

Improving the Health of Communities

An Interview with Michael J. Alkire, President and Chief Executive Officer, Premier Inc.

EDITORS' NOTE Michael Alkire, who joined Premier Inc. 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, its President in 2019 and its Chief Executive Officer in 2021. Prior to serving as President and CEO, Alkire was President of Premier Purchasing Partners, which offers group purchasing, supply chain



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and resource utilization services to hospitals and health systems. Alkire was named one of the Top 25 COOs in Healthcare for 2018 and was named to Modern Healthcare's 100 Most Influential People in Healthcare list in 2021. Before joining Premier, he served in a number of leadership roles at Cap Gemini, including North American responsibilities for supply chain and high-tech manufacturing. Alkire graduated magna cum laude with a BS degree from Indiana State University and an MBA from Indiana University.

COMPANY BRIEF Premier Inc. (premierinc.com) is a leading healthcare improvement company, uniting an alliance of more than 4,400 U.S. hospitals and health systems and approximately 225,000 other providers and organizations

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

How do you define Premier's purpose?

Premier's vision has always been to use the collaborative power of our alliance to lead the transformation of healthcare to a high quality, more cost-effective system. This has been our purpose for more than 20 years, and this purpose is engrained in our culture. This is something that we focus on when evaluating how we deploy capital, how we think about building our services out and how we leverage technology as we work to support our members in their journey to drive higher value healthcare at a lower cost.

While Premier is an industry leader, it is not necessarily a household name. How do you describe Premier's business and what do you see as the Premier advantage?

I have always described Premier as a healthcare control tower. We provide supply chain capabilities; for example, we help health systems get access to critical supplies like personal protective equipment (PPE), generic pharmaceuticals and anything you can think of to deliver top quality care. Simultaneously, Premier provides the technologies and analytics that help our members identify opportunities for continuous improvement from both cost and quality vantage points.

On the performance services side, we build out technology and wraparound advisory services and consulting to help healthcare systems as the industry continues to move towards value-based care. Premier provides all of the technologies, capabilities and services to help these health systems provide care to their communities.

How focused are you on telling the Premier story to young people coming out of school and beginning their careers in order to continue to attract and retain talent?

It is imperative that we educate college students and those entering the workforce about careers at Premier and in the healthcare industry overall.

I'm reminded of a conversation I had with a young woman who was going to MIT and was interested in exploring both healthcare

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and technology. When I asked her where she was thinking about doing her internship, she rattled off the obvious technology companies that everyone is familiar with. All of them have made multiple attempts to enter the healthcare space.

After listening to her, I suggested that she might be able to make a greater impact if she went to a healthcare company focused on technology, as opposed to a technology company trying to make inroads in healthcare. While that gave her pause, the follow up about working at a company that has thousands of relationships with health systems and endless potential for new research opportunities was a lightbulb moment for her. She understood the power of going to work for an organization that truly understands healthcare today and can help chart the course for how it will transform in the future.

How challenging is it to find a balance between meeting the quarter-to-quarter expectations for results with the need to make long-term investments for the future?

Finding that balance is not optional. You have to strike that balance between investing for the long term and delivering in a way that meets shareholder needs today. If we don’t build out the platforms that hold the promise to truly transform the way healthcare will be provided in the future, we aren’t doing our

jobs. We tend to believe that by delivering in the short-term and meeting the objectives of our investor base, we are giving the organization license to continue on our path to build out the capabilities and technologies for the future.

What do you see as the responsibility that leading companies have to being engaged in the communities they serve and to being a force for good in society?

Our mission, which is to improve the health of communities, has led to a significant interest in looking at ways we can close the gaps in care so that people – regardless of factors like race, income, location and the like – receive the same, evidence-based high-quality care. With our data and technology capabilities, Premier is uniquely positioned to help address these issues that are impacting our communities so deeply.

Furthermore, with our reach on the supply chain side of our business, we have had a significant focus over the last 15 years in creating more diversity in the way we source products. As a country, we have been overdependent on China and Southeast Asia for far too long and need to broaden our relationships and find opportunities for more nearshore sourcing of products. We also need to continue to invest in doing more domestically, which will lead to bringing more jobs back to this country, which will foster more vibrancy in our communities.

I am proud of the leadership role we have taken in this area, working with our members to foster domestic production of masks, gowns and gloves and diversifying our pharmaceutical supply chain.

Are you optimistic that the industry will be able to meet the healthcare challenges of the future?

I will answer that question from the inside out. At Premier, we have an incredible group of innovative, hardworking, brilliant people who wake up each day thinking about how best they can help hospitals and other providers transform the way they are providing care. This relates to helping with costs, encouraging new delivery models, working with artificial intelligence and machine learning – all with a keen focus on creating value. That is my view from the inside.

When I look at the hospitals and health systems and other organizations (long-term care facilities, surgical centers, etc.) we work with and speak with their leaders about the opportunities before them, I can’t help but feel excited. There is so much innovation and so many opportunities to leverage cutting-edge technology to address problems that have plagued us for so long. Yes, there is a lot of work we have to do, but I am confident that our healthcare systems are ready to meet the challenge as they prepare for the future. ●

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