

Provider Health IT & Corporate Services Trends

A Guidehouse Center for Health Insights analysis of an executive survey conducted by the Healthcare Financial Management Association (HFMA)

May 2021

A Guidehouse Center for Health Insights analysis of an executive survey conducted by HFMA took an in-depth look at hospital and health system leader health IT and corporate services strategies for the next 12 months.

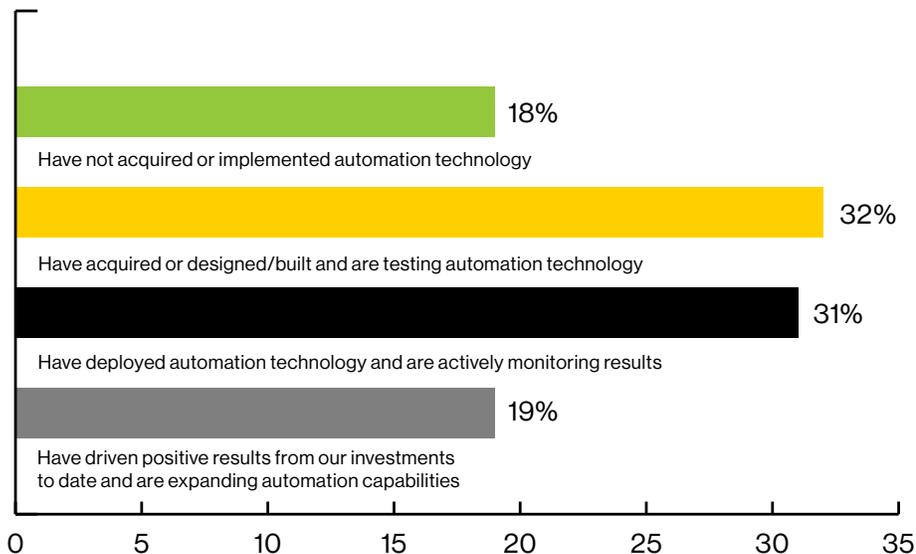


112 provider chief financial officers and financial and revenue cycle executives; surveyed January – February 2021

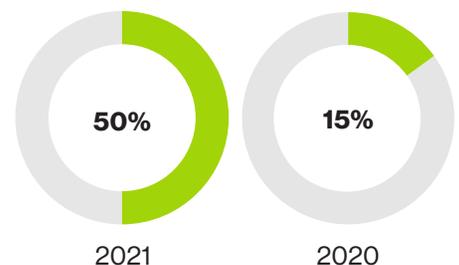
As providers continue to navigate the COVID-19 pandemic, leaders were asked about automation, budgets, cybersecurity, and staffing challenges.

Automation & Cybersecurity

Where is your organization on its automation journey?

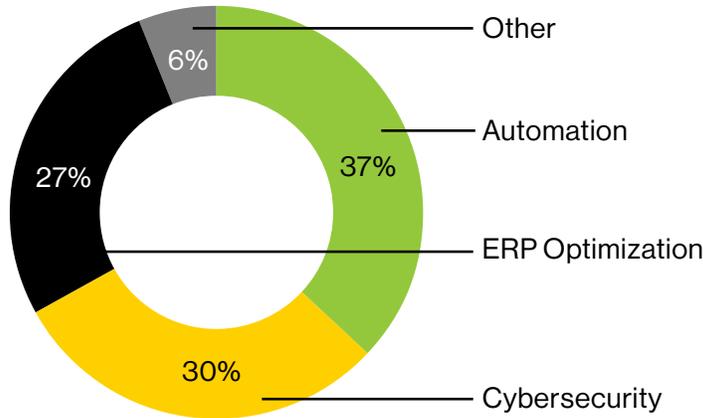


3X more hospitals have deployed automation technologies since 2020



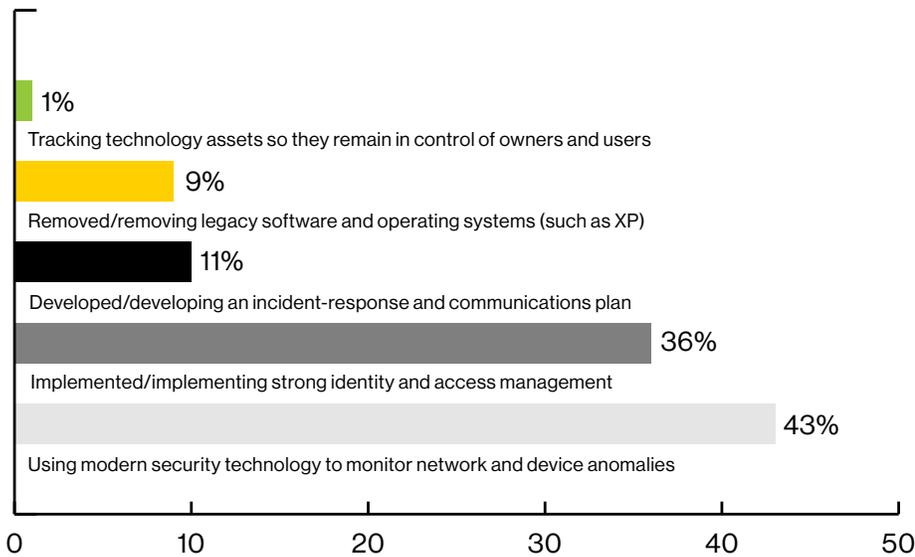
50% have deployed or are driving positive results vs **15%** in 2020

**Which areas of technology/automation will be your priority over the next 12 months?
(select all that apply)**



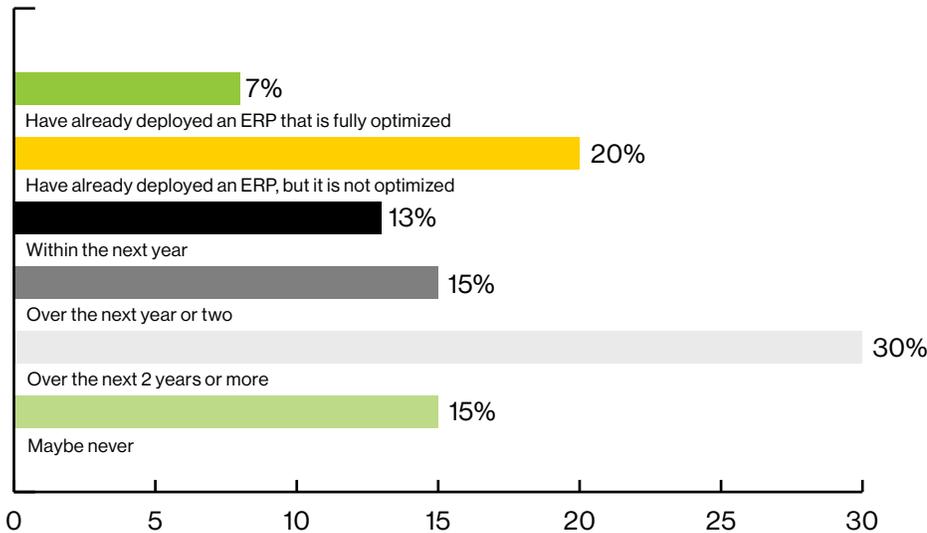
Automation is the top technology priority over the next 12 months.

What strategies has your organization put in place to address cybersecurity threats?

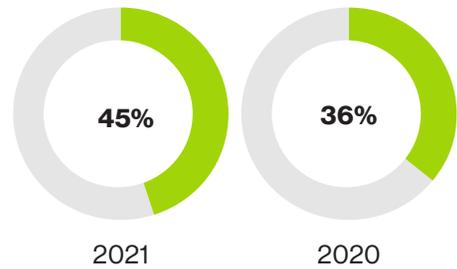


Only 1% cited tracking technology assets and just 9% cited removing legacy software, both critical to understanding current assets, their owners and users, and when they need to be updated.

Which choice best describes when your organization might deploy or upgrade its enterprise resource planning (ERP) system?



While a top priority, 45% of providers are still more than two years away from deploying ERP technology, with 15% suggesting they have no ERP plans.



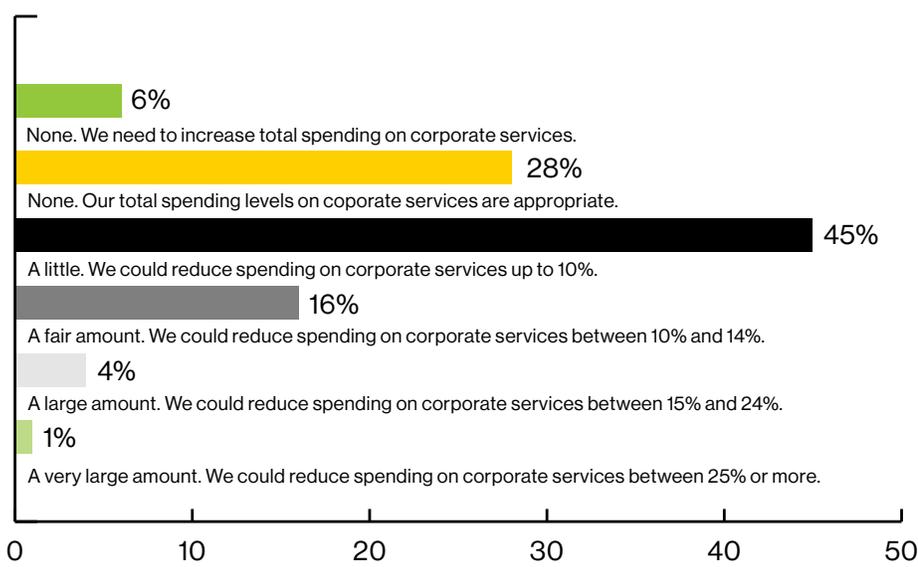
45% are two years away or more from deploying ERP vs 36% in 2020

Key Takeaways

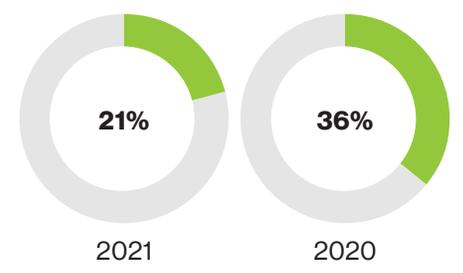
- The federal government, including the Office of the National Coordinator for Health IT, has taken significant regulatory steps to improve interoperability so that providers can easily and securely exchange data and automate technologies for internal and external purposes.
- Operationalizing technology represents a significant opportunity for providers to drive efficiency gains, especially in corporate services. For example:
 - Underperforming or underleveraged ERP assets significantly slow down operations, productivity, and employee engagement.
 - As health systems have undergone mergers and acquisitions, many have layered on new technologies instead of replacing the old ones – a common driver of insecure assets and cybersecurity threats.
- Generally, providers are not taking full advantage of the benefits their technology investments could bring to solve their greatest business challenges.

Corporate Services Spending

How much total spend on corporate services do you believe your organization could remove without negatively impacting service quality and efficiency?



Providers are spending more wisely on corporate services.

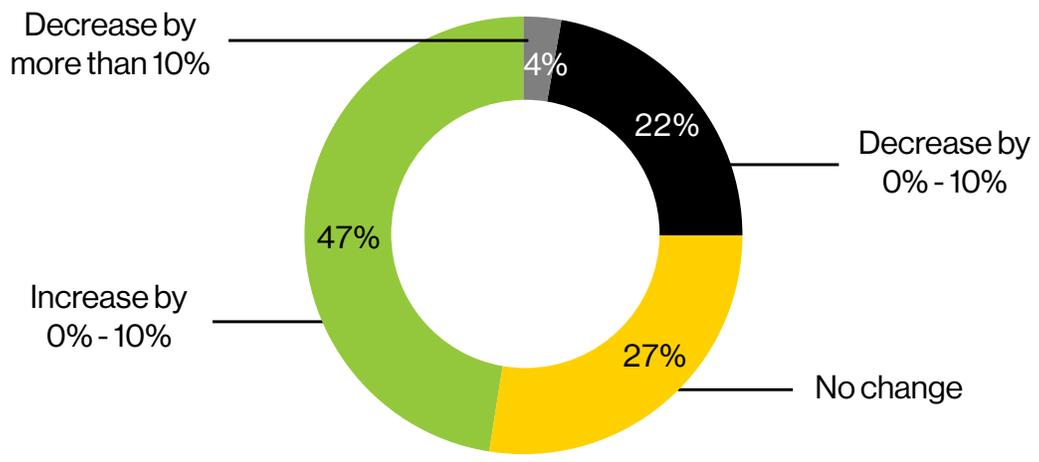


21% could reduce spending by 10% or more vs 36% in 2020

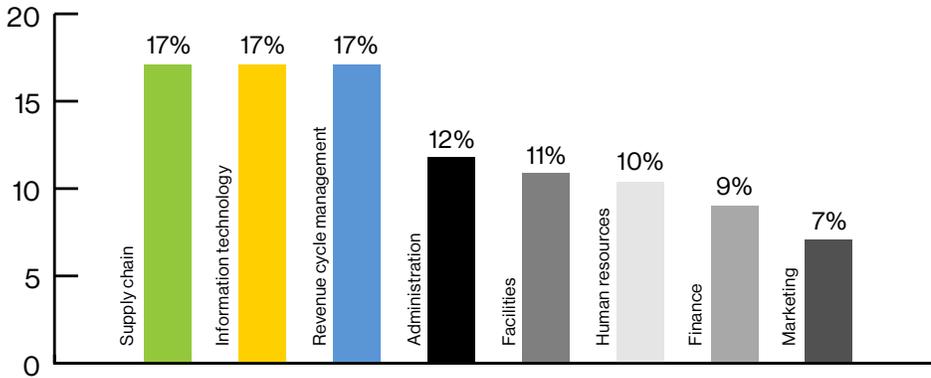
Key Takeaways

More than half of executives surveyed expect to be held accountable for reducing corporate services budgets or, at a minimum, holding them flat over the next year.

How is your organization's corporate services budget projected to change in the next 12 months?



What are your top priority areas for reducing corporate services expenses over the next year? (select all that apply)



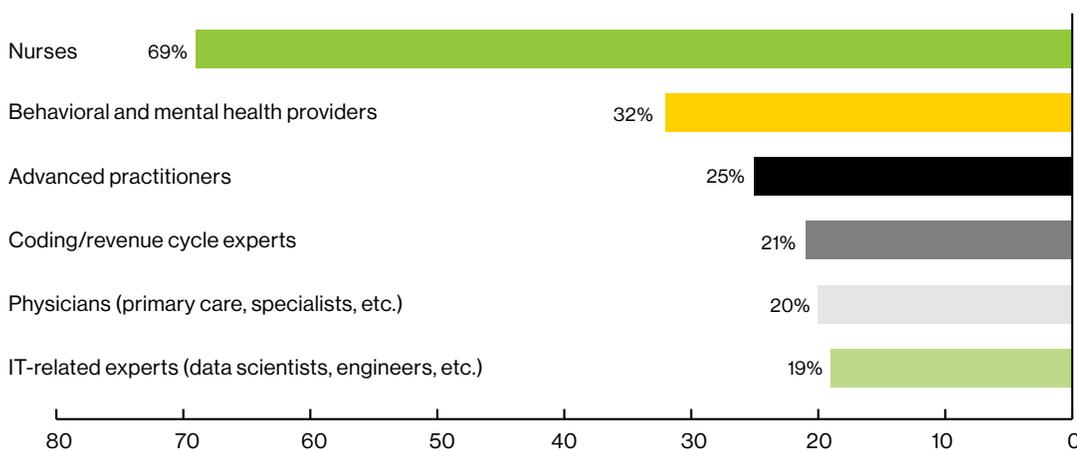
Providers are targeting the supply chain, information technology, and revenue cycle management as top priority areas for reducing corporate services expenses this year.

Key Takeaways

- The pressure for health systems to transform financial and operational performance has intensified with the pandemic.
- While the supply chain and revenue cycle are key areas to target, optimizing technology assets like automation is essential for providers to drive corporate services efficiencies that create a more resilient future.
- The technology itself won't solve the problem but wrapping better processes and structure around an optimized solution will.

COVID-19 Impact on Staffing Shortages

To what extent is your current staffing shortage worse than it was one year ago?



Compared to a year ago, 69% of executives said nursing shortages have worsened, with 32% citing an increase in behavioral health shortages.

Key Takeaways

- It's clear the COVID-19 pandemic has dramatically impacted shortages of frontline clinicians.
- Just 20% of executives suggested an increase in physician shortages compared to 35% in 2018, potentially due to suspension of elective procedures across the country.

Guidehouse Center for Health Insights

The survey analysis was produced by the Guidehouse Center for Health Insights, which provides a complete view of healthcare payment, operational, and consumer disruption insights and solutions. www.guidehouse.com/centerforhealthinsights

Expert Contributors



Michele Mayes

Partner and Operational Effectiveness solutions leader



Subra Sripada

Partner and Health IT solutions leader; former health system chief information officer

About Guidehouse Health

With 11 KLAS #1 rankings, the Guidehouse Health team helps hospitals and health systems, government agencies, life sciences companies, and payers strategically redesign, revitalize, and transform their operations. www.guidehouse.com/healthcare

Get in Touch

 [linkedin.com/showcase/guidehouse-health](https://www.linkedin.com/showcase/guidehouse-health)

 twitter.com/guidehousehc

guidehouse.com

About Guidehouse

Guidehouse is a leading global provider of consulting services to the public and commercial markets, with broad capabilities in management, technology, and risk consulting. We help clients address their toughest challenges and navigate significant regulatory pressures with a focus on transformational change, business resiliency, and technology-driven innovation. Across a range of advisory, consulting, outsourcing, and digital services, we create scalable, innovative solutions that prepare our clients for future growth and success. The company has more than 9,000 professionals in over 50 locations globally. Guidehouse is a Veritas Capital portfolio company led by seasoned professionals with proven and diverse expertise in traditional and emerging technologies, markets, and agenda-setting issues driving national and global economies. For more information, please visit www.guidehouse.com.

©2021 Guidehouse Inc. All rights reserved. W267053

This content is for general informational purposes only, and should not be used as a substitute for consultation with professional advisors. This publication may be used only as expressly permitted by license from Guidehouse and may not be otherwise reproduced, modified, distributed, or used without the expressed written permission of Guidehouse.

