

A Look at the Top Operations Challenges for Hospital Executives

By David Sciarrino, Healthcare Lead for InSite

No one knows what the future will bring, but our experience supporting operations teams in hospitals and health systems across the country has taught us that operations challenges tend to run in cycles. Here's where we see executive teams across health systems in the United States focusing their efforts now.



Challenge: Shrinking profits due to reduced state and federal reimbursements

A problem mainly affecting the c-suite, the reliability of state and federal reimbursements may get called into question in the upcoming year. This will have massive implications on operations budgets, as teams up and down the balance sheet are asked to tighten belts while behemoth organizations figure out how to do more with less.

Suggested action: Start exploring ways to create more budget without capital investments now. Energy efficiency programs are often overlooked opportunities, but when done right, they actually open the purse strings by creating a virtuous cycle of finding and fixing problems that are costing a lot of money. Find a partner who can extract value quickly by identifying Energy Conservation Measures (ECMs) to unlock dollars that fund incremental program expansions.

Challenge: Forecasting amidst fluctuating operational costs

Labor rates and energy costs have been fluctuating at such unpredictable rates this year. That's likely to continue into 2025. Add onto that the fact that deferred maintenance backlogs never seem to get smaller while preventive maintenance programs continue to leave more questions than answers and you've got a forecasting nightmare.

Suggested action: Fortunately, there are ways to offset the variability in energy costs. Explore new energy procurement options in every open energy market where you operate. Get connected to a live data feed of all your energy consuming equipment quickly. Have your operations teams work with experts to analyze performance data and implement energy conservation measures that reduce costs and extend the life of critical equipment.

Challenge: Planning and prioritizing capital projects without data

There is no shortage of documentation in hospitals and health systems, but documentation is not the same as data. Without data, or a real-time connection to live operational metrics to be used for analysis by humans and machines, capital planning is cumbersome at best. With continued scrutiny around approval of capital projects expected in 2025, incorporating a data program will benefit executive teams by making it possible to evaluate existing conditions alongside future plans.

Suggested action: Begin connecting real-time, operational data across systems now. Ensure asset management systems are aware of building management systems, and energy management systems inform information management systems. Siloes make questions more difficult to answer.

Challenge: Compliance and patient safety risks due to unplanned equipment downtime

Catastrophic failures never happen at a convenient time. But so much more than install date is needed to adequately manage an asset. Hospital equipment is aging and 2025 will see a continuance of the trend in rising capital for upgrades and retrofits.

Suggested action: Get ahead of the failure with continuous monitoring of real-time operational data. When you know how an asset is operating, you can predict its failure and better plan for its replacement.

About InSite

David Sciarrino is the Healthcare Solutions Lead for InSite. Founded in 2013, [InSite](https://insiteintelligence.com) is a leading solution partner for optimization in buildings, extracting value from data to engineer meaningful outcomes for its clients. We deliver financial and operational impact by harnessing our team's expertise in engineering and building performance optimization.

Our Engineered for Results approach combines an intelligence platform that collects and analyzes data for single buildings and entire portfolios with our program management teams who transform data into prescriptive recommendations.