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Innovation and Resilience: Key Themes Shaping Not-for-Profit Healthcare - J.P.Morgan

How are health systems navigating evolving challenges in the not-for-profit healthcare sector? Find out.

The not-for-profit healthcare landscape is rapidly changing. To stay relevant, health systems are demonstrating innovation and resilience in the face of evolving challenges, with many focusing on their core identities, community impact, technological advancements and operational efficiency.

At the recent [43rd annual J.P. Morgan Healthcare Conference](#), presenters from some of the largest integrated providers in the U.S. shared their strategies and visions for the future of the industry, emphasizing their commitment to delivering consumer-centric, high-quality care. Read on to discover some of the key themes shaping not-for-profit healthcare in 2025 and beyond.

1. National scale and influence with regional relevance

Achieving scale has long been a common theme for health systems as size can be a determinant of performance. Scale also equates to national influence, leading to opportunities to partner with large, innovative companies, as well as creating healthier balance sheets for further investments.

Increasingly, the importance of achieving the right kind of scale is taking centerstage, with systems focused on investing in growth markets and making difficult decisions to rightsize their portfolios. Market expansion and divestiture strategies now revolve around the primary goal of becoming better, not just bigger.

2. Consumerism is an unstoppable force

Health systems have been shifting toward consumer-centric care models that prioritize the patient experience and convenience for some time now, such as by offering more outpatient and virtual care options. Some providers are highlighting the importance of personalization and exploring how data will transform the future, while others are seeking to stay aligned with an aging consumer base. Overall, it is clear that consumer advances will accelerate with AI.

3. Partnership and collaborations: Solutions perform better at scale

Today, collaborations with health systems, academic institutions and other players across the continuum of care are more prevalent than ever. Partnerships are aimed at enhancing service offerings, sharing resources and driving innovation, and they are expected to increase as healthcare organizations look for ways to gain value out of scale without full asset mergers.

4. The transformative power of AI

When it comes to AI, health systems are moving from implementation to seeing real returns on tech-enabled scalability. Many providers are focused on integrating technology to enhance patient care

and operational efficiency. Some have managed to reduce administrative work by up to four hours a day, while others have freed up capacity for more patients without needing new investments in facilities. Overall, the utilization of AI is expected to increase exponentially across the industry over the next several years.

5. Financial resiliency and operational rigor

Health systems are emphasizing financial stability through strategic investments, cost management and capital allocation, resulting in improved margins and recurring synergies. Overall, the industry has seen an improvement in operations, but there continues to be haves and have-nots, with performance being influenced by market relevance, geography and size.

J.P.Morgan

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