



Healthcare Market Point of View

Achieving Health

forv/s
mazars

The time is long overdue for the U.S. healthcare system and its key stakeholders to meaningfully shift their orientation to focus on **Achieving Health.**

This means putting the person at the center and allocating the financial resources necessary to support a vibrant health delivery system in every community. It means developing payment and business models that align incentives to reward organizations across the healthcare value chain when they collaborate to achieve better quality and outcomes for individuals and the communities where they live. It means reconfiguring clinical operations to deliver curative and preventive care that is cost-effective, accessible, and integrated to encompass the whole person, including physical, mental, and social needs. Achieving Health also means developing strategic agility, operational efficiency, and healthy margins for healthcare organizations to grow and thrive financially.

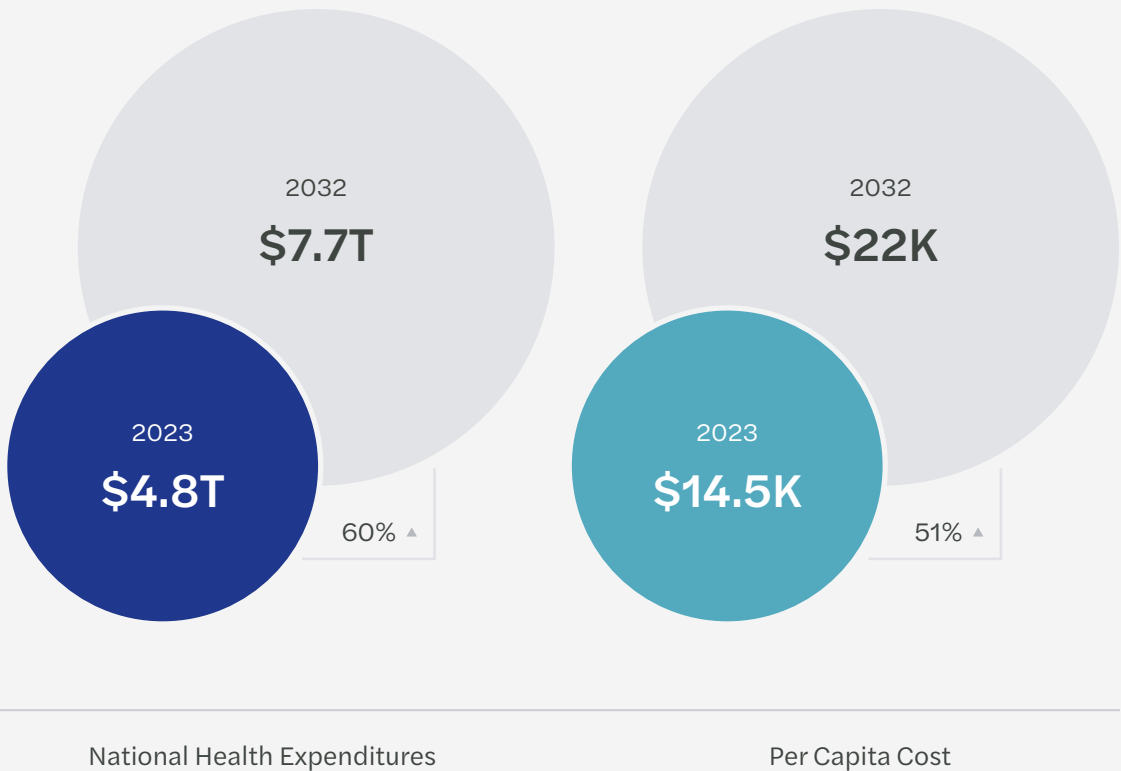
Getting to this point will not be easy. The current healthcare system rewards stakeholders for focusing on activities that impact outcomes but lacks sufficient incentives to encourage collaboration. As a result, it falls short of helping individuals and communities truly Achieve Health. Despite high healthcare spending and per-capita costs projected to rise significantly in the next 10 years under the status quo, healthcare organizations face compressed margins while navigating a complex regulatory environment and shifting public expectations fueled by better access to data and new entrants that offer greater choice.


Achieving Health

Given the depth and breadth of these challenges, we cannot afford to delay a reorientation toward Achieving Health for individuals, communities, and, as a result, healthcare organizations. The potential economic and human costs of waiting are too high, and perpetuating the status quo is not a legacy to which community and healthcare leaders aspire.

Healthcare organizations must act now by committing to collaboration, strategically prioritizing resources for continual improvement, and proactively developing core capabilities that help them navigate the dynamic healthcare environment. Those that do so will better position themselves to Achieve Health by improving competitive advantage, growing their reputation, enhancing partnership opportunities, mitigating risk, increasing access to resources, and ultimately delivering better outcomes—more efficiently—for the individuals and communities they serve.

U.S. Healthcare Spending Projections ¹



A healthcare professional with long brown hair, wearing a white lab coat, is seen from the side, looking towards a young boy. The boy is sitting and looking back at the professional with a slight smile. He is wearing a blue long-sleeved shirt with a green chest panel. The background is a bright, clinical setting with white walls and a doorway.

Redefining Value

A critical aspect of Achieving Health is redefining what it means to increase value for those who rely on our healthcare system.
All stakeholders have an important role to play.

Redefining Value

State and federal policymakers need to create a stable, simplified regulatory environment that rewards employers, individuals, and other purchasers when they receive care from provider networks that deliver higher quality outcomes in a cost-efficient manner. A predictable regulatory environment, with clearly transmitted incentives, will allow providers creating these networks to confidently make necessary investments in infrastructure, staffing, and services that address health-related social needs in the communities they serve.

Commercial and governmental payors have an obligation to set expectations for improving outcomes relevant to the populations they cover, create meaningful economic incentives to reward organizations when they collaborate across the care continuum to develop cost-efficient methods to improve these outcomes, work to improve network access, reduce unnecessary administrative burden for providers and barriers to care for members, and provide funds to address health-related social needs holistically.

Employers must reframe their goals for providing coverage to include a focus on the health of the communities they draw talent from, demand that payors create products that are easy to understand and use, drive volume to providers that deliver high-quality and cost-efficient outcomes, and materially reward covered **individuals and families** who use price and quality data to make informed decisions about their care.

Providers across the care continuum need to collaborate with payors and other stakeholders to create innovative care delivery models that improve access and patient experience, efficiently provide high-quality outcomes, and effectively address whole-person health. Supporting new care delivery models necessary to Achieve Health also requires investing in innovative business models and continually developing and improving the competencies required to execute them.



Improving the health of individuals within our communities should be the collective goal of all stakeholders within the healthcare system. By working together to redefine value and move meaningfully toward improving it, these different actors can reorient their strategies, payment systems, business models, and operations to focus on Achieving Health for individuals and the organizations that care for them.

As a prerequisite for Achieving Health for individuals, communities, and their enterprises, healthcare organizations should develop and continually improve upon **five core capabilities.**





Core Capabilities



They must pursue **aligned growth** to identify investment, integration, and partnership opportunities that help expand the resources and services necessary to achieve their goals.



They require **financial discipline** to generate the margins necessary to thrive by funding investments in infrastructure, services, and talent to deliver high-quality outcomes efficiently.



They should focus on **regulatory excellence** to understand and navigate the constantly evolving environment.



They need **strategic agility** to create and execute innovative, adaptable plans.



Finally, they should engage in **talent optimization** for both clinical and administrative staff to execute care delivery and business models designed to Achieve Health for their organizations and the individuals and communities they serve.

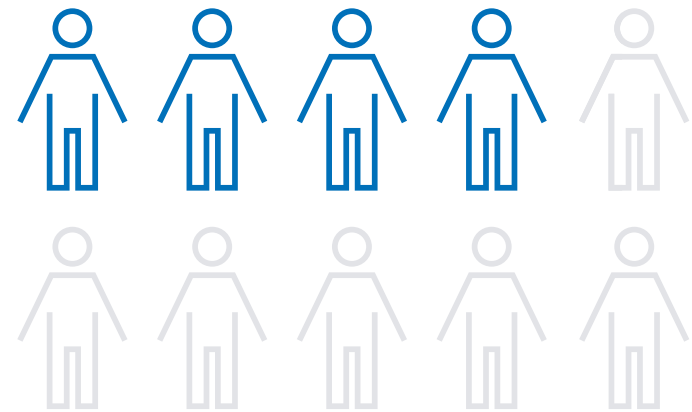
Core Capabilities for Achieving Health Aligned Growth

Definition:

Pursuing strategic investments, integration activity, and partnerships across the healthcare value chain.

Driving long-term organizational performance requires dedication to profitable growth aligned with the organization's strategies for Achieving Health. Capitalizing on present and future growth opportunities helps organizations achieve financial health, enabling reinvestment in talent, technologies, capabilities, and services. In turn, this allows them to meet the evolving needs of individuals and communities by establishing relevant systems of integrated care that efficiently deliver high-quality outcomes by addressing physical, mental, and health-related social needs.

The physician enterprise represents an immediate opportunity to drive aligned growth. While the number of employed and aligned community providers has increased over the last decade², it typically remains an underperforming asset. As care delivery and related business models are reconfigured to Achieve Health, the physician enterprise must be optimized to help ensure it enables this transition instead of impeding it.

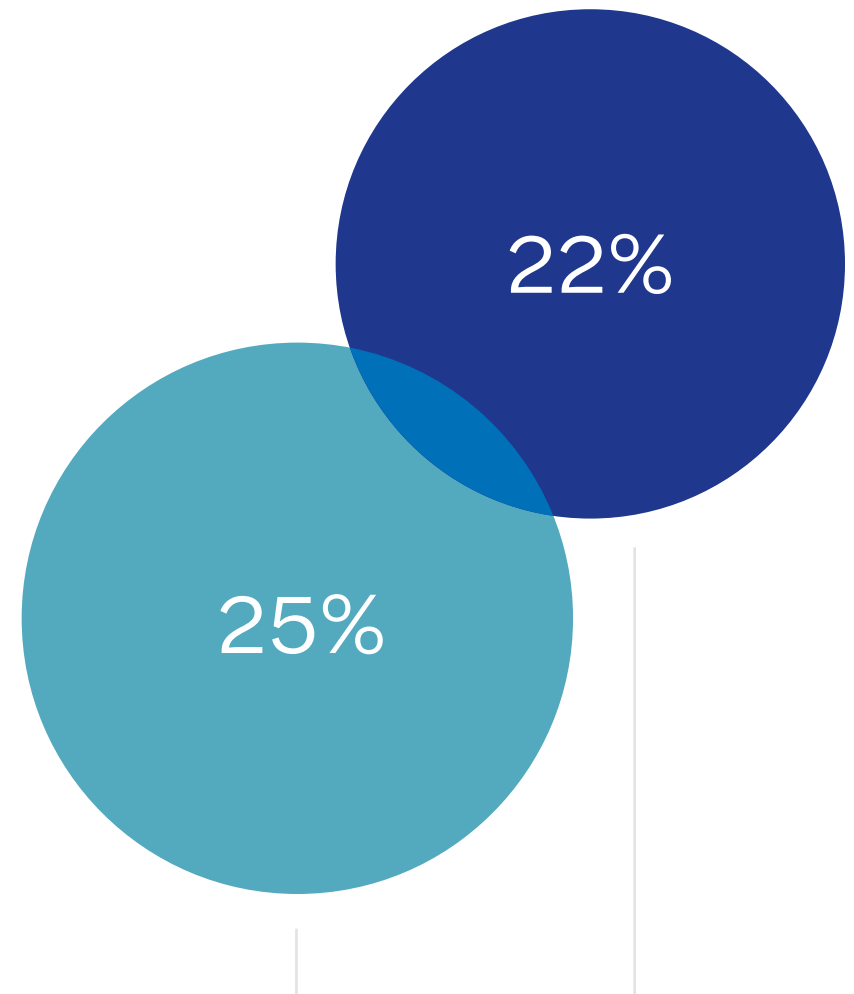


38% of provider executives believe their organization will achieve growth targets over the next two years primarily through inorganic growth.³

Core Capabilities for Achieving Health Aligned Growth

Moving forward, strategic affiliations, alliances, networks, collaborations, partnerships, acquisitions, and mergers can all be fruitful avenues to grow and expand the resources and capabilities necessary to Achieve Health. Organizations must carefully consider cultural fit and the ability to integrate these relationships to create a coherent operating system quickly. When successfully executed, these aligned, growth-focused strategies empower healthcare organizations to innovate and adapt, leading to improved health outcomes and stakeholder satisfaction.

25% of health plan executives' strategy for reinvesting savings leads to consideration of new partnerships or acquisitions. 22% consider investing in a new geography or line of business.⁴



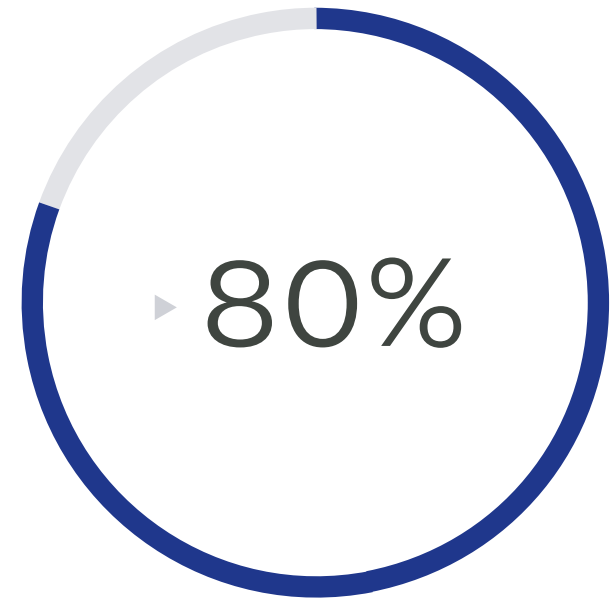
Core Capabilities for Achieving Health Financial Discipline

Definition:

Generating the margins necessary to thrive by securing and maintaining market relevance.

An organization's ability to Achieve Health directly depends on meeting the needs of the individuals and communities it serves by launching innovative service offerings aligned with strategic goals, attracting talent, establishing financial acumen, balancing traditional and nontraditional revenue streams, executing initiatives, and investing in capabilities to carry out its mission now and in the future. This demands consistently strong margins that allow the organization to thrive.

Healthcare organizations will continue to face margin pressure, including wage growth, market consolidation, increasing purchaser expectations, revenue cycle and managed care contracting issues, drug and supply cost inflation, and increased regulatory complexity. In this environment, it is imperative that organizations develop a forward-looking finance function that partners with leadership to strategically allocate capital, create and execute value-based business models, and redesign core operations for improved efficiency.



More than 80% of provider executives rank high labor and non-labor expenses in their top three challenges to achieving financial sustainability.³

Core Capabilities for Achieving Health Financial Discipline

64%

of provider executives expect
their organization's financial
performance to improve
slightly or significantly over
the next two years.³



Core Capabilities for Achieving Health Regulatory Excellence

Definition:

Understanding the rapidly evolving regulatory environment and acting strategically within it.

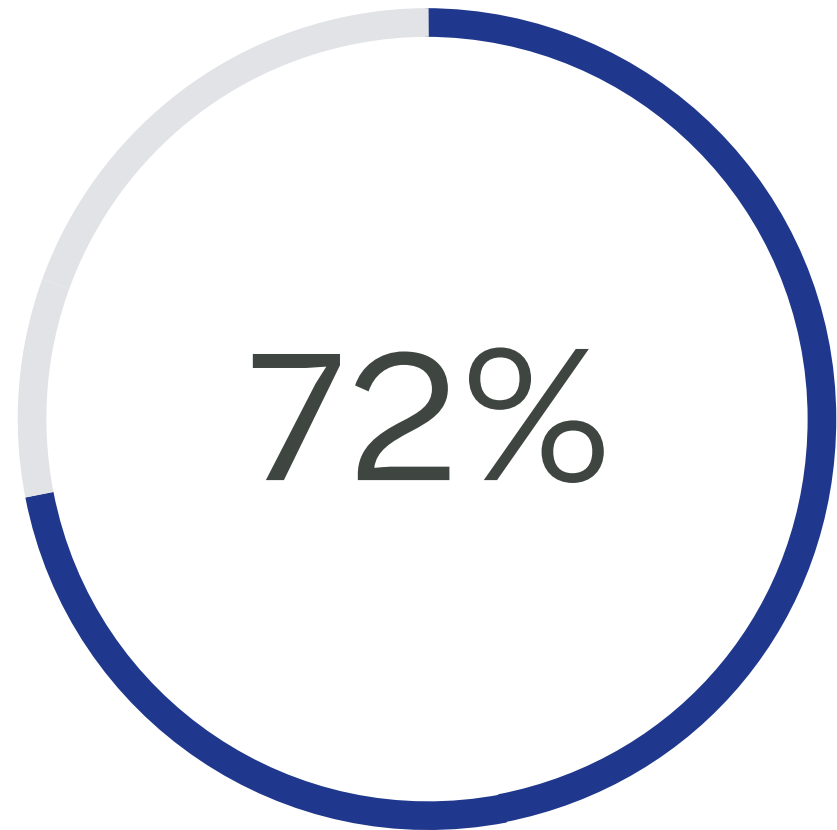
Achieving regulatory excellence begins with a shared commitment to delivering cost-effective, high-quality outcomes and exceptional customer experience while adhering to stringent regulations designed to ensure the appropriate use of tax dollars and the protection of patient safety and privacy.

The regulatory and reimbursement role should be approached as a strategic function instead of a compliance chore. Its task includes identifying opportunities to create innovative business models that support the thriving margins necessary to Achieve Health for the organization and the individuals and communities served. To accomplish this, the regulatory and reimbursement function needs to stay abreast of the ever-changing regulatory landscape; partner with finance, administration, IT, compliance, and clinical teams to validate and execute opportunities; maintain a robust compliance framework that establishes clear policies, procedures, and standards; and foster a culture of accountability, transparency, and communication across the entire organization.



Only 1 in 3 health plan executives are nearly or fully prepared for upcoming regulatory requirements.⁵

Core Capabilities for Achieving Health Regulatory Excellence



72% of provider executives qualify their approach to reimbursement as a strategic function of the organization.³

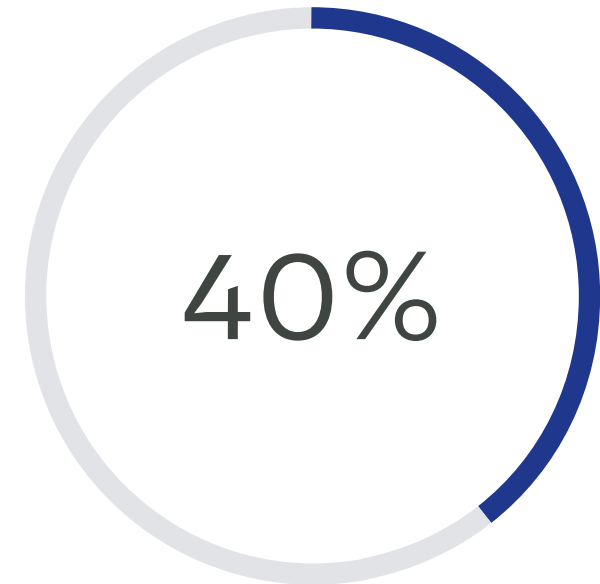
Core Capabilities for Achieving Health Strategic Agility

Definition:

Calibrating strategic direction as conditions demand and opportunities present.

Simply having a set of priorities is not enough. Achieving Health for organizations and the individuals they serve requires an intentional road map that leadership continually re-examines and recalibrates based on regulatory and market changes that impact the ability to execute it.

The tyranny of the urgent—when daily operations consume energy and focus to the detriment of long-term goals—frequently detracts from leaders' ability to move the organization forward and adapt to the changes around them. Organizations that dedicate regular time to strategy development and re-evaluation can better ensure that activities and investments remain aligned with their goals and objectives, while less agile competitors are bogged down waiting for perfect market clarity. Leaders should ensure that stakeholders at all levels of the organization are engaged in the strategy process from inception to completion and that local leaders are empowered to act in alignment with strategic plans based on a clearly articulated decision-making process and measures of success.

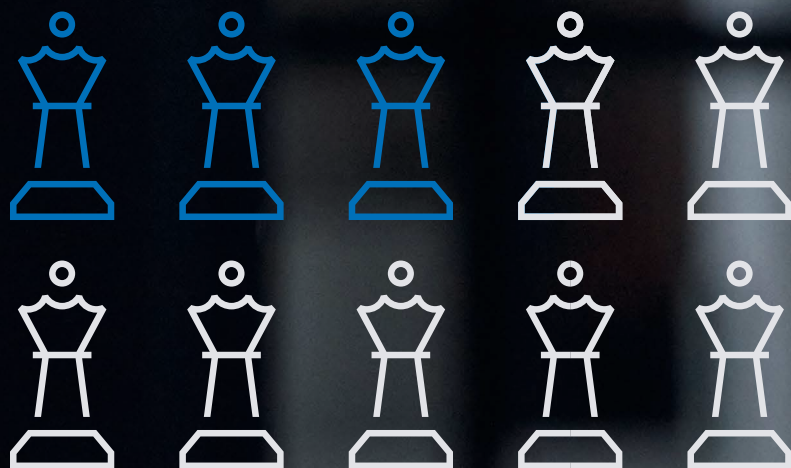


40% of provider executives dedicate less than 10 hours each month to strategic planning activities.³

Core Capabilities for Achieving Health Strategic Agility

33%

of provider executives reported achieving less than half of their strategic plans' stated objectives.³



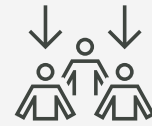
Core Capabilities for Achieving Health Talent Optimization

Definition:

Building exceptional teams and equipping them to succeed in executing mission-aligned business and care delivery models.

Quality talent across the organization is essential to executing integrated, team-based care delivery models that Achieve Health. Therefore, focusing on talent optimization to combat the risk posed by clinical, administrative, and leadership talent shortages is a priority for healthcare organizations.

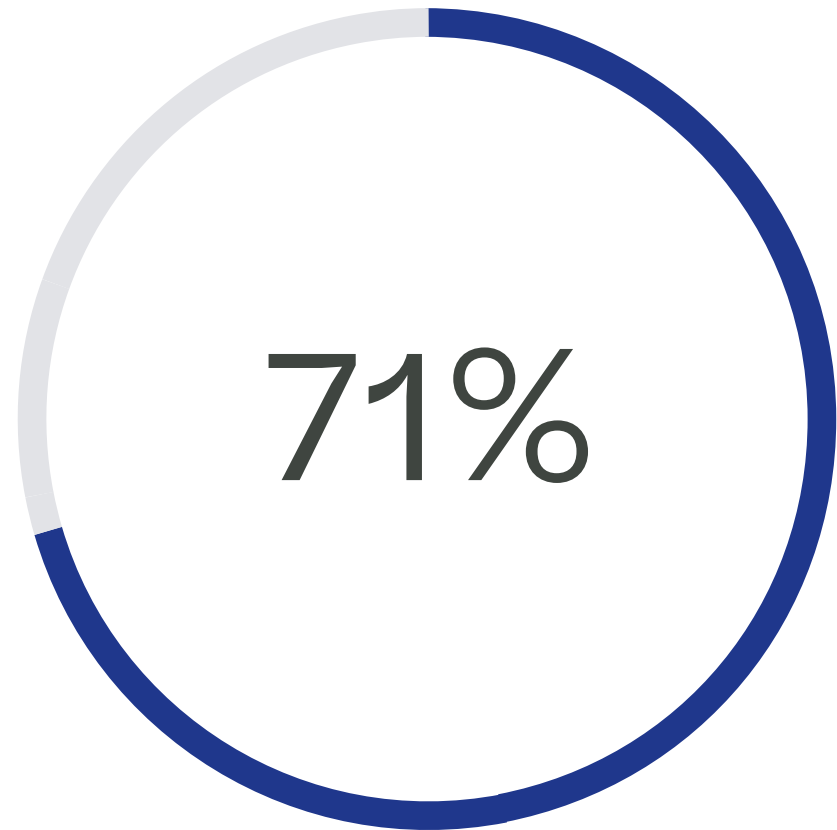
First, they should aggressively pursue opportunities to use artificial intelligence (AI) and other tools to automate administrative and clinical tasks while maintaining appropriate human oversight. Second, they need to execute strategies to become an employer of choice for each talent segment in their communities by optimizing the total rewards package, providing whole-person support, creating options for lifestyle flexibility, and maintaining a strong practice platform and support functions. Finally, they must continually develop high-potential leaders at each level of the enterprise to support effective localized decision making and facilitate succession planning to help secure the organization's future.



44%

of health plan executives report that retaining a skilled workforce is a top challenge facing their organization.⁵

Core Capabilities for Achieving Health Talent Optimization



71% of provider executives rank talent and workforce challenges as one of their top three immediate market concerns.³

The Time Is Now

Achieving Health is a goal that requires healthcare stakeholders to **break through the status quo and reorient toward a better future.**

The current trajectory is untenable based on the cost of providing care, the margins necessary for healthcare organizations to thrive, and, most importantly, the health of individuals and communities across the U.S. However, there is a better path forward. The time is now for all healthcare stakeholders to work together to create payment, business, and care delivery models that put the person at the center and reward organizations that achieve better outcomes and address a community's health-related needs—physical, mental, and social. By developing and continually improving upon the five core capabilities discussed above, healthcare organizations will position themselves not only to succeed, but also to be an integral part of a healthcare system that Achieves Health for the people it serves.





Listen to the “Achieving Health” podcast from Forvis Mazars. New episodes release the first and third Wednesday of each month on your favorite podcast platform.

Contacts

Brad Brotherton

Partner, Healthcare National Industry Leader
Forvis Mazars
brad.brotherton@us.forvismazars.com

Kevin Locke

Managing Principal, Healthcare Consulting
Forvis Mazars
kevin.locke@us.forvismazars.com

Chris Masone

Principal, Healthcare Consulting Market Segment Leader
Forvis Mazars
chris.masone@us.forvismazars.com

Contributing Authors

Jeff Allen

Brad Brotherton

Mike Engle

Sarah Hereford

Kevin Locke

Chris Masone

Chad Mulvany

Andy Page

Laura Peth

Joe Watt

Sources:

¹ “National Health Expenditure Data – Projected,” CMS, 2024.

² “Updated Report: Hospital and Corporate Acquisition of Physician Practices and Physician Employment 2019-2023,” Physicians Advocacy Institute, April 2024.

³ “Mindsets 2025 Healthcare Executive Leadership Report,” Forvis Mazars, 2025.

⁴ “HealthEdge® Annual Payer Market Report,” Health Edge, 2024.

⁵ “HealthEdge® Annual Payer Market Planning Report,” Health Edge, 2025.

© 2025 Forvis Mazars, LLP. All rights reserved.

forvismazars.us

2221083-06.25

forv/s
mazars