

FOCUS ON INNOVATION, LEADERSHIP, AND COLLABORATION



INTRODUCTION

Welcome to Leading Healthcare, a new biannual industry brief reflecting on the changing dynamics within our industry.

In this issue, we reflect on the emerging concepts and leading priorities that demand our attention today.

- This post-pandemic period continues to weigh on all healthcare leaders — from the front lines to the most senior executives — and the impact from a health and wellness perspective is visible. New approaches to elevating well-being at work, as well as initiatives to advance hospital-grade acute care at home, will help ease the burden on the workforce.



“Innovation is at the core of the healthcare industry, leading us forward and redefining the future of leadership, employee engagement, and patient experience.”

**— Nanne M. Finis,
RN, MS, Chief Nurse
Executive, UKG**



- We are witnessing the evolution of team dynamics and collaboration. Models are being executed to coordinate workforce planning and deployment across public, private, and federal institutions and geographic regions. There is a new generation of practitioners who view the profession as a “team sport” and will be utilizing technology and the expertise of others to support a seamless care journey.
- Outrageous competition for staff breeds innovative recruitment and retention strategies designed to promote flexibility and work-life balance. Measures to prioritize cross-training and skill building and to identify a clear path to advancement are proving successful.

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INDUSTRY NEWS

“How Health Systems Should Be Preparing Now For The Future Of Hospital At Home”

As momentum builds behind the innovative Hospital at Home® care model, experts highlight the importance of identifying the right patient populations and also prioritizing investments in patient-facing technologies, command centers, delivery services, administrative support, IT infrastructure, and more.

[Healthcare IT News](#)

“The Potential For Rapid Consolidation Of Health Systems”

Volume and inpatient hospital capacity are declining just as ambulatory, outpatient, and post-acute services expand, and confidence in virtual care is on the rise. The need for transformed care delivery, coupled with increasing financial pressures, will likely drive rapid consolidation of health systems between now and 2030. [Deloitte Insights](#)



“Why Rural Hospital Closures Hit A Record High In 2020”

2020 was a record year for rural hospital closures. Nearly 1 in 5 Americans live in rural areas and depend on their local hospital for care, but last year alone, 20 hospitals in rural communities shut down. [Becker's Hospital Review](#)

“Improving Quality in Assisted Living”

The Joint Commission is initiating an Assisted Living Community Accreditation Program and will begin accepting applications beginning July 1, 2021. Joint Commission EVP Dr. David Baker says the program will help assisted living communities deliver consistent, highly reliable care in critical areas, impacting the quality and safety of their residents and staff. [UKG Industry Insights Blog](#)

“9 Numbers That Illustrate Amazon's Expansion Into Healthcare”

Just as the COVID-19 pandemic has led to expanded use of telehealth, Amazon is entering the healthcare business — expanding its telemedicine program to all 50 states, opening more health centers, and providing assistance for COVID-19 testing and vaccination efforts. [Becker's Hospital Review](#)



INDUSTRY FAST FACTS

A February 2021 survey finds nurse leaders' top challenges are **morale and burnout (67%), staffing shortages (65%), policy concerns (44%), and staff retention (31%).**

Source: [AONL](#)

About 25% of the \$3.6 trillion the U.S. spends on healthcare annually is potentially wasteful — and administrative costs represent the largest category of wasteful spending (about 30%).

Source: [JAMA Network](#)

The top 10 health systems in the U.S. now control 24% market share, and their revenue grew at twice the rate of the rest of the market over the past five years.

Source: [Deloitte Insights](#)

84% of U.S. hospitals are community hospitals. Of these, two-thirds are system-affiliated (67%) and urban (65%), and only a quarter are for-profit (24%).

Source: [AHA](#)

Although many of the largest (and wealthiest) nonprofit hospital systems saw their bottom lines boosted by government relief funds in 2020, estimates show

U.S. hospitals stand to lose between \$53 billion and \$122 billion in 2021 as a result of the pandemic.

Source: [KHN and Kaufman Hall](#)

TOP PRIORITIES IN HEALTHCARE

Spring 2021



Technology and collaboration are key to reducing waste

Total U.S. healthcare spending approaches \$4 trillion per year, but this trend can and will be reversed.

- Technology will help redesign the work of the future in new ways — generating data and information to drive ongoing efficiency and simplifying processes — which will empower staff to perform to their best capability individually and within teams.
- There is a new appetite emerging for interdisciplinary collaboration to speed up innovative thinking, standardize practices, and enhance system efficiency across care settings.
- We should borrow efficiency practices from other industries, e.g., billing, prior authorization, and interoperability of systems. Eliminating administrative expense has the benefit of lowering healthcare costs without affecting spending on patient care.



The pandemic continues to impact the core of the healthcare industry

It is time to review the status of the industry with an eye on what is sustainable, and to replicate, evolve, and expand successful models.

- Virtual care will become a normal way to visit with a practitioner: The vast majority of patients and care providers will continue to use this mode of engagement post-pandemic.
- The work, the workplace, and the workforce have all dramatically changed, and the nursing playbook must be rewritten. Increased engagement with frontline staff, empowerment of clinical leaders in problem-solving, and the adoption of servant leadership will become the focus for nurse leaders.
- Organizations that have the capability to invest must take a leadership position to create new care models, innovate, and share their learnings and successes with others.



Reimagining the role of technology to drive operational excellence

While advances in clinical excellence have been significant over the past few decades, the U.S. healthcare system has not made the same swift effort to re-imagine and analyze core work processes.

- The move to the cloud has been expedited following a long period of hesitation by healthcare leaders, but further steps must be taken to ensure readily available data is harnessed so that it is actionable.
- Future retention efforts will be less about tracking how many people leave. Technology will help analyze the important link between who is leaving and why, so as to reduce attrition.
- Desire to be involved with innovation and data-driven healthcare is high among nurses, many of whom feel they should be more involved in decision-making related to the development and selection of technology used in patient care.



How to more effectively and efficiently utilize labor resources

Staffing shortages — projected to intensify by 2030 — undermine health systems' capacity to care for patients and have been attributed to factors such as burnout-induced turnover and a general lack of nurse educators.

- Nurses agree that mental well-being and resiliency support are important priorities for the next 10 years, and believe that addressing administrative challenges — long hours, understaffing, and administrative burden — will be critical.
- Nurses are specialists in their care and service settings. Therefore, skills and training must be reimagined so that when volumes require massive nurse influx, the skills and certifications of all nurses can be easily accessed and redeployed across diverse settings.

EMERGING CONCEPTS



Listen to nurses. Protect nurses. Support nurses.

Stories, challenges, fears, and joys shared by nurses on the front lines of a global pandemic and published by WikiWisdom have given us an opportunity to evaluate and evolve current processes in our healthcare system to ensure a national health crisis is proactively managed and staff are responsive. Source: [WikiWisdom Forum](#)



Technology supports well-being at work.

There is now a pervasive challenge of burnout among health professionals, and the No. 1 cause is workload. Insufficient staff-to-patient ratios, too many administrative tasks, and an absence of digital technology to simplify common workflows compound this issue, leaving many care providers unable to strike a healthy work-life balance. To mitigate burnout, new technologies must be employed across all levels of the workforce to drive efficiency in every aspect of work.



Diversity in healthcare matters.

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RESOURCES AND SUGGESTED READING

“Fast Facts on U.S. Hospitals, 2021”; July 24, 2020; [AHA](#)

“Nurse Leaders’ Top Challenges and Areas for Needed Support, July 2020 to February 2021”; March 10, 2021; [AONL](#)

“Why rural hospital closures hit a record high in 2020”; March 16, 2021; [Becker’s Hospital Review](#)

“9 numbers that illustrate Amazon’s expansion into healthcare”; March 17, 2021; [Becker’s Hospital Review](#)

“The potential for rapid consolidation of health systems”; December 10, 2020; [Deloitte Insights](#)

“The social enterprise in a world disrupted”; October 22, 2020; [Deloitte Insights](#)

“How health systems should be preparing now for the future of hospital at home”; March 23, 2021; [Healthcare IT News](#)

“COVID-19 in 2021: The Potential Effect on Hospital Revenues”; February 2021; [Kaufman Hall](#)

“Despite Covid, Many Wealthy Hospitals Had a Banner Year With Federal Bailout”; April 5, 2021; [KHN](#)

“Reducing Administrative Waste in the US Health Care System”; February 2, 2021; [JAMA Network](#)

“The Impact of COVID-19 on the Nursing Profession in the U.S.: 2020 Quantitative Survey Summary”; January 2021; [Johnson & Johnson](#)

“Care Systems COVID-19 Impact Assessment: Lessons Learned and Compelling Needs”; April 7, 2021; [National Academy of Medicine](#)

“A Nurse Is Not Just a Nurse: The Challenges of Nursing During a Pandemic and Beyond”; April 2021; [NEJM Catalyst](#)

“Collaboration on the Arizona Surge Line: How Covid-19 Became the Impetus for Public, Private, and Federal Hospitals to Function as One System”; January 22, 2021; [NEJM Catalyst](#)

“Improving Quality in Assisted Living”; April 6, 2021; [UKG Industry Insights Blog](#)

“Diversity Matters: How UKG Products Can Help Cultivate a More-Diverse Healthcare Workforce”; February 5, 2021; [UKG Industry Insights Blog](#)

“The Wisdom of Frontline Nurses”; September 2020; [WikiWisdom Forum](#)

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LET'S CHAT

