

Transforming Healthcare

An Interview with Michael J. Alkire, President and Incoming CEO, Premier Inc.

EDITORS' NOTE Michael Alkire, who joined Premier in 2003, is a seasoned healthcare executive with nearly 30 years of operational, technology and business development leadership experience. He was named the company's Chief Operating Officer in 2013 and President in 2019. In February 2021 it was announced Alkire would succeed Susan DeVore as CEO in May 2021. In his role as President, he led the evolution of Premier's Performance Services business, which combines artificial intelligence (AI)-driven technology, data and actionable insights with wraparound implementation services to improve health outcomes and reduce costs. Prior to joining Premier, Alkire worked for 12 years at Cap Gemini Ernst & Young in leadership roles where he was responsible for its North American supply chain and high-tech manufacturing sector business. He received his undergraduate degree from Indiana State University and his MBA from Indiana University.



Michael J. Alkire

healthcare. With integrated data and analytics, collaboratives, supply chain solutions, and consulting and other services, Premier enables better care outcomes at a lower cost. Premier plays a critical role in the rapidly evolving healthcare industry, collaborating with members to co-develop long-term innovations that reinvent and improve the way care is delivered to patients nationwide. Headquartered in Charlotte, Premier is passionate about transforming American healthcare.

Will you discuss your transition into the CEO role and how you feel Premier is positioned for continued growth?

I have been with Premier for 17 years and I am humbled to take over the helm of this company because of the incredible work we have done and continue to do. I look at Premier as a change agent working with our healthcare systems to disrupt the industry from the inside. Susan (DeVore, Premier outgoing CEO) created incredible building blocks, taking all of the data we have acquired around how best to provide higher levels of quality and safety while reducing costs, and created one of the first electronic data warehouses in the industry. This is so meaningful because we can create insights to help our healthcare systems and hospitals achieve improvement across the board and ensure competitive differentiation. We can now

take these insights and write them directly into the workflow of the electronic health record (EHR), which is incredibly important as we aim to enable our members to standardize care and reduce unnecessary variation, waste and low-value care.

How has Premier adapted its business to address the challenges caused by the pandemic and what are some of the lessons learned from this crisis?

There are a number of things we learned when it comes to COVID-19. We learned that we need more transparency in the supply chain. We also learned how critical it is to diversify our supply chain for both personal protective equipment (PPE) and critical pharmaceuticals, along with the raw materials that make up these products. We have seen that we are too reliant on a few geographies for a disproportionate amount of these goods. We have been advocating for the need to create nearshore and domestic manufacturing capacity, coupled with better visibility into the supply chain. A resilient supply chain would reduce our dependence on China and other countries that have controlled the market in certain categories. We've also been calling for Infrastructure 2.0, where the country makes significant investments in domestic manufacturing of certain drugs and PPE.

COVID-19 created a situation where everyone needed product at the same time, leading to a supply and demand imbalance, which resulted

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in inflated product costs. Premier has technology that can help dynamically allocate product, ultimately alleviating some of these constraints at the federal and state level.

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Premier is not a well-known brand even with its industry leadership. Is brand awareness important for Premier?

We want to help our members – which are comprised of thousands of hospitals, health systems, skilled nursing facilities and other providers – disrupt healthcare and transform the industry. Going forward, we may build out some brands that potentially have overlap with consumers and may have a bigger emphasis on brand awareness. However, we will also be focused on delivering on our mission of improving the health of communities and transforming healthcare from the inside – the consumer branding is secondary to our brand reputation within the industry.

Do you drive the Premier culture throughout the brands or do the brands have their own cultures?

I believe that one of the biggest differentiators for Premier is our mission and vision, which is improving the health of our communities

and working with our health system members to transform the industry from the inside out. These differentiators help establish a culture of innovation and a desire to disrupt the status quo. This infuses all our brands and businesses, but individual brands will have their own unique cultures as they deal with specific markets.

What are the keys to disrupting healthcare and transforming the industry?

I arrived at Premier from the high-tech world where change happens instantly. When I came to healthcare, which is so rooted in people’s lives and guaranteeing their futures, I was reminded that while we want to be disruptive and we want to be innovative, at the end of the day we are going to be very thoughtful. Having said that, it’s amazing to think about the changes in care delivery brought about just in the last year – while we were dealing with a global pandemic. One example is the notion of virtual visits as a viable alternative for many interactions we once thought had to be done in person. There is an increased focus on what the consumer – in this case, the patient – wants. The pandemic has opened all our minds to what is possible. Look at the conversation we are having right now – what would have been done in person in 2019 and the beginning of 2020 has been done as a video call ever since. Much of what we now do virtually is working well and, in many ways, is more productive.

The need to transform the industry is clear. I believe we have the building blocks in place with tools like AI, machine learning and natural language processing to provide evidence-backed insights at the point of care, tech-enable the supply chain and propel care delivery forward to meet the healthcare challenges of the future.

What skill sets are you looking to attract to Premier and how critical is it for Premier to build a diverse and inclusive workforce?

We are attracting the tech talent with our vision and mission – people want to make a difference and find meaning in their careers – we offer that. We also need the next-generation of supply chain experts who understand the importance of best price, but also know that resiliency is probably as critical as price, particularly for critical products like generic drugs and PPE that are needed in both day-to-day operations and emergencies.

We are also committed to building a diverse and inclusive workforce as it is critical to bringing varied perspectives and experiences to the table when making business decisions. Premier has always had a strong inclusive environment and I am looking forward to elevating that effort.

This is a dynamic and innovative business and I am excited to lead a team of talented professionals as we work to fulfill our mission of transforming healthcare. ●

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