

Global Instability Impacts Health IT Supply Chain



Worldwide instability, encompassing factors like wars, terrorism, and humanitarian crises, significantly impacts healthcare IT systems in several interconnected ways:

Disruption of Healthcare Infrastructure and Services:

- Destruction of facilities: Wars and conflicts can lead to physical destruction of hospitals, clinics, and essential infrastructure, impacting access to care and critical IT systems.
- Disruption of supply chains: Global instability disrupts flow of medical supplies, equipment, and even components for healthcare IT systems, causing shortages and delays.
- Displacement of healthcare workers: Conflicts and crises can force healthcare professionals to relocate, creating staffing shortages and further straining healthcare systems.

Increased Strain on Healthcare Systems:

- Increased demand for services: Humanitarian crises and conflicts
 often lead to a surge in injuries, illnesses, and mental health needs,
 putting immense pressure on healthcare systems and their IT
 infrastructure.
- Exacerbation of health disparities: Instability can worsen existing
 health inequalities, with vulnerable populations facing greater barriers
 to accessing healthcare and its associated IT resources.
- Mental health impacts: Exposure to violence and displacement can significantly impact the mental health of populations, requiring specialized mental health support and potentially straining related IT systems for remote counseling and support.

Cybersecurity Risks:

- Increased targeting: Healthcare IT systems can become targets for cyberattacks during times of instability, aiming to disrupt services, steal sensitive data, or gain leverage.
- Weakened security infrastructure: Instability can lead to decreased investment in cybersecurity measures and a lack of skilled IT personnel to manage and protect healthcare systems.
- Reliance on potentially vulnerable technologies: In crisis situations, healthcare organizations might rely on hastily deployed or less secure IT solutions, increasing their vulnerability to cyberattacks.

Economic Impacts:

- Reduced funding: Global instability can lead to decreased funding for healthcare, limiting investment in IT infrastructure and crucial digital health initiatives.
- Increased costs: Supply chain disruptions and geopolitical tensions can drive up healthcare IT equipment and services costs, further straining limited resources.

Addressing these challenges requires a multifaceted approach, including strengthening healthcare system resilience: Investing in robust infrastructure and IT systems that can withstand disruptions and cyberattacks.

Multiple sources including: *American Red Cross, National Institutes of Health, The Health Policy Partnership, and <u>sciencedirect.com</u>*

Learn more about Optisave's expertise, and how we can help your healthcare organization reinforce IT infrastructure and prepare for potential risks of global instability.

Click <u>here</u> to learn more about our areas of expertise!

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SPOTLIGHT: Hard Times for Hardware



In the healthcare IT world, tariff turmoil impacts hardware to a much greater extent than software/services. Optisave advises clients to place orders now for purchases planned in the next 6-12 months of laptops, desktops, servers, monitors, routers, switches and firewalls.

Even if/after the punitive "liberation day" tariffs are reduced, any permanent trade deals are likely to have higher tariffs than in 2024. Clients under contract should order now to avoid "availability" issues that could arise while vendors await final trade deals for their country of origin. If a client has no contract, a quick one-time order direct with the vendor or through a distributor may avoid higher prices/limited availability in the coming months.

Since April 2025, when President Trump imposed a 10% tariff on all imports, and increased tariffs on Chinese goods to 30% in May, tech hardware prices have been significantly impacted. The price increases have affected computer components and peripherals, and related products.

In May, *Tom's Hardware* reported that tariffs could increase tech prices by up to 70% and reduce GDP by \$69 billion according to the Consumer Technology Association, with laptop prices possibly increasing 34%. Here is a chart estimating potential consumer impact of administration tariffs. Business users, including healthcare system purchasers may receive corporate volume discounts but also need to make choices ensuring high quality, security and reliability. This is just one impact estimate among many, and various factors continue to be in play.

Source: https://www.tomshardware.com/tech-industry/tariffs-could-increase-tech-prices-by-up-to-70-percent-and-reduce-gdp-by-usd69-billion-according-to-cta-report

Potential Consumer Impact of Administration Tariffs

	Potential Increase in Consumer Price	Lost Consumer Spending Power Due to Higher Prices	Potential Average Retail Cost Increase*
Smartphones	∳ 30.8%	\$31.2B	↑ \$255
Laptops & Tablets	↑ 34.0%	\$23.8B	↑ \$269, laptops; ↑ \$152 tablets
Connected Devices	† 22.4%	\$18.3B	∱ \$10 to 81
Computer Accessories	↑ 24.8%	\$13.1B	∱ \$58, printers
Desktop Computers	↑ 24.0%	\$13.0B	↑ \$287
Video Game Consoles	↑ 69.4%	\$12.0B	↑ \$428
Monitors	† 31.8%	\$5.1B	↑ \$111
Speakers & Headphones	↑ 22.3%	\$2.5B	↑ \$60, speakers; ↑ \$5, headphones
Lithium-Ion Batteries	↑ 17.9%	\$2.4B	Up to ∱ \$16
Televisions	↑ 10.7%	\$1.9B	↑ \$57

^{*}Assuming full pass-through of tariff costs to retail buyers.

(Image credit: Consumer Technology Association (CTA))

A recent *Inc.* magazine article highlighted how peripherals maker Logitech quietly boosted the price of some computer mice and keyboards as much as 25% with trade tariffs likely to blame. Technology tracker Cameron Dougherty noted that 51% of Logitech's products saw prices rice in early April, when the company was forced to withdraw its financial fiscal year 2026 outlook because of so-called "tariff uncertainties."

Source: https://www.inc.com/kit-eaton/tech-hardware-prices-just-jumped-heres-how-tariffs-could-hit-your-office/91178946

Contact Optisave for guidance on navigating the substantial impacts of tariffs on hardware and other information technology. We can help your organization build a digital roadmap which makes sense in today's fluctuating environment.



Start Saving Now

Optisave will conduct a complimentary review of IT purchased service spend to identify areas of opportunity for improved value pricing.

To arrange a Free Initial Assessment or to Learn More, please contact us using the form below.



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Optisave, LLC | 67 Porter Hills Dr SE | Grand Rapids, MI 49546 US

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