

Together, we can do better.

Over 40 leading healthcare CEOs convened at the 2024 Cedar CEO Council to reimagine the future of healthcare. The overwhelming consensus was that it's time to shift from a strategy of recovery to one of growth as we emerge from the past few trying years for healthcare providers. As history has shown us, periods of crisis are often followed by periods of opportunity for innovative leaders willing to challenge the status quo.

Missed this year's retreat? Read on for a summary of key takeaways.



*Clockwise from left:
David Beasley, Former
Governor of South Carolina*

*Susan Monarez, Deputy
Director of ARPA-H*

*Keynote Speaker and
two-time Pulitzer Prize
winner Nicholas Kristof*

TAKEAWAY #1

Health systems must develop strategies to address rising patient responsibility

We're at an inflection point in healthcare, where converging macroeconomic factors like the rapid rise of high deductible health plans and ongoing Medicaid redeterminations are leading to a dramatic increase in patient responsibility. Patient payments now account for up to a third of provider revenue, the fastest-growing payer segment for the vast majority of provider organizations.¹

When patient responsibility accounted for 1%, 2% or even 5% of hospital revenue, it was tolerable for health systems to deprioritize patient engagement, write off bad debt or implement expensive and inefficient cost-to-collect methods. However, as these numbers rise to 10%, 15% or 20%—cracks start to turn into canyons.

Despite this rapid rise in patient responsibility, many health systems have been slow to adopt consumer-centric solutions to better engage this growing payer segment. Patients are left navigating multiple touchpoints from just one healthcare encounter—caught in the middle of a disjointed and frustrating experience. This fundamental misalignment leads to a missed opportunity to improve both financial performance for providers and health outcomes for patients.



Bruce Meyer, Executive Vice President and Market President for Western Pennsylvania, Highmark Health

How one system is creating a holistic patient experience to address this changing market dynamic

Bruce Meyer, Highmark Health's Market President for Western Pennsylvania, shared how together with Allegheny Health Network, they are pioneering a new connected future for financial health. Their Living Health strategy connects payers, providers, technology innovators and community organizations to build a health ecosystem that works better for everyone.

Looking beyond the traditional structure of its EHR, Highmark Health has been able to successfully address the specific needs of its patient population. They recently launched an extensive digital Health Risk Assessment to better understand and serve its members who are at high risk for chronic conditions. Highmark Health also organizes numerous programs outside the four walls of the hospital to support those struggling to access care, in need of food assistance or require help transitioning from incarceration to the local community.

Additionally, the two organizations have made it easier for consumers to pay for care, combining information from both the payer and the provider for one streamlined billing experience. To date, Allegheny Health Network has seen a \$17M increase in patient payments, a 33% increase in HSA/FSA utilization and 90% patient satisfaction as a result.²



CEO
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SAVE THE DATE

Join us in Napa Valley at
Stanly Ranch, Auberge Resorts Collection
for the 2025 Cedar CEO Council

February 24–26, 2025

¹ <https://www.forbes.com/sites/allbusiness/2017/06/28/what-we-can-all-do-about-rising-healthcare-costs/?sh=447a54142137>

² https://5672097.fs1.hubspotusercontent-na1.net/hubsfs/5672097/2023%20AHN%20Highmark%20Case%20Study/AHNHighmark_Case_Study.pdf





From left: David Beasley, Former Governor of South Carolina • Florian Otto, Co-founder and CEO, Cedar • Peter Orszag, CEO, Lazard • Dr. Omar Lateef, President and CEO, RUSH

TAKEAWAY #2

To build these strategies, CEOs must lead courageously—identifying growth opportunities and overcoming internal resistance

Delegating system-wide problems—like the affordability crisis in healthcare and rising patient responsibility—will often lead to one-off fixes that do not address the underlying issues impacting healthcare organizations today.

To drive meaningful change, CEOs will need to recognize that they are the only leader in the position to truly make strategic growth initiatives a priority for their organizations.

David Beasley, the former Governor of South Carolina, urged CEOs to approach challenges implementing these strategies with with a different mindset.

“Even if the way forward seems like a massive undertaking, what is going to have the most impact? First, you have to do the right thing. And, you must do the right thing, at the right time, to make the most impact.”

David Beasley
Former Governor of South Carolina

Peter Orszag, CEO of Lazard, challenged attendees to look at growth through a different lens. The answer is not in gigantic leaps forward or traditional strategies that healthcare CEOs once used to lean on, he said—rather, it is the incremental growth year over year that will make a difference.

TAKEAWAY #3

Improving the patient financial experience can generate immediate gains while propelling long-term transformation

Addressing the patient financial experience enables healthcare leaders to manage rising patient responsibility while also improving the overall patient experience. It is a key opportunity for CEOs to drive high-impact change within their organizations.

Unlike more complex transformation initiatives, evaluating, measuring and benchmarking patient collections and the financial experience has a relatively low barrier to entry. By prioritizing these initiatives CEOs can drive immediate financial improvement for their organizations while beginning to build the internal mechanisms necessary for long-term transformation.

Dr. Omar Lateef, President and CEO of RUSH, acknowledged that CEOs are in a unique position to drive transformational change. It’s not that healthcare organizations don’t want to make changes for the better, he explained, but it’s just as important to get buy-in for those changes. Dr. Lateef challenged attendees to ask themselves: how are you showing that the initiatives you are focused on are poised to make an immediate impact for your patients and the organization as a whole? Ultimately, he argued that the most impact will come from understanding how to position change within existing organizational priorities. This will lead to broader, long-term transformation.



TAKEAWAY #4:

Technology can unlock new growth opportunities while improving access and equity

Americans are struggling to afford rising healthcare costs, and these costs will only increase if existing barriers and access challenges are not addressed. A 2022 Deloitte study found that health inequities account for approximately \$320 billion in annual healthcare spending, signaling an unsustainable crisis for the industry.³

How can healthcare CEOs address affordability and access to healthcare? Technology is the key to unlocking solutions to these problems at scale.

“Affordability initiatives are moral imperatives driven by business. By leveraging technology properly, you can simultaneously further business objectives and finances.”

Kulleni Gebreyes
U.S. Chief Health Equity Officer, Deloitte Consulting LLP



From left: Bill Gassen, President and CEO, Sanford Health • David Lubarsky, Vice Chancellor, Human Health Sciences and CEO, UC Davis Health • Kulleni Gebreyes, U.S. Chief Health Equity Officer, Deloitte Consulting LLP • Prabhjot Singh, Senior Advisor, Strategic Initiatives, Peterson Health Technology Institute



William Kenley, CEO, AnMed

How one health system is leveraging technology to improve access and affordability

On top of rising costs, the ongoing Medicaid redeterminations are making healthcare increasingly unaffordable and inaccessible for many patients. William Kenley, CEO of AnMed, shared how the health system is nimbly pioneering new models to engage with patients, embracing risks and integrating technology to positively impact community health outcomes.

Through these programs, AnMed has been successful in increasing insurance coverage for its patients, improving access to care and decreasing costs for the health system. As a result, they have successfully decreased their no-show rate by 11% while maintaining 94% patient satisfaction.⁴

Building a more resilient healthcare future

Leaders have to challenge the status quo. 2024 is the year we move from crisis to confidence, but only for those who seize the opportunity of the moment.

Missed this year's retreat? Save the date for the 2025 Cedar CEO Council - February 24-26, 2025.

³ <https://www2.deloitte.com/us/en/insights/industry/health-care/economic-cost-of-health-disparities.html>
⁴ <https://www.cedar.com/anmed-casestudy/>

