

Identifying  
opportunities  
for partnerships  
and growth

**Navigating  
America's  
changing  
health care  
landscape  
in 2024 and  
beyond**



## Introduction

The American Hospital Association (AHA) has a clear vision for the nation's health care system: to develop a just society of healthy communities, where all individuals reach their highest potential for health.

Health care executives face a challenging environment in 2024 to fulfill this mission. They are focused on ways to:

- **Address workforce challenges in the near term and long term.**
- **Provide better care and deliver greater value.**
- **Achieve financial stability for their hospitals and health systems.**
- **Enhance public trust and confidence in hospitals and health systems.**
- **Improve the health care consumer experience.**
- **Ensure health equity.**

Leaders will need to apply technologies in new ways to address operational and clinical challenges and deliver data-driven insights as they work to achieve financial sustainability. They are honing innovation strategies that address areas of opportunity that can help them better serve patients and communities.

This report is designed to provide AHA Associates with examples of how C-suite leaders are navigating today's challenging landscape and provide insights on key focus areas for executives. Our members recognize that they need strong partnerships and solutions providers who can help them transform their operations.

Your role in reshaping health care will help the field achieve the AHA vision for improving the nation's health.



## Inside

**4 Workforce**  
Optimizing the Environment for  
Clinical and Nonclinical Personnel

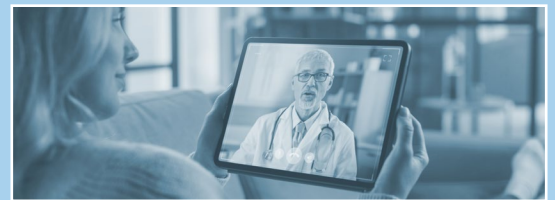
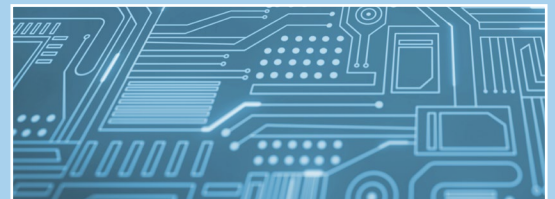
**8 Financial Sustainability**  
Increasing Financial Sustainability:  
Best Practices for Success

**11 Technology**  
Applying Technology Solutions to Solve  
Operational and Clinical Challenges

**14 Strategy & Innovation**  
Addressing Areas of Opportunity  
as Hospitals Seek Innovative Solutions

**17 Consumer Experience**  
Delivering a Digitally Enabled, Always-on  
Care and Well-being Experience

**21 Achieving Health Equity**  
Making Data Actionable is What it Takes  
to Achieve Health Equity







## Workforce

### Optimizing the Environment for Clinical and Non-clinical Personnel

An aging workforce combined with a surge in retirements and coming off three years of a pandemic have exacerbated workforce challenges. This has created a national emergency that needs attention.

Hospitals and health systems are responding with new approaches and renewed determination to care for the caregivers and support them in all facets of their work.

Facilities across the country are working to expand training options, recruit internationally, launch nurse education and upskilling programs, and reimagine care delivery models.

Many also are investing in advancing leadership and technology skills development, partnering with others for long-term solutions and analytics, while providing nontraditional support for health care workers such as subsidized housing opportunities.

#### 5 key drivers transforming the health care workforce

The following factors are propelling core changes in the health care workforce as the U.S. population continues to grow, requiring more care from fewer, younger workers.

**1 | Traditional staffing models need astute and comprehensive modernization.** In the current environment, it takes a village to manage patient care. Many units now lack stable core teams of providers, and it is unlikely that staffing levels will increase sufficiently to return to previous practice. Providers must determine better ways to support licensed and nonlicensed professionals at the bedside, in the lab and throughout the organization to achieve desired goals without overburdening team members. Effective unit-level leaders also will rely more heavily on a team approach.

**2 | Technology continues to be a game-changer.** From telehealth and virtual nursing to artificial intelligence (AI) and beyond, technology plays a growing role in health care, both

## Specialists in Demand

Older Americans tend to need more health care and access to more physicians. The Association of American Medical Colleges projects that this trend will lead to substantial growth in demand, particularly for the specialists they need most often.



clinically and administratively. Investment in technology is crucial but our members are thoughtfully considering value and potential outcomes in their decision-making processes, given the ongoing financial pressures facing health systems.

Regular telehealth usage is expected to climb from the current 25% level back to pandemic highs of 70%. Providers anticipate that virtual consultations will increase over the next several years and be adopted more widely in disciplines beyond primary care and behavioral health. AI is also playing an expanded role across all aspects of health care, including the workforce.

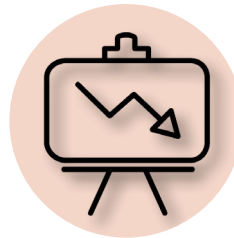
## MARKET INTEL



- Nursing employment has begun to recover from prepandemic levels, according to a JAMA Health Forum [study](#) released in February. The total number of full-time equivalent nurses in 2022 and 2023 was 6% higher than in 2019.



- The same study found that the RN workforce is projected to grow by about 1.2 million FTEs by 2035, close to prepandemic forecasts.



- Nevertheless, there is a projected shortage of 78,610 FTE RNs in 2025, according to the [Health Resources and Services Administration](#).



- The U.S. will face a shortage of up to 86,000 physicians by 2036, according to the [Association of American Medical Colleges](#). Additionally, the population 65 and older is projected to grow by 34.1%, with an increase of 54.7% in the size of the population 75 and older.

Nearly half of health care executives report that their health systems are using AI to tackle workforce challenges. Technology will play a crucial role in easing the burden for caregivers, whether by using AI to create clinical notes or relying on robots to transport medications. Effectively and productively integrating digital solutions like telehealth, virtual nursing and AI into clinical workflows, as well as streamlining business processes like revenue-cycle management and coding to capture revenue more efficiently, require staff and leadership training as well as input and involvement from those who will be using the technology.

**3 | Care continues to move beyond hospital walls.** The multiple benefits of providing ambulatory, community-based and at-home care include reduced cost, greater convenience and broader health care access, all of which improve health equity. Business management consultant Gartner predicts that by 2025, 40% of health care providers will shift 20% of hospital beds to patients' homes through digitally enabled hospital-at-home services like remote patient monitoring and AI.

**4 | Cybersecurity: A change has come.** The massive cyberattack earlier this year against the UnitedHealth Group subsidiary Change Healthcare had a staggering financial and business impact on the payer and health care providers and greatly disrupted the field. But it was hardly the only breach of patient records. Last year, a record 116 million patient records were compromised across 655 breaches, according to a [Fortified Health Security report](#). Executives, hospital boards and trustees are trying to better understand current cybersecurity risks and how to prepare their systems for the next attack. Hospitals must view cybersecurity as a patient safety, enterprise risk and strategic priority and instill it into their hospitals' existing enterprise, risk-management, governance and business-continuity framework, notes John Riggi, AHA national adviser for cybersecurity and risk.

**5 | Improving patient and staff safety: A rising priority.** Hospitals face a challenging environment as they advance safety and quality. The AHA has responded with a national

### Cybersecurity Uptick

Last year, a record 116 million patient records were compromised across 655 breaches, according to HHS' Office for Civil Rights. Executives, hospital boards and trustees are trying to better understand current cybersecurity risks and how to prepare their systems for the next attack.



initiative to boldly reaffirm hospital and health system leadership and commitment to patient safety. Three foundational areas of focus for 2024 include:

- Fostering a culture of safety from the boardroom to the bedside.
- Identifying and addressing inequities in safety.
- Enhancing workforce safety.

Members will be looking to enhance physical security and reduce violence against caregivers and other staff. From access control to video surveillance to duress alarms and other technologies, hospitals are looking for ways to keep patients and staff safe.

## Insights for success

Hospitals and health systems are focusing on technology to enhance workers' experience in five areas:

- 1** | Support individuals and teams through digital wellness solutions, leadership training and guidance for managers on building and engaging diverse teams.
- 2** | Alleviate burden by using tools that can help with administration, revenue cycle or other routine tasks. This can include intelligent automation through robots and artificial intelligence.
- 3** | Enhance flexibility with agile scheduling solutions that help predict demand, or by creating staffing solutions or labor pools.
- 4** | Reduce friction by digitizing human resources functions, streamlining routine interactions and smoothing processes like credentialing.
- 5** | Optimize care delivery by using artificial intelligence, predictive analytics and virtual health options that allow more flexibility and remote staffing, greater team-based coordination and clinical just-in-time training, and by improving the user friendliness of electronic health records. ●

## OPPORTUNITIES

### **7 areas of opportunity to help hospitals address workforce issues.**

- Using AI to reduce administrative burden or streamline clinical processes.
- Remote patient monitoring.
- Telehealth.
- Hardware and software to support virtual nursing.
- Nursing education, training and staffing services.
- Robots to augment or relieve stress on nurses.
- Clinical and business management consulting.





**Would you like to continue  
reading the full report and  
access more insights like these?**

**Become an AHA Associate.**

The American Hospital Association has a clear vision for the nation's health care system: to develop a just society of healthy communities, where all individuals reach their highest potential for health. This report is designed to provide AHA Associates with examples of how C-suite leaders are navigating today's challenging landscape and provide insights on key focus areas for executives. Our members recognize they need strong partnerships and solutions providers who can help them transform their operations.

**Your role in reshaping health care will help the field achieve  
the AHA vision for improving the nation's health.**

CONTACT | **Lauren Baltas**

EMAIL | **lbaltas@aha.org**

PHONE | **312-422-2938**