



Rockin' HIT Sales

Episode Transcript

Episode: From Local Win to System Standard: The Supply Chain Playbook for Scaling Change

Guest: Marisa Farabaugh, Executive Vice President and Chief Supply Chain Officer, AdventHealth

Release Date: July 8, 2026

Note: Transcript edited lightly for clarity and readability. Intro and outro omitted.

David Hacker (00:11)

Hi, Marisa. Welcome to Rockin' HIT Sales. I really appreciate you joining me today to help our listeners better understand how health systems think about supply chain, vendor evaluation, and scaling solutions across an enterprise.

Marisa Farabaugh (00:27)

David, thanks for having me. It's great to be with you.

David Hacker (00:30)

We're just going to jump right into it. For listeners who may not know you yet, how would you describe your role and the scope of supply chain at AdventHealth?

Marisa Farabaugh (00:39)

I have the blessed opportunity to lead our supply chain as the chief supply chain officer for our organization, and I work with an amazing team. As part of my role, I also have an opportunity to help lead in some of our pharmacy and ancillary areas as well.

We have a great team here. It's a wonderful, mission-driven organization, and I look forward to sharing a little bit more about what we do here.

David Hacker (01:08)

When a vendor walks into your office or your team's office and says, "We're going to save you 20%," or "We have an ROI of 200%," what do you wish they would understand about what actually drives system-level value?

Marisa Farabaugh (01:29)

Maybe the first thing is that we get a lot of those emails and requests routinely. Understanding the sheer magnitude of claims that come across our desks about driving different percentages and value for the organization is important. There are a lot of them.

I sometimes wonder whether vendors appreciate the complexity of an organization and what needs to go into those savings and dollars. If they have experience in one healthcare organization, they have experience in one healthcare organization. Each one is a little different. Sometimes those very high numbers take time to work through.

David Hacker (02:28)

That's why I led with that question, because I know you receive a vast number of 200% ROI claims, savings claims, or whatever the metrics may be. In your world, what does operationalizing system-wide change really mean?

Marisa Farabaugh (02:51)

We are a broad system. We are in nine states, with more than 50 hospitals within our network, plus our non-acute space, which is basically outside the walls of the hospital itself.

Using the term organizational or system-wide implementation means that whatever implementation we are making is happening across all fronts of our organization. We do a lot of local or regional work where it makes sense, but "system-wide" has its own connotation. It means something is coming across uniformly across the entire organization.

David Hacker (03:41)

How do you balance local autonomy versus system consistency without slowing everything down?

Marisa Farabaugh (03:51)

That's a really great question. AdventHealth is quite unique in the way we think about the answer to that. There are examples of holding companies and operating models. We refer to ourselves as having a co-operating model, which means that decision-making happens with both system-level thinking and local-level thinking in mind.

We want to make sure the answers to the problem we are trying to solve are thought through on both fronts. We want to be solving for something, not just creating work for ourselves.

It is really important to solve issues while wearing both hats. When there are people at the table thinking about solutions from both a local and a system level, those solutions are the most powerful. They leverage the size and scale of an organization while also making sure we meet our markets, patients, and communities where they need to be met. You cannot lose sight of either one of those things.

David Hacker (05:14)

What metrics matter most early? What are the leading indicators versus the later lagging outcomes?

Marisa Farabaugh (05:26)

It depends on where you are in a project, and it depends on what the project is. Early in a project implementation, leading indicators are incredibly important. Making sure you have the right insights into how well execution is going is important because you are starting up new processes. The people who are part of those processes are learning new things, and everyone needs to be on the same page as the new process comes out of the ground.

The earlier you can see whether there is an opportunity for correction or alignment, the smoother the project is going to run. From a lagging indicator standpoint, as the project matures and begins to really go live, those lagging indicators become more and more powerful.

In many ways, those become the standing KPIs for a governance group to continue monitoring to make sure the program or project launch is working as intended months and years after go-live. Both are important. It depends on where you are in the project and which one you lean into.

David Hacker (07:01)

I'm going to do a quick follow-up on that. Would you advise digital health companies, during a ramp-up period or while they are trying to take something live, to identify what those metrics should be as they ramp over time? For example, at month one they should be at this point, or at month two they should be at that point. Would that be advisable?

Marisa Farabaugh (07:29)

It is always important to have the voice of the customer included there. I would expect that a partner who is on a journey with us brings their insights to the table and brings what they have seen in other organizations with similar processes, size, or complexity, however they are gauging that, and works through those targets and expectations with the customer.

The customer needs to understand what they are being benchmarked against and what the expectations are from the partner working on the project. There needs to be full alignment. Having the conversation, being clear, and creating transparency are important parts of a successful project.

David Hacker (08:23)

From your experience working with vendors, what is most commonly misunderstood about value analysis and how decisions actually get made inside the four walls of a facility?

Marisa Farabaugh (08:42)

Every hospital system operates a little differently, and what falls within the purview of value analysis should be clear. Some people listening to this may fall squarely within something value analysis should cover, and others may not. It may be something an IT group or a different group is evaluating.

As it relates to value analysis, it is important to note that those teams are usually clinical in nature. It is an intentional hiring of clinical team members into a team that now sits in supply chain. They are there to help both sides speak each other's language.

They come out of the markets and clinical spaces. They know how products are used and what is expected. That is a key aspect of value that needs to be evaluated carefully when thinking about supply chain decisions. Quality and cost together make the value equation.

Sometimes deciding on the cheapest item may not be smart, because you may use five times what you were using with a slightly more expensive item. That is the kind of learning, knowledge, and insight we look to get from our value analysis team.

These teams usually sit at both a central and market level. They help lead teams within the markets, facilities, and hospitals, usually made up of clinical people, physicians, and nurses, who provide insight into the relevance and value of a product.

It is a group of people who help create process and standardization for how an organization evaluates the value of new products or technology coming into a facility in a systematic, unified, and disciplined way. You have the same types of conversations across the organization to ensure the same questions are being answered and that you are thinking about it uniformly.

They are an incredibly important linchpin for supply chain, and they are critically important because they bring together a group of people to weigh in on the relevance and value of something.

David Hacker (11:51)

What is the fastest way vendors can lose trust during an evaluation period?

Marisa Farabaugh (12:00)

I think it is when vendors are eager to talk and not to listen, or when they do not understand the complexity of the customer they are talking to. Again, every hospital is unique. Understanding that complexity shows they have done their homework and know what they are walking into.

When a number is put on the table before there has ever been a need or a conversation, that does not always incite trust either. I worry that they have no idea how we work or operate, or what those assumptions are based on. Creating relationships, building trust, and listening are the places I would lean into if I were a vendor.

David Hacker (13:13)

Can you walk us through how supply chains use anonymized price benchmarking in practice, where it is most useful, and where it can be a bit misleading?

Marisa Farabaugh (13:28)

Your comment about being anonymized is incredibly important. We do not share pricing and contracts from different locations. That is very important. That being said, benchmarks are important. It is also important to understand the context in which the benchmark is being shared.

A lot of times in supply chain, there is market share to be considered. If you are 100% committed to one vendor in a certain category, you might receive different pricing than if you have two vendors in a category. Sometimes, when you look at benchmarks, that kind of clarity does not come through. It is important to understand the expectations that come along with whatever benchmark we are looking at.

I do think benchmarks are very important. They help organizations ensure that the pricing we are targeting is reasonable and rational. There are times when an organization may decide not to go for the very top pricing, and there are reasons for that. They may want optionality. They may not want 100% market share. That realization, discussion, and transparency with vendors helps create trusting relationships on both sides. It is important for the provider to understand what they are asking for as well.

David Hacker (15:14)

When you think about pilots, what are the signals that something is working and ready to scale? Conversely, what are the red flags that tell you, "We need to pause this and revisit it"?

Marisa Farabaugh (15:24)

Pilots are an important tool in the toolbox. Sometimes they are possible and sometimes they are not, but they can be very valuable for projects where we know there will be testing and kinks to work out. They create time and space with a smaller group before going live with a larger audience.

Execution is incredibly important. Having a very tightly connected model with the market or location where the pilot is happening is also incredibly important. They are the ones who can send signals to leadership that things are working well or that things are not working well and we need to slow down.

AdventHealth does an amazing job of listening to what is working in pilots and what is not working in pilots, and making sure we have it as right as possible before scaling. I think pilots are a very good tool to use, and listening to the voice of the customer is a critical part of it.

David Hacker (16:50)

Marisa, if you could give one piece of advice to a Health IT founder trying to win and expand in an enterprise system, what would that one piece of advice be?

Marisa Farabaugh (17:06)

Have an open mind to how relationships get developed and built. Realize that leaders in healthcare organizations are approached multiple times a day with different opportunities. How someone differentiates themselves is important.

I think the best way to do that is by listening and building a relationship before trying to solve and say that there is a solution.

David Hacker (17:53)

Now we can hit the lightning wrap, which is my final two questions. First, what is one question every vendor should ask you early, even before they start pitching a solution?

Marisa Farabaugh (18:15)

They should ask how their solution helps our organization. What problem are they answering?

David Hacker (18:20)

If you could complete this sentence: If you want your solution to scale beyond one site, start by...

Marisa Farabaugh (18:28)

Making sure it works incredibly well at the site where it is already being used.

David Hacker (18:31)

Perfect. Marisa, this has been great. Thank you very much for your time. I am sure our listeners are going to appreciate and better understand how to work through supply chain as part of their sales process. This has been very insightful, and I am sure our audience will walk away with a number of things they may not have known before about dealing with supply chain. Thank you.

Marisa Farabaugh (19:00)

Thanks for the time today, David. It was great.