

# The New Healthcare C-Suite Agenda: 2024-2025



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Our annual survey of more than 100 C-Suite executives reveals a new prioritization on growing revenue, fortifying the workforce, reducing costs, transitioning more revenue into value-based care arrangements — and undertaking EMR optimization while investing in tools outside the EMR for AI, digital health, data analytics and revenue cycle management to achieve those strategic goals.

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## Executive Summary

Health system and hospital C-Suites have a new list of top strategic initiatives for the next two years, at least. Today's executives are focusing on growing revenue as they emerge from the difficult macroeconomic conditions that only became worse beginning in 2020. Prior to the crises of the last three years, health system and hospital leaders were already struggling to establish more resilient workforces and that remains a persistent priority. Add to those challenges the immediate need to reduce costs and operating expenses, and C-Suites have a very difficult agenda.

This report, based on our survey of 108 health system and hospital C-Suite executives, examines what leaders are strategically prioritizing to navigate the evolving ecosystem, where health IT including EMRs, digital and virtual tools, and

artificial intelligence, are helping address today's greatest challenges, and where the tools are continuing to fall short. We also delve into the impact that C-Suites expect from delayed care, the staffing crisis, and the transition toward value-based payment models.

This research report was designed to inform hospital and health system leaders about what their competitors and peers are doing by illustrating where the organizations are planning to invest in the next two years — as the C-Suites gird for a potential recession.

## Key Findings



**57% of survey respondents** rank growing revenue as the top strategic initiative, 55% say staff recruitment and retention, and 46% say reducing costs.



**43% of C-Suite leaders** say access to care is among their five greatest challenges, while 62% say digital health is easing access to care.



**60% say EMR optimization is the top technology initiative**, only 24% say their EMR lives up to vendor's promises "very well," and only 17% strongly agree their current EMR will meet their needs moving forward.



**71% of C-suite executives say it's too early to tell whether AI will generate revenue or cost-savings**, 45% say integrating AI with clinical workflows has led to improvements in data quality and accessibility, 37% say that it has enhanced data privacy and security, and 20% say it creates regulatory and legal challenges.



**65% of survey respondents say the health of their patient populations is worse than pre-pandemic**, up from 52% in 2022, and only 5% are confident that patients have caught up on delayed care.



**29% of survey respondents are aggressively adding value-based contracts** while 52% are maintaining current levels, and nearly half (44%) have more than 20% of their revenue in risk-based arrangements.



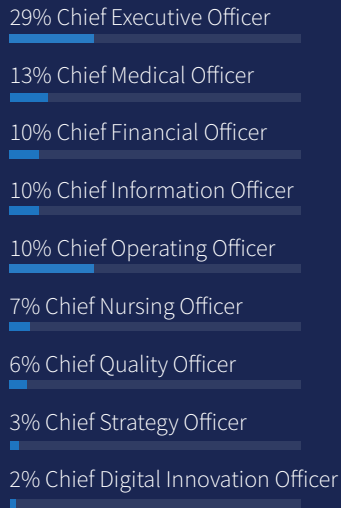
**60% of survey respondents say an economic recession is likely** and 81% anticipate it would negatively impact their organization, so to prepare 52% are reducing costs by improving efficiencies, and 42% are reviewing suppliers to identify where they can impose limitations.



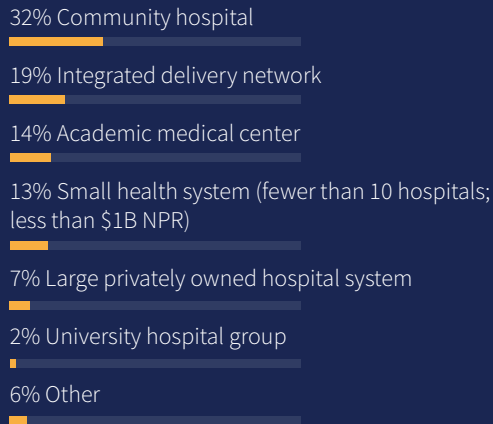
**44% of survey respondents** say care delivery is the highest investment priority, 34% rank new markets or revenue streams as a high priority, and 27% are investing in back-end processes and systems for 2024-2025.

# About the Respondents

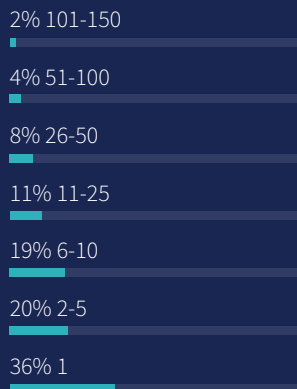
## Title



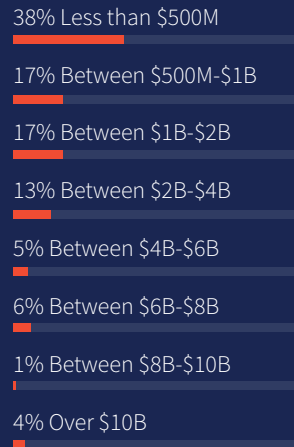
## Type of Hospital or Health System



## Number of Hospitals Currently in Organization



## Annual Net Patient Revenue

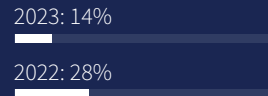


## Primary EMR Vendor Used by Respondent Organization

### Epic



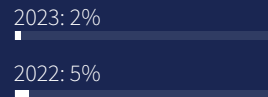
### Cerner



### Meditech



### Allscripts



# C-Suite Strategic Priorities: 2024-2025

C-Suites are facing a number of shifting challenges — and adjusting their priorities accordingly. Executives say their organizations are principally focused on growing revenue, reducing costs, and improving patient safety. The survey results also illustrate the complexity of specific priorities, such as the increase in executives ranking access to care among the greatest challenges while C-Suites are also deprioritizing the patient experience. Further, this research foreshadows what in time could become a more substantive transition to value-based care than what has occurred in the past.

As important as those obstacles and opportunities are, they are merely the top of a robust agenda. C-Suite executives also say they are grappling with improving population health management, expanding home and remote monitoring capabilities, increasing staff safety, building more resiliency into their supply chains, and advancing health equity by improving access to care.

## 5 Greatest Challenges Facing U.S. Healthcare in the Next 2 Years

Survey respondents were asked to pick the most important challenges their organization faces:

	2023	2022
Workforce resilience	61% ↓	77%
Financial sustainability	69%	69%
Lowering total cost of care	69%	69%
Access to care	43% ↑	24%
Evolving payment models	31%	32%

## Top 5 Strategic Initiatives in the Next 2 Years

Survey respondents were asked to select the most important strategic priorities for their organization:

	2023	2022	2020
Growing revenue	57% ↑	42%	56%
Staff recruitment and retention	55% ↓	61%	NA*
Reducing costs	46% ↑	38%	74%
Patient and consumer experience	25% ↓	36%	14%
Patient safety	25% ↑	17%	40%

\*Did not ask in 2019-2020 survey

## Top 5 Technology Initiatives in the Next 2 Years

Survey respondents were asked to select the most important technology priorities for their organization:

	2023	2022
EMR optimization	60% ↑	50%
Workforce management	42% ↑	38%
Hospital operations	35% ↓	53%
Digital health to improve patient experience	33% ↓	41%
Patient flow	33% ↑	28%

In terms of both strategic and technology initiatives for the next two years, C-Suites are taking less of a shine to digital tools specifically designed to improve the patient experience. Rather, the basics matter more: EMR optimization, people, and operations are all critical.

Many of the C-Suite opportunities and obstacles naturally overlap. Workforce resiliency, for instance, is tied closely to cost reduction. Sixty four percent of survey respondents say reducing use of agency employees is important, and 63% say using staff efficiently — such as easing overtime, turnover, and unnecessary positions — are key for controlling expenses. Survey respondents also say they are undertaking initiatives to apply technologies to more effectively manage the workforce.

While 43% of C-Suites in 2023 consider access to care one of the top challenges, almost double the 24% in 2022, only 33% of C-Suites rank digital health to improve patient experience as a top technology initiative, down from 41% in 2022. And just 25% consider patient and consumer experience a top strategic initiative even though 36% did in both 2022.

In addition to the top five technology initiatives in the chart, C-Suites are prioritizing population health solutions, predictive

analytics, consumer relationship management software, interoperability capabilities, telehealth in ambulatory and inpatient settings, virtual nursing, and artificial intelligence for both clinical and administrative purposes. (This report further examines current and future technology investments in the next section.)

Just over half of executives say they “somewhat agree” or “completely agree” that the industry has made progress on access to care (57%), improving health outcomes (57%), data and analytics maturity (55%), and patient and consumer engagement (54%) – meaning C-Suites have a considerable amount of work to drive needed improvements in those areas.

This research also demonstrates some notable shifts in C-Suite thinking between 2022 and 2023. While in 2022 the major trends to expect in the next 2 years were virtual care/telehealth, staffing issues, healthcare costs, and consolidation, the 2023 survey respondents say that the major trends C-Suites are anticipating will become increasingly important in the next two years – distinct from the currently-planned IT investments – are AI, virtual care/telehealth, insurance reimbursement, and value-based care.

## Top 5 Health IT Investments in Next 1-2 Years

When asked to select their organizations top health IT investments in the near future, survey respondents say:

	2023	2022	2020
Data/analytics	42%	41%	48%
Cybersecurity	41% ↓	51%	33%
Revenue cycle	37% ↑	31%	33%
Operational efficiency	27% ↓	39%	36%
Patient access	26% ↓	29%	19%



## Progress Report: Equitable and Sustainable Healthcare

In response to the convergence of macroeconomic, social injustice and health inequities that all rose into the national discourse during 2020, healthcare leaders and policymakers have been calling out the need to advance equity. But which sectors are making progress to improve access, equity, and affordability?

Hospitals and health systems are the most effective within healthcare again in 2023 — but that is not to say any segment of the healthcare industry is making definitive progress. In 2023, 19% of survey respondents say hospitals are either “very effective” or “extremely effective” at moving toward equitable and sustainable healthcare, down from 21% in 2022. Following health systems are retail clinics at 12%, compared to 13% in 2022.

C-Suite leaders view state governments as notably less effective in 2023 than 2022: 9% vs. 21%. The federal government, however, is seen as “very effective” or “extremely effective” by 8% of survey respondents in 2023, up from 5% in 2022. Executives also rate big tech disruptors just as they do the federal government in 2023: 8% say “very effective” or “extremely effective,” up from 6% in 2022.

## A Mixed Bag: Reducing Inequities, Lowering Costs

When asked whether they “agree” or “completely agree” where the industry is making progress, C-Suite leaders say:

### Increasing access to care:



### Reducing health inequities:



### Lowering healthcare costs:



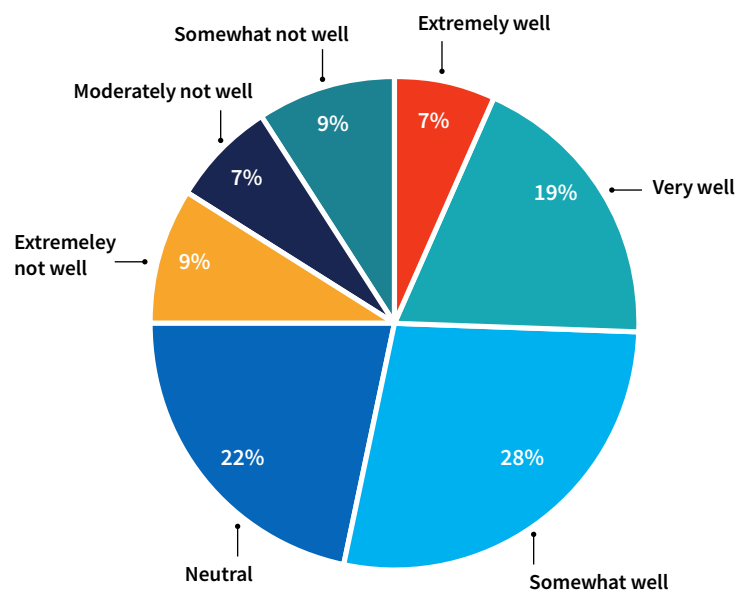
## Critical Technology Considerations to Achieve C-Suite Priorities

C-Suites are at a technology crossroads: Very few are satisfied with their EMR vendor, the market is flooded with point solutions but integrations are frustrating employees more, and despite the policy relaxations around telehealth during the last three years, telehealth and in-home hospital tools are not well integrated with EMRs.

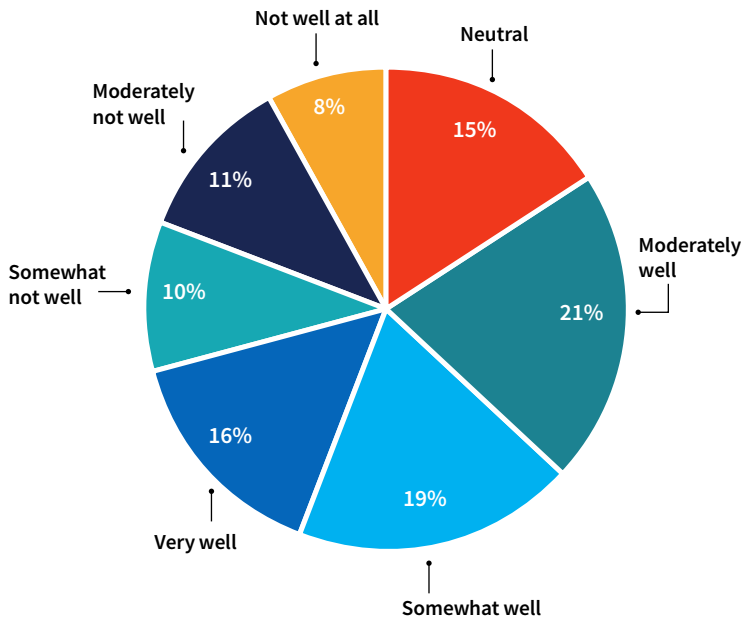
At the same time, C-Suites are still trying to figure out care models and payment incentives for virtual health and digital tools, while artificial intelligence is showing considerable promise but it’s not yet entirely clear what practical applications will be sustainable or how to derive a return on AI investments.

## EMRs: Still Not Living Up to Vendor Promises

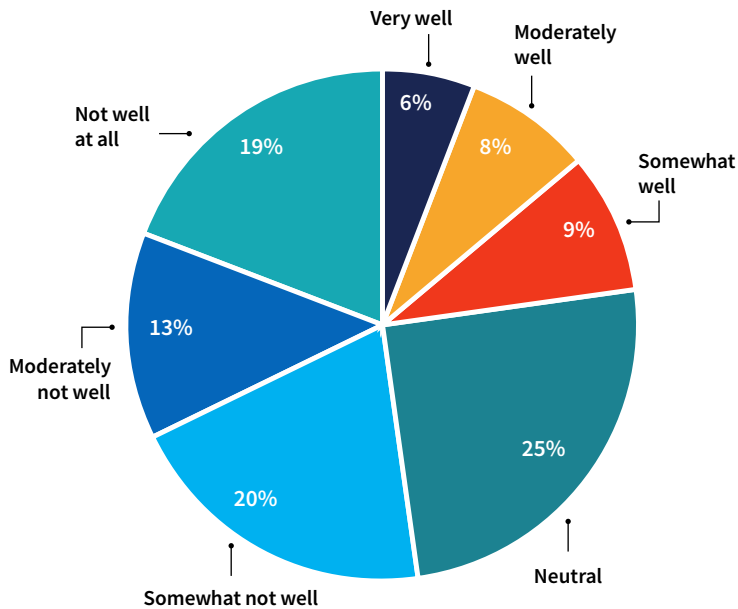
How well does your current vendor live up to the promises it makes about the EMR?



**How well does telehealth currently integrate into your EMR?**



**How well do in-home hospital services integrate with your EMR?**



Even though EMRs are more than 10 years old, C-Suites are largely unhappy with their vendor. That dissatisfaction stems from a lack of data interoperability and frustrating integrations with other data sources and systems.

Many C-Suite respondents, in fact, say their EMR does not live up to the vendor’s promises, and only 17% of 2023 respondents “strongly agree” that the EMR will meet the majority of their organization’s needs moving forward, down from 25% in 2022. The 17% who “strongly agree” their current EMR will meet the organization’s needs is also less than the 19% who “strongly agreed” in our 2020 survey.

The 14% of executives saying their organization’s in-home services are either “moderately well” or “very well” integrated with the EMR, and the 37% who say telehealth integrates “moderately well” or “very well” into the EMR, both signal that home-at-health models remain a long way off despite the excitement and buzz surrounding the trend.

As a result of general dissatisfaction with their EMR and vendor, 43% of executives say their organization is looking outside the EMR when purchasing new technologies in 2023, while 38% sought solutions outside their current EMR in 2022.

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**With EMRs failing to deliver on vendor promises, C-Suites are looking outside the EMR for a range of capabilities.**

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## Reasons C-Suites Look Outside the EMR for New Technologies

	2023	2022	2020
Current EMR isn't improving workflows	44% ↑	36%	39%
Patient safety	44% ↓	50%	58%
An outside solution promises better quality	32%	32%	40%
Our current EMRs updates/add-ons are too expensive	31% ↓	36%	35%
An outside solution promises better ROI	30% ↓	36%	43%

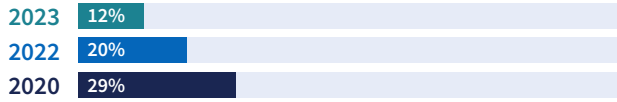
From AI to virtual care, C-Suites are already investing in IT outside their existing EMR.

While patient safety was the top reason for looking at solutions outside their current EMR in 2020 and 2022, “our current EMR isn’t improving workflows” moved up in 2023 and is now tied as the top reason, and inefficient or frustrating workflows negatively impact burnout.

Fewer survey respondents, however, are looking outside the EMR because of quality, cost, and ROI than in 2022 or 2020. In 2022, C-Suites ranked cybersecurity as their top health IT investment outside the EMR, followed by data/analytics and revenue cycle. Respondents in 2023 are investing more in revenue cycle and data analytics, and less in cybersecurity.

## Health IT Segments Respondents' Organization Already Invested in Outside the Current EMR: 2023 vs. 2022 vs. 2020

### Artificial intelligence



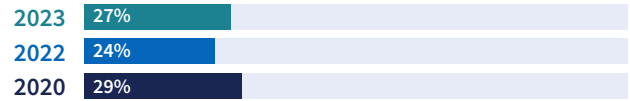
### Patient engagement



### Cybersecurity



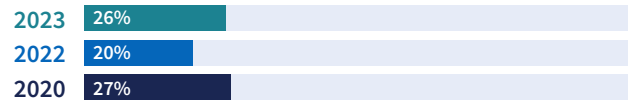
### Patient safety



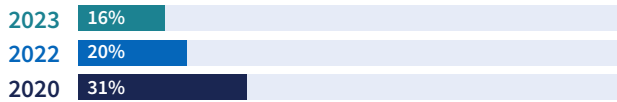
### Data/analytics



### Population health



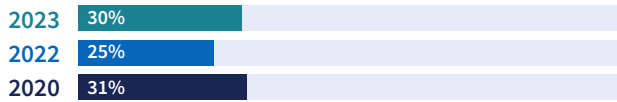
### Operational efficiency



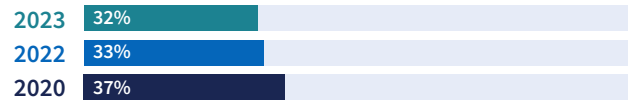
### Revenue cycle



### Patient access



### Virtual care



## Digital Health & Virtual Visits: Recent Utilization & Projections for the Next 12 Months

### Top Digital Health Priorities

	2023	2022	2020
Care coordination	67% ↑	43%	28%
Telehealth	53% ↑	44%	—
Remote patient monitoring	50% ↑	23%	12%
Patient self-scheduling	46% ↑	38%	36%
Revenue cycle solutions	44% ↑	35%	—

## Where Digital Health is Driving Improvements

When thinking about digital health solutions, to what extent do they have a significant or major impact?

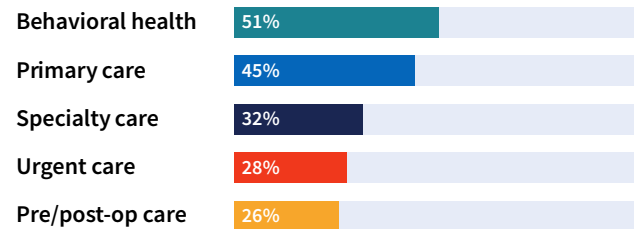
	2023	2022
Improving clinical efficiencies	69% ↑	44%
Increasing access to care	62% ↑	22%*
Patient engagement	66% ↑	46%
Patient safety	60% ↑	37%
Preventing avoidable readmissions	51% ↑	34%

\*Asked as patient acquisition and retention in 2022

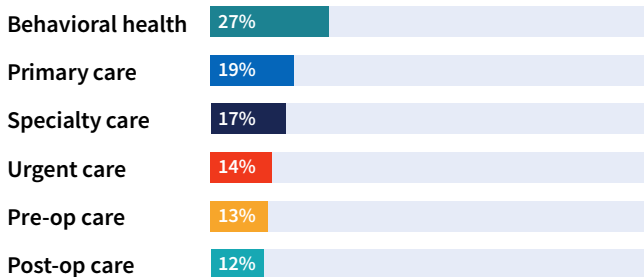
Digital health solutions have more of a positive impact on clinical efficiencies, increasing access to care, patient engagement, patient safety and preventing readmissions than they did in 2022, according to the 2023 data.

Similar to 2022, C-Suites in 2023 are prioritizing care coordination and telehealth, followed by remote patient monitoring and patient self-scheduling. Most of the virtual visits during the early days of the pandemic were related to behavioral health, which remained high through 2022 and 2023.

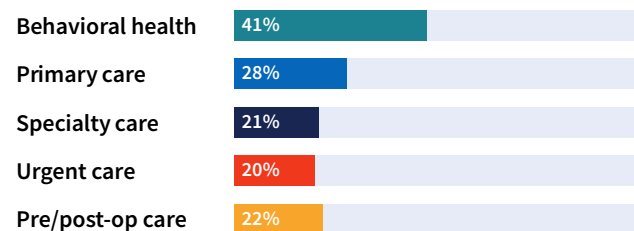
## Virtual Visits During the Height of the Pandemic



## Virtual Visits in the Last 12 Months



## Virtual Visits Expected in the Next 12 Months

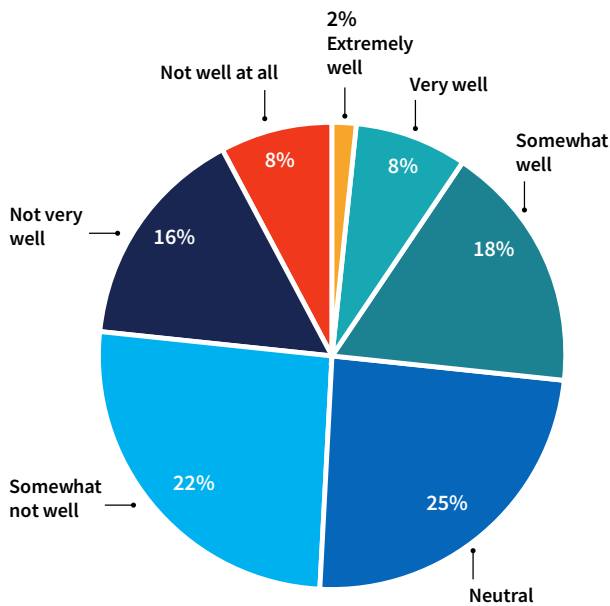


The survey results show that telehealth utilization has decreased in the past 12 months when compared to the height of the pandemic — but C-Suites are optimistic that during the next 12 months telehealth will recover somewhat, albeit not up to pandemic levels. Healthcare executives, in fact, are anticipating that roughly a quarter of primary care visits will be virtual during the next 12 months and nearly half of those will be behavioral health related.

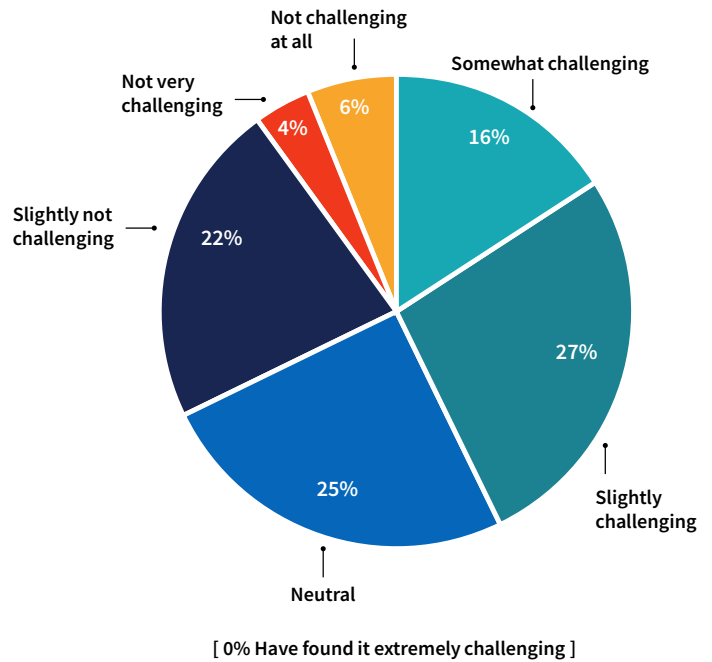
The main reasons C-Suites envision virtual visits will change include: greater acceptance of virtual care, higher reimbursement rates, enhanced continuity of care, increased digitization, increased patient adoption and demand of virtual care, and the tools' capabilities to address ongoing staffing and talent issues.

## Artificial Intelligence: Current Use Cases & Explorations

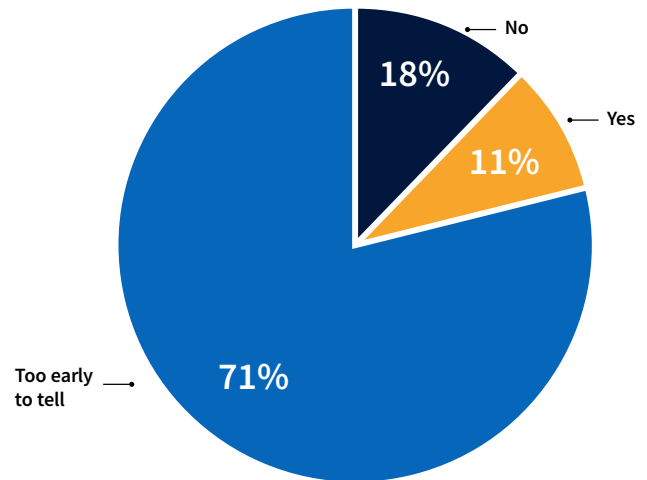
### How Effectively are AI Applications Integrated into Your Current Workflows?



### How Challenging Has the Adoption of AI Overall Been for Staff?



### Has the Integration of AI Directly Resulted in Any Cost-Savings or Revenue Generation?



Despite the tremendous hype around AI in 2023, particularly generative AI, the penetration of artificial intelligence in healthcare is broader than it is deep. To date, AI integrations have led to improvements in data quality and accessibility (45%), and data privacy and security (37%). At the same time, 35% of survey respondents say AI integration has not led to any of the benefits, and 20% say it creates regulatory and legal challenges.

## Top Clinical Use Cases for AI

C-Suites are already using artificial intelligence in the following clinical areas:

Clinical decision support systems	17%
Virtual health assistants and chatbots	14%
Imaging and imaging analysis	13%
Predictive analytics	11%
Diagnostic support	11%

Clinical areas for which 10% or fewer of C-Suites say their organization is currently using AI include: medication management optimization, mental health support, patient risk stratification and triage, oncology, robotic surgery, clinical trials research, and health behavior modification. Additionally, 5% or fewer use AI today for precision medicine, despite the hype surrounding their potential combination.

## Top Operational Use Cases for AI

C-Suites are already using artificial intelligence in the following operational areas:

Coding	14%
Remote & on-site patient monitoring with devices & wearables	14%
Revenue cycle management	12%
Clinical notes and documentation	9%
Quality improvement and performance analytics	8%

Operational use cases currently in place at 7% or fewer of C-Suites' organizations include: natural language processing, patient flow optimization, public health data analysis, personalized patient education, and administrative automation.

C-Suites are also looking to invest in both clinical and operational uses of artificial intelligence in the next year.

## Where C-Suites Plan to Invest in Clinical AI in the Next 12 Months

Predictive analytics	15%
Imaging and imaging analysis	14%
Virtual health assistants and chatbots	12%
Oncology	11%
Clinical decision support systems	11%

## Where C-Suites Plan to Invest in Operational AI in the Next 12 Months

Clinical notes and documentation	26%
Quality improvement and performance analytics	17%
Natural language processing	15%
Revenue cycle management	12%
Administrative automation	11%

In addition to the current uses and investments planned for the next 12 months, C-Suite executives say their hospital or health system is “exploring” both clinical and operational use cases for AI.

### Clinical AI Explorations

C-Suites are considering how AI can be used to improve the following:

Diagnostic support	31%
Patient risk stratification and triage	31%
Predictive analytics	30%
Health behavior modification	28%
Mental health	28%
Medication management and drug dosage optimization	28%
Virtual health assistants and chatbots	25%
Clinical trials and research	22%
Oncology	21%
AI-powered robotic surgery	20%

### Operational AI Explorations

C-Suites are considering how AI can be used to improve the following:

Diagnostic AI for quality improvement and performance analytics	33%
Personalized patient education	31%
Revenue cycle management	30%
Clinical notes and documentation	30%
Patient flow optimization	30%
Administrative automation	29%
Coding	29%
Remote and on-site patient monitoring	26%
Natural language processing	25%
Public health data analysis	20%



# Operational Obstacles & Opportunities

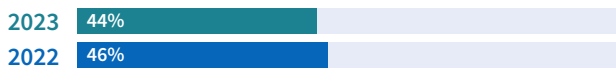
In today’s healthcare climate, patient care has been delayed to various extents. As a result, C-Suites are focusing on bringing patients back into physical facilities. Workforce and talent shortages are making both the return to pre-pandemic volumes and the already-slow transition from fee-for-service to value-based payments even more difficult.

Two-thirds (65%) of survey respondents say the health of their patient population is worse than pre-pandemic, an increase from the 52% who said that in 2022. Only 12% believe their patient population’s health is better, but that is up from 7% in 2022. To effectively improve the health of their patient populations, C-Suites will need to find ways to overcome the aforementioned challenge of improving access to care.

## Delayed Care: Outreach to Bring Patients Back In

### Types of Care Still Being Delayed

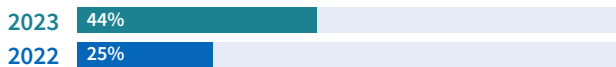
#### Primary care follow-up for chronic conditions:



#### Elective surgeries:



#### Specialty care:



#### Annual wellness visit:



#### Routine primary care follow-up:



#### Cancer screening:



Executives say that primary care, including annual wellness visits, routine follow-ups and cancer screenings, are making more progress than other areas. To broadly re-engage patients, 70% of C-Suites are increasing their outreach in 2023, down slightly from 72% in 2022, by leveraging multiple modalities, including social media platforms, to encourage people to resume normal care routines and reduce delayed care.

## How C-Suites are Encouraging People to Resume Normal Care

	2023	2022
Ramping up social media campaigns	56% ↓	64%
Offering more telehealth visits	47% ↓	50%
Extending primary care office hours	40% ↑	30%

Despite the outreach efforts, few C-Suites (5% in 2023 vs. 6% in 2022) are “very confident” or “extremely confident” that patients have caught up on delayed care. Healthcare executives say the long-term impacts of delayed care include: higher acuity, delayed diagnosis, poorer patient outcomes, increase in patient volumes, ED/hospitalization/system overload, increased mortality, and deterioration in the health of their populations.

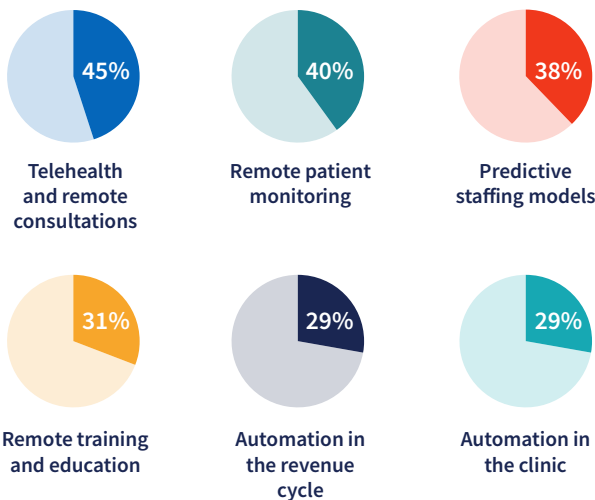
### Staffing: Curbing the Workforce Crisis

Workforce remains a top issue in 2023, consistent with 2022. Specifically, 64% of survey respondents cite recruitment as the top workforce challenge, down from 74% in 2022, and 55% rank retention, which is down from 65% in 2022.

Even though 54% of C-Suite leaders say staff burnout is a major challenge, up from 50% in 2022, high turnover is down to 32% in 2023 from 46% in 2022. Approximately one-third (32%) of survey respondents say technology solutions are effective at managing workforce shortages and caregiver burnout.

### Technologies Helping Resolve Workforce Shortage Pressures

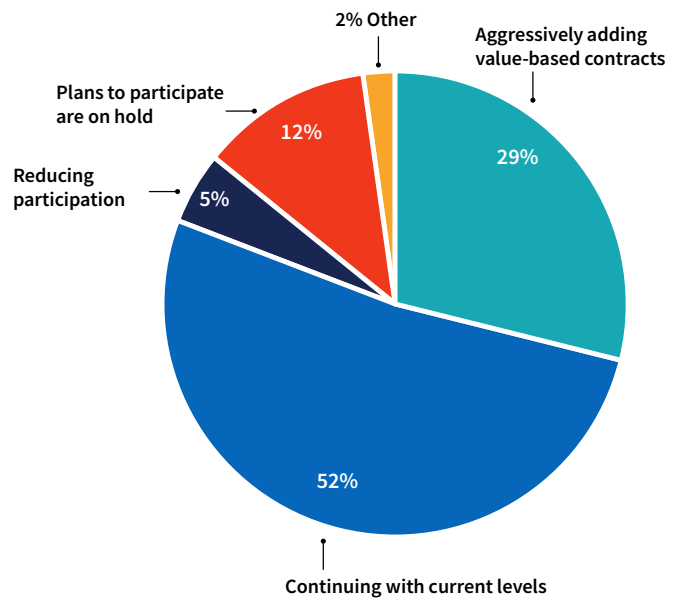
Which of the following solutions do you believe significantly alleviate the economic and operational pressures resulting from talent shortages?



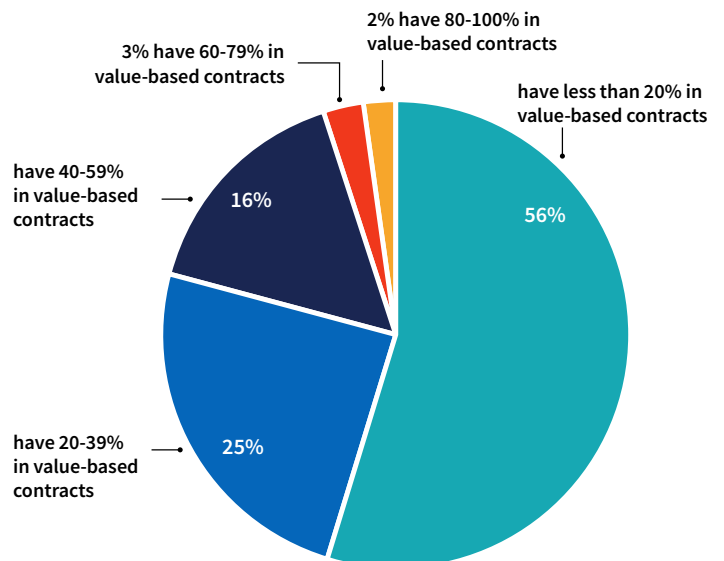
Other emerging technologies are starting to gain early momentum in helping address workforce challenges, including: prediction of patient demand (22%), tele-pharmacy (20%), artificial intelligence (20%), and AI-driven triage (19%).

### Value-Based Care: Current State and Future Plans for Participation

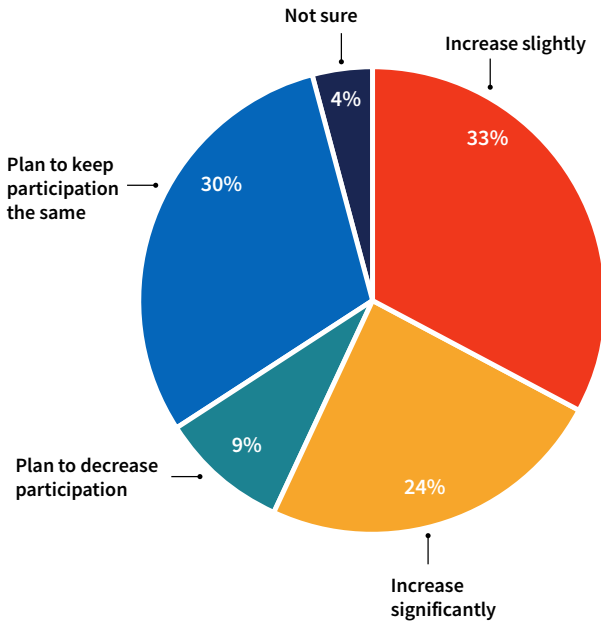
Current Participation in Value-Based Models



Revenue Associated with Current Value-Based Contracts



### Plans to Participate in Value-Based Contracts in Next 2 Years



The current state of healthcare’s ongoing movement away from fee-for-service toward value-based care with shared risk and savings models continues to be convoluted. Eighty-one percent of C-Suites are either adding new value-based contracts or maintaining those already in place — and nearly half (44%) have more than 20% of their revenue in risk-based arrangements.

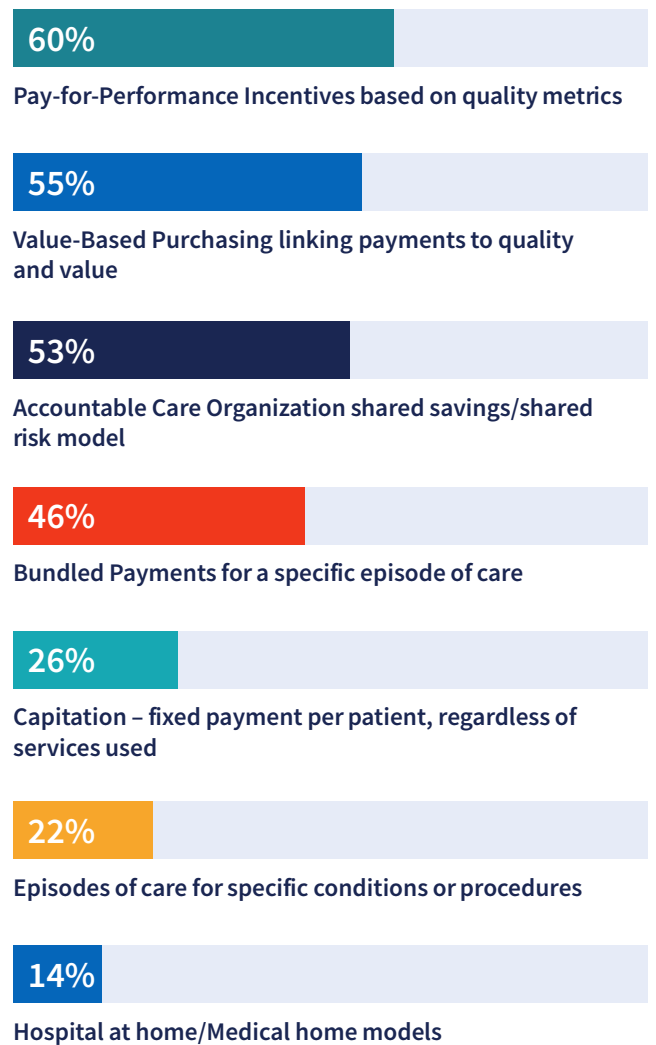
Executives rank the following as primary drivers for entering into value-based care risk arrangements: improving patient outcomes and care quality (41%), financial sustainability and revenue predictability (38%), ensuring long-term viability in changing market conditions (34%), strengthening care coordination and integration (32%), and focusing on population health management (30%).

Other reasons that C-Suites are moving toward value-based models include: responding to regulatory mandates or incentives, driving innovation and efficiency in care delivery, building closer relationships with payers, providing a more patient-centric approach, and differentiating the organization competitively in the marketplace.

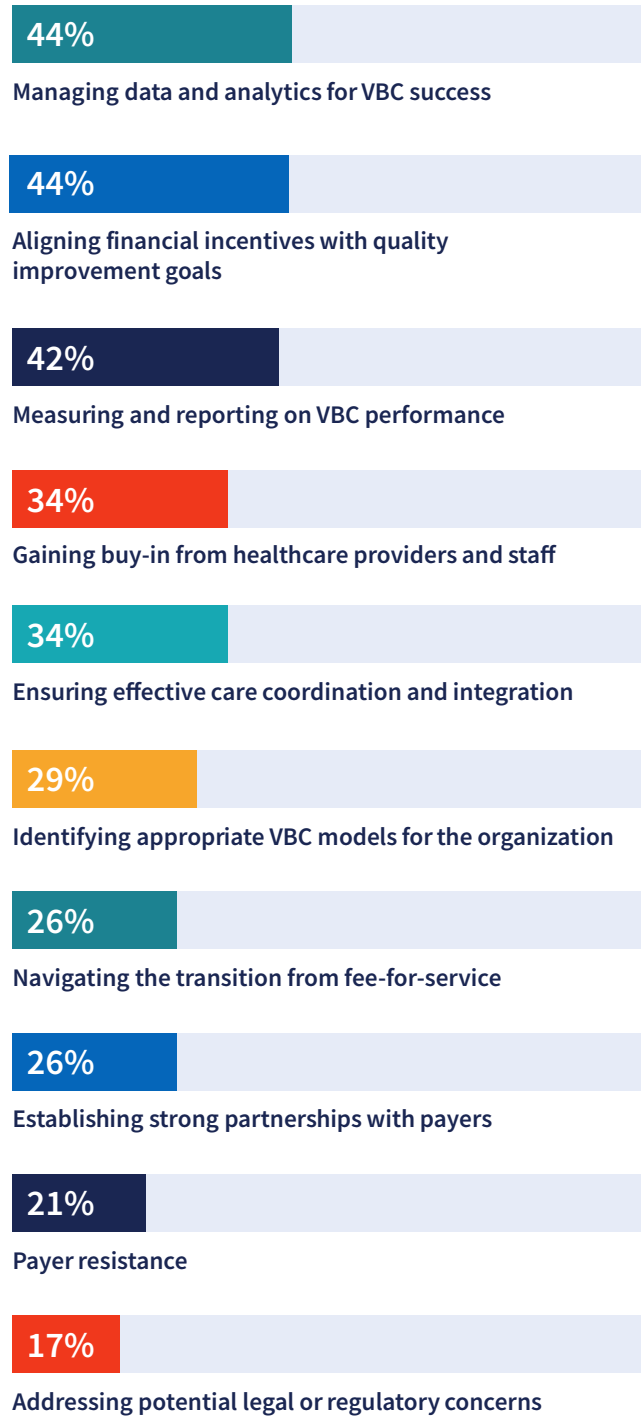
C-Suites are entering into pay-for-performance, value-based purchasing and accountable care organization risk-based arrangements more than other models. But while hospitals and health systems have larger percentages of revenue at risk, the payment models appear to remain heavily-focused on quality.

Executives say that managing the data and analytics, aligning incentives with quality improvement goals, and measuring performance are among the hardest challenges associated with value-based contracts.

### VBC Arrangements Currently Implemented or Being Considered



## Challenges to Implementing or Expanding VBC Risk Arrangements



## Health IT Forecast: 2024-2025

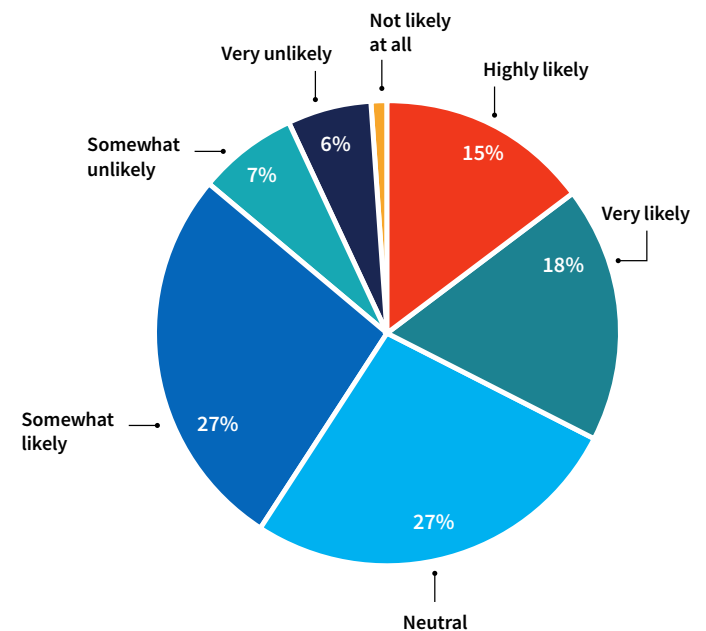
As C-Suites pursue the strategic priorities outlined in this report, and their teams implement a range of mature and emerging technologies to drive toward those goals, C-Suites must also prepare for the possibility of an economic recession.

In 2023, slightly fewer (81%) executives believe their organization will be negatively impacted by a recession than in 2022 (89%) — but the overwhelming majority are concerned about macroeconomic conditions. As an interesting finding, 8% believe a recession could positively impact their organization in 2023 vs. the 2% saying that in 2022.

## Potential Recession: Future-Proofing for Sustainability

C-Suites are considering where to invest next to prepare for a recession — and we asked where they would invest if they had no financial constraints.

### How Likely is it That There Will be an Economic Recession?



C-suites are working to future-proof their organizations with a variety of tactics, though our research reveals significant reductions in the top techniques between 2023 and 2022. Fifty-two percent of C-Suites, in fact, are reducing costs through improved efficiencies, down from 64% in 2022. Forty-two percent are reviewing suppliers to identify where they can limit the number of suppliers and switch to less expensive alternatives, while 64% limited suppliers in 2022. When it comes to staffing, slightly more (46%) in 2023 are making changes than in 2022 (42%).

Put another way: The need to invest, and the potential for ROI, must be clear for C-Suites to consider taking

action. Nearly half (47%) of executives in 2023 say their organization is canceling or postponing new investments other than technology, which is consistent with the 48% that did that in 2022. Also, nearly half of C-Suites in both 2023 and 2022 say they are canceling or postponing new technology investments in preparation for a possible recession.

In 2023, 11% of participating executives say their health system or hospital is not planning any measures at all to reduce expenses, an increase from 8% in 2022.

## Investments: Shaping the Next Generation

### Investment “High Priorities” for 2024 Capital Budget Planning

	2023	2022
Care delivery	44% ↑	36%
New markets or revenue streams	34%	32%
Back-end processes and systems	27%	29%
Digital tools to engage and enable members, patients, or consumers	19%	21%
Data analytics	24% ↑	20%
Patient, consumer, or member acquisition	29% ↑	17%
New products or services	17% ↑	14%

## C-Suite Influence over Technology Purchasing Decisions

### Chief Financial Officer



### Chief Medical Officer



### Chief Executive Officer



### Chief Nursing Officer



### Chief Information Officer



## The Evolving Nature of ROI Expectations

C-Suites' threshold for health IT investments to yield a financial return in 2 years or less:

	2023	2022
Break even	15%	17%
1-2x	29%	26%
2-3x	25%	27%
3-5x	20% ↑	15%
5-10x	2%	2%
More than 10x	0%	1%
We do not consider ROI when evaluating software technology	9% ↓	12%

Nearly half (42%) of C-Suite executives participating in the 2023 survey are planning to increase capital investment over the next year, a notable rise from 2022 (31%). CEOs and CFOs in 2023 held the most influence over technology evaluation and purchasing decisions — with the most significant fluctuation being among chief nursing officers, who held markedly more influence in 2022 than in 2023 or 2020.

While this report examines the top technology initiatives for the next 2 years in the *Critical Technology Considerations to Achieve C-Suite Priorities* section, C-Suites are presently looking to purchase the following types of healthcare technology: either a new EMR or refinements to what is already in place (20%), artificial intelligence (15%), virtual monitoring (13%), surgery/care technology (12%), revenue cycle (2%), and cybersecurity (2%).

C-Suites' top factors for selecting technologies right now are: functionality, return on investment, and upfront cost. Relative to yielding a return on their health IT investments, most executives now expect to see ROI realized within three years, and only 20% say more than three years is an acceptable time-to-value.

Healthcare organizations' primary method of technology acquisition is EMR-first (48%), best-of-breed (28%), and less than a quarter (24%) employ an EMR-only approach. Specific to AI, the majority of C-Suites (69%) do not want to use vendors for AI integration, while 21% would rely on preferred vendors, and 31% on their current vendors.

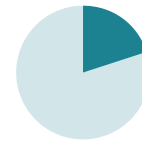
Regarding C-Suites' best software pricing model, 44% say user licenses/consumption, similar to 2022 (46%). One-third (34%) say average daily census is best, compared to 24% in 2022. Fewer than 16% in either year say pricing based on the number of licensed or staffed beds is their preferred pricing model.

## Thinking Big About Investments

When asked if their organization were given the opportunity to invest capital without constraints, C-Suites say they would opt for:



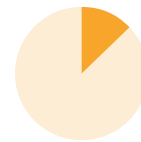
**20%**  
AI/robots/  
automation



**20%**  
Analytics/  
productivity



**20%**  
EMR



**13%**  
Hospital  
facilities and  
equipment



**13%**  
Infrastructure



**11%**  
Integration  
systems

## Conclusion

Today's healthcare organizations are facing a barrage of challenges. Amid the ongoing workforce and talent shortages, the balancing act of financial sustainability that results, in part, from lowering total expenses while simultaneously increasing access to care, hospital and health system C-Suites must overcome those obstacles.

By prioritizing EMR optimization, increasing digital and virtual health deployments, addressing the workforce crisis, leveraging evolving payment models, and both deploying AI today and exploring future use cases, executives can strategically prepare for sustainability even against the looming possibility of a coming recession.

# About the Contributors

## **DANIEL D’ORAZIO, Chief Executive Officer**

D’Orazio shapes and leads the vision for the firm — a vision focused on helping clients to accelerate their commercial growth. While also leading the firm’s business development efforts, D’Orazio remains actively engaged with client delivery to ensure the quality of work and to deliver successful strategies for clients in an ever-changing and complex healthcare market. He has been instrumental in the formation and optimization of Sage Growth, and the growth of the firm’s market presence and client relationships. His career includes extensive experience in value creation, strategic advisory, marketing, and project launches for non-profit/public sectors as well as the corporate world. He has worked extensively with healthcare service providers, technology and device companies, payers, provider organizations, and private equity/venture capitalists — with firms ranging from startups to Fortune 10 companies.

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## **STEPHANIE KOVALICK, Chief Strategy Officer**

Kovalick is responsible for building the firm’s internal growth strategy as well as leading the strategy consulting team. The strategy consulting team focuses on delivering value creation solutions to healthcare provider organizations, associations, healthcare technology, and investor firms. A recognized thought leader in the value-based care space, Kovalick is a leading healthcare authority with extensive workflow, product management, and marketing experience in the healthcare payer, provider, and health information technology sectors. She also has deep expertise in healthcare payment models and revenue cycle management.

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## **KENNETH “BOH” HATTER, Chief Marketing Officer**

With more than 30 years of experience as a marketing executive, Hatter brings a wealth of marketing strategy, messaging, and campaign development skills to the Sage Growth Partners team. Capitalizing on his experience leading exceptional marketing firms, Hatter has built a full-service, multi-disciplinary marketing business at Sage Growth Partners — a team that provides marketing research, strategy, planning, and integrated marketing communications execution to healthcare organizations ranging from Fortune 50 to early stage startups.

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## About Sage Growth Partners

Sage Growth Partners is a healthcare advisory firm with deep expertise in market research, strategy, and communications. Founded in 2005, the company’s extensive domain experience ensures that healthcare organizations thrive amid the complexities of a rapidly changing marketplace. Sage Growth Partners serves clients across the full healthcare spectrum, including GE HealthCare, Medecision, ProgenyHealth, Kyruus, Together Senior Health, Best Buy Health, New Jersey Brain and Spine, the National Minority Health Association, and Philips Healthcare. For more information, visit <https://sage-growth.com/>.

