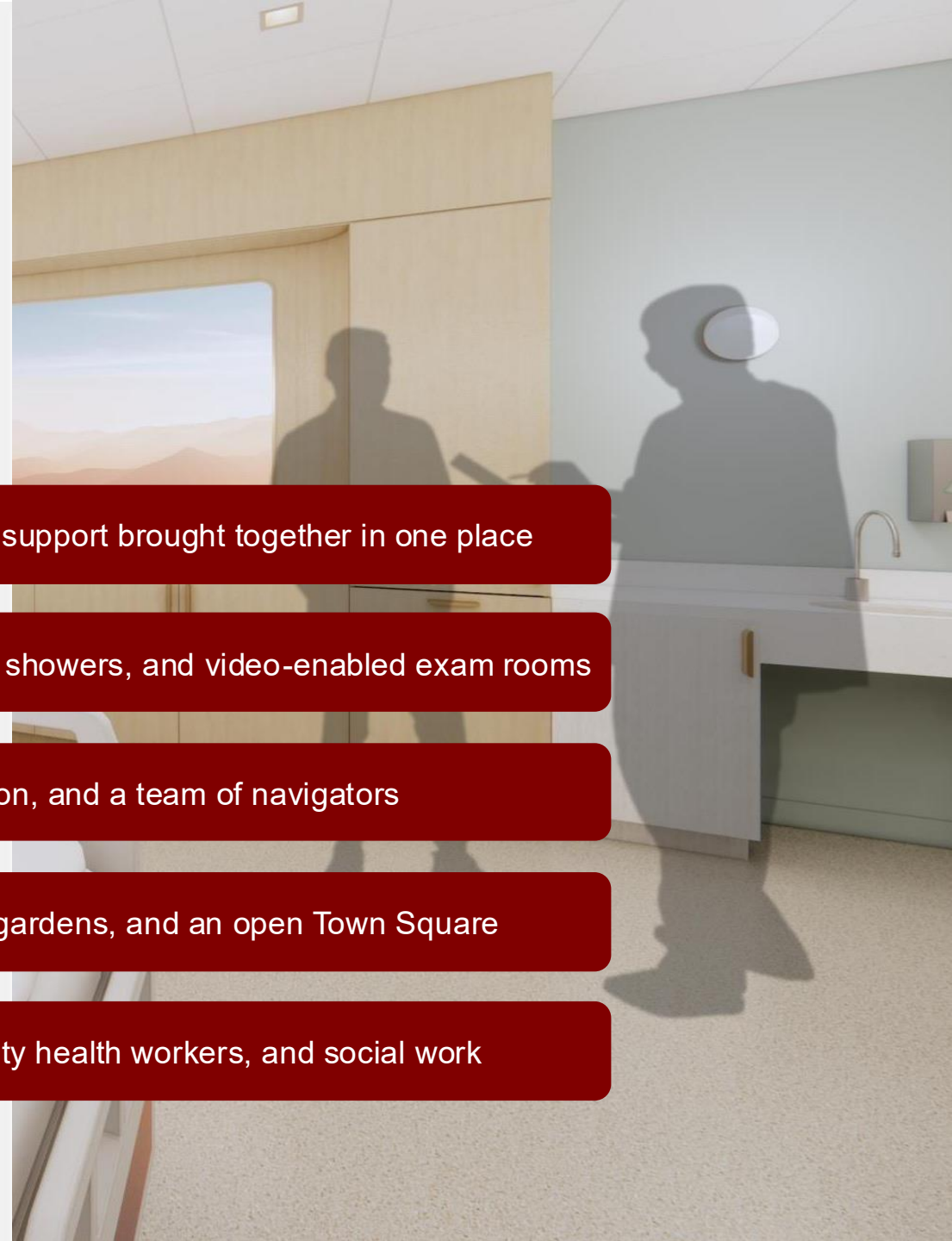
Wellness, rehabilitation, nutrition, and a team of navigators



Natural light, warm materials, gardens, and an open Town Square



Financial navigators, community health workers, and social work



Our vision is to deliver an *unrivaled*, world-class cancer care experience.

- > A first-in-class care experience grounded in respect, dignity, and empowerment
- > Support that guides patients and families through every stage with confidence and seamless coordination
- > Healing that extends beyond medicine to connection, compassion, and hope

How we're transforming the patient experience

Experience Excellence: Hospitality-focused service model

- Service training for patient-facing roles
- 'Always' behaviors for service, professionalism
- Pre-hire assessment for right fit and service-orientation
- Secret shoppers

Environment Excellence: Refreshes of patient/family spaces and care areas

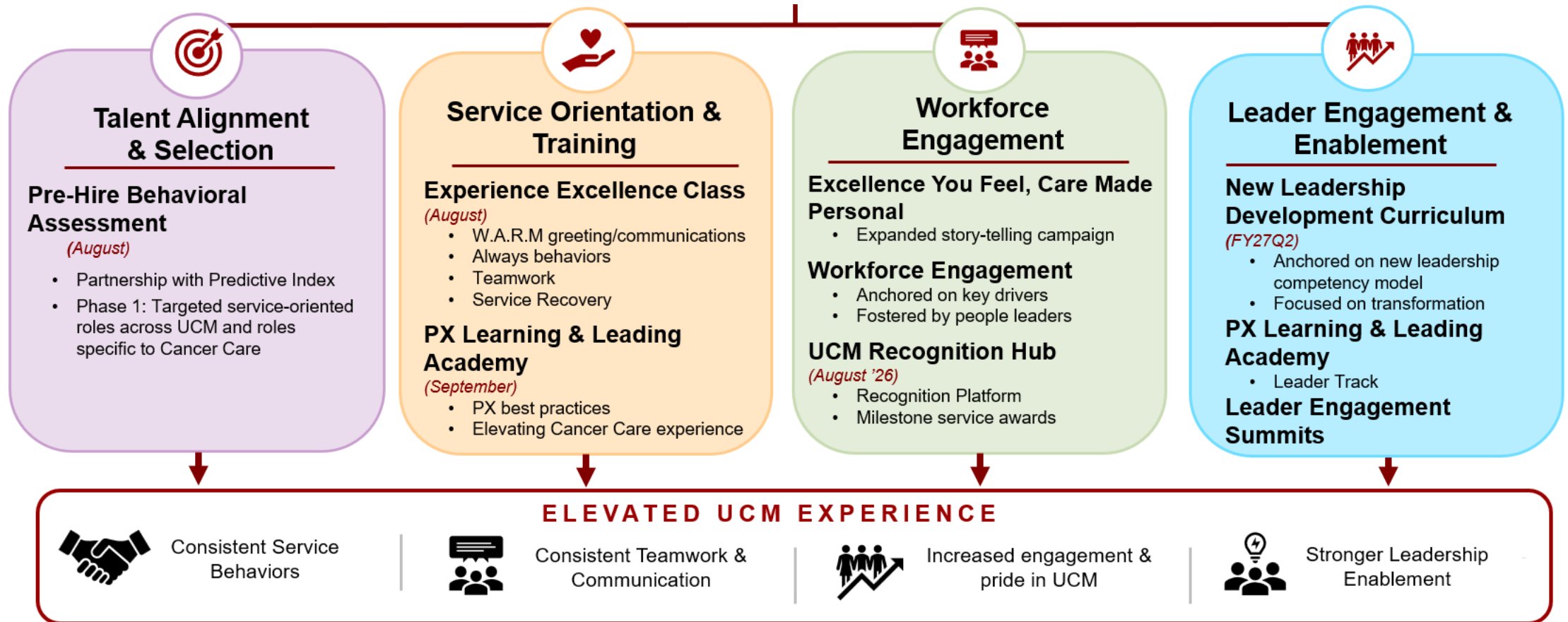
- Provide a consistently clean, comfortable and efficient experience
- Elevated standards for environmental appearance

Technology Advancements

- Expanded self-scheduling, self-service
- Bedside infotainment/ Epic integration
- Real-time location services



Elevate Experience 360: Driven by Excellence. Delivered Together



Putting our vision into practice



“ Once we build this culture, it will be in the DNA of this institution—it will sustain itself going forward. This will be the most important thing we do for quite some time. ”

Mitchell Posner, MD

Thank you.

Clinical Priorities

Tipu Puri, MD, PhD
Chief Medical Officer, UCMC



UCM Supplier Conference: Goals



Share with you our priorities from the lens of our clinicians and patients

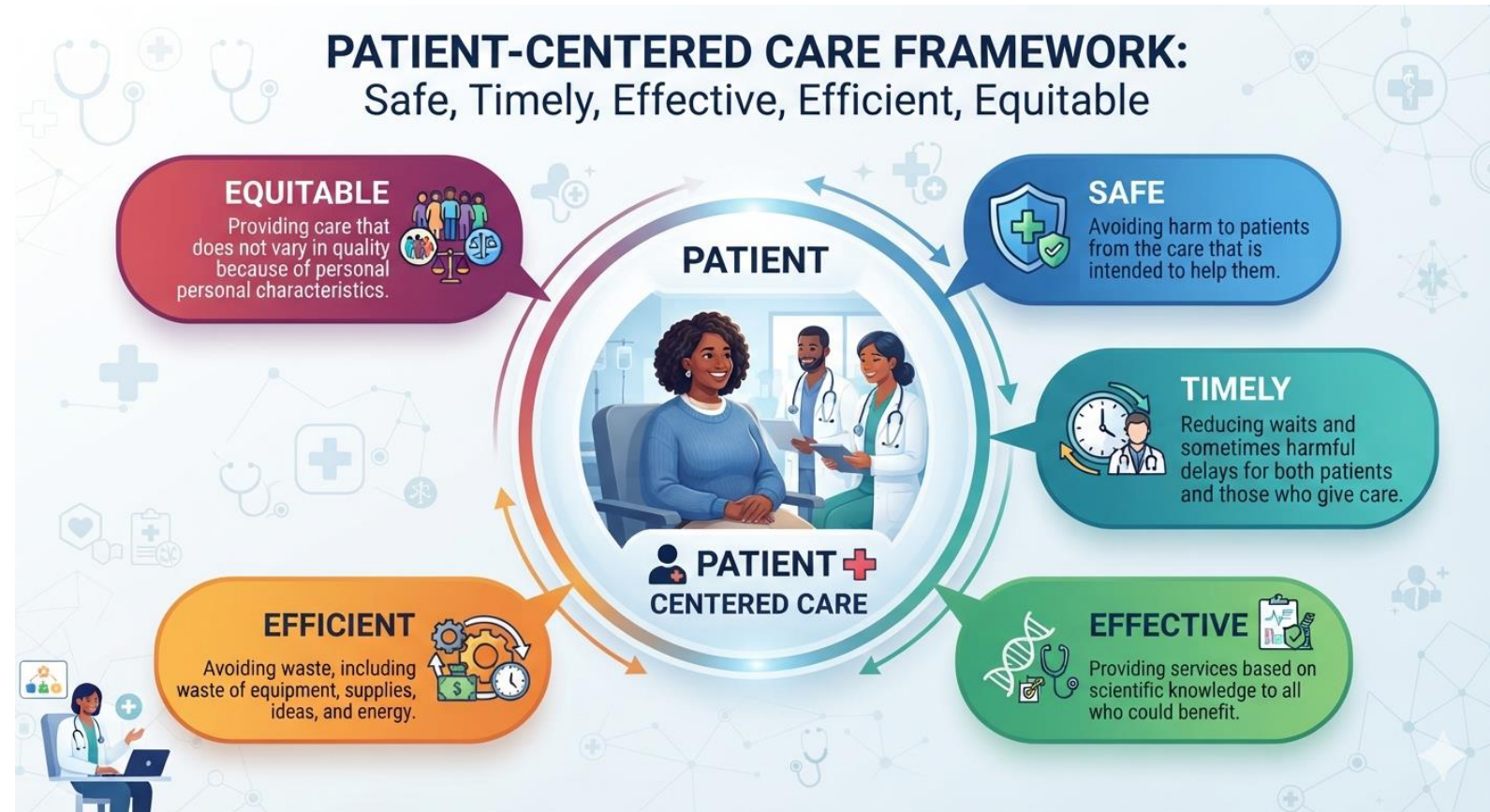


Potential opportunities for external partnerships to impact our:

patient outcomes
clinical efficiency
growth

UChicago Medicine: Goals

High Quality – High Performing:
Safe, Timely,
Effective, Efficient, Equitable
Patient-Centered (STEEEP)



STEEP

- Safe
 - Reduce Hospital Acquired Infections (**HAI**)
- Timely
 - Reduce waits and harmful delays for patients and clinicians
- Effective - High Quality
 - Outcomes, outcomes, outcomes – “survive and thrive”
 - Reduce avoidable readmissions (support of care transitions)
 - Reduce Hospital Acquired Disability (**HAD**) – **Discharge to Home**
- Efficient
 - Eliminate avoidable delays in care (Length of Stay)
- Equitable
 - Close gaps in care and outcomes: screening, chronic disease management (Diabetes, High Blood Pressure), **Discharge to Home**
- Patient-Centered
 - **Patient Experience**
 - Access and “navigation”

LEAPFROG HOSPITAL SAFETY GRADE

Only Academic Medical Center to receive straight As – 29th consecutive in Spring 2026

UChicago Medicine: Goals

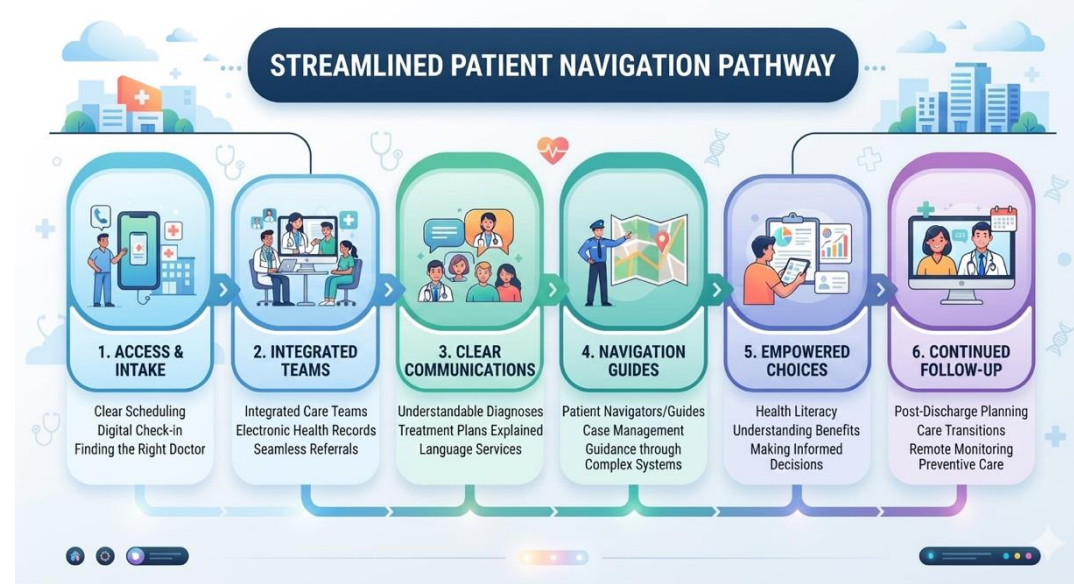
Frictionless for Patients and Clinicians Across the Care Continuum

Improve Access	Patients are able to access a broad spectrum of health needs with timely and appropriate care solutions across the continuum of care
Demonstrate Quality	Patients realize consistent delivery of high quality and reliable care coordinated across all delivery sites
Demonstrate Clinical Program Integration	System components operate in concert, delivering market oriented clinical growth plans focused on patient needs in key service lines

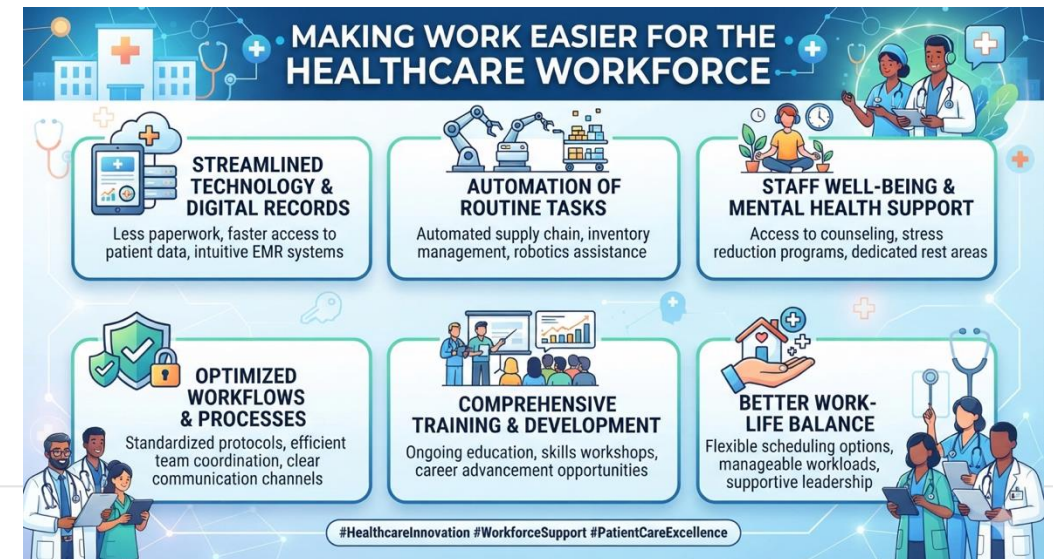


UChicago Medicine: Goals

- Frictionless for Patients
 - “Navigation”
 - Scheduling care
 - Coordinating care
 - Wayfinding



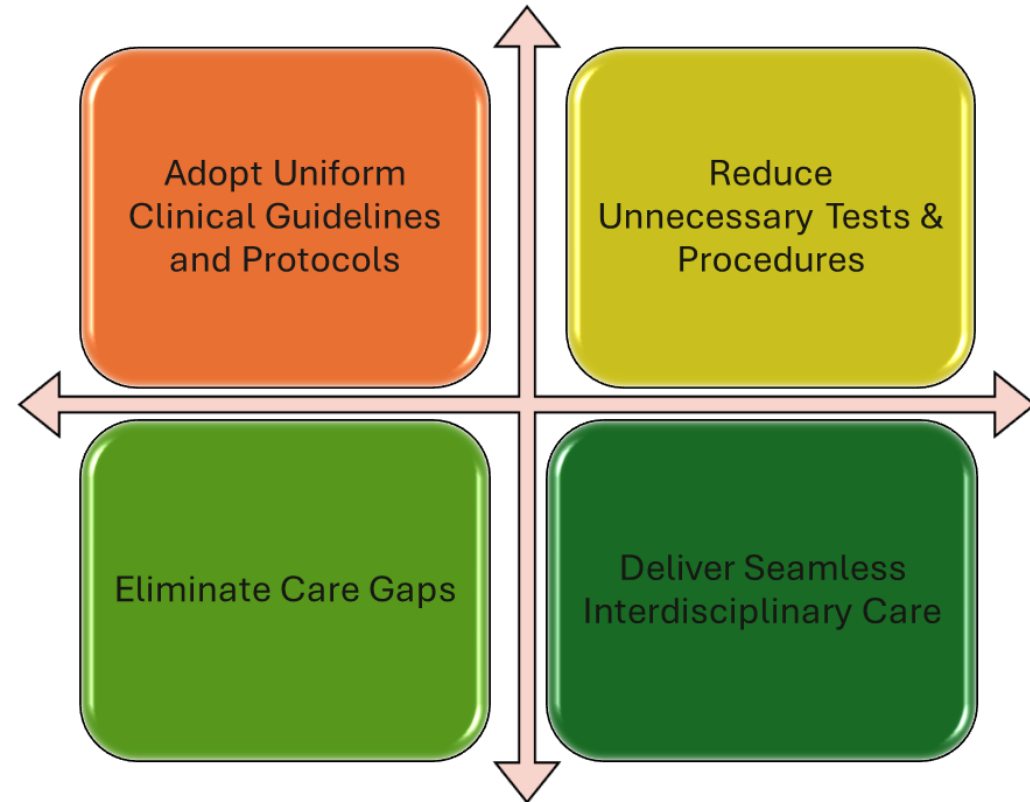
- Frictionless for Physicians and APPs
 - Efficiency and Clinical Workflow Optimization
 - Reducing Clinician Burnout
 - Ease of Practice



UChicago Medicine: Goals

High Reliability
Innovative

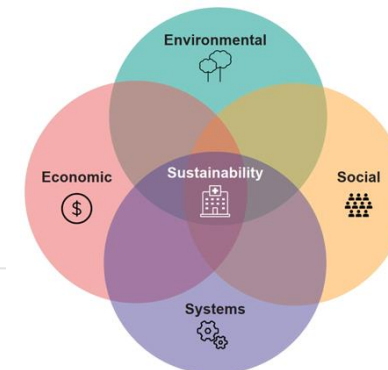
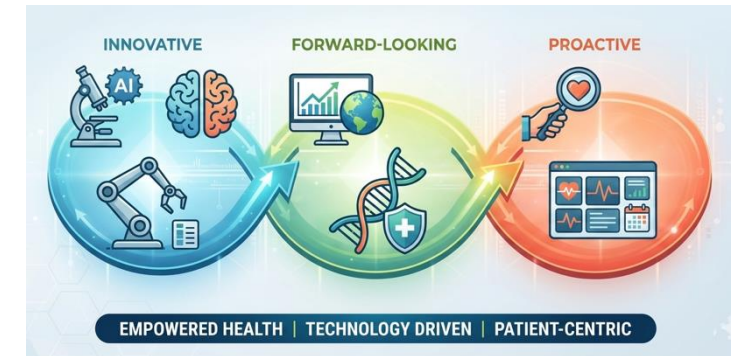
Highly reliable care eliminates unnecessary variation to improve safety, outcomes and access with a goal of perfect care.



Doing the right thing must be made easy.

UChicago Medicine: Goals

- High Reliability
 - preoccupation with failure
 - sensitivity to operations
 - reluctance to simplify
 - commitment to resilience
 - deference to expertise
- Innovative - Forward looking and Proactive
 - Integrate digital tools and technologies to enable innovative models of care delivery designed to
 - Enhance patient care
 - Streamline operations
 - Optimize outcomes
- Sustainability



Use of digital tools to:

- Improve the **patient experience** → improve clinical outcomes
- **Risk stratify** → improve care, reduce health disparities
- Forge a more continuous relationship with our patients → **improve access**
- Improve processes of care delivery → more consistent, **higher value care**
- Population level management of **care gaps** → better preventive health, chronic disease management, care transitions
- Add digital tools & reorganize care teams → **innovative** new models of care delivery



ELEVATE2035



**UChicago
Medicine**

**Biological Sciences
Pritzker School of Medicine**



AT THE FOREFRONT

UChicago Medicine

Executive Q&A Session

Tom Jackiewicz

President
UChicago Medicine



Krista Curell

President UCMC/NWI &
System Chief Operating Officer
UChicago Medicine



Tipu Puri, MD, PhD

Chief Medical Officer
UCMC

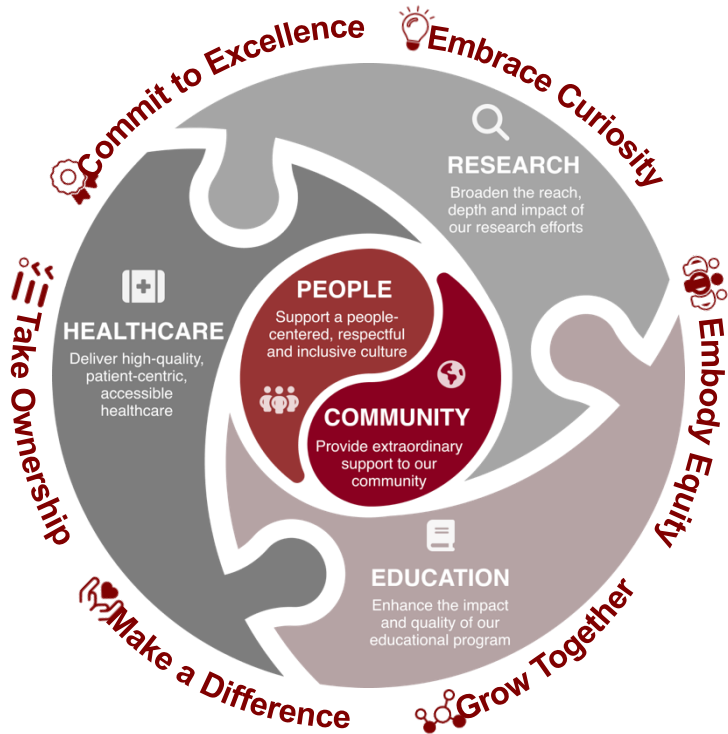


Eric Tritch

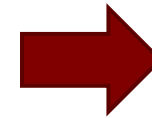
SVP Supply Chain & Support Services



AT THE FOREFRONT
UChicago
Medicine



A Access
C Care
H Hardwire
I Innovate
E Excel
V Value
E Expand



Scorecard Detail												VENDOR INFORMATION		STATUS	
THE UNIVERSITY OF CHICAGO MEDICINE												VENDOR NAME		STATUS	
SUPPLIER SCORECARD												VENDOR TYPE		STATUS	
Supplier:		Example		Performance Key		Trend Key		Comments							
Division(s):		all		PASSING		FAILING		VENDOR RATING							
Date:		4/7/2014		UNACCEPTABLE		WORSE		VENDOR RATING							
Overall Performance		A		Current Performance Rating		VENDOR RATING									
Quality		5.0/5.0		Current		Trend		Comments							
		5.0		5.0		→		Quality has been good							
Cost		5.0/5.0		Current		Trend		Radpharm is driving this score							
		5.0		5.0		→									
Delivery		5.0/5.0		Current		Trend		Good job protecting us from market shortages							
		5.0		5.0		→									
Technology (Innovation)		5.0/5.0		Current		Trend		Good on the visit to show pipeline to clinicians							
		5.0		5.0		→									
Service (Compliance)		4.0/4.0		Current		Trend		Overall service has improved. Vendor compliance needs to be managed.							
		4.0		4.0		→									

Denise Scarpelli

VP & Chief Pharmacy Officer



AT THE FOREFRONT
UChicago
Medicine

Dominant Trends and Forecasts for 2026-2027

- Drug shortages Continue > 200 drugs on shortage list- increasing the past few months
- Strategies around 505(B) (2) drugs to address shortages
- Greater Focus On spend Analytics
- Inflation Drug Act- 10 drugs live '26 and 15 more drugs '27
- Growth in cell & gene therapies ~ 80 in pipeline '26
- Specialty drugs account for 54% of the Pharmacy Market
- Boom in Biosimilars- UCM Biosimilar Strategy Payer Adaptive Model
- Surge in GLP1's usage for Diabetes and Weight Loss- New Oral version and TrumpRX
- 340B Challenges- Rebate Model and Manufacturers requiring reporting on all claims- New bill passed in Illinois to allow Contract Pharmacy Business
- Growth of Artificial Intelligence technology
- Increase of Medications Available on TrumpRX
- Increase in Pharmacy Deserts Across Country- On-line and Mail Increasing

Drug Shortages Trends

- Drug Shortages are more challenging
- Many long-term life-savings drug unavailable- increasing in oncology
- Many due to lack of API (Active Pharmaceutical Ingredient)
- New trend to combat shortages- 505(B)(2) drugs
- 505(B)(2)- FDA approval of new formulation of these drugs- higher cost and different billing codes
- Provides a solution for shortages
- Challenge higher cost drugs and not always covered by medical plans



Pharmacy Impacts Due to Regulatory Changes



Inflation Reduction Act- lack of payment and accountability



340B changes/reduction- Rebate Model, HRSA



Medicaid Cuts



Tariffs- adding generic drugs to Tariffs



Residency programs funding cut



New 340B Contract Pharmacy Bill Passed in Illinois



OPPS infusion rate cut by 37%

Advanced Therapies(Gene and Cell Therapy) Market Landscape

- **Industry Growth:** Rapid expansion driven by oncology, rare diseases, and regenerative medicine
- **High-Cost Therapies-** some with \$1 Million or higher price tag
- **Payers-** Many require Single Case Agreement (SCA) or not covered by plan- long-term concern are we getting paid?
- **Operational Considerations:**
 1. GMP manufacturing capacity
 2. Cold-chain logistics
 3. Scalability across enterprise



GLP-1's Market Trends

-  GLP-1 therapies are among the fastest-growing pharmaceutical markets globally.
-  Global market forecasts estimate **\$100–150+ billion annually by the early 2030s**, driven by demand for obesity and diabetes treatments.
-  Significant growth is occurring across North America, Europe, and emerging international markets.
-  Manufacturers are investing heavily in expanding production capacity to meet sustained demand.

Innovation Pipeline

- Next-generation therapies with greater weight-loss efficacy
- Oral GLP-1 medications expanding treatment access
- Combination incretin therapies (GLP-1/GIP, GLP-1/glucagon)
- Research into cardiovascular, kidney, liver disease, and sleep apnea indications

Pharmacy Department Plans FY26



AT THE FOREFRONT
UChicago
Medicine

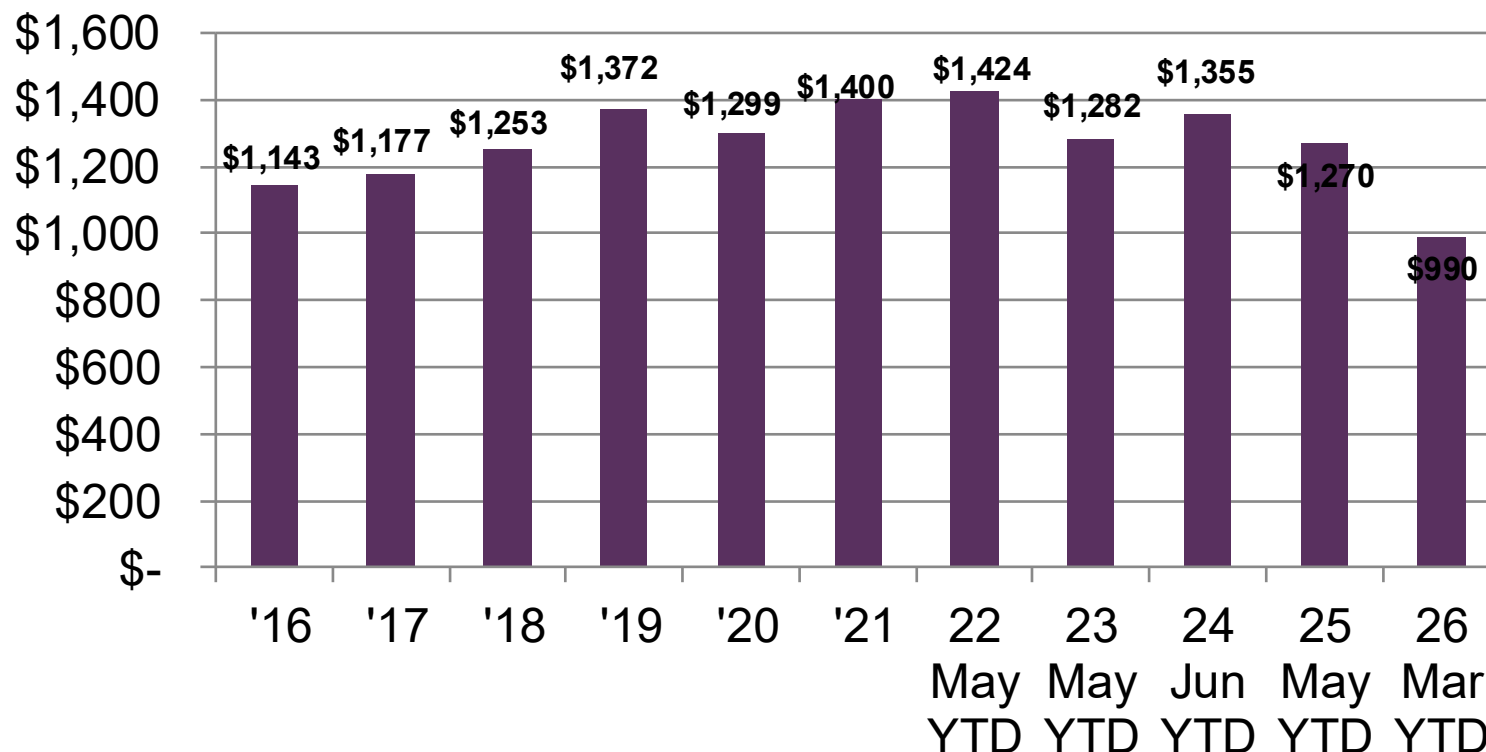
FY26 Pharmacy Accomplishments

- Achieved re-designation as a ASHP Center of Excellence and added on Ingalls Hospital
- Growth in Infusion, Mail, and Retail
- Omnicell Upgrade at UCM- Completed in July
- Biosimilar Adaptive Model
- Growth in Advanced Therapies
- Growth in GLP-1's- PharmaFit



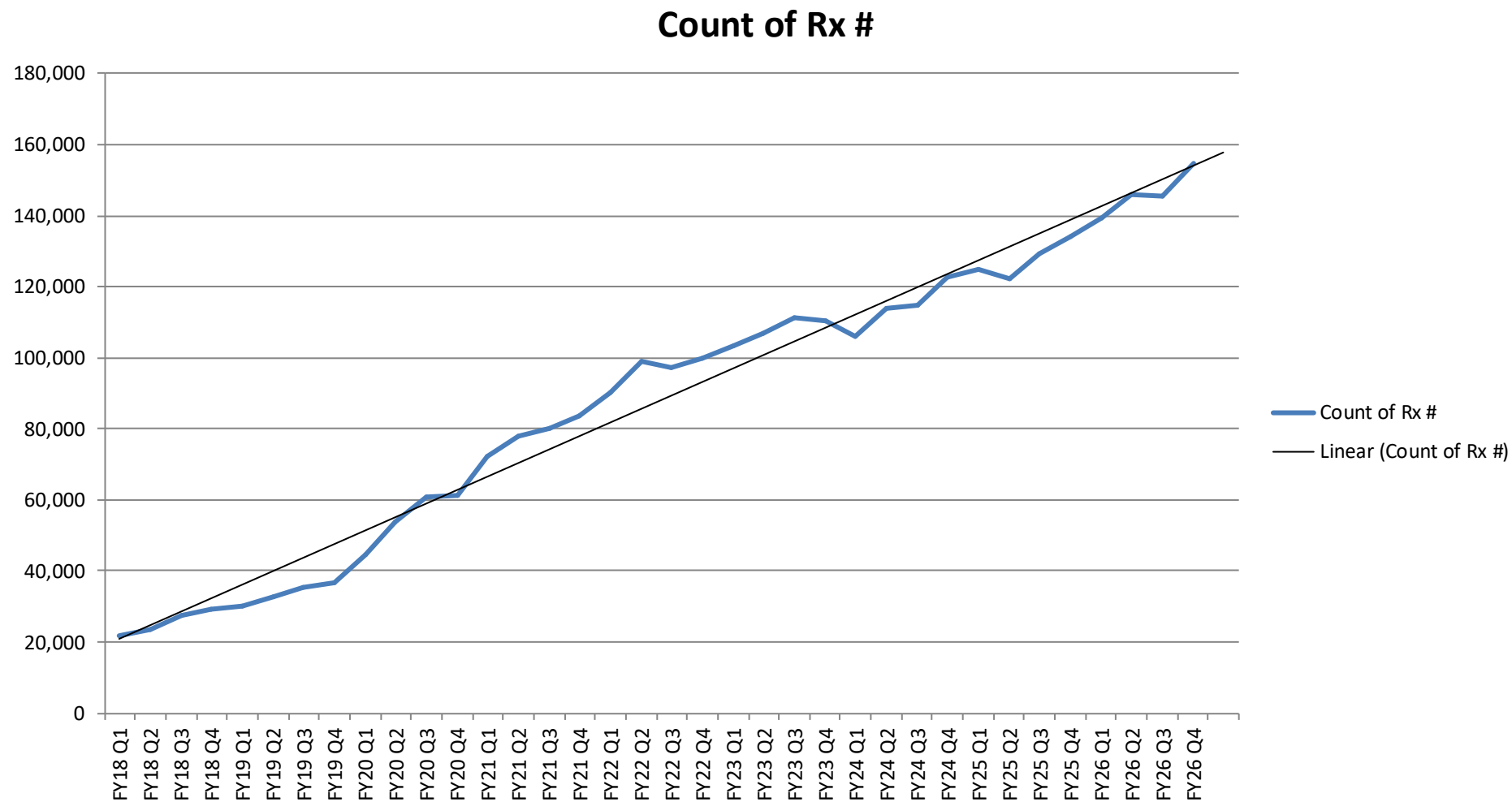
Inpatient Drug Cost / IP Admissions and Observations

Inpatient Drug Cost/Inpatient Admissions and Observations



- The lowest spend in 10 years- Amazing!
- National average growth on inpatient drug spend is ~ 12%
- Due to tight formulary control, Spend Analytics, and decrease in Length of Stay

Outpatient Pharmacy Script Growth



Key Pharmacy Strategies for FY27

- Growth of outpatient scripts- Specialty, Retail, mail order
- Expansion of Infusion services
- Exploring AI technology to improve efficiencies
- Hiring and Retention strategies
- Focus on reducing drug spend- Spend Analytics
- Optimize the 340B program
- Execute Plans for New Cancer Center
- Expansion of Epic solutions with Epic inventory and Epic POS



Summary

- Many new government regulation impacting Pharmacy- Need to plan
- Surge of Advanced Therapies- how to operationalize it and track payment
- Large growth in GLP-1's- driving drug expenditure nationally
- Outpatient script growth with more patients shifting to mail order
- Home Infusion Growth – especially in Oncology
- Continue growth in Specialty Pharmacy with the new drugs hitting the market- oncology and autoimmune diseases
- Drug shortages will be a challenge- 505(B)(2) can be solution
- 340B Regulation Changes will continue to be a challenge- focus on optimizing the program
- Next wave of Inflation Reduction Act Drugs hitting Jan '27
- Focus on Decreasing drug spend
- Using technology to create efficiencies across Pharmacy- especially help with Prior Auth's



Thank you.

Ian O'Malley

Exec Director of Strategic Sourcing



AT THE FOREFRONT
UChicago
Medicine

01

Strategic Sourcing Team Update

02

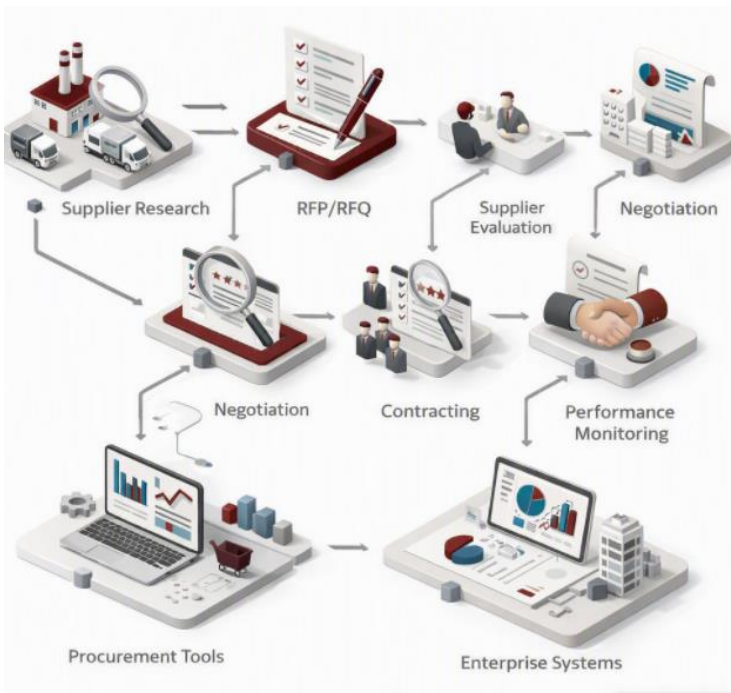
Value Analysis

03

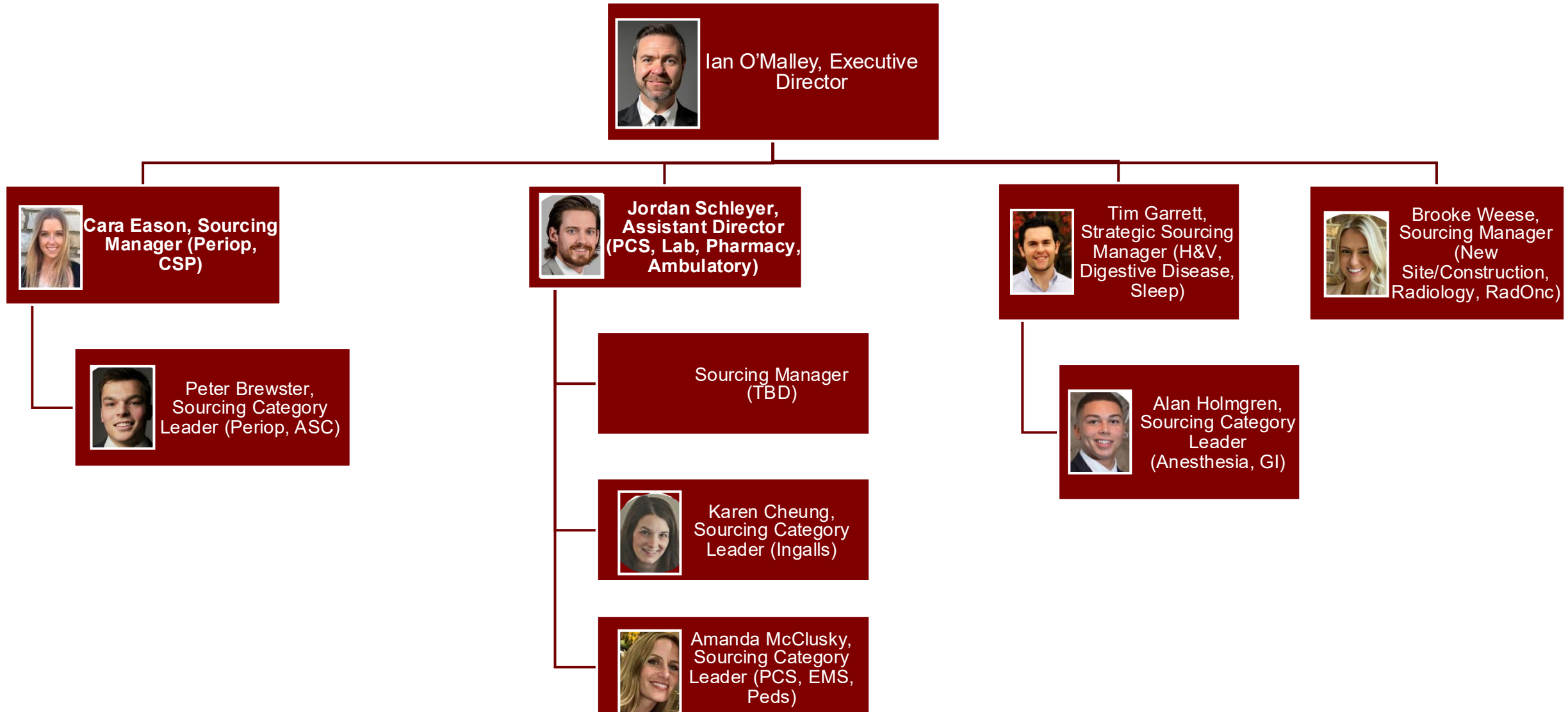
Resiliency Support

04

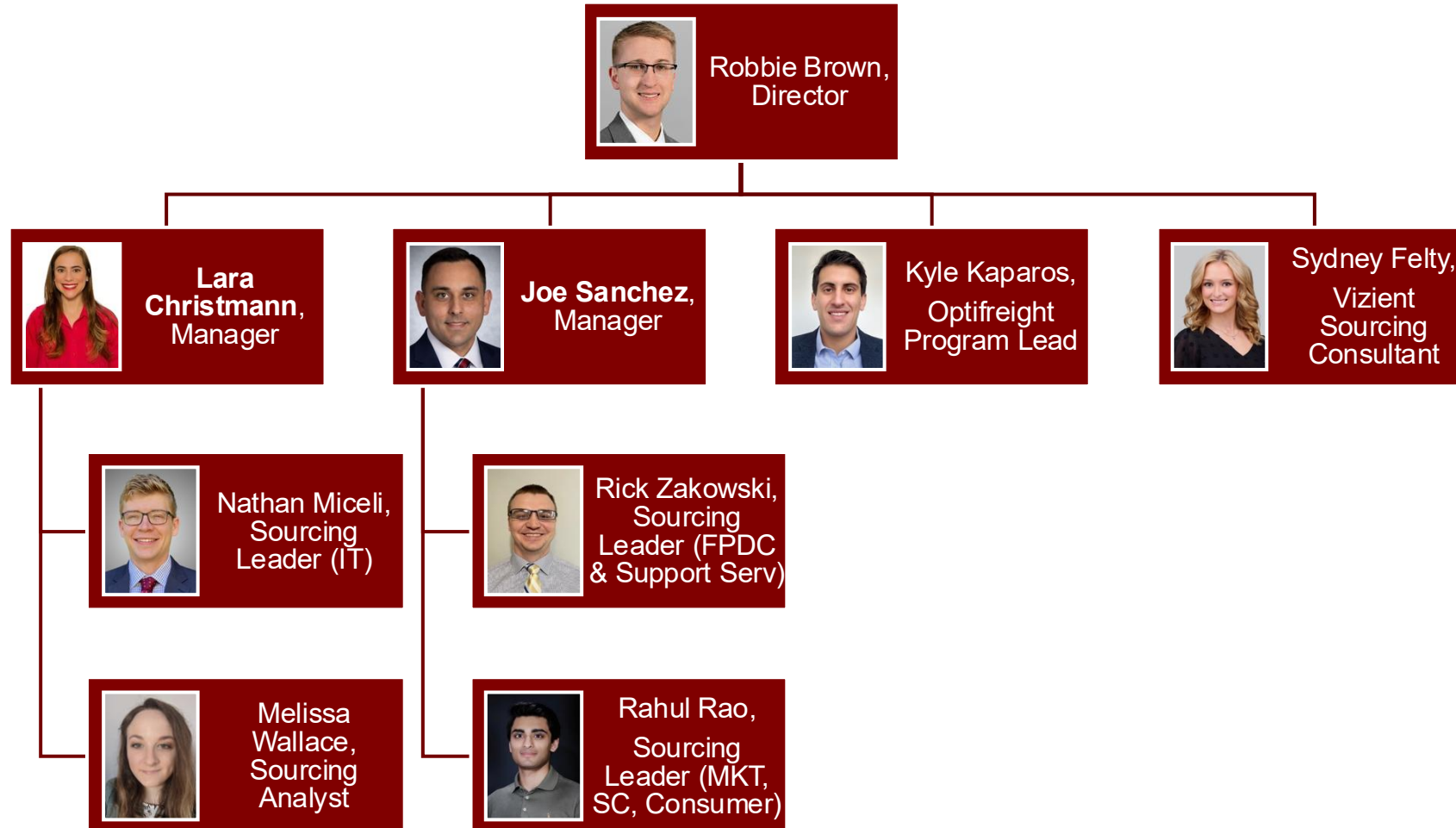
Contracting Updates



Clinical Strategic Sourcing Team



Non-Clinical Strategic Sourcing Team



01

Strategic Sourcing Team Updates

02

Value Analysis

03

Resiliency Support

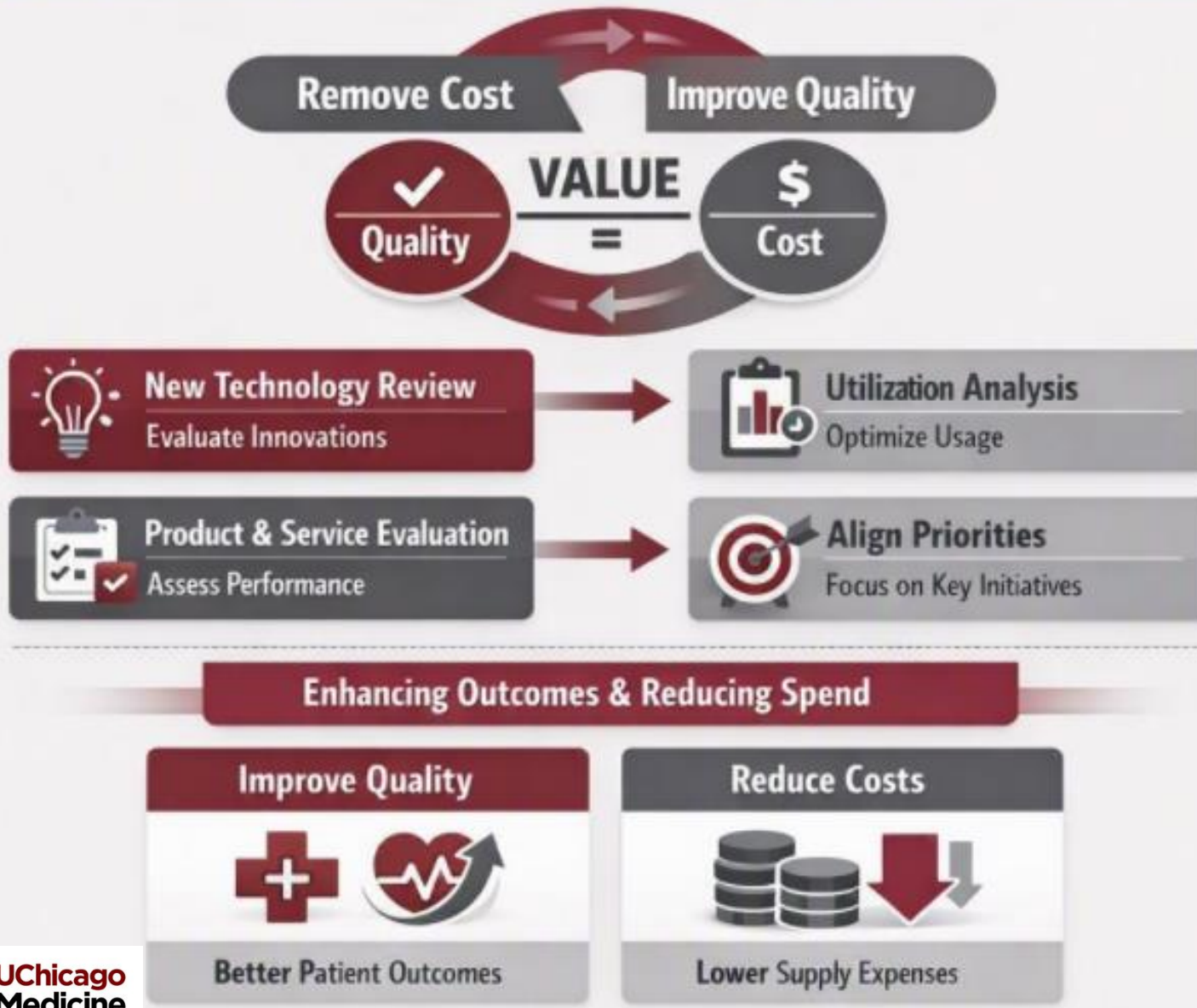
04

Contracting Updates



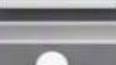
Value Analysis Process

Value = Quality / Cost

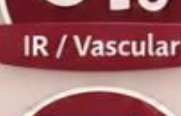


Non-Clinical & Clinical VAT Teams

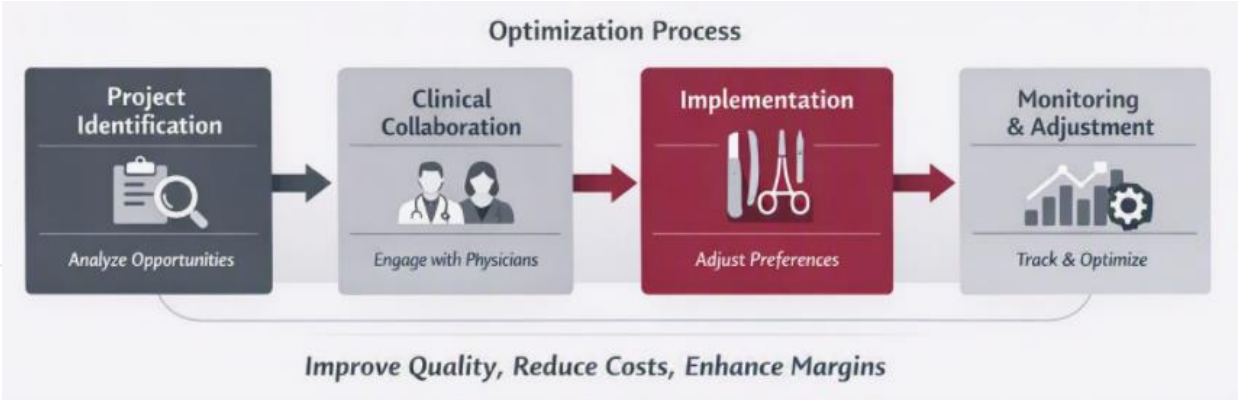
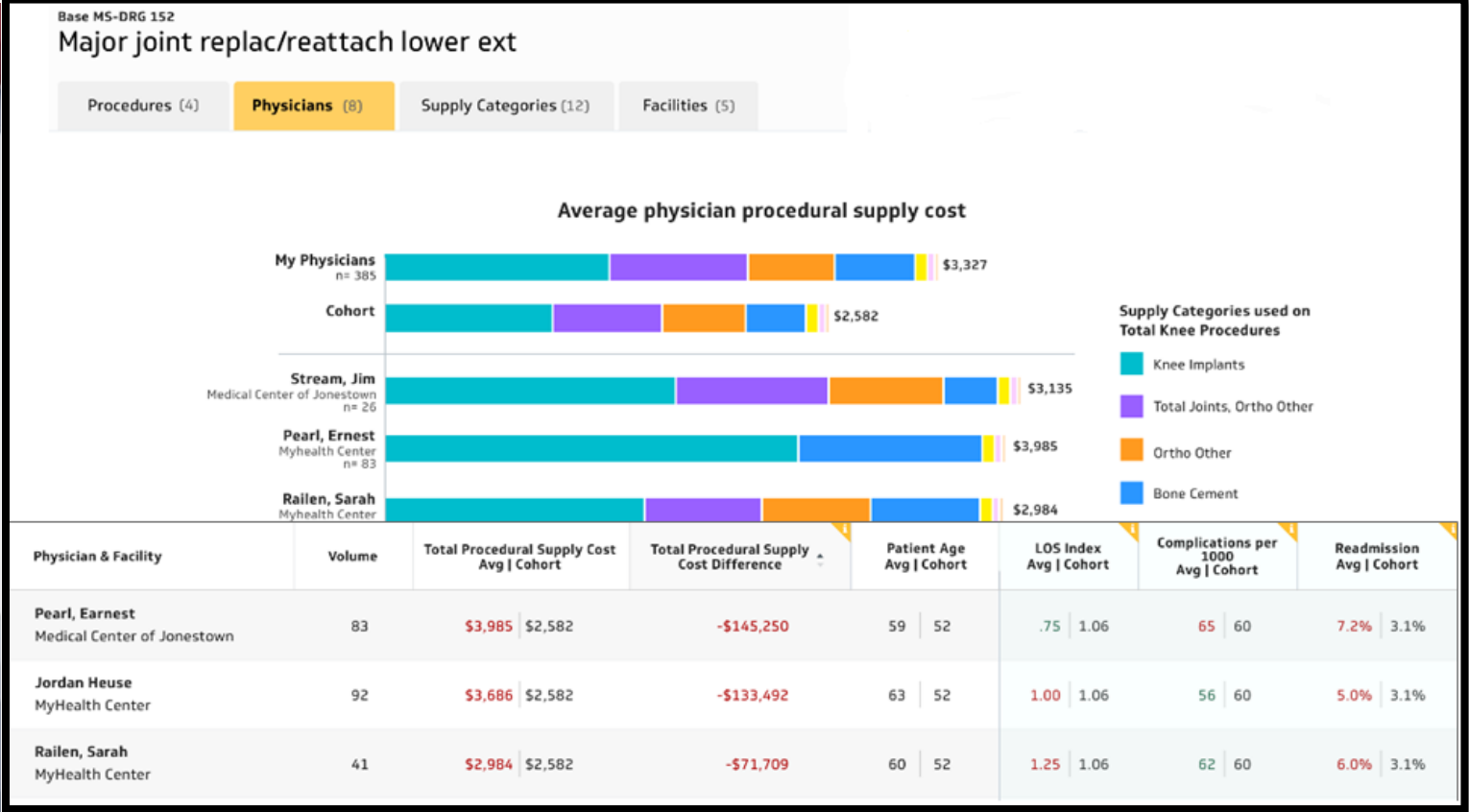
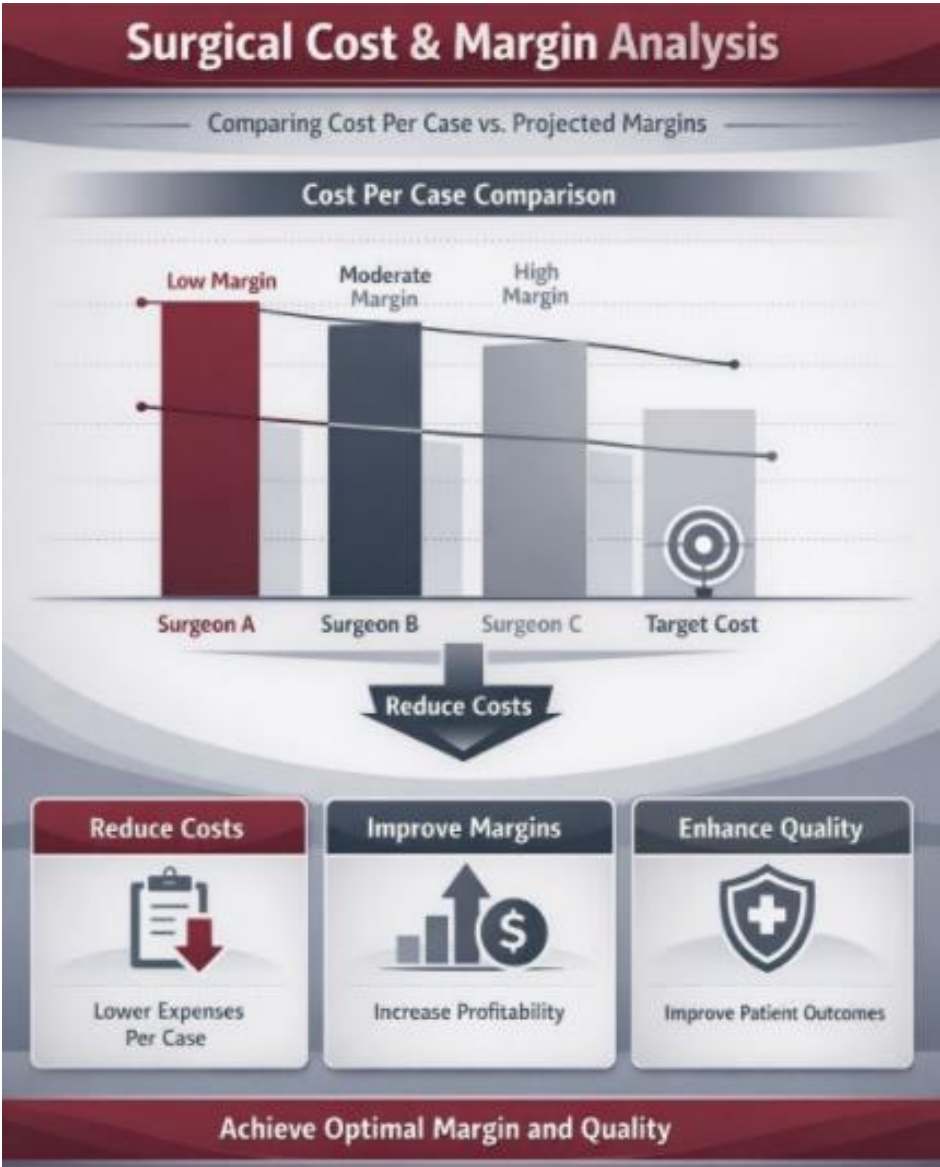
Non-Clinical VAT Teams

 Supply Chain	 IT Architecture
 IT Networking & Hardware	 Information Security & Privacy
 Safety / Security	 Ingalls Foundation Development
 HR	 Finance
 Revenue Cycle	 Plant Ops / FPDC
 Food Services	 Marketing
 Support Services	 Consumer Experience
 Clinical IT	

Clinical Value Analysis Teams

 Ambulatory	 OPEC	 Med / Surg	 Pharmacy
 Anesthesia	 Neuro	 Ortho	 Lab
 GI / CERT / Branch	 OR Supply Ops	 IR / Vascular	 Cath Lab
 Radiology Admin	 Ambulatory Surgery	 Ingalls MedSurg	 Ingalls Perioip
 Ingalls MedSurg	 Ingalls Radiology	 Nuclear Medicine	

Procedural Analytics and Procedural Performance Coach



01

Strategic Sourcing Team Updates

02

Value Analysis

03

Resiliency Support

04

Contracting Updates



Building a Resilient Supply Chain

Supplier Transparency



- Verify Product & Device Origin
- Request Documentation

Proactive Communication



- Direct Links with Operations
- Provide Alternative Options Early

Built-In Resilience



- Diversify Production Sites
- Invest in Near & Onshore
- Expand Inventory Levels
- Align Capacity & Demand

Partnering on Resiliency Tools



Supply Risk Solutions Tool



Healthcare Industry Resilience Collaborative

Working with Our Distributor for Effective Communication & Inventory Management

Healthcare Industry Resilience Collaborative (HIRC)



Who We Are

Pre-eminent non-profit consortium for patient-centric healthcare supply chain resiliency standards and best practices.

Our Mission

Increase resiliency and transparency in healthcare supply chains through collaboration, standards, and best practices for continuity of patient care.

Our Impact



Simplify path to resilience.



Deliver programs that support member adoption of resiliency practices.



Align operationally to reinforce common and aligned goals to industry.



Drive broad industry adoption of standards to accelerate healthcare resiliency.

To learn more visit <https://www.hirc.org/get-started/>

01

Strategic Sourcing Team Updates

02

Value Analysis

03

Resiliency Support

04

Contracting Updates



Purchased Services Committee Process

Reviewing Expenses Over \$5,000 Annually



Submit Intake Form

Details & Justification



Department VP Approval

Department Review



Supply Chain VP Approval

Supply Chain Review



VP Finance Approval

Financial Review



Strategic Sourcing & Agreement Processing

Finalize & Obtain Signatures

Request Approved!

Request Approved!

Request Approved!

Hospital Capital Expense Approval Process



Medical Device Connectivity Market & Contracting Challenges



INCREASING CONTRACT COMPLEXITY

Diverse Stakeholders



Multiple parties involved

Regulatory Requirements



Strict compliance demands

Data Security Risks



Protecting sensitive information

Complex Pricing Models



Variable cost structures

Lengthy Negotiations

Prolonged contract cycles



Legal & Liability Issues

Managing risk & responsibilities



Contract Lifecycle Management Process

Key Points:

This is for both new contracts and renewals of existing.

Your ability to respond to our Privacy, Risk, IT and Legal concerns will dictate turnaround time

On average products/services that require BAA, SSA, MSA and Risk Assessment have seen a 4x increase in turnaround time

Paths not noted here-Innovation Intake/AI Governance which would be the first step if AI is involved.



Thank You to Our Supplier Partners!

Helping Us Achieve Clinical & Financial Goals



Driving Out Costs

Reducing Expenses & Waste



Identifying Savings Opportunities

Finding Areas to Save



Strengthening Supply Chain Resilience

Ensuring Continuity & Stability



Optimizing Contract Turnaround

Improving Speed & Efficiency

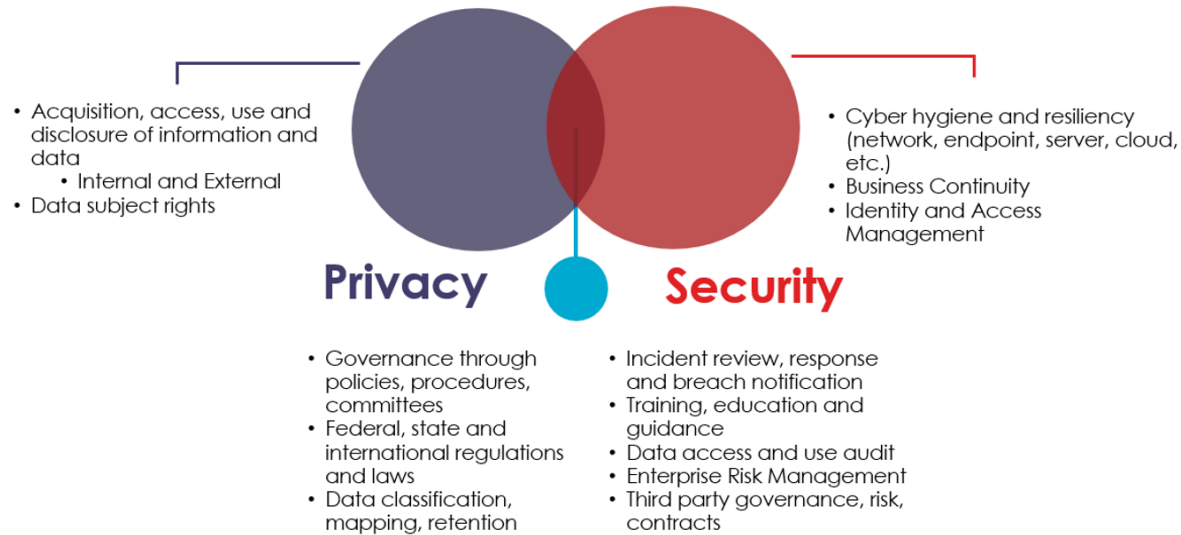
Continuing to Provide Value Together!

Karen Habercoss
**Chief Information Security Officer &
Chief Privacy Officer**



AT THE FOREFRONT
UChicago
Medicine

Intersection of IT Security & Privacy

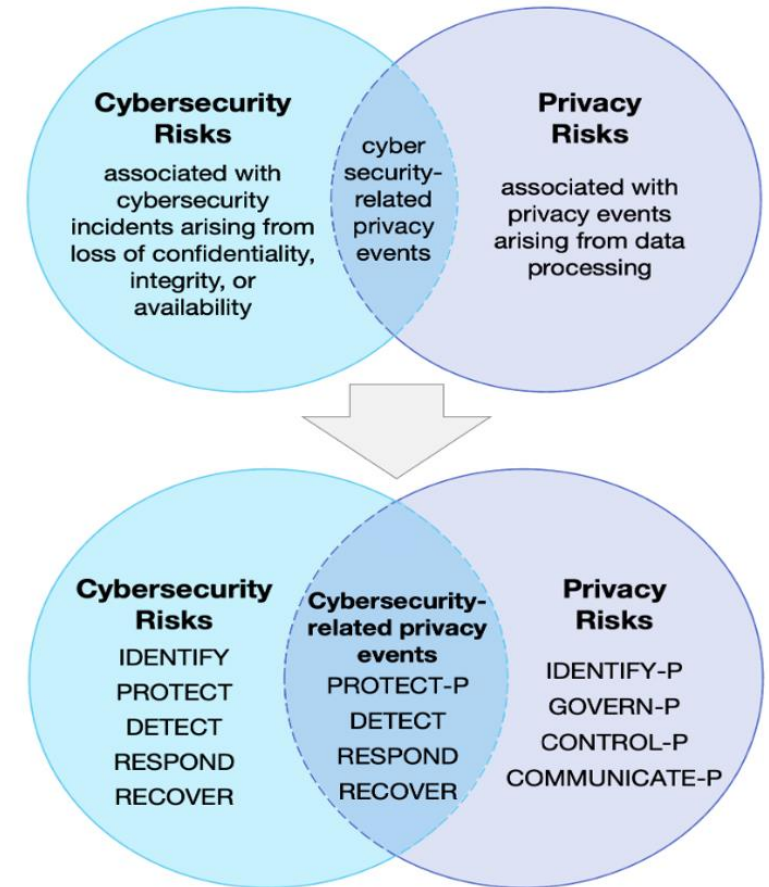


IT Security Risks

- Ransomware or Other Material Cyber Event
- Expansion and Digital Innovation
- Patient Safety
- Business Interruption
- Misappropriation
- Regulatory and Reputation

Privacy Risks

- Artificial Intelligence & Other Emerging Technologies
- Business Associates, Third Parties, and Agreements
 - Vendor HIPAA or other Regulatory and Legal Compliance
- Data Leakage, Loss, or Theft
- Data Flow
- Information Security (HIPAA and other federal, state or international requirements)



Partnership

AI and emerging technologies are increasing the levels of data being acquired and security responsibilities

Cannot view HIPAA as the only regulation we are required to follow

Laws and regulations are evolving and becoming more complex, but also not always in alignment with each other, making our obligations more focused

Contracts with data and cybersecurity provisions are becoming more intricate

UCM has defined minimum contracting standards to manage risk

UCM academic medicine, health system structure is growing, developing, and continues to become increasingly complex

Individual personal data rights, accountability, transparency, expanded territorial scope are more than conceptual

Opportunities exist for incidents in more scale and scope

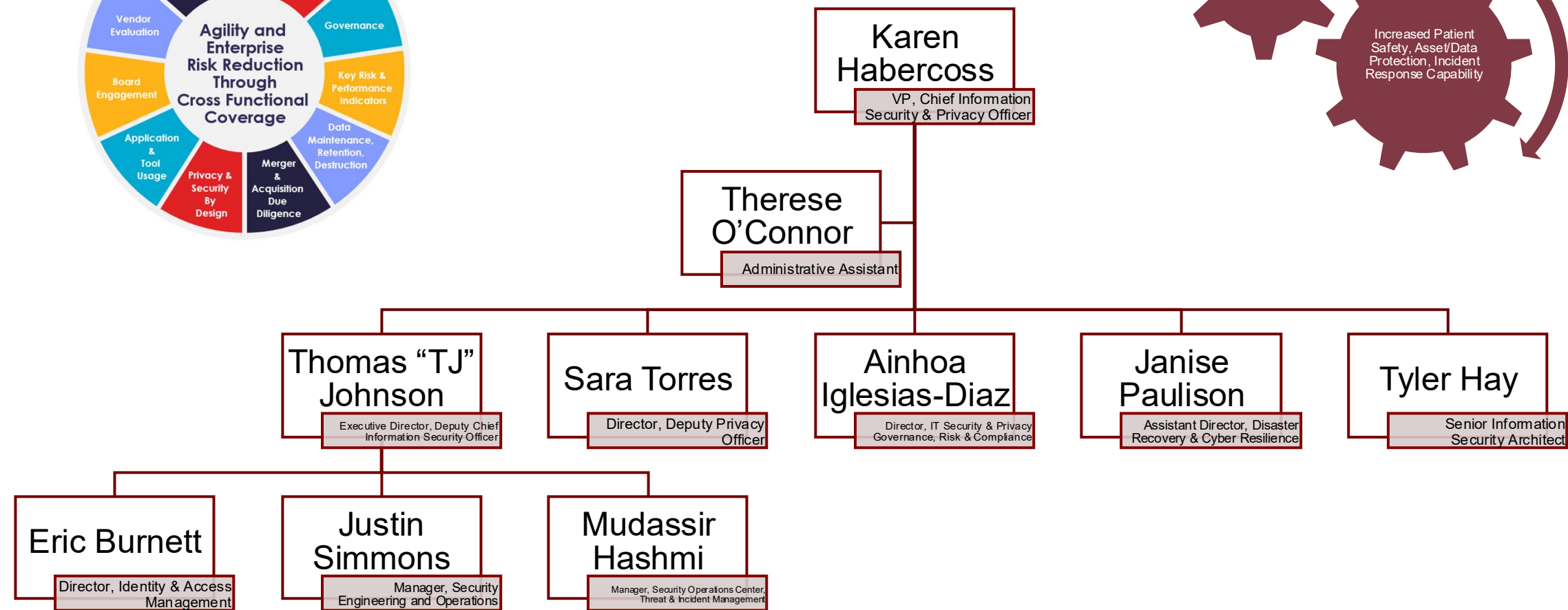
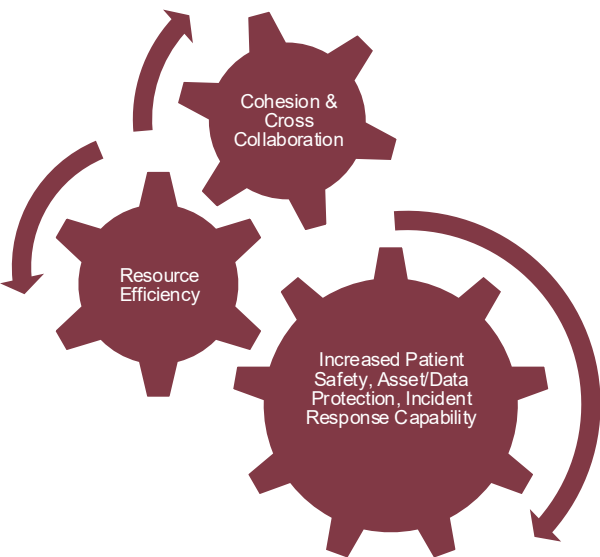
Non-Disclosure Agreement (NDA), Overarching Master Agreement, Quote, Statement of Work

Business Associate Agreement (PHI) and/or Data Processing type Agreement

Security Standards Addendum and/or Medical Device Manufacturer IT Security Supplier Addendum (All data and technology regardless if network connected)

IT Security Risk Assessment (All data and/or technology)

IT Security & Privacy Office Contacts



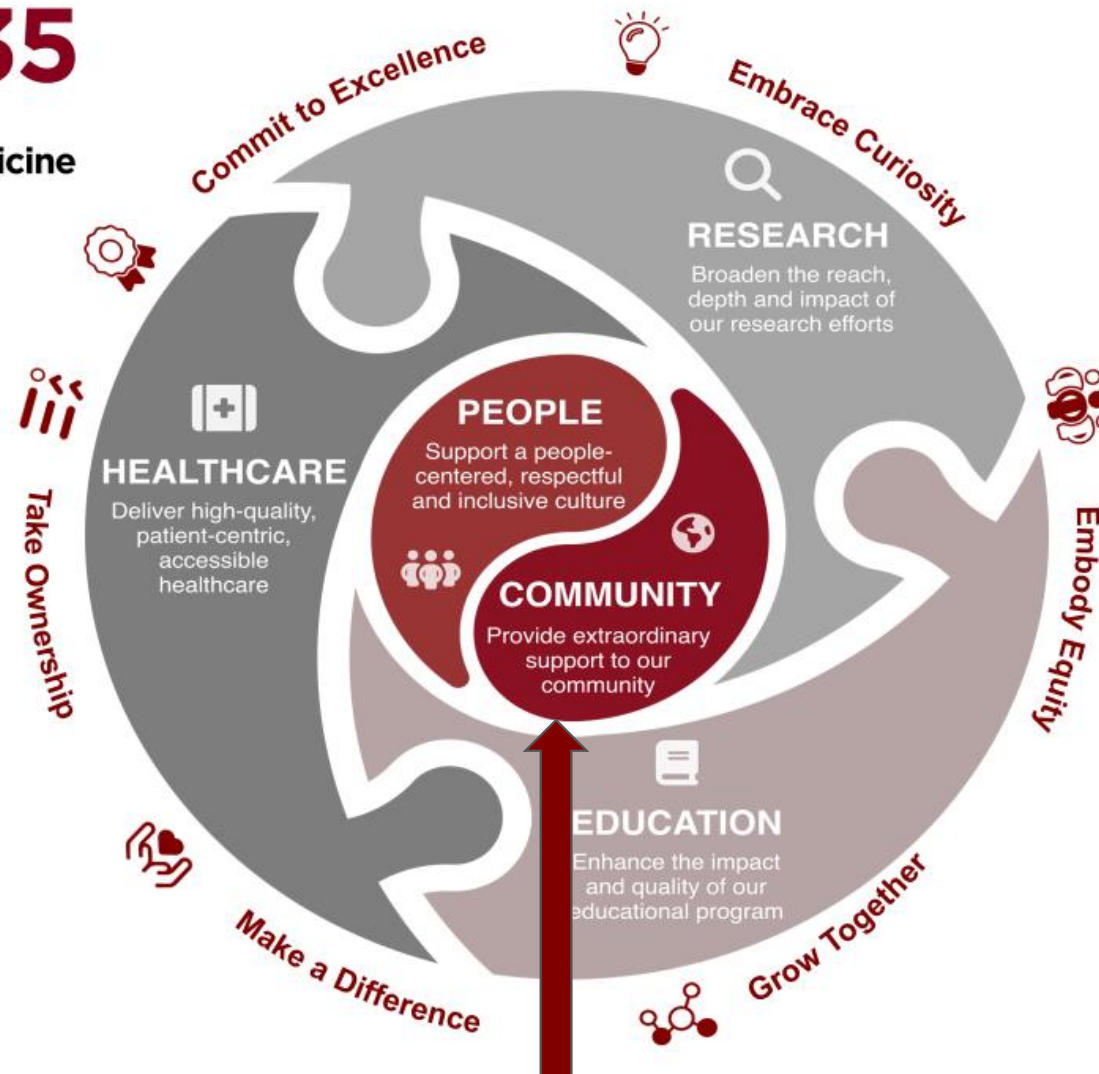
IMPACT Purchasing – Alder Derosé



AT THE FOREFRONT
UChicago
Medicine

ELEVATE2035

UChicago Medicine | **Biological Sciences Pritzker School of Medicine**



UCM IMPACT Purchasing and Community Sourcing & Strategy embedded here

Objective: Leverage UCMs non-labor spend strategically to invest in the communities that we serve as a key element of the total health & wellness of our patients and their families.

IMPACT Purchasing Programs



TEAM EARTH
Employees Aligned To **Reduce**, **Reuse** and **Recycle** Towards Health

Objective

Leverage UCM's non-labor spend strategically to invest in the communities that we serve as a key element of the total health & wellness of our patients and their families

Continuous Improvement



Increase % of spend every year

Local Business Investment



Chicago United, HEAL and UChicago Local

Supply Chain is Executive Sponsor of team focused on sustainability initiatives at UCM

Community Sourcing and Strategy

Purpose

To foster local economic growth and equity by empowering small, local, and underrepresented businesses to access opportunities within the UChicago Medicine health system, thereby strengthening community health and prosperity.

Mission

The Department of Community Sourcing and Strategy actively identifies, engages, and connects diverse local businesses to contracting opportunities at UCM. We provide educational workshops, build strategic community partnerships, and offer ongoing support to ensure inclusive procurement practices that promote economic development and support sustainable community well-being.

Vision

A thriving, inclusive local economy where diverse businesses flourish, communities are strengthened, and health equity is achieved through collaborative economic growth and sustainable partnerships with UCM.

FY 2026 Highlights

FY2026 Year End Constructions Compliance Results

- **\$28.8M in contracts awarded and paid to Architects/Engineers and Construction Contractors located within the UCM Health System Communities (Chicago Southside, South Suburbs, NWI)**
- \$17.9M in contracts awarded and paid to contractors located within the 12 zip codes surrounding the UCM Hyde Park Campus
- 9.6M in contracts awarded and paid to contractors located within the 13 zip codes surrounding the UCM Ingalls Campus (South Suburbs)
- 1.3 M in contracts awarded and paid to contractors located within the 20 zip codes surrounding the UCM Crown Point Campus (NWI)
- \$8.08M in wages paid to onsite construction workers that reside within one of the 45 UCM Community Zip Codes
- \$3.9M in wages earned by onsite construction workers that reside in one of the 12 Zip codes surrounding the UCM Hyde Park campus

Cancer Center Project

To date over \$31.7M in contracts awarded and paid local firms located within the 12 zip codes surrounding the UCM Hyde Park Campus

To date over \$21.3M in wages earned by Chicago residents working on Cancer Center project

To date over \$5.9M in wages earned by onsite workers working on Cancer Center project that reside in 12 zip code area surrounding UCM Hyde Park campus

UCM Community Impact – Supplier of the Year

UCM Community Impact – Supplier of the Year



Bob Boyden
Executive Director Supply Chain Operations



AT THE FOREFRONT
UChicago
Medicine

AbbVie Cancer Pavilion-April Go-Live

80 Inpatient Beds

OUTPATIENT ONCOLOGY CLINIC

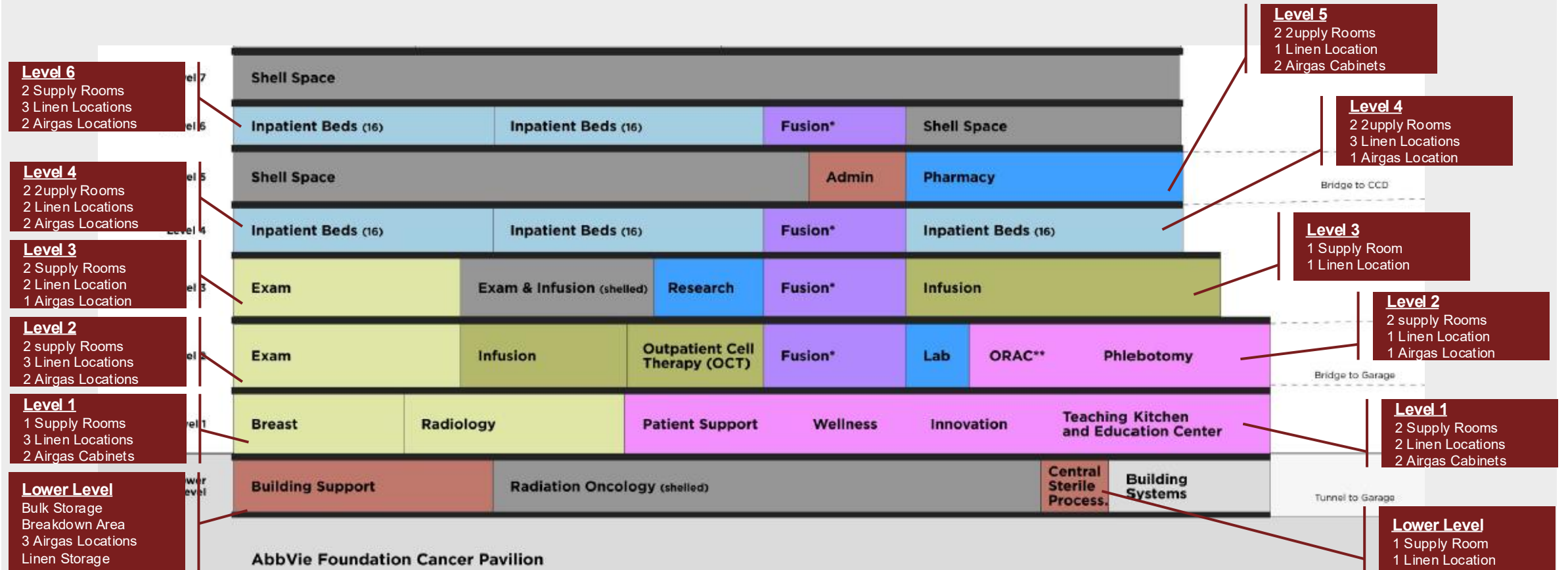
90 Exam Rooms

OUTPATIENT INFUSION SERVICES

67 Infusion Rooms

- | Radiology including MR, CT, Ultrasound & X-Ray
- | Breast Center
- | Oncology Rapid Response Clinic (ORAC)
- | Wellness Center / Holistic Oncology
- | Pharmacy
- | Building Support Services
- | Tunnel to Parking Garage B / Loading Dock
- | Bridges to Parking Garage B & Center for Care & Discovery
- | Ambulatory Oncology Rapid Response Lab

Departmental Stacking



In total, 123 new stocking locations for supplies, linen, and med gas

Major Changes

ESLs Electronic Shelf Labels

- | Integrates with current Helios infrastructure
- | Enable real time updates – Backorders, Recalls, Par level changes to be made at scale
- | Ordering made easy – Staff just hit the button
- | Low maintenance



Major Changes

Receiving Dock A

- | Currently receives all UPS/FedEx packages-850 packages/day
- | 60% of those packages are delivered to CCD
- | Dock A to Cancer Pavilion- 7.5 minutes
- | Dock B to Cancer Pavilion- 45 seconds
- | Staff will receive packages more timely
- | Reduce traffic in the tunnel system



Building Supply Chain Resiliency

Why now

- | Natural disasters, pandemics & climate change
- | Geopolitical events & conflicts
- | Inflation & labor shortages
- | Logistical disruptions
- | Cyber-attacks

Disruptions = more expensive care

SMI RESILIENCE MATURITY MODEL

Four levels of increasing resilience

Level 1 · Prepared — UCM TODAY

Reviews and responds to supply disruption with structured processes and risk-mitigation plans, using insights from key data points such as utilization patterns.

Level 2 · Responsive

A dedicated Supply Chain team leads system-wide risk mitigation, management, and disruption response, with market intelligence and clinical equivalents for disrupted products.

Level 3 · Resilient

A dedicated program and team apply technology, analytics, and predictive models for business continuity and risk mitigation, with rigorous prevention, assessment, and control measures.

Level 4 · Immunity

A collaborative, agile, mature program built on strong partnerships and predictive analytics to maintain continuity for most supplies regardless of criticality, risk, or disruption.

A Dedicated Resiliency Team

A dedicated team within Supply Chain Operations to lead UCM risk assessment, disruption mitigation, and resiliency strategies — built around five core functions.

01

Central inventory management

Centralized inventory management for the entire Health System

02

Disruption management

Central management of products on disruption

03

Inventory optimization

Optimize inventory across the Health System

04

Product standardization

Standardize products across the Health System

05

Continuous improvement

Continuously improve inventory & disruption processes

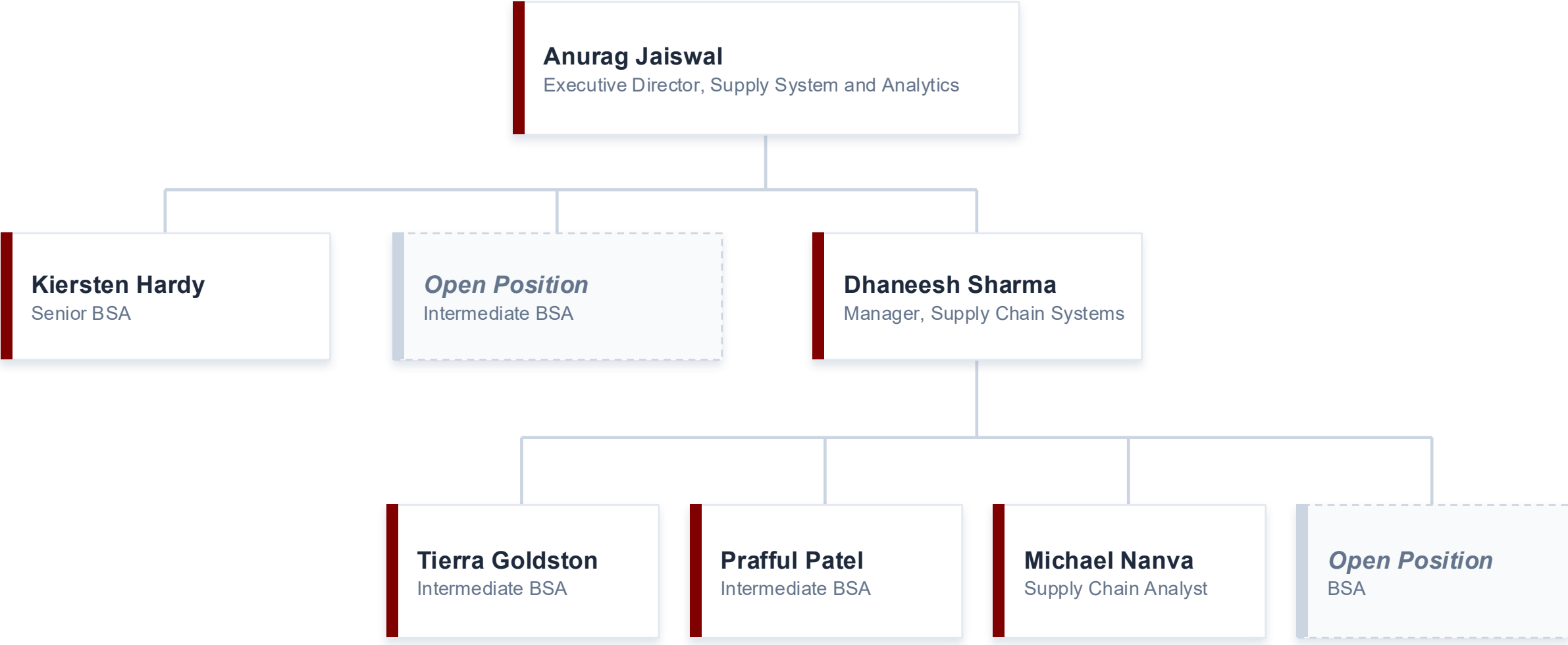
Anurag Jaiswal – Executive Director Supply Chain Systems & Analytics



AT THE FOREFRONT
UChicago
Medicine

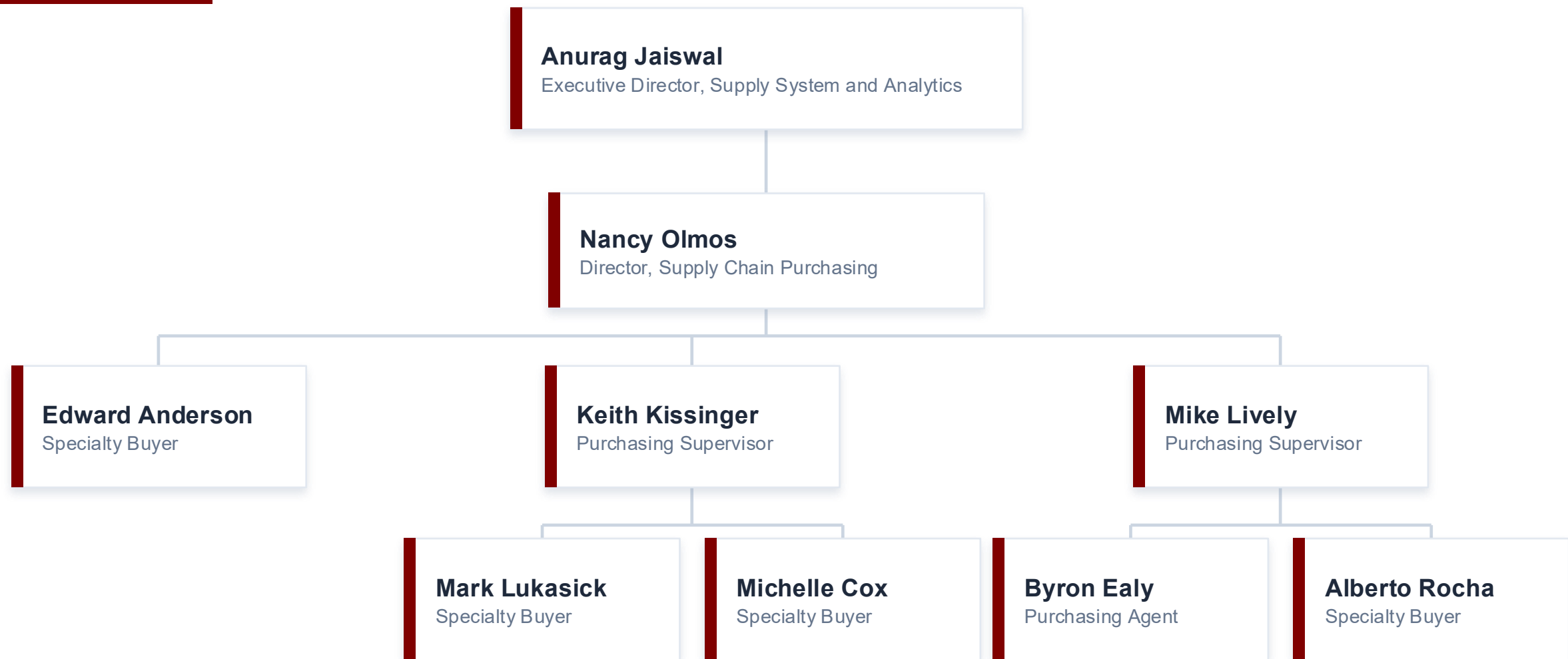
Supply Chain Business Process Team

Supply Chain Systems and Analytics | Organizational Structure



Purchasing Team

Supply Chain Purchasing | Organizational Structure



Managing A Growing, Complex, JIT Digital Supply Chain

Healthcare Supply Chain | Why Scale & Complexity Are Rising

More data, more connected systems, and more partners to coordinate than ever before.

1

Growing Data Volumes

Expanding item, contracts, locations, suppliers, chart of accounts records, and user access entries to keep clean, connected, and current across every system.

2

More Connected Systems

ERP, EDI, EMR, cloud analytics, supplier portals, and 25+ applications must now interoperate in near real time.

3

Wider Partner Networks

Growing suppliers, SKUs, and delivery points multiply the touchpoints to coordinate and control while maintain high cyber security.

4

Rising Compliance Demands

UDI, GS1 standards, and traceability mandates raise the bar for data quality and end-to-end visibility.

Collaborating Effectively at Scale

✓ Standardize on shared GS1/GTIN data so partners speak one language.

✓ Automate hand-offs with EDI and bots to cut manual touchpoints.

✓ Build one source of truth with real-time visibility for all.

✓ Align on governance and clear ownership across teams.

Key Initiatives

Supply Chain Systems, Analytics & Purchasing | FY27 Focus Areas

- **Supplier Collaboration**
- **Procure to Pay Optimization**
- **Cloud Analytics Platform with NLQ**
- **Master Data Governance & Automation**
- **Expand Supply Documentation via GTIN**
- **Oracle Cloud Redwood Purchasing Upgrade**
- **Roll Out Bill Only EDI**
- **Dock-B Activation**
- **Support AbbVie Cancer Pavilion Go-live**
- **AI, RPA and Chat Bots**



Partnering with Suppliers

Supplier Value | How Our Partners Help Us Move Forward

1

GLN Ship-to Validation

Use the GS1 Global Ship-to Locations (GLN) to extend pricing and other validations.

2

Two-Dock Delivery

Transition from the Main Dock to a two-dock system for delivery of product.

3

GS1 Shipping Labels

Use the GS1 shipping label standard to include PO# barcodes on packaging labels on the box.

4

Digital Supply Chain

Create one customer view to hospital. Digitally transform supply chain operations with connected data, automation, and analytics for end-to-end visibility.

5

Timely GUDID Publishing

Publish GTINs to the FDA GUDID in a timely manner with complete, high-quality data.

Thank You

To Our Suppliers & Solution Partners

Your partnership and collaboration drives patient care. We appreciate your continued commitment to UChicago Medicine team.

Sam Gonzalez

System Director Accounts Payable



AT THE FOREFRONT
UChicago
Medicine

Generative AI Capabilities - Xelix



Transactions

Overpayment and fraud prevention

Proactive, real-time monitoring of your ledgers and master data to flag and prevent risks before payment.

[Learn more >>](#)



Vendors

Master vendor data management

Proactive cleansing and monitoring of vendor data - ensuring your vendor file is accurate, complete and risk-free.

[Learn more >>](#)



Statements

Automated supplier statement reconciliation

An end-to-end workflow automating the tedious task of reconciling vendor statements.

[Learn more >>](#)



Reports

AP/P2P reporting

Easy to use, self-serve analytics and reports for all things Procure-to-Pay.

[Learn more >>](#)



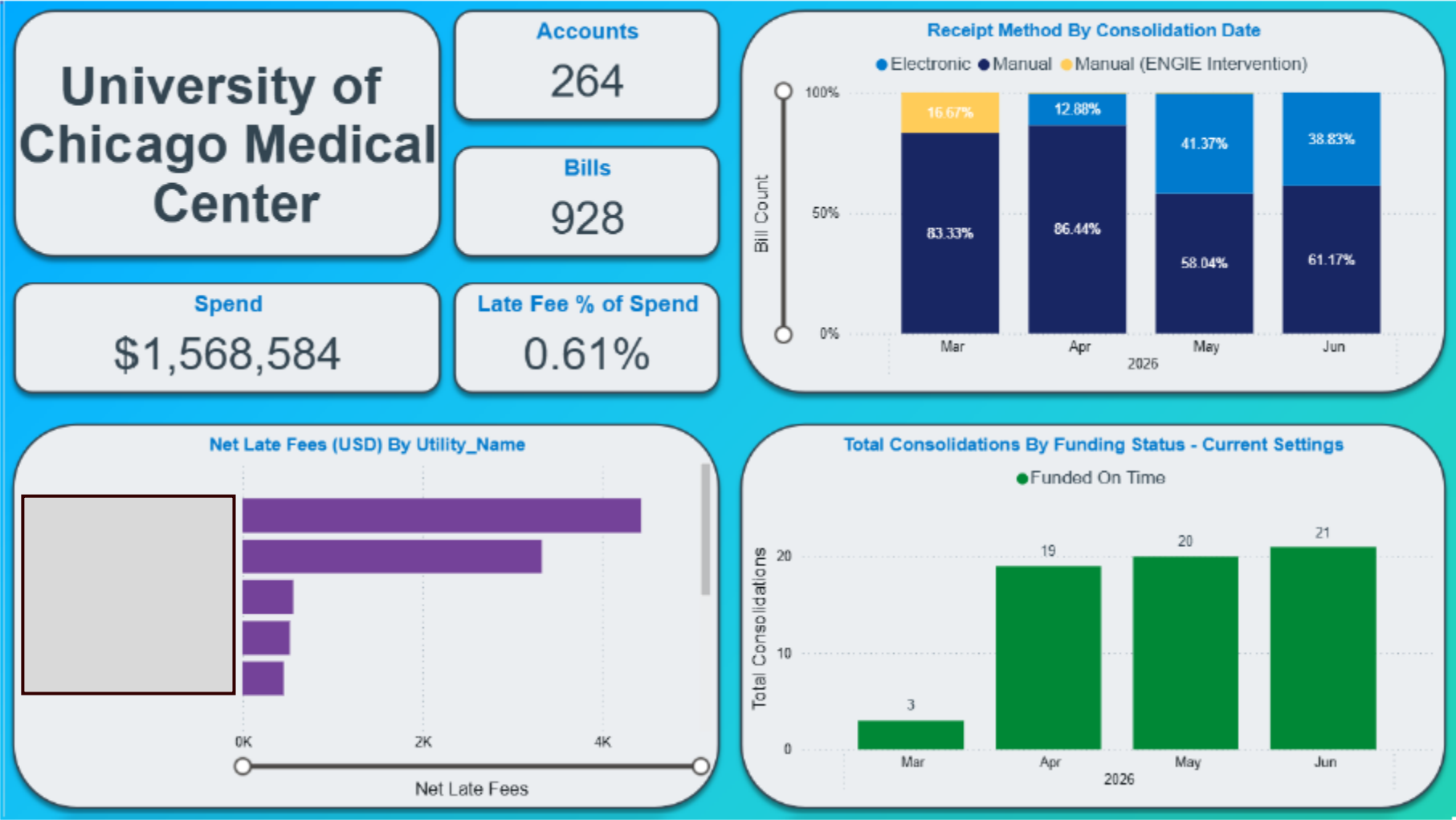
Helpdesk

Smart query management

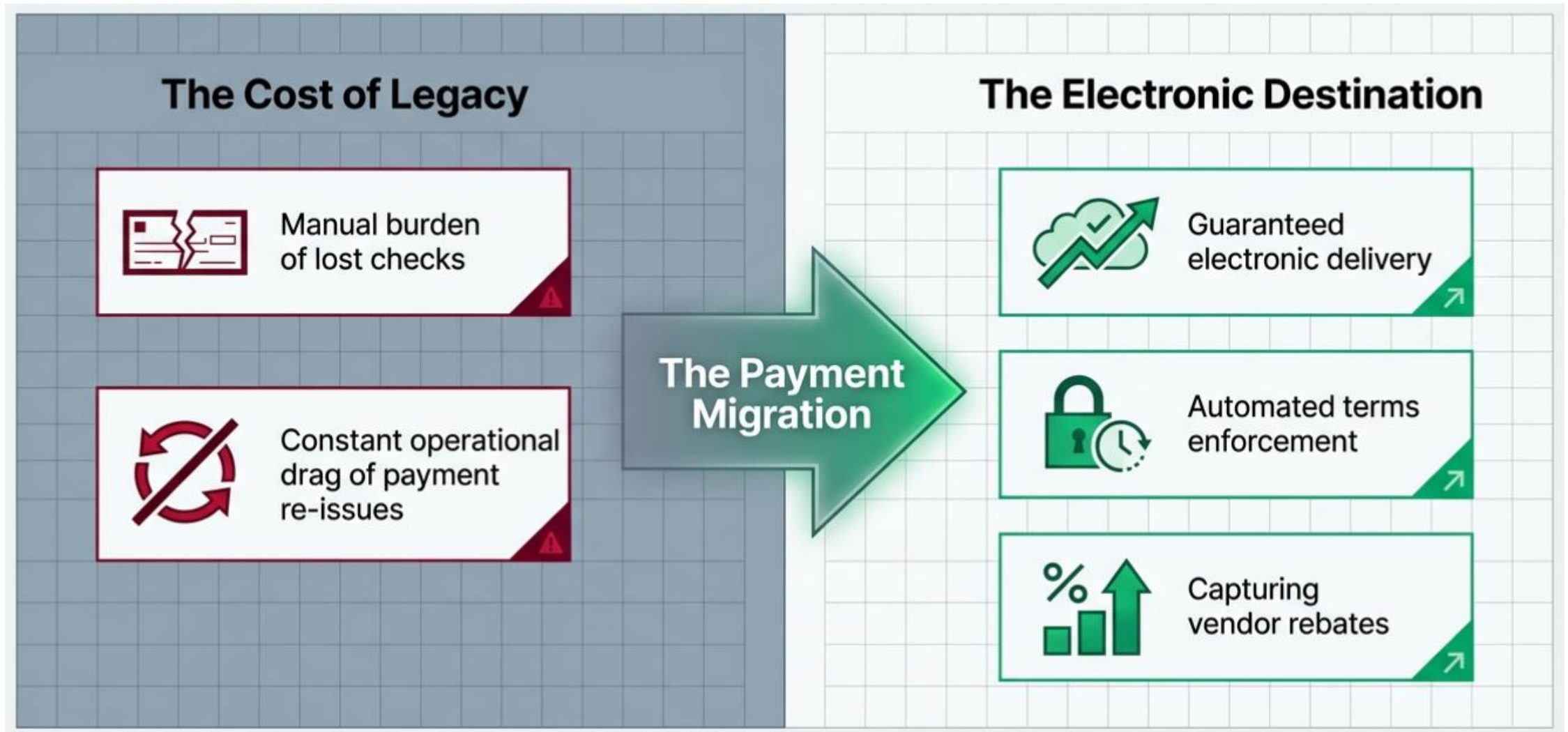
An AP ticketing tool that understands vendor emails, creates tickets and generates AI responses to remove major inbox stress.

[Learn more >>](#)

Arcadia - Engie Impact (Utility, Waste, and Wired Telecom)



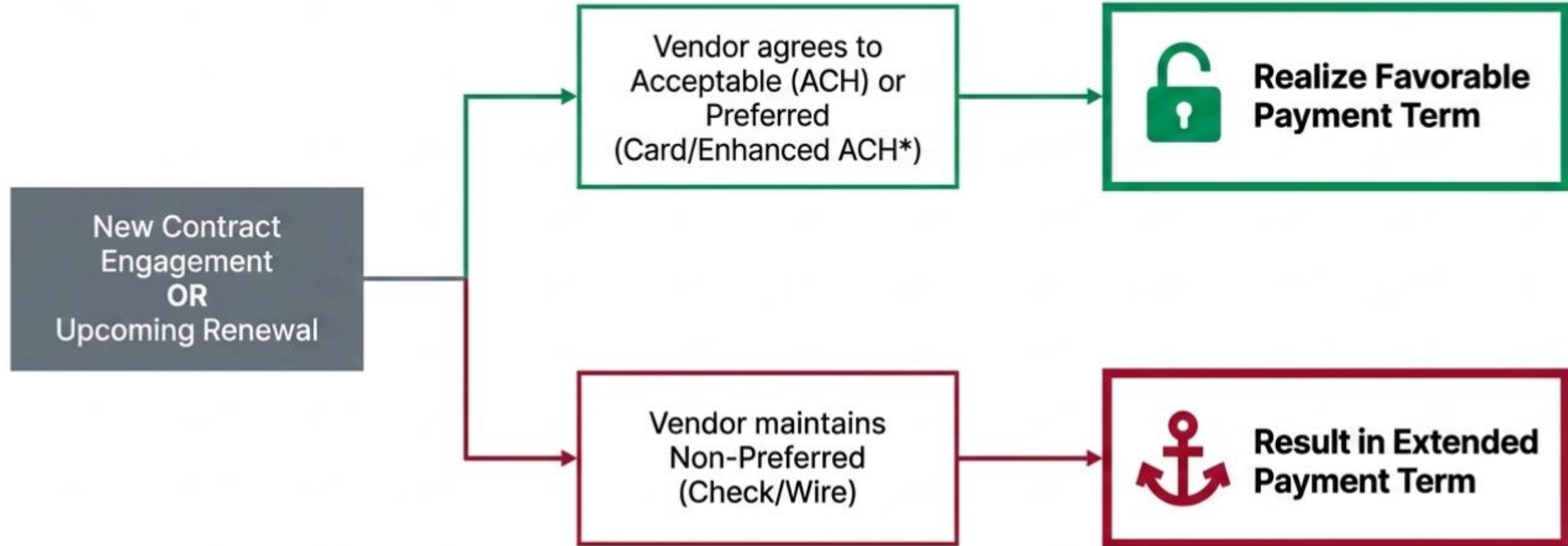
Payment Strategy – Shifting from Legacy Friction to Electronic Value



P2P Payment Method Diagnostic Matrix

	Non-Preferred	Acceptable	Preferred
Payment Mediums	Check, Wire	ACH	Card, Enhanced ACH*
Operational Reliability	High risk of lost checks and manual re-issue.	Solves repeat payment issues; electronic guarantee.	Instant execution; streamlined reconciliation.
Financial Impact	High processing cost; zero return.	Low processing cost; baseline efficiency.	Maximizes vendor rebates.
Contractual Term Impact	Triggers Extended Terms.	Unlocks Favorable Payment Terms.	Unlocks Favorable Payment Terms.

Enforcing the Policy on New Contracts and Renewals



Active Conversion Campaigns for Existing Suppliers

Mechanism 1: Incentivization

Existing suppliers are currently being targeted through ongoing campaigns designed to incentivize the transition to acceptable and preferred methods.

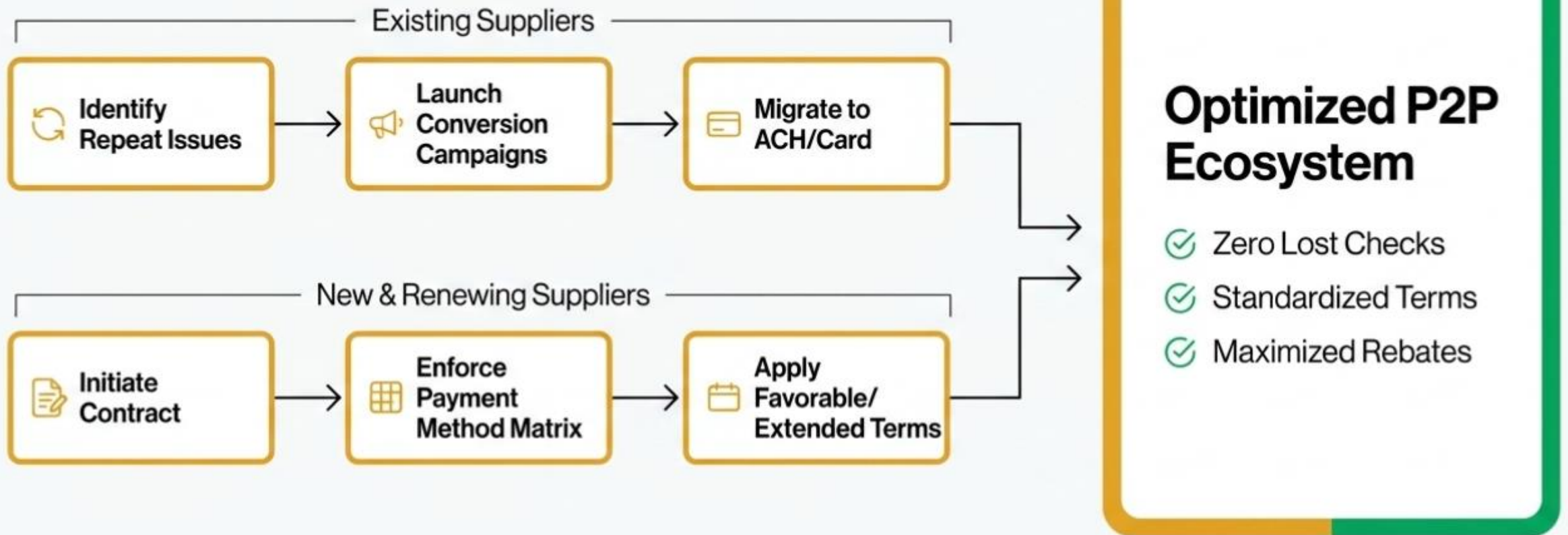


Mechanism 2: Issue Remediation

Flagging suppliers with repeat legacy payment issues and converting them directly to ACH to permanently solve the friction.

Unified Operational Strategy

Vendor Lifecycle Integration



Vendor Lifecycle Management – apexportal

Registration

- Supplier lifecycle management:
 - Bank account verification and ownership
 - Real-time insurance certificate tracking
 - Medicare/Medicaid compliance
 - IRS tax reporting
 - Prohibited entity screening
- Automated data validation – duplicates, address, tax ID, banking, ESG
- Onboarding: weeks → 5 business days

Fraud Detection

- Composite risk scoring across supplier, transaction, and 3rd-party data
 - Flags suspicious patterns – invoice sequences, credit outliers, risky payments
 - Continuous monitoring with automated alerts
 - Peer network data sharpens detection
- Surfaces potential collusion
- Blocks payments to bad actors
- Covers ongoing vendor maintenance

Cyber Risk

- Real-time monitoring of supplier cyber vulnerabilities:
 - Risk scorecards from supplier documents
 - Predictive analytics for proactive mitigation
 - Global media monitoring and threat intelligence
 - Automated task assignment and reminders
- Stakeholders: Finance, InfoSec, Cyber Risk, Supply Chain

Procure to Pay (P2P) Key Contacts

» Purchasing General Inquiries - purchasingdepartment@uchicagomedicine.org

» Purchasing Escalation Support

- » Michael.Lively@uchicagomedicine.org
- » Keith.Kissinger@uchicagomedicine.org
- » Nancy.Olmos@uchicagomedicine.org

» Accounts Payable & Invoicing Inquiries:

- » UCM: accounts@uchicagomedicine.org
- » Payment Term & Method Updates: ProcureToPay@uchicagomedicine.org

» AP Escalation Support

- » latonya.randle@uchicagomedicine.org
- » samuel.gonzalez@uchicagomedicine.org

Supply Chain Leadership Q&A



AT THE FOREFRONT
UChicago
Medicine

This is a challenging time...but our core principles remain...

Quality – zero defects

Cost – best in market

Delivery – 100% on-time & complete

Technology – At The Forefront

Service – best in class

UChicago Medicine Supplier
Conference Attendee Survey



Thank You



AT THE FOREFRONT
UChicago
Medicine