



Mindsets

Healthcare Executive Leadership Report

2025

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mazars

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Introduction

We are excited to introduce the latest edition of our **Mindsets Healthcare Executive Leadership Report**.

In the first quarter of 2025, Forvis Mazars surveyed 180 executives from across the country and the continuum of care to understand what's on their minds—including pressing challenges, critical priorities, and outlook on the future. This report shares our findings, providing valuable perspective to inform your strategy and decision making in the months ahead.

Overall, healthcare executives in 2025 remain optimistic about future growth and financial performance, echoing our findings from 2024. However, concerns about regulatory and reimbursement restructuring have risen to the forefront under a new presidential administration, and talent and workforce challenges continue to present obstacles to success. To navigate these headwinds, executives will need to renew their focus on Achieving Health for their organizations and those they serve.

We've structured this report around key themes that correspond to the five core capabilities for Achieving Health outlined in our [Healthcare Market Point of View](#): aligned growth, financial discipline, regulatory excellence, strategic agility, and talent optimization. Our goal is to help you understand how your industry peers are performing in each area and identify opportunities to develop these capabilities to help your organization thrive in today's healthcare environment.

Above all, Mindsets is an extension of our commitment to providing an **Unmatched Client Experience**® by delivering value that helps you adapt, grow, innovate, and lead. Please reach out if you have any questions about the report or how we can help your organization.



Brad Brotherton

Partner, Healthcare National Sector Leader

A handwritten signature in cursive script that reads "Bradley X. Brotherton".



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A handwritten signature in cursive script that reads "Chris Masone".



Introduction

Key Themes



Aligned Growth

Almost all executives surveyed expect some revenue growth over the coming year, and most indicate a preference for organic over inorganic growth strategies. However, the volume of mergers and acquisitions is expected to remain high, with financial sustainability as the main driver of consolidations.



Financial Discipline

Executives show optimism about their organizations' financial performance in the next two years, but they are wary of barriers to financial sustainability, including high labor expenses, payor mix, reimbursement uncertainty, and capital expenditures. Organizations are prioritizing operational efficiency through workforce productivity, non-labor cost management, and revenue cycle improvement to achieve and maintain a healthy margin.



Regulatory Excellence

Increased regulatory uncertainty and heightened concerns about reductions in reimbursement are weighing heavily on healthcare executives. In this complex landscape, a growing number of respondents are approaching reimbursement as a strategic function of their organization that supports financial discipline, strategic agility, and aligned growth. However, questions about the reimbursement talent pipeline are leading executives to consider seeking more external support in the coming years.



Strategic Agility

Most respondents report their organization completes an enterprise strategic plan at least once every two to three years, reflecting the importance of a more agile process to navigate ambiguity. Significant room for improvement remains in achieving the strategic plan's stated objectives, with opportunities for executives to dedicate more focused time to strategy and align the strategic plan with routine decision making and the organization's operating model.



Talent Optimization

Concerns over turnover, burnout, and talent scarcity remain prevalent among healthcare executives. To support organic growth and patient experience, organizations will need to focus on aligning their workforce with their care delivery model, mission, and vision. Artificial intelligence (AI) shows potential to improve workforce efficiency and reduce administrative burden on staff, though most respondents believe the true impact of AI is still a few years away.

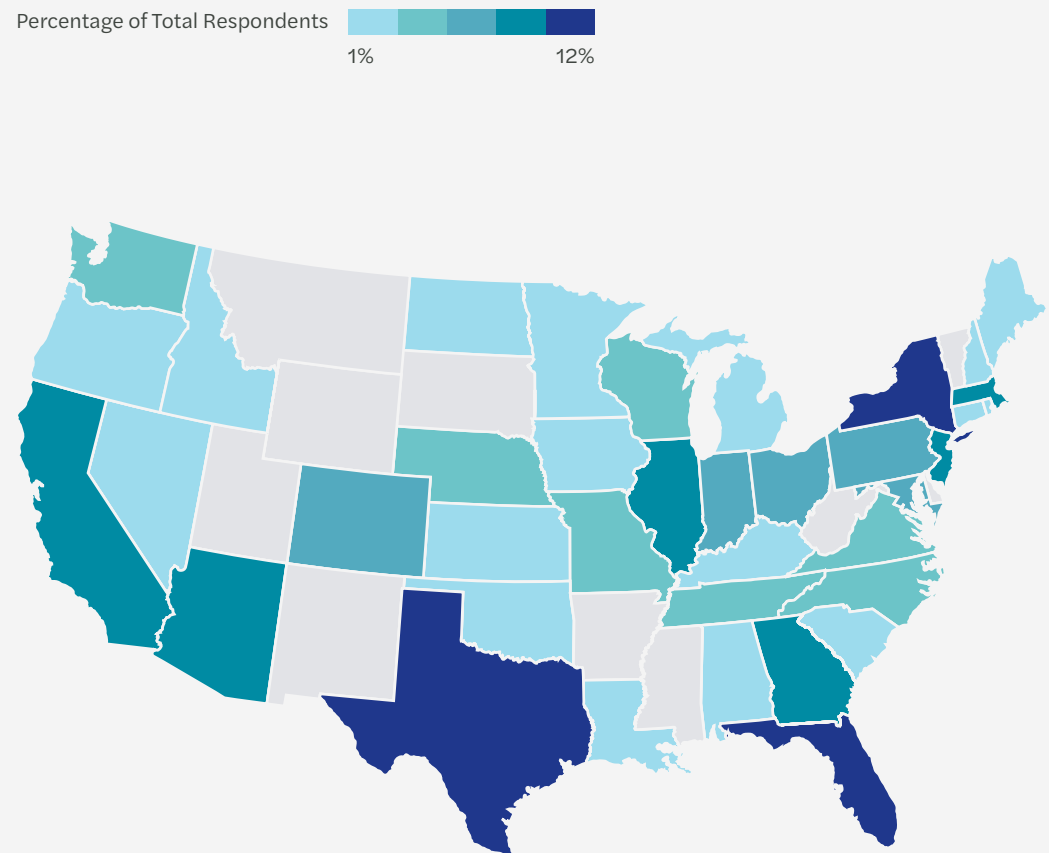
Introduction

Demographics



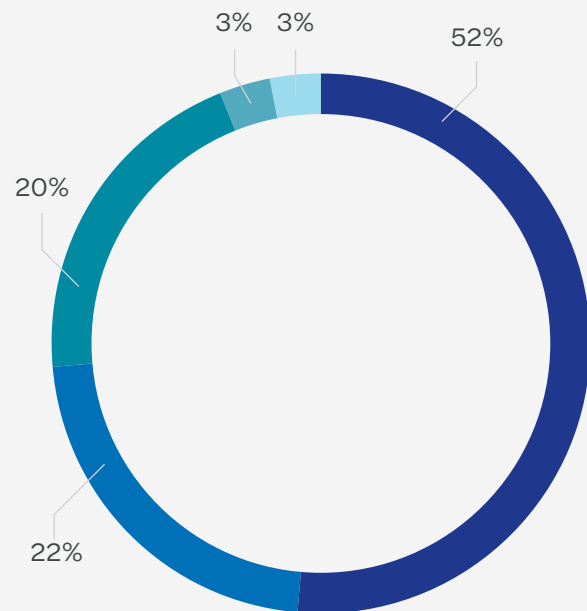
The 180 executives surveyed for the 2025 report represent a cross section of the healthcare industry that includes nonprofit and for-profit hospitals and health systems, physician group practices, senior living and long-term care providers, community health centers, and home care and hospice providers. Organizations from a wide range of sizes and geographic regions were included to achieve a balance of responses.

Mindsets 2025 Respondents by State



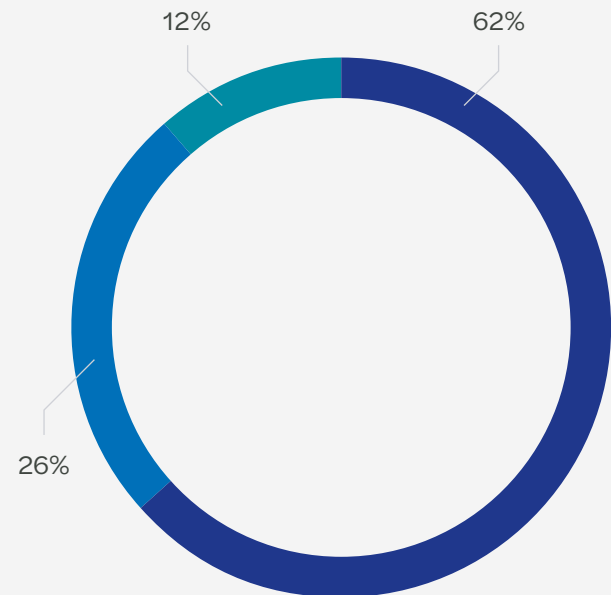
Which of the following best describes your organization along the healthcare continuum?

- Hospital & Health System
- Physician Group Practice
- Senior Living/LTC
- Community Health Center
- Home Care/Hospice



What best describes your title?

- C-level or equivalent
- VP-level or equivalent
- SVP-level or equivalent



Aligned Growth Key Themes

Almost all respondents anticipate revenue growth in the coming year, and executives rank growth and expanding access as a high priority in both the short and long term. However, growth targets will be put to the test as organizations navigate regulatory and economic uncertainty, ongoing labor shortages, and challenges with revenue cycle and payor mix.

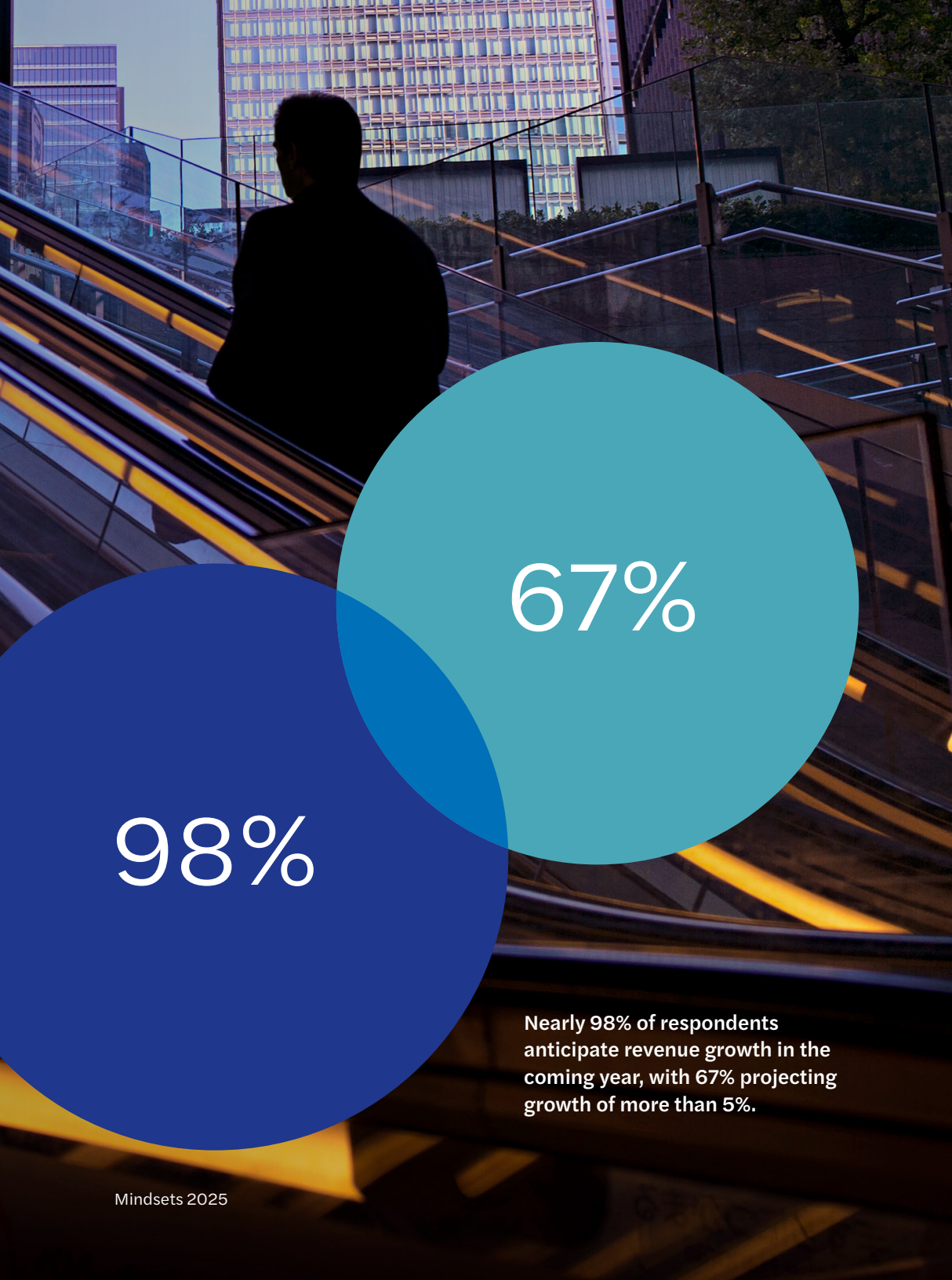
The majority of executives expect their organizations to achieve growth targets primarily through organic growth, including horizontal service line development, expansion of the continuum of care, and volume increases. Achieving organic growth goals will require organizations to focus on physician alignment and navigate staffing shortages, which we explore further under the theme of talent optimization.

On the other hand, nearly 40% of executives expect to achieve growth targets primarily through inorganic growth—including mergers, partnerships, alignments, and affiliations—a slight decrease from 2024. The majority of respondents still anticipate the pace of consolidations in their market to accelerate over the next two years, but this number is down from 71% in 2024 to 56% in 2025, likely reflecting expectations of a natural deceleration after several years of extremely high transaction volumes.

Respondents overwhelmingly believe the need to improve financial sustainability will be the primary driver of consolidation activity. Notably, in 2025, transactions have overtaken partnerships as the likely preferred consolidation method according to respondents, which may indicate that executives believe binding arrangements are better suited to support sustainable financial performance in the long term.

When asked how their organization will primarily achieve growth targets over the next two years, 62% of executives said organic growth, up from 57% in 2024.





98%

67%

Nearly 98% of respondents anticipate revenue growth in the coming year, with 67% projecting growth of more than 5%.



Spotlight on Post-Acute Care

Aligned growth is a high priority for post-acute care providers after a record year for merger and acquisition activity in the senior living industry in 2024.¹

Most respondents from these organizations anticipate that in 10 years, the long-term care industry will be dominated by large national and regional chains, coupled with high demand for customized services as the population ages. To keep pace with evolving consumer demands, organizations are investing in a mix of organic growth—including new construction and expansion projects—and transactions.

- ✓ Overwhelming demand for services
- ✓ Consumers' desire for customized services
- ✓ Large national/regional chains

¹ [“Senior Living Merger & Acquisition Perspectives 2024,” Forvis Mazars, April 4, 2025.](#)

Financial Discipline

Key Themes

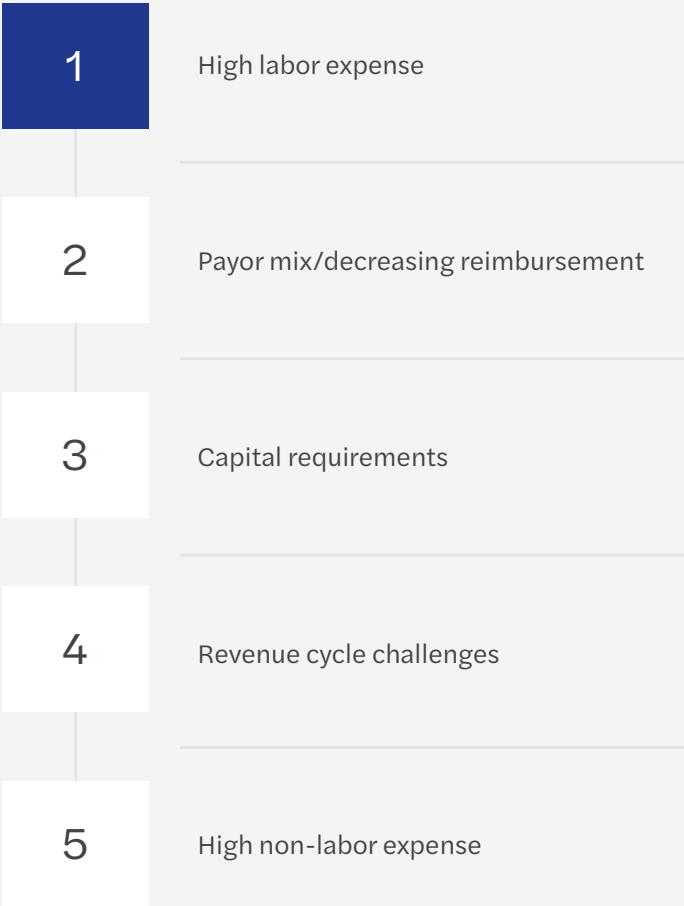
Almost two-thirds (64%) of executives surveyed believe their organization’s financial performance will improve over the next two years, a continuation of the positive outlook indicated in 2024. However, organizations still face significant barriers to financial sustainability and will need to take a disciplined, multifaceted approach to realize margin improvement.

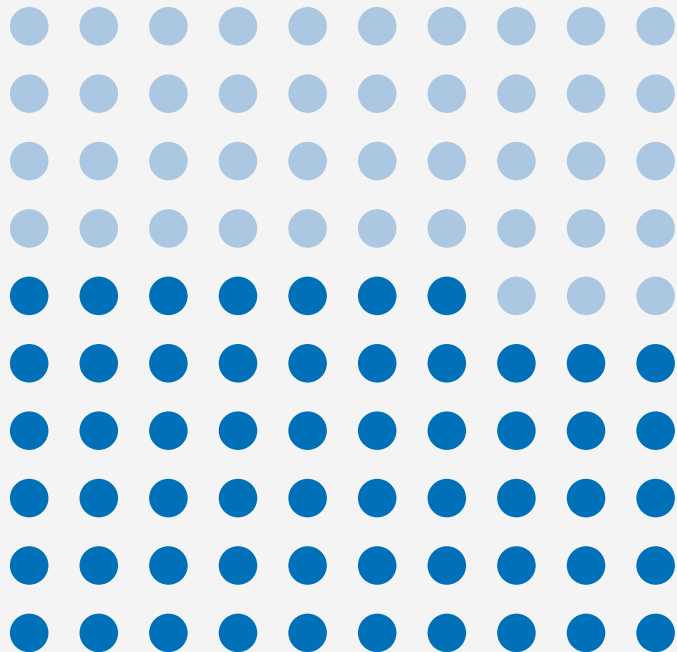
In 2025, executives rank high labor expenses as the biggest challenge to financial sustainability, as changes to reimbursement rates continue to lag behind growing labor costs and organizations look to hire additional clinicians to support organic growth. Other frequently noted challenges include the payor mix and potential decreasing reimbursement, as well as capital requirements for investments to maintain and improve operations and infrastructure.

Faced with these financial challenges, executives are prioritizing operational efficiency over the next two years. One crucial focus area will be improving labor productivity. Only 42% of respondents are confident that workforce productivity contributes to their organization’s financial success. Implementing a productivity management program across departments and levels of the organization can help leaders make staffing decisions that improve performance. In addition, organizations have opportunities to improve the balance of performance, throughput, and patient outcomes to align labor, resources, and care systems with patient needs.

Healthcare organizations will also need to manage non-labor costs in their efforts to improve efficiency and margins. Categories of greatest concern to executives include employee benefits (51%), information technology (47%), and supplies and medical devices (42%). Using a data-driven approach that engages internal stakeholders and external vendors, organizations can identify opportunities to renegotiate contracts and generate return on investment while mitigating change fatigue.

Biggest challenges to achieving financial sustainability:





57%

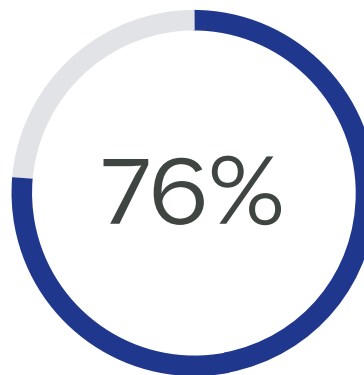
of executives rank operational efficiency in their top three priorities for the next two years.

Excellence in revenue cycle is another critical focus area to maintain financial discipline. Approximately half of respondents rate their revenue cycle function as strong or very strong, but even high-functioning organizations must strive for improvement as payor policies and practices evolve and put pressure on providers.

The most concerning aspects of the revenue cycle for executives are denials management (76%), patient collections (61%), and charge capture (51%). To more effectively monitor, manage, and prevent denials, organizations are devoting resources to technology and outsourced solutions.

To navigate the sensitive issue of patient collections with compassion, organizations will need to develop a patient liability strategy that includes tailored training for staff, transparency and communication to help improve patient satisfaction, and clear processes to realize revenue and reduce bad debts.

To help address charge capture challenges, 63% of executives report their organization has a revenue integrity program. These programs help align clinical and non-clinical functions through an approach that encompasses charge description master accuracy, price strategy, rate and payment negotiation, utilization review, case management, and clinical documentation integrity.



Denials management is one of the most concerning aspects of the revenue cycle, noted by 76% of respondents.

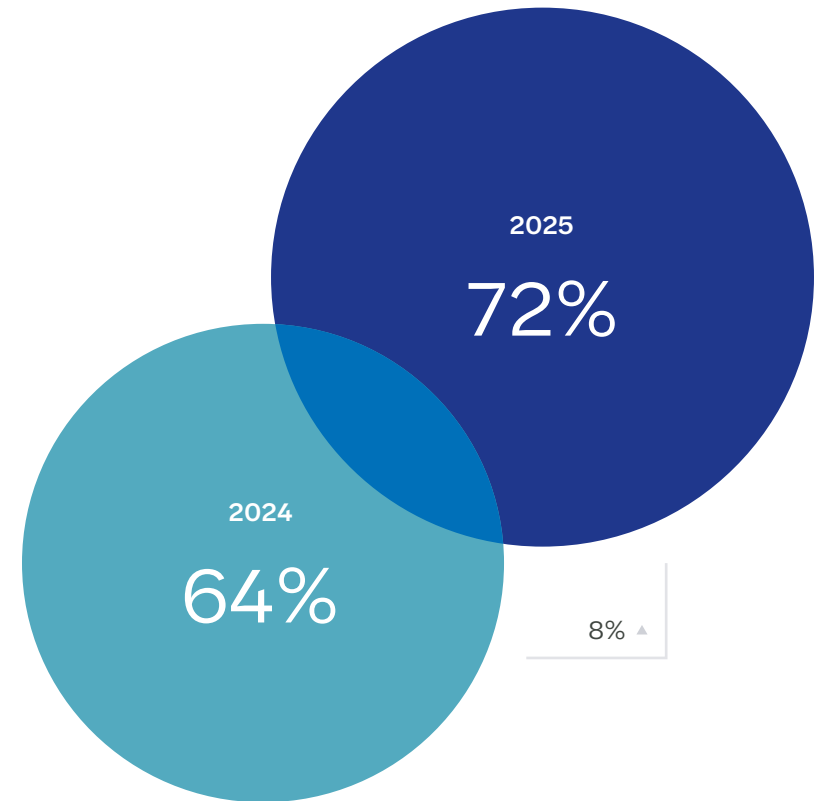
Regulatory Excellence

Key Themes

Anticipated regulatory and reimbursement restructuring ranks as the most concerning market dynamic among healthcare executives in 2025. Facing the rapid pace of potential policy changes under the new presidential administration, 45% of respondents say new reimbursement regulations are disruptive to their organization. At the same time, a growing number of executives are approaching reimbursement as a strategic function of their organization. Healthcare organizations appear to recognize that sustaining regulatory excellence is necessary to maintain financial discipline, remain strategically agile, and pursue aligned growth opportunities as the regulatory environment evolves.

Value-based care (VBC) is one area that offers opportunity for strategic improvement. Nearly 56% of respondents believe it is important to engage in more VBC arrangements, and overall, respondents expect a greater percentage of third-party reimbursement to flow through risk-based arrangements over the next five years. However, many organizations are not fully prepared for this transition based on their current operating model and operational risk tolerance.

As CMS continues to experiment with new VBC models—such as the Transforming Episode Accountability Model (TEAM) set to take effect in January 2026—organizations will need to evaluate their capabilities and risk tolerance to reduce disruption and prepare for success.



A growing number of executives are approaching reimbursement as a strategic function of their organization.

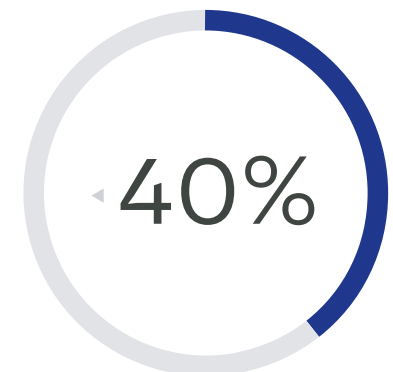
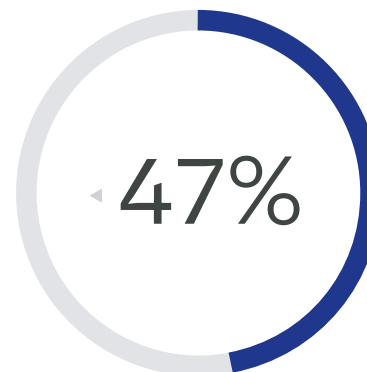
One potential obstacle to regulatory excellence is the lack of adequate future talent. Nearly three-quarters of respondents are unsure of or lack confidence in the pipeline of next-generation reimbursement staff and leadership. As a result, respondents expect their organizations to outsource more strategic reimbursement work over the next five years.

Frequently stated reasons for seeking external support include the growing complexity of the reimbursement and regulatory environment (83%), the need to realize all allowable reimbursement opportunities (54%), and the lack of qualified staff (46%). Whether organizations focus on succession planning and fortifying their existing talent pool or utilize third-party reimbursement support, experienced subject matter experts will be necessary to maintain regulatory excellence in an increasingly complex landscape.

72%

of respondents are unsure of or lack confidence in the pipeline of next-generation reimbursement staff and leadership.

Less than 47% of respondents believe their current operating model and capabilities align with their VBC aspirations, and less than 40% believe their organization's risk tolerance aligns with their VBC goals.



Strategic Agility

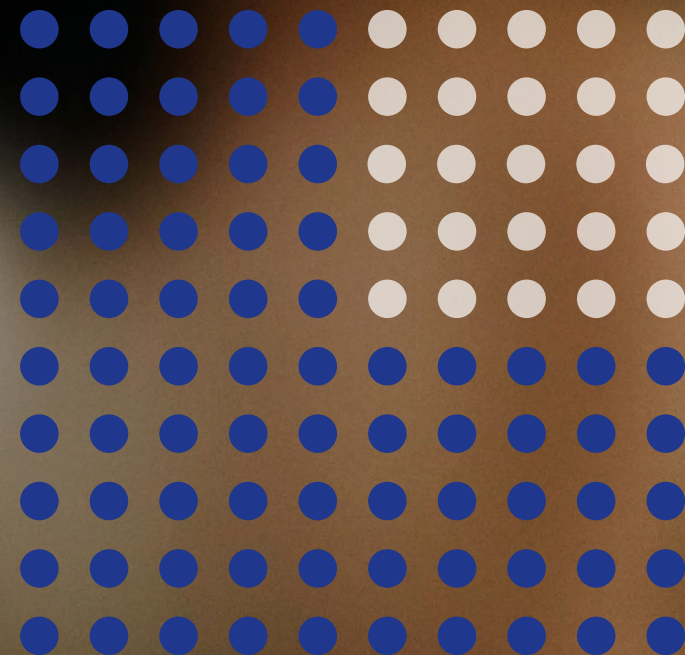
Key Themes

In 2025, 75% of executives report revisiting their enterprise strategic plan at least once every two to three years, reinforcing similar numbers from 2024. The rapid pace of change in the healthcare market and regulatory environment continues to require a more agile approach to strategic planning.

Respondents in 2025 indicate slight improvement in executing their strategic plans, with 62% saying their organization met at least half of its stated objectives, up from 57% in 2024. However, nearly one-third of executives still report meeting less than half of their objectives, indicating significant opportunities for improvement.

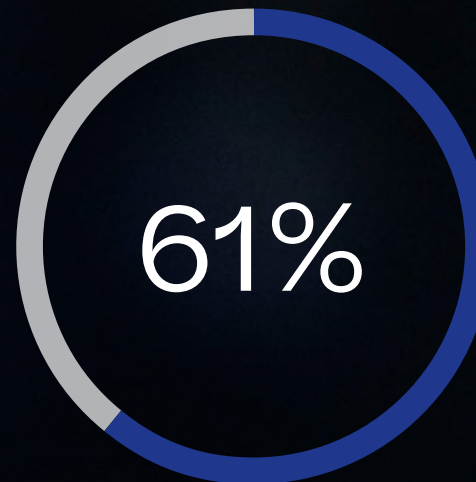
The disconnect between strategic planning and execution may be related in part to the lack of time dedicated to strategy. Nearly 40% of respondents say they spend less than 10 hours per month on strategic planning, and this number is fairly consistent across all C-suite functions. While healthcare executives must balance their time among many responsibilities, integrating focus time for strategic planning in their daily and weekly routines can contribute to more successful execution.

Other obstacles to execution include the strategic plan's day-to-day relevance and alignment with the organization's operating model. Strategically focused organizations understand the importance of integrating their strategic plan into operating processes, while those that have fallen short of their objectives will need to align their strategies with operational realities to drive sustained performance and success.

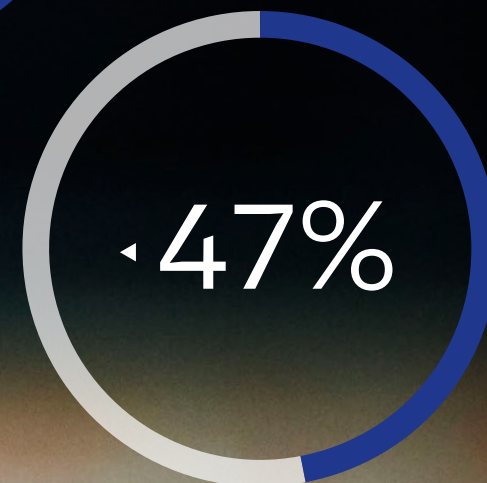


75%

of executives report revisiting their enterprise strategic plan at least once every two to three years.



Only 61% of respondents say their strategic plan is relevant or extremely relevant to routine decision making, and less than 47% say their operating model supports strategy development and allows for disciplined execution.



Talent Optimization

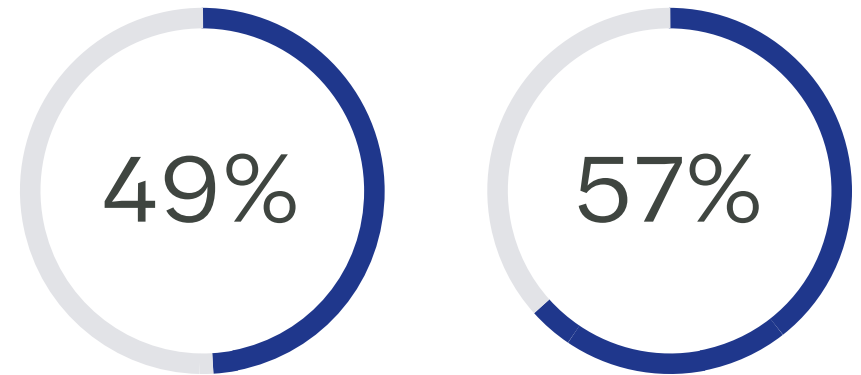
Key Themes

Executives continue to report that talent and workforce challenges are one of the most concerning dynamics in the market, creating barriers to financial sustainability, growth, and achievement of strategic objectives.

These challenges rank as the second most pressing concern among all respondents and the most pressing concern among respondents from physician group practices, senior living, and post-acute care providers. Respondents across the care continuum recognize the importance of addressing these concerns, ranking talent optimization as a top priority for both the short and long term.

As they work toward talent optimization, organizations will contend with challenges including turnover, burnout, scarcity, and engagement. Nearly 44% of respondents report significant levels of change fatigue at their organization, which likely contributes to burnout and turnover. In addition, many executives feel their organization's current staffing levels fail to meet operational needs or the needs of their patients.

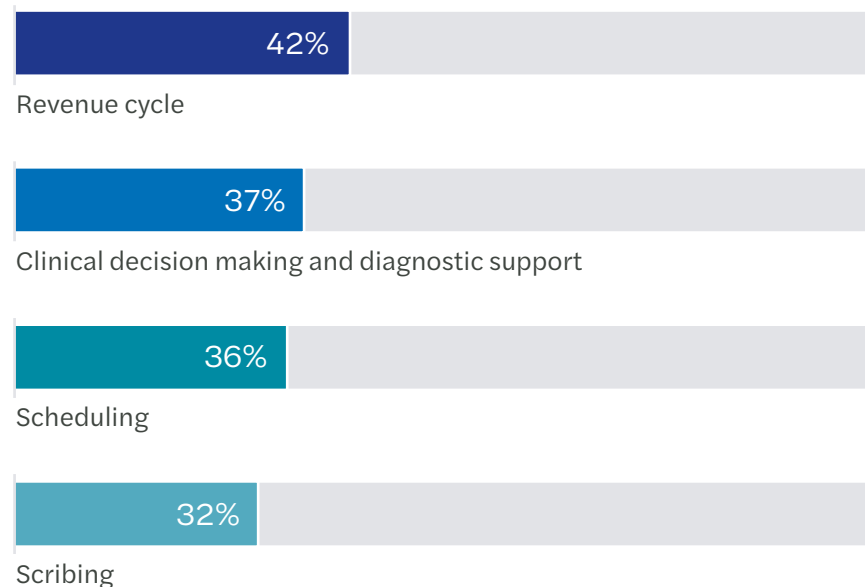
Organizations will need to pursue creative solutions to optimize talent while maintaining financial discipline. For example, only 20% of executives say their workforce is very aligned with the organization's care delivery model, indicating opportunities for performance improvement to increase productivity, appropriately staff each department, and better meet patient needs. Similarly, only 18% say their workforce is very aligned with the organization's mission and vision. Increasing efforts to educate staff and hire for culture can lead to better alignment and engagement, supporting recruitment and retention and reducing turnover costs.



Less than half of respondents feel their current staffing levels meet the organization's operational needs, and more than 57% say patients' needs frequently or always exceed their workforce capacity.

AI is another avenue executives are exploring to support talent optimization. Organizations are investing to embed AI in a variety of areas, but most executives (63%) expect the true impact of AI to be felt in three to five years, suggesting they may prefer to be fast followers rather than early adopters. Organizations will need to carefully manage AI implementation to avoid contributing to change fatigue and help staff understand the benefits for productivity and reducing administrative burden.

Areas where organizations are investing in AI:



Spotlight on Physician Enterprise

Talent and workforce challenges are of heightened relevance when it comes to the physician enterprise.

When asked about the biggest challenges to maintaining, developing, and enhancing their physician workforce, respondents from hospitals, health systems, and physician group practices noted a lack of alignment between reimbursement, operations, and physicians' financial incentives (39%), followed by a lack of qualified candidates (32%). To address these challenges, respondents are focusing on strategic priorities including:

- ✓ Elevating provider incentives to organizational success factors
- ✓ Improving patient access/provider productivity
- ✓ Integrating and aligning advanced practice providers
- ✓ Increasing strategic alignment with outside stakeholders

Survey Methodology

A team of professionals across the Healthcare Practice at Forvis Mazars developed and curated the survey questions based on extensive experience with healthcare organizations and client feedback during a wide range of engagements.

We engaged the Gerson Lehrman Group (GLG) to collect the responses in February 2025. Participants were selected from GLG’s database through demographic screening questions regarding their role and organization.

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