



This research provides an in-depth look into the role of the health system Chief Financial Officer (CFO) within health systems, highlighting key trends, challenges, and opportunities that CFOs are navigating, offering industry executives a nuanced understanding of the CFO persona. Through comprehensive analysis, we highlight the critical issues CFOs are focused on, provide an audit of CFO profiles, and detail CFO executive priorities survey results.

What CFOs Are Working on Right Now

Playing Catch-Up with Payers

By drawing a harder line on Medicare Advantage, CFOs are gaining negotiating power—and in some cases, preparing to walk away as a last resort. Strategic partnerships in ambulatory investments are helping health systems reduce denial rates for specific procedures by aligning care delivery with payer expectations.

Moving from 'Pilot' to 'Scaled' on AI

CFOs are evaluating both soft and hard ROI when scaling AI. Soft ROI includes improved retention and recruitment over time, while hard ROI is assessed at the transition from pilot to scaled deployment—shifting from “Innovation” to “Business” mode. To move AI implementation forward, executives must secure provider buy-in by emphasizing reductions in care team burden and demonstrating success through pilot program outcomes.

Prepping for a world with site-neutrality

CFOs are now being tasked with forecasting the potential risks of site-neutrality policies. They are being advised to conduct analyses to understand how their health systems would be affected in a world where site-neutral payment models are implemented.

Creating consensus around cybersecurity strategies

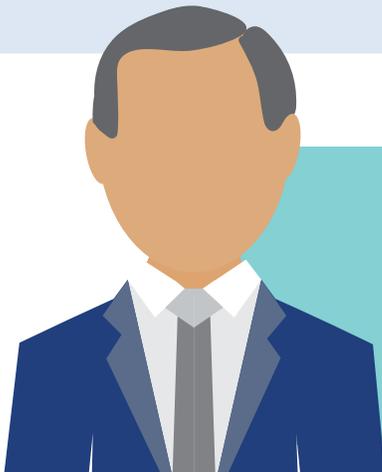
CFOs are sharing best practices for mitigating cyberthreats, including appropriate levels of spending and vendor engagement strategies. Multi-vendor approaches are gaining traction as organizations seek to diversify risk and strengthen system resilience.

Key Quotes

“In rev cycle, people are overworked and underpaid. There’s a fine balance to implementing technology that improves efficiency, and how you position that to them. They’re worried about their jobs.”

“Five or seven years ago talking about the shift into ambulatory care was more of a crystal ball exercise, now it’s more of a diagnosis of what’s happened.”

“Everything that we can quantify we quantify, and all the soft returns are icing on the cake.”



Get to Know the CFO Persona

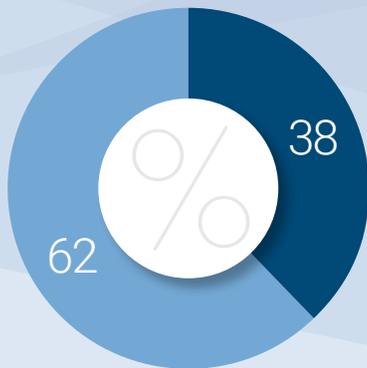
CFO in Brief

Serving as the senior-most finance leader in a health system, the CFO is responsible for overseeing budgeting, managing assets and resources, and ensuring long-term financial sustainability. CFOs typically report directly to the CEO and play a critical role in aligning financial strategy with system-wide priorities.



Audit of Leading Health System CFO Profiles

Where are CFOs Hired From?



- Internal to the health system
- External - from other health system

CFOs Prior Roles

65.5%

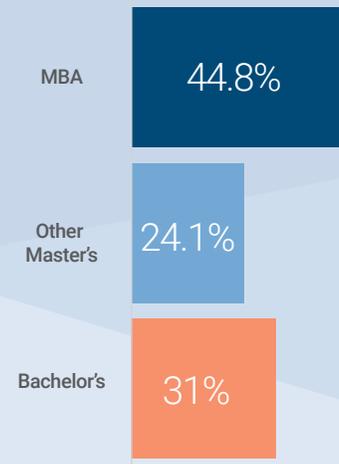
Percentage of CFOs whose prior role was VP Finance or Regional CFO

Time in Seat

4.2 years

Average years in role

What Education Do CFOs Have?



Obstacles and Investment Decision Drivers

Pain Points That May Impact Strategy Execution

- ✓ Advancing CFO affordability goals while dealing with economic headwinds (e.g., high inflation rates, supply chain issues)
- ✓ Balancing short-term margin constraints, caused by increased expenses like labor costs, with the need to invest to grow and transform the business
- ✓ Building and supporting business models across fee-for-service and value-based care
- ✓ Shifting culture towards a digital and consumer-focused business model
- ✓ Upskilling and/or recruiting different talent in finance and across the health system enterprise that aligns with shift towards more technology, analytics-driven solutions

CFO Checklist for Choosing Solutions

- ✓ Reduces labor cost, FTE load, and advances cost management strategies
- ✓ Enhances operational and/or care delivery efficiency and/or helps amplify benefits of existing systems
- ✓ Allows for flexible contracting terms given the unpredictable economic headwinds
- ✓ Clear time-table for well-defined ROI, with proven track record
- ✓ Scales across current assets and potential to grow with organization
- ✓ Enables capital-light growth
- ✓ Aligns with strategic goals and investments



Get to Know the CFO Persona (Continued)

2025 CFO Priorities and Opportunities

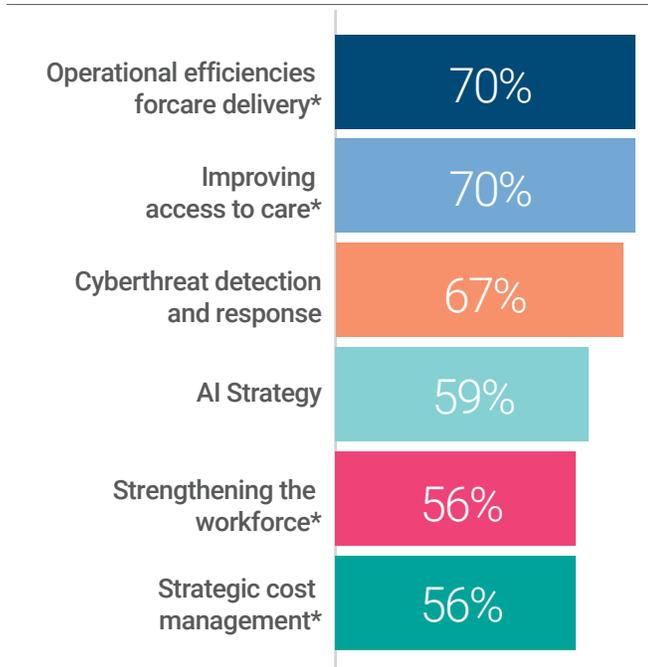
These are the top ten rated priorities (out of a list of 27) in The Health Management Academy’s survey of Leading Health System Chief Financial Officers (CFOs), conducted in late 2024.

Top 10 Strategic Priorities for CFOs

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|---|--|
| <ul style="list-style-type: none"> 1 Strengthening the workforce <hr/> 2 Operational efficiencies for care delivery <hr/> 3 Improving access to care <hr/> 4 Revenue cycle optimization <hr/> 5 Cyberthreat detection and response | <ul style="list-style-type: none"> 6 Payer strategy <hr/> 7 Supply chain efficiency and resilience <hr/> 8 Strategic cost management <hr/> 9 AI Strategy <hr/> 10 Inpatient capacity/Infrastructure |
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Top 5 Priorities Rated “More Important”

Percentage of CFOs who rated category “More Important” in 2025 versus 2024



* Indicates a tie

Top 5 Improvement Opportunities

Relative to performance today

- 1 Divesting underperforming assets/services

- 2 Care at home strategy

- 3 Site-of-service optimization

- 4 Reducing care team administrative burden

- 5 Streamlining vendor portfolio



Get to Know the CFO Persona (Continued)

2025 CFO Executive Priorities Survey Results

The chart below depicts the complete results for priority and improvement opportunity rankings for CFOs according to The Health Management Academy's 2025 Executive Priorities Survey.

Priority	Priority Rank	Improvement Opportunity Rank
Strengthening the workforce	1	17
Operational efficiencies for care delivery	2	23
Improving access to care	3	18
Revenue cycle optimization	4	26*
Cyberthreat detection and response	5	24
Payer strategy	6	25
Supply chain efficiency and resilience	7	21*
Strategic cost management	8	11*
AI strategy	9	16
Inpatient capacity/infrastructure	10	26*
Reducing care team administrative burden	11	4
Physician alignment strategy	12	21*
Automation of workflows and processes	13	11*
Site-of-service optimization	14	3
Ambulatory footprint	15	19*
Risk-based payment strategy	16	15
Organizational literacy with data and technology	17	9
Consumer-centered care delivery	18	7
Health equity	19	14
Streamlining vendor portfolio	20	5
Healthcare affordability	21	11*
ERP platform strategy	22*	6
Revenue diversification outside core business lines	22*	19*
Care at home strategy	24	2
Direct-to-employer partnerships	25	8
Divesting underperforming assets/services	26	1
Outsourcing or offshoring select roles/services	27	10

* Indicates a tie