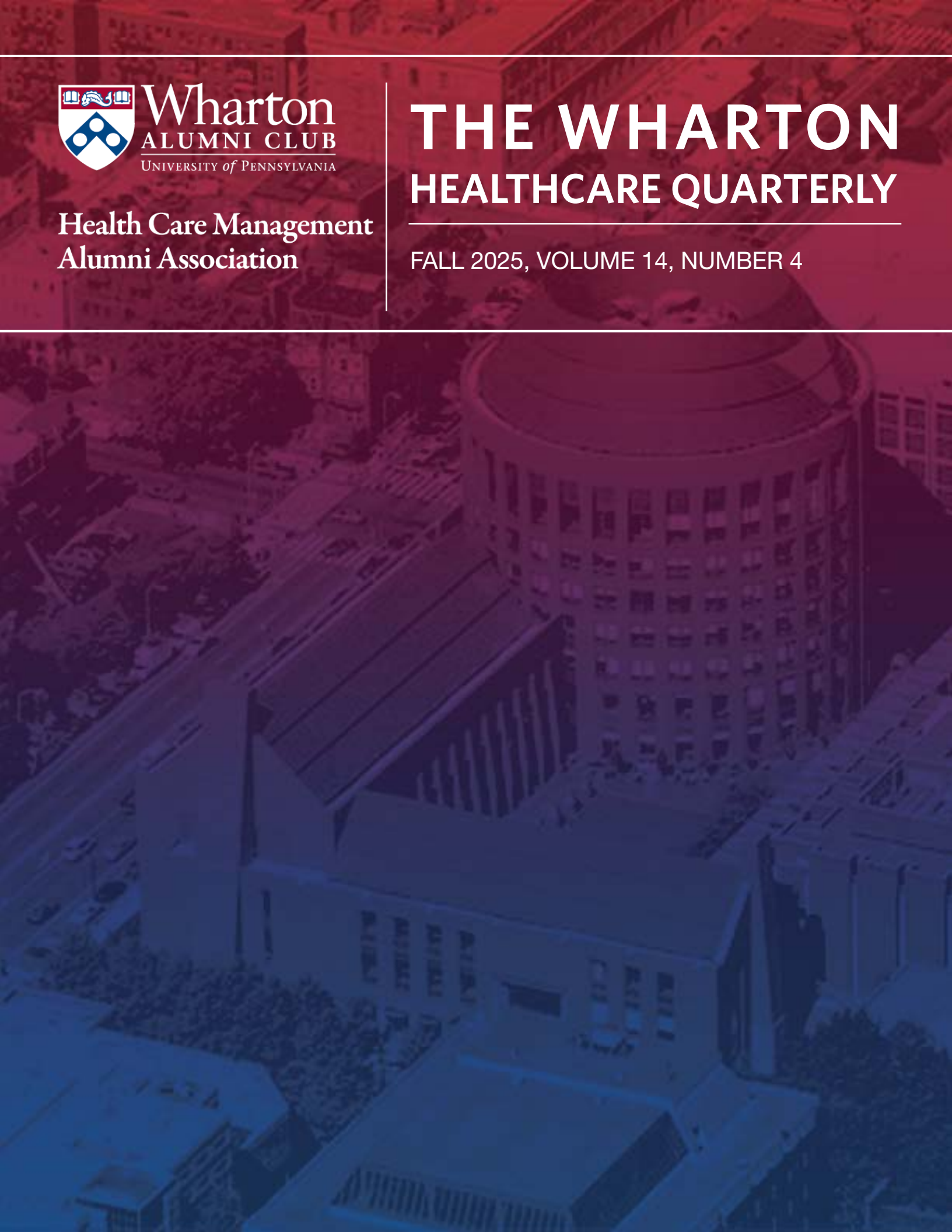


Wharton ALUMNI CLUB
University of Pennsylvania

Health Care Management Alumni Association

THE WHARTON HEALTHCARE QUARTERLY

FALL 2025, VOLUME 14, NUMBER 4

TABLE OF CONTENTS

IN EVERY ISSUE

Editor's Letter 4

The President's Desk 5

Alumni News 7

The Philosopher's Corner 9

Affidavit - Healthcare and the Law: State Regulation of Healthcare AI is Here 12

Downloading Success: Recognizing When Leadership Teams Need Strategic Acceleration 14

CyberVitals: How AI is Reshaping Cybersecurity in Healthcare 16

FEATURED ARTICLES

Disruptors Are Here to Stay: What to Know to Be Successful - Part 5: Payment Models and Revenue Cycle Innovation 18

Agentic AI in Care Management: From Models to Margins 22

Flourishing in Healthcare: A Research-Based Remedy to Burnout 26

Purpose and Planning in Turbulent Times 30

Rebuilding Healthcare from the Ground Up 34

Wharton Around the Globe: Wharton Global Health Volunteers (WGHV) Partners with OsseoLabs to Advance MedTech Innovation in Thailand... 36

Prescription for Change: Applying Behavioral Science to Workforce Wellness 40

IN UPCOMING ISSUES

Breaking the Walls: Scaling Acute Care in the Home Beyond Technology

CyberVitals: The Dual Threat - AI Risk and the HIPAA Compliance Crisis

Finding the Perfect Partner for GenAI Development and Adoption

"I Was Ready to Lead Until I Became the Leader." Considerations for Emerging Academic Healthcare Leaders

QUICK LINKS

Join Our Mailing List

Upcoming Events

Wharton Healthcare Management Alumni Association

Penn Connect

GET INVOLVED

Have an article to contribute or words of wisdom for the Philosopher's Corner?
Send us an Email.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

EDITOR'S LETTER

Z. Colette Edwards, WG'84, MD'85
Managing Editor

To learn more about Colette, click here.

"If you want truly to understand something, try to change it"
~ Kurt Lewin

I can't believe we're already in Q3!

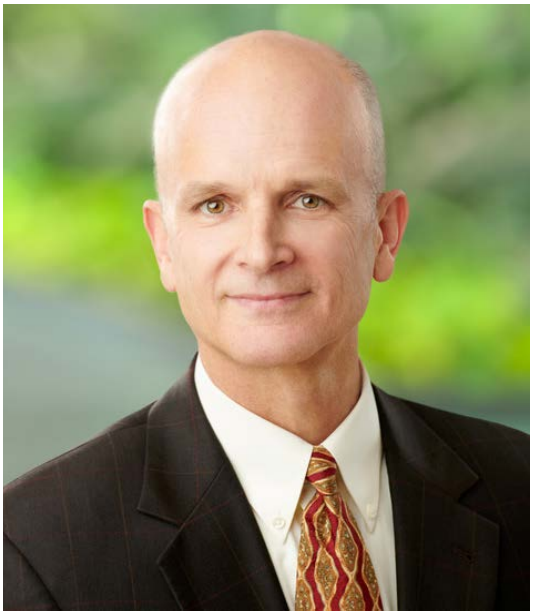
2025 has been an eventful year to say the least. And 2026 promises to continue the trend in spades.

However, one thing will remain unchanged. The WHQ will continue to bring you up-to-date, quality content from experts in their fields so you stay abreast of what you need to know as the healthcare landscape undoubtedly challenges norms, beliefs, and what it takes to make a difference.

Z. Colette Edwards, WG'84, MD'85
Managing Editor

Contact Colette at: info@pausitivehealth.com

THE PRESIDENT'S DESK



Bryan Bushick, MD'88, WG'89
To learn more about Bryan,
click here.

Greetings!

First things first. Last month's Wharton Healthcare Alumni Conference was incredible! And the inaugural Pitch Competition that preceded it was a resounding success!

It was wonderful joining the over 200 Wharton and Penn alumni, students, entrepreneurs, guests, speakers, and sponsor representatives to experience the impressive events that spanned from late afternoon November 13th through the following afternoon.

We're thrilled that many of the participants will again gather on January 14th at the Association's annual reception in San Francisco during the JP Morgan Healthcare conference. Registration is now open on our site.

Regarding the Alumni Association's priorities, the most recent Strategic Plan was approved by the WHCMAA Board on February 20, 2016. A lot has changed over the last nine and a half years.

A lot.

I'm thrilled to confirm that the Board has made significant progress on a new four-year roadmap. The emerging plan has been shaped by thoughtful input from the previous and current WHCMAA Boards as well as the member survey that was conducted earlier this year.

Those survey results were extremely valuable and included the perspectives of 192 of the then 764 current members. Of note, 30% of the respondents were not graduates of the Health Care Management (HCM) program, reflecting the substantial growth in and representation of non-HCM participation in the Association.

Committed to being "THE" network from graduation through retirement for Wharton and Penn alumni who are involved in the business of healthcare, the WHCMAA will remain dedicated to expanding and serving this community by providing various networking opportunities, facilitating professional and personal development, and organizing opportunities to serve.

Unpacking that important statement, the Alumni Association will focus on:

1. **Growing**: While honoring and strengthening the WHCMAA's direct linkage to the HCM program, the Association will continue welcoming members who've graduated from all Wharton and Penn schools and programs. The increased student engagement that's already occurring will lay the foundation for the natural transition to Alumni Association participation. Alumni who are nearing retirement or have fully retired will also find

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

PRESIDENT'S DESK

numerous ways to benefit from and contribute to this vibrant community.

2. **Connecting**: Additional in-person events will enhance existing relationships and help members forge new ones. Interactions with students, fellow alumni, sponsors, and various industry contacts will help members broaden their networks.
3. **Serving**: As a resource throughout each member's career evolution and transitions, the Alumni Association will offer a variety of educational programming and content. Ongoing professional and personal development will be supported by online and in- person presentations, as well as through insights provided by faculty, sponsors, fellow alumni, and other thought leaders. Further, the impact of the community's remarkable talent and passion will be amplified as numerous opportunities to serve others are highlighted.

Additional details will be shared once the FY '26 – '30 Strategic Plan is finalized and approved next quarter by the WHCMAA Board.

In the meantime, please feel free to provide input or submit questions to me.

Sincerely,

Bryan Bushick, MD, MBA (WG'89)
President, Wharton Health Care Management Alumni Association

Contact Bryan at: jbbushick@gmail.com.

ALUMNI NEWS

Ben Rooks, WG'90
Seeking a new adventure (and for other reasons) My wife, Barbara, and I moved from Sonoma to Barcelona Spain in March 2024. I continue to lead my consultancy, ST Advisors, helping healthcare software CEOs who want to buy, sell, or grow their business. This has been my "job" since 2009 and, as a mentor of mine observed, it's my true career – everything prior had been setting me up to do it. I'm fortunate that it still interests and energizes me.

We love living in Spain, especially the ease of visiting more of Europe and would invite any HCM alumni heading here to drop me a note so we can meet for tapas and Cava!

Contact Ben at: ben@st-advisors.com.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

THIS MONTH'S PHILOSOPHER:
Sigal Ben-Ari, WG'11

To learn more about Sigal, click here.

THE PHILOSOPHER'S CORNER

Sigal Ben-Ari, WG'11

LIFE LESSONS

If I knew then what I know now, I would have...

embraced the journey as the ultimate teacher. I would have recognized the power of consistent, purposeful movement toward a life of impact and fulfillment.

I would have focused more on positioning myself intentionally, so that when opportunity arrived, I was ready to meet it with clarity and confidence. The journey matters. It strengthens us, refines our vision, and ensures that when the moment comes, we rise fully prepared.

If I knew then what I know now, I would NOT have...

feared change, but embraced it as the spark that ignites progress. Every pivot, personal or professional, has offered a chance to grow, connect, and contribute in new ways. I've learned that leaning into uncertainty with purpose can lead to the most profound breakthroughs. Change is inevitable, but when welcomed with optimism and curiosity, it becomes a force for reinvention, resilience, and deeper alignment with what matters most.

FAVORITE QUOTES

1. "Luck is what happens when preparation meets opportunity." ~ Seneca
2. "All progress takes place outside the comfort zone." ~ Michael John Bobak
3. "People rarely succeed unless they have fun in what they are doing." ~ Dale Carnegie
4. "Imagining something may be the first step in making it happen, but it takes the real time and real efforts of real people to learn things, make things, turn thoughts into deeds or visions into inventions." ~ Fred Rogers

RECOMMENDED READING

1. *How to Win Friends and Influence People* by Dale Carnegie – A timeless guide to authentic leadership and relational intelligence
2. *The Innovator's Prescription* by Clayton Christensen – A visionary framework for disruptive innovation in healthcare
3. *Deep Medicine* by Eric Topol – A compelling exploration of how AI can restore the human connection in healthcare

Contact Sigal at sigalbenari@gmail.com.

THIS MONTH'S PHILOSPHER:
Sigal Ben-Ari, WG'11

To learn more about Sigal, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

AFFIDAVIT: HEALTHCARE AND THE LAW - STATE REGULATION OF HEALTHCARE AI IS HERE

Lawmakers and regulators in many states are working to catch up with the rapid adoption of artificial intelligence ("AI") into our daily lives, and several states now have comprehensive laws or rules addressing various uses of AI.

These laws cover everything from election interference to copyright ownership of AI-related content, but a consistent topic is healthcare and the considerable amount of data it entails. For example, some state laws include: restrictions to mitigate algorithmic discrimination by "high-risk" AI systems (defined to include any system giving healthcare recommendations); parameters around the use of AI in specific healthcare settings (e.g., eye imaging, mental health treatment, telehealth services, etc.); and transparency rules to ensure informed consent for patients receiving AI-assisted treatment.

Further, several state boards of medicine and other agencies are establishing their own rules for providers, such as requiring them to have a certain level of knowledge about AI before incorporating it into their practice and establishing standards of care for the use of AI in medicine. While no state AI law provides a comprehensive approach to this rapidly developing technology, or even to its use in healthcare, these laws and rules are beginning to create guardrails around AI use.

Additionally, as states pass novel AI laws, those laws are becoming templates for other states. Thus, while we have yet to see comprehensive rules governing the use of AI in healthcare, the beginnings of such rules are starting to appear.

Some state AI laws begin with the premise that AI can cause serious harm in the healthcare space, so the law should aim to avoid that harm. For example, Colorado's SB 24-205 — seemingly the template for many similar state AI laws — requires anyone who develops or deploys a high-risk AI system to use reasonable care to protect consumers from any known or reasonably foreseeable risks of "algorithmic discrimination."[1]

Algorithmic discrimination is any situation in which the use of an AI system results in an unlawful differential treatment or impact that disfavors one individual or group on the basis of a protected class (e.g., age, color, race, etc.). Developers must also publicize various data about their AI system (e.g., known harms, known limitations, details on the training process and data, etc.), and deployers must develop and implement a risk management program to govern the use of AI systems, including conducting regular impact assessments.

Though this law's scope is broader than just healthcare, it does include healthcare, and it creates substantial requirements for covered healthcare providers and entities. Further, several states are considering similar legislation (e.g., Maryland, Massachusetts, Nebraska, Rhode Island, Vermont), demonstrating the influence of SB 24-205 beyond Colorado.[2]

Other state AI laws begin with the premise that healthcare providers are going to use AI, so the law should ensure they do so appropriately. For example, Rhode Island's Consumer Protection in Eye Care Act requires that providers who use "assessment mechanisms" (including AI devices) for eye assessments must, among other things, read and interpret all data gathered by the system, not rely on information obtained from an AI system as the sole basis for issuing a prescription, and personally sign all diagnoses, prescriptions, etc.[3]

Other states share this focus on ensuring that AI does not become a crutch and that providers remain actively involved in the provision of care: Georgia's HB 203 is very similar to Rhode Island's law, and Kentucky regulations provide that an asynchronous telehealth service may not be solely the result of reviewing an AI-generated interaction with a Medicaid patient.[4]

Several state medical boards and other agencies share this concern. New Mexico's Medical Board has an Artificial Intelligence Policy that requires providers, among other things, to possess basic AI literacy, possess particular knowledge about any AI systems they use in their practice, and use AI as a tool that assists but does not replace their clinical reasoning and discretion.[5]

North Carolina's Medical Board issued a position statement with similar requirements, along with a position statement establishing a standard of care for using AI for documentation tasks.[6] Specifically, providers using AI must accept responsibility for responding appropriately to the AI's recommendations, and they must ensure that any notes dictated by AI are accurate. Similar position statements or guidance documents have been issued by the Mississippi Medical Board, the Texas Nursing Board, and the Massachusetts and New Jersey state attorneys general.[7] Thus, even while legislators work to catch up to AI, AI deployers in many states may be subject to non-legislative guidance regulating their AI use.

Finally, other state AI laws begin with the premise that informed consent — the cornerstone of medical ethics — requires transparency, so the law should ensure that patients receive such transparency when their providers use AI. California's AB 3030, for example requires that if a provider uses AI to generate a written or verbal communication with a patient, that communication must include both a disclaimer that the communication was created by AI and instructions on how to contact a real person.[8] These requirements complement another California law, AB 2013, which requires AI developers to publicly post documentation about the data used to train the AI system.

Several states have or are considering similar transparency laws. These efforts toward ensuring transparency likely reflect both an interest in maintaining informed consent as well as a concern over the black-box nature of many AI systems.

As this patchwork of state laws and regulations takes shape, it is critical for anyone developing or deploying AI in the healthcare industry to remain tuned into these legal developments. This is especially important for companies operating in multiple states or offering services online that may be required to comply with multiple competing legal and regulatory schemes.

Contact Ryan at: RWBrown@duanemorris.com
Contact Taylor at: TJHertzler@duanemorris.com

REFERENCES

1. S.B. 24-205, 75th Gen. Assemb., Reg. Sess. (Co. 2024).
2. See S.B. 0936, 2025 Leg., 447th Sess. (Md. 2025); H.B. 94, 149th Gen. Ct., Reg. Sess. (Mass. 2025); L.B. 642, 109th Leg., 1st Sess. (Neb. 2025); S. 0627, Gen. Assemb., Jan. Sess. (R.I. 2025); H. 341, Gen. Assemb., Reg. Sess. (Vt. 2025).
3. H.B. 6654, Gen. Assemb., Jan. Sess. (R.I. 2022).
4. H.B. 203, Gen. Assemb., Reg. Sess. (Ga. 2023); 907 Ky. Admin. Regs., 3.170 §6.
5. N.M. Medical Board, Artificial Intelligence Policy (Nov. 8, 2024), available at https://www.nmmb.state.nm.us/wp-content/uploads/2025/01/NMMB-AI-Policy-statement-11-24-1.pdf.
6. N.C. Medical Board, Position Statement 5.1.4 (amended Mar. 2024); N.C. Medical Board, Position Statement 3.2.1 (amended Nov. 2024).
7. Miss. State Board of Medical Licensure, Admin. Code r. 13.2; Tex. Board of Nursing, Position Statement 15.31 (rev. Jan. 2025); Mass. Attorney General, Attorney General Advisory on the Application of the Commonwealth's Consumer Protection, Civil Rights, and Data Privacy Laws to Artificial Intelligence (Apr. 12, 2024); N.J. Office of the Attorney General, Guidance on Algorithmic Discrimination and the New Jersey Law Against Discrimination (Jan. 2025).
8. A.B. 2013, Reg. Sess. (Ca. 2024).

CONTRIBUTORS:
Ryan Wesley Brown and Taylor Hertzler

To learn more about Ryan and Taylor, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

DOWNLOADING SUCCESS: RECOGNIZING WHEN LEADERSHIP TEAMS NEED STRATEGIC ACCELERATION

Healthcare organizations face emerging challenges that demand more than just competent leaders. They require leadership teams that operate at peak performance.

While many organizations wait for performance gaps to become critical issues, successful, forward-thinking healthcare systems share a key trait: they proactively invest in leadership development, rather than reacting to problems after they arise.

THE CHALLENGE OF EFFECTIVE LEADERSHIP

The novelty of "good enough" leadership is no longer adequate in today's healthcare environment. Organizations, some of which serve millions of members through complex healthcare delivery systems, require leadership teams capable of navigating rapid industry changes, making informed strategic decisions, and maintaining operational excellence simultaneously. The challenge lies in identifying when existing leadership capabilities may be constraining an organization's potential rather than facilitating it.

Over the last forty years, our work with leading healthcare organizations has uncovered five clear signs that indicate when leadership teams require strategic acceleration. These signs, although subtle in everyday operations, can greatly affect organizational effectiveness and competitive edge if neglected.

FIVE CRITICAL LEADERSHIP SIGNS TO RECOGNIZE AND ADDRESS

Healthcare leadership teams facing strategic constraints often exhibit predictable patterns that, while manageable individually, collectively highlight the need for rapid development.

1. **Extended Decision-Making Cycles**
   When strategic decisions have too many review steps and approval layers, organizational agility suffers. Healthcare organizations in fast-changing regulatory and competitive settings can't afford decision delays, yet many leadership teams get stuck in cycles where good initiatives stall without clear paths to resolution.
2. **Departmental Isolation**
   Despite having talented individual leaders, many healthcare organizations struggle with cross-functional collaboration. When departments function as independent units rather than parts of a unified system, member experience and operational efficiency decline. This issue becomes especially severe during system-wide initiatives or crisis response situations.
3. **Strategic Interpretation Variance**
   Leadership teams may share a dedication to the organizational mission yet interpret strategic priorities differently. This misalignment, often unseen in daily operations, becomes evident when organizations try to implement complex initiatives or respond to industry disruptions. Without a unified strategic understanding, even well-meaning efforts can create conflicting priorities.

4. **Inconsistent Executive Effectiveness**
   Variations in leadership ability across senior teams restrict the overall impact of the organization. When some leaders excel at influencing beyond their departments while others struggle with wider organizational engagement, the leadership team's overall effectiveness is limited by its least effective members.
5. **Relationship Management Gaps**
   Technical expertise alone no longer determines leadership success in healthcare. Organizations are increasingly seeking leaders with strong emotional intelligence and effective relationship management skills, particularly during times of change or organizational stress. When these skills are underdeveloped, building genuine trust becomes difficult, which can limit team cohesion and performance.

THE SOLUTION? A 4-STAGE STRATEGIC RESPONSE FRAMEWORK

Effective leadership acceleration requires a comprehensive approach that addresses both individual growth needs and team dynamics at the same time. NuBrick Partners' successful interventions can include the following key elements:

- **Team-Based Development**: Strategic off-site experiences designed to strengthen cohesion and alignment offer leadership teams the opportunity to develop shared language and practical collaboration tools. These structured interactions help leaders move beyond individual excellence toward collective effectiveness.
- **Individualized Executive Development**: Personalized coaching focused on specific development needs — especially communication, relationship-building, and executive presence — helps leaders address their unique growth opportunities while improving the overall team performance.
- **Systemic Integration**: Rather than treating leadership development as isolated training events, effective programs integrate individual and team development within the organization's operational context, ensuring the practical application and sustainability of change.
- **Measurable Outcomes**: Organizations that invest in strategic leadership acceleration typically experience several measurable benefits, including faster and more informed decision-making, more effective cross-functional teamwork, stronger strategic alignment among leadership teams, and enhanced executive presence and emotional intelligence. These results enable healthcare organizations to achieve a sustainable competitive advantage and operational excellence.

MOVING FORWARD

Healthcare leadership teams recognizing these warning signs within their organizations have opportunities to address development needs proactively rather than reactively. The most successful approaches combine deep organizational understanding with customized solutions that reflect specific challenges and strategic objectives.

ACCESS THE INSIGHTS

A comprehensive case study is available here for download, detailing how one major healthcare organization, serving millions of customers, successfully addressed these leadership challenges. It presents healthcare leaders with practical implementation strategies and measurable outcomes to take executive teams to higher heights.

For organizations seeking to deepen their understanding of strategic leadership acceleration approaches, we invite you to discover more customized solutions designed to support this crucial transformation.

Contact Bob Clarke at: bclarke@furstgroup.com or 800.642.9940
Contact Amy Mills, PhD at: amills@nubrickpartners.com or 800.960.9245

CONTRIBUTORS:
Bob Clarke and Amy Mills, PhD

To learn more about Bob and Amy, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

CYBERVITALS: HOW AI IS RESHAPING CYBERSECURITY IN HEALTHCARE

AI is radically reshaping the cybersecurity landscape, creating a high-stakes, two-sided battle. On one side, security teams are using AI to build smarter defenses, while on the other, attackers are leveraging it to launch more potent and sophisticated attacks. This technological arms race is particularly critical in sectors like healthcare and related medical devices, where vulnerabilities can have real-world patient care consequences.

AI AS A CYBER DEFENDER

For defenders, AI is a game-changer. Traditional security systems rely on a set of rules to spot known threats, but that's like looking for a specific face in a crowd when the attacker is wearing a new disguise every day. AI, particularly machine learning, changes this by analyzing massive amounts of data from across a network to establish a baseline of "normal" behavior. When something unusual happens — like a medical device in an MRI suite suddenly trying to communicate with a server in a different country — the AI flags it instantly.

This is a huge win for efficiency. AI can automate the mundane, repetitive tasks that bog down human analysts, such as sifting through millions of security alerts. This frees up your top talent to focus on strategic initiatives and complex threats. And we all know that healthcare is understaffed and trying to make magic happen every day - so these are welcome efficiencies for operations.

A great example in a hospital setting, for example, is an AI-powered system that can monitor a hospital's network of connected devices, from smart beds to infusion pumps, and isolate a compromised device before a breach can spread and impact patient care.

AI AS A CYBER ATTACKER

Unfortunately, the same power that makes AI a great defender also makes it a potent weapon for attackers. Generative AI, for instance, can create highly convincing and personalized phishing emails at an unprecedented scale. These aren't the emails with obvious spelling mistakes anymore; they are well-written, context-aware messages that are incredibly difficult for an employee to spot as fraudulent. Attackers can even use AI to create deep fakes — realistic fake audio or video — to impersonate executives and trick employees into transferring funds or handing over sensitive information.

Attackers are also using AI to write more sophisticated and evasive malware. This malicious software can learn and adapt to a network's defenses, automatically changing its code or behavior to bypass detection. This makes it much harder for traditional antivirus software to keep up.

WHAT MAKES HEALTHCARE UNIQUELY IMPACTED?

Healthcare organizations are a prime target because they hold a treasure trove of sensitive patient data. A successful attack can lead to financial losses, reputational damage, and, most importantly, a direct threat to patient safety. AI is being used by defenders to secure these networks, but attackers are using it to find new vulnerabilities. They're not just going

after electronic health records anymore; they're targeting medical devices themselves. An AI-powered attack on an insulin pump, a surgical robot, or an imaging system could cause it to malfunction, with potentially fatal consequences.

The internet of medical things (IoMT) presents a massive and growing attack surface. Think of all the connected devices in a hospital, a factory, or even your home — each one is a potential entry point. Many devices are built with consumer aligned security - which can often mean prioritizing functionality over security and thus making them easy targets. AI can help secure these devices by detecting unusual device behavior and isolating compromised units. However, attackers are also leveraging AI to create botnets — networks of compromised devices — to launch large-scale attacks. They can use AI to identify vulnerable devices and automate the process of infecting them, creating a massive army of bots in a fraction of the time it would take a human.

CONCLUSION

As business leaders, you need to recognize that this isn't just an IT problem. It's a fundamental business risk that requires a strategic approach. You must invest in robust, AI-powered cybersecurity solutions and prioritize security at the design stage for any new technology, especially IoT and medical devices. The future of your business — and the safety of your customers — depends on it.

Contact Vidya at: vidya@medcrypt.com

CONTRIBUTOR:
Vidya Murthy, WEMBA'42

To learn more about Vidya, click here.

FALL 2025
Volume 14, Number 4

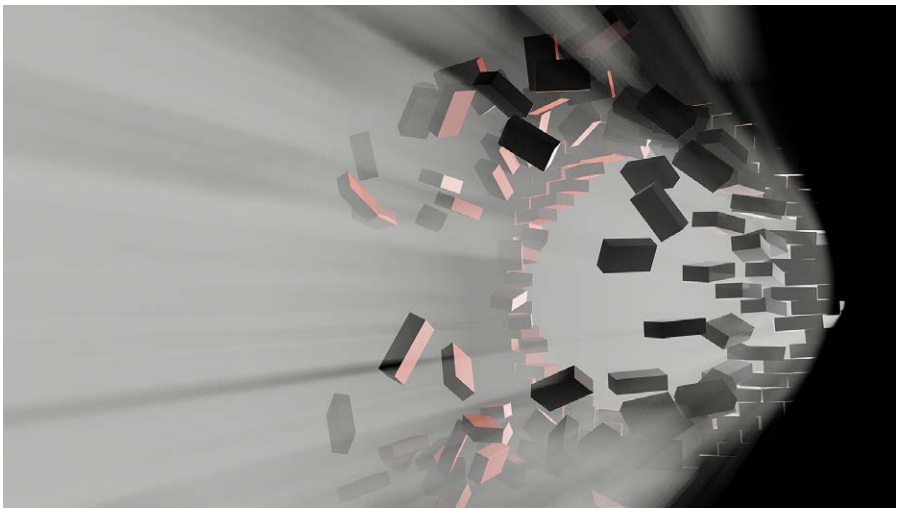
Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

DISRUPTORS ARE HERE TO STAY: WHAT TO KNOW TO BE SUCCESSFUL - PART 5: PAYMENT MODELS AND REVENUE CYCLE INNOVATION

INTRODUCTION

In Part 5 of our series on healthcare disruptors, we focus on payment disruption. As many know, the healthcare revenue cycle is a labyrinth of complexity, shaped by decades of policy, regulation, and entrenched administrative practices. As providers face increasing pressure to do more with less, disruptors are entering the space with promises to streamline payment processes, reduce denials, and restore financial stability.

But, disruption in this domain is not just about deploying new technology - it is about understanding the nuances of reimbursement, navigating regulatory hurdles, and aligning with the operational realities of healthcare delivery.



Source: Bigstock

This installment explores how intelligent automation and other innovations are reshaping the payment landscape, particularly in the context of provider-payor disputes. We examine what disruptors see as opportunities, the tools they are deploying, and what they must understand to make their impact stick.

WHAT DISRUPTORS SEE: WHAT IS THE OPPORTUNITY?

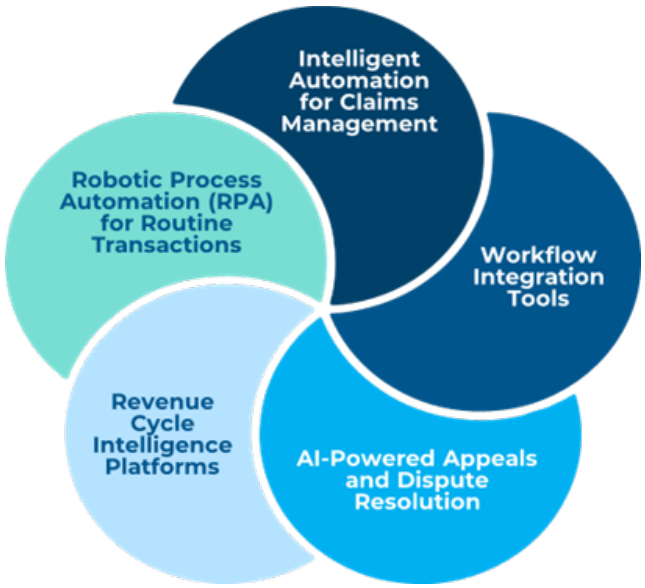
The healthcare revenue cycle is riddled with inefficiencies. From eligibility verification and pre-authorization to claims submission and payments/collections, as well as denial management and avoidance, each step introduces friction. Disruptors see opportunity in this fragmentation, particularly in automating repetitive tasks, predicting risk across each step, and improving coding accuracy.

The rise of artificial intelligence (AI)-powered solutions on both sides of the payor-provider divide has created a new battleground which may be uneven. Increasingly, payors with scale and sophistication are using automation to drive denials higher, while providers who are able to, are deploying their own AI tools to fight back. For example, providers assert that payors are using AI inappropriately, resulting in prior authorization and claims delays and/or denials resulting from inaccurate coding reviews by bots. These new payment behaviors increase provider and staff administrative time and effort to successfully address and appeal. This can result in significantly increased provider and staff burnout, as discussed in earlier articles in this series; at a time when the industry cannot afford to lose these folks from an already strained and increasingly decreasing workforce.

Disruptors must also recognize the traditional fee-for-service (FFS) model is giving way to value-based care (VBC), albeit at a pace slower than we may have expected. This ongoing shift can make way for innovations to enable clinical outcomes

that can drive financial incentives - hopefully resulting in higher provider revenue better aligned with high-quality care. Tools that help providers document quality metrics and track outcomes performance must aim to optimize overall reimbursement under alternative payment models (APMs).

Disruptors must include solutions in these areas of the payment system:



MAKING DISRUPTION STICK ("KEYS TO SUCCESS")

1. **Understand the Payor (Health Plan) Landscape:** Disruptors must recognize that payors are not monolithic. Medicare, Medicaid, and commercial insurers (as well as self-funded large employer groups, such as "captive plans") each have unique rules, priorities, and constraints. Ideally, disruptive solutions are adaptable and compliant across these varied environments, unless the disruption is a single-point solution meant to address a highly specific pain point. Understanding the nuances of each payor's specific processes (e.g., adjudication logic, business standards, payment policies) is critical to attracting potential buyers, achieving sales success, and maintaining sustainability.
2. **Demonstrate ROI Clearly:** Healthcare organizations continue to operate on razor-thin margins. Any new financial tool must show clear financial value; whether through increased collections, decreased costs, reduced denials, and/or improved staff productivity. Case studies supported by defensible pilot data are essential to gaining interest and adoption traction. Disruptors should also be prepared to support return on investment (ROI) analyses tailored to each organization's unique financial structure as well as the realities of their payment system (e.g., revenue sources).
3. **Support Compliance and Risk Management:** Automation must be paired with rigorous compliance protocols to ensure automated/autonomous processes do not run afoul of regulatory requirements and/or provider policies and procedures. In other words, disruptions that include artificial intelligence (AI) (e.g., bots, automation tools, etc.) must follow the same rules, policies, and procedures as the human workforce does. Even beyond AI, any disruptive solution must address concerns around data privacy, audit trails, and reporting to support regulatory compliance and oversight. Building trust with compliance and risk teams is often the key to unlocking enterprise adoption. This includes negotiating service-level agreements (SLAs) that align with organizational risk tolerance.

CONTRIBUTORS:
Wren Keber and Lisa Soroka

To learn more about Wren and Lisa, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

DISRUPTORS ARE HERE TO STAY: WHAT TO KNOW TO BE SUCCESSFUL - PART 5: PAYMENT MODELS AND REVENUE CYCLE INNOVATION

4. **Empower Revenue Cycle Teams:** *Technology should augment, not replace, human interaction and experience.* Disruptors who provide intuitive interfaces, actionable insights, and training support are more likely to be embraced by teams (e.g., billing, collecting and coding.) *Solutions should be designed with end-users in mind, while incorporating feedback from frontline staff throughout the development and implementation processes*. This includes disruptions that ultimately displace and/or redistribute the current workforce; which can allow appropriate upskilling, alongside time and expense saving solutions.
5. **Collaborate, Do Not Confront and Criticize:** While the temptation may be to "beat payors at their own game," long-term success lies in collaboration. Some disruptors have found success by focusing on removing the barriers between providers and payors. In fact, this is the core theme of their disruption. We believe adopting this mindset can ultimately prove to bolster the return on investment (ROI) necessary to become market-relevant. A salient example of payor-provider collaboration can be observed within the recently published final rule for CY26 Centers for Medicare and Medicaid (CMS) Physician Fee Schedule. CMS implemented further steps toward increasing payments associated with complex care management (highlighting primary care providers' roles) and participation in alternative payment models (APMs), setting examples for private payors to follow. Disruptors who learn to model their solutions after these kinds of collaborative actions may see greater success and impact of their offerings.
6. **Design for Scalability and Flexibility:** Healthcare organizations vary widely in size, structure, technical capabilities and maturity. Disruptors must design solutions that can successfully scale across different environments and nimbly adapt to ever-changing needs. Supporting multiple integration pathways, offering modular functionality, and providing flexible pricing models are all prerequisites to successful disruption. Examples include technology that is "agnostic," i.e., interoperable across a variety of core clinical and financial systems the provider community uses. As delivery organizations continue to transform to an enterprise operating model, disruptors should be prepared to support this need. Specifically, if a disruptive solution uses health information from multiple sources (e.g., electronic medical records (EMRs) and admission, discharge and transfer (ADT) feeds), building source data connections to a centralized repository (such as a data warehouse) would allow the solution to scale appropriately as the organization scales.
7. **Address Clinical and Operational Alignment:** Disruptive solutions that touch the revenue cycle must align with clinical workflows to avoid creating new friction and administrative burden on already overwhelmed providers and staff across the entire nation. For example, documentation prompts should support clinical decision-making rather than distract from it, while at the same time decreasing provider and staff time/effort expended. As we indicated previously in this series, providers and staff are exceptionally sensitive to changes in their day-to-day workflows; their willingness to adopt new tools can spell the difference between success and failure of disruptive solutions. Disruptors must work closely with and listen carefully to clinical and operational leaders to ensure their solutions enhance, not hinder, patient care and outcomes.

CONCLUSION

Disruptors have the potential to be a successful part of transforming the healthcare payment system, but only if they fully understand and appreciate/accept the existing terrain. Intelligent automation, predictive analytics, and workflow integration are powerful tools, but they must be deployed with nuance, empathy, and strategic foresight.

As we continue to explore the evolving landscape of healthcare disruptors, one thing is clear: those who succeed will be the ones who make complexity manageable and workable, not just more complicated. By aligning with provider needs, supporting compliance, and demonstrating real financial value, disruptors can create lasting (and welcome) change in one of the most challenging (and critical) areas of healthcare operations.

Contact Wren at: wkeber@hcg.com
Contact Lisa at: lisasoroka@themarbleheadgroup.com

Source: Bigstock

CONTRIBUTORS:
Wren Keber and Lisa Soroka

To learn more about Wren and Lisa, click here.

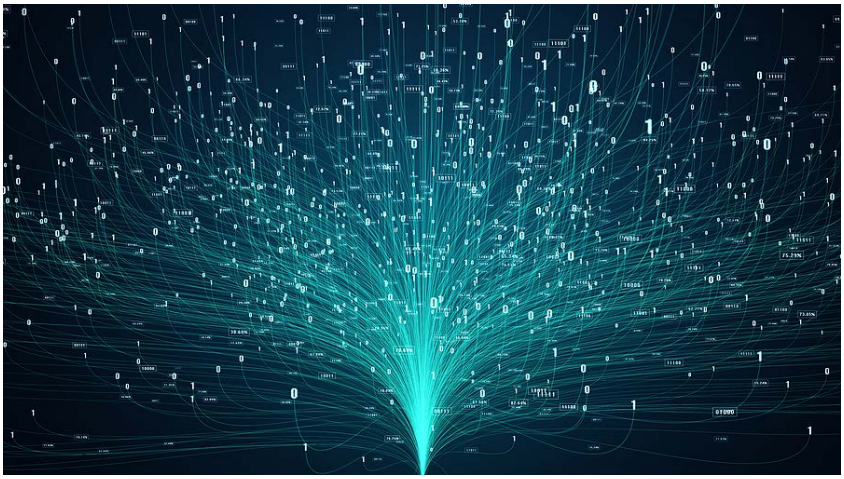
FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

AGENTIC AI IN CARE MANAGEMENT: FROM MODELS TO MARGINS

Health systems and payers have invested heavily in predictive analytics — readmission risk, care-gap likelihood, and deterioration indices. Yet in many organizations, these insights remain stranded on dashboards. Without a mechanism that translates prediction into action, clinical teams face alert fatigue, slow follow-through, and muted outcomes.

This article summarizes evidence from multi-site deployments (2023–2025) of **agentic AI** — systems that not only *identify* work but also *execute* it within defined safety bounds. Across programs, we observe faster gap closure, higher clinician uptake, and meaningful operating margin expansion in care-management functions.



Source: Bigstock

PREDICTION ISN'T PERFORMANCE

Model outputs — typically risk scores or propensities — often sit apart from the downstream work of outreach, scheduling, documentation, and billing. In that configuration, the burden of orchestration falls to already stretched staff. The result is "insight without infrastructure."

Agentic AI reframes the problem. Rather than ending at prediction, the system **prioritizes, plans, executes, and learns** within a governed scope. That shift — from scores to closed loops — is what converts analytic lift into clinical and financial performance.

THE ANATOMY OF AN AGENTIC CARE WORKFLOW

The agent operates as a domain-specific service embedded in the existing stack (EHR, CRM, communications). A typical loop:

1. **Identify:** Multimodal models analyze claims, notes, labs, and social determinants to surface at-risk patients or unmet care needs.
2. **Prioritize:** Patients are ranked by clinical urgency, program eligibility, and expected ROI.
3. **Act:** The system initiates interventions (reminders, follow-ups, refills, prior auth, referrals), requests consent where needed, and coordinates hand-offs.
4. **Document:** Actions and rationales are recorded and posted to the EHR and billing systems with appropriate codes.
5. **Learn:** Outcomes and clinician feedback update routing, thresholds, and content under version control.

Agents do not replace clinicians; they remove administrative drag and escalate when confidence or consent requirements dictate human review.

CASE STUDY: INTAKE AT AN NCI-DESIGNATED BREAST CANCER CENTER

At an NCI-designated breast cancer center, every new patient undergoes AI-assisted intake led by care coordinators. The agent compiles history from multiple systems, highlights potential care gaps, drafts documentation for review, and

proposes individualized next steps (imaging, labs, multidisciplinary referrals). Integration occurs inside the EHR; no additional portals are required.

Operational impact (pilot → scale, 11 months; N≈all intakes):

Outcome	Baseline	With Agentic AI
Intake processing time (median, minutes)	58	32 (**-45%**)
Manual chart reviews per intake (count)	3.0	1.9 (**-37%**)
Time to close flagged care gaps (median, days)	8.3	3.2 (**-61%**)
Clinician acceptance of AI actions (%)[1]	52-60	93-96
Documentation completed ≤24 hours (%)	~74	100
Staffing change vs. volume growth	—	**0%** increase

[1]Acceptance is defined as *clinician-endorsed or directly executed actions/actions proposed*.

These gains were achieved through **co-creation** with coordinators, nurses, and physicians: embedded recommendations in the EHR, structured override and feedback loops, and rapid iteration on trigger logic and phrasing. The system succeeded by aligning with clinical goals — fewer delays, fewer missed steps, and more time for patient interaction — rather than by adding a separate tool.

Data are de-identified and aggregated; "data on file," 2023–2025.

FINANCIAL IMPACT: FROM COST CENTER TO VALUE ENGINE

Care management teams often run on thin margins, constrained by manual workflows and headcount-limited throughput. By automating administrative steps and accelerating completion, agentic systems convert a variable-cost function into a leveraged service.

Metric (per 1,000 covered lives)	Traditional Ops	Post-Agentic AI
Patients actively managed per FTE	~85	~200-250
Average time to close a gap (days)	8-12	2-4
Clinician acceptance of actions (%)	45-60	90-96
Clinician acceptance of AI actions (%)[1]	52-60	93-96
Cost per closed gap	Baseline	↓ 40–60%
EBITDA from care mgmt programs	Low/negative	↑ 2.1–3.0×

Mechanisms include: (i) fewer touches per case, (ii) higher first-pass yield on scheduling and prior auth, (iii) higher completion rates, and (iv) better targeting of high-value gaps. For risk-bearing entities (MA plans, ACOs, direct-contracting), these operational improvements translate directly into improved contribution margin and competitiveness.

GOVERNANCE, SAFETY, AND MODEL STEWARDSHIP

Because agentic systems *act*, governance must be explicit and auditable:

- **Auditability:** Every action records trigger, data sources, rationale, actor (human/agent), and outcome; logs are immutable and reviewable.
- **PHI protections:** Protected health information (PHI) is secured via encryption, least-privilege access, and de-identification during model training.

CONTRIBUTOR:
Kira Radinsky, PhD

To learn more about Kira, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

AGENTIC AI IN CARE MANAGEMENT: FROM MODELS TO MARGINS

- **Decision boundaries:** Scope is enforced through policy rules (e.g., "agents may propose but not order diagnostic imaging").
- **Change control:** Model and policy versions are tracked; promotions require safety checks and sign-off. Equity monitoring: Performance by demographic/clinical subgroup is monitored; drift or disparity triggers review.
- **Incident response:** A playbook defines detection, containment, disclosure, and remediation for safety or privacy events.

Governance is not a compliance afterthought — it is the operating system that sustains trust and enables scale.

WHY THIS MATTERS NOW

Three forces converge: (1) **workforce constraints** in nursing, coordination, and administrative roles, (2) the continued shift to **value-based arrangements**, where proactive engagement is financially material, and (3) **mature integration rails** (APIs, FHIR resources, payer connectivity) that allow agents to work inside core systems rather than beside them. In combination, these conditions make execution-first AI both feasible and necessary.

LIMITATIONS AND PRECONDITIONS

Results depend on data quality and integration readiness; organizations typically complete a short "plumbing sprint" to connect source systems and define decision boundaries. Site-specific policies and state regulations can affect which steps may be automated. Finally, early gains may taper as programs saturate easy wins; ongoing A/B testing and model stewardship are needed to sustain lift.

CONCLUSION

Dashboards did not move margins because they did not move work. Agentic AI closes that gap by turning prediction into governed execution: identifying, prioritizing, acting, documenting, and learning — **inside the tools clinicians already use**. For operators, the outcomes are tangible: faster gap closure, higher clinician acceptance, and 2.1–3.0× improvements in care-management EBITDA under value-based contracts.

When AI executes within guardrails, clinicians get time back, patients see fewer misses, and care management shifts from cost center to margin engine.

Contact Kira at: kira@diagnosticrobotics.com

Featured Article

CONTRIBUTOR:
Kira Radinsky, PhD

To learn more about Kira, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

FLOURISHING IN HEALTHCARE: A RESEARCH-BASED REMEDY TO BURNOUT

A healthcare system CEO recently shared with me: "People are looking to be inspired, a solid connection with something that moves them beyond the daily dashboard and gives greater meaning and purpose to their work."

This perspective is something we often hear in healthcare, especially due to the complex environment and constant shifting of priorities while ensuring safe, high-quality care and making the health and well-being of clinicians and staff a strategic imperative.

However, looking at the current environment can reinforce self-limiting beliefs even with the best of intentions to produce better results and find inspiration. Leaders seeking inspiration must look beyond (not ignore) the barrage of burnout statistics and study the effect flourishing can have on their own well-being and in their organizations.

BURNOUT VS. FLOURISHING: A SHIFT IN MINDSET

Burnout is characterized by emotional exhaustion, depersonalization, and a reduced sense of personal accomplishment. Traditional responses to burnout focus on reducing stressors and improving coping strategies.

With its growing body of research, flourishing (optimal human functioning), requires a more sustainable, transformative approach — focused on helping healthcare workers cultivate meaning, purpose, connection, and contribution along with holistic well-being.

ACKNOWLEDGING OUR CURRENT STATE OF WELL-BEING

We looked at the latest results from the Well-Being Index, an online self-assessment tool designed by the Mayo Clinic that, over time, measures dimensions of well-being: distressed, struggling, okay, and thriving (flourishing).

We're not doing well across all dimensions, and the incremental changes in thriving are not enough.

Dimensions	2021	2022	2023	2024*
Distressed	23.20%	23.92%	22.05%	22.07%
Struggling	20.94%	21.08%	19.86%	20.53%
Okay	25.34%	25.01%	26.06%	26.05%
Thriving	30.52%	29.99%	32.04%	31.34%

* Number of assessments in 2024: 97,490

In this article the question we pose is "Why do some people flourish (thrive), and how do we move along the continuum of well-being?"

We look at flourishing as an approach that focuses on identifying and amplifying the actions, mindsets, and habits of individuals and groups who succeed against the odds.

UNDERSTANDING FLOURISHING: WHAT THE RESEARCH SAYS

Flourishing is a multidimensional concept rooted in positive psychology, public health, and philosophy, according to Dr. Tyler VanderWeele, a leading researcher at Harvard University and founder of the Human Flourishing Program. The program seeks to understand flourishing as an integration of various dimensions of human life, including emotional, physical, moral, and relational. Additionally, in collaboration with Gallup and Baylor University, the Human Flourishing Program launched the Global Flourishing Study, a longitudinal research effort spanning over 20 countries and over 240,000 individuals examining the conditions that allow people to truly thrive.

The study uses a **composite measure of flourishing** based on six domains:

- **Happiness and Life Satisfaction**
- **Mental and Physical Health**
- **Meaning and Purpose**
- **Character and Virtue**
- **Close Social Relationships**
- **Financial and Material Stability**

In healthcare, these domains reinforce the idea that thriving workplaces are not just about pay or hours and go beyond surface-level perks — they're about culture, connection, meaning, and virtue-based living to impact the full human experience of clinicians and staff.

THE DEEPER ROOTS OF FLOURISHING: GRATITUDE, VIRTUES, AND ETHOS

While flourishing in healthcare can be supported through policies, systems, and practices, its deepest roots lie in the inner life of individuals and the shared ethos of teams and organizations. At its heart are timeless human virtues — qualities like gratitude, compassion, forgiveness, humility, and courage — that form the bedrock of the healing professions.

GRATITUDE AS A FOUNDATIONAL PRACTICE

Gratitude, often dismissed as a "soft" concept, is one of the most powerful predictors of well-being. Defined as the deepest touchpoint of human existence, gratitude can lead to[1]:

- Greater emotional and social well-being
- Better sleep quality
- Lower depression risks
- Favorable markers of cardiovascular health

Healthcare professionals who engage in gratitude practices — individually or in teams — report a deeper sense of meaning, connectedness, and optimism, even amidst challenging circumstances. Regular gratitude rituals, reflective debriefings, or simply pausing to thank a colleague can serve as micro-interventions that **restore emotional energy and rekindle purpose**.

VIRTUES THAT ELEVATE THE PROFESSION

Flourishing is not just about feeling good — it's about doing good and being good, aligned with a sense of moral identity. The flourishing framework includes character and virtue as one of its six core domains. In healthcare, these virtues manifest as:

- **Compassion**, especially when patients are most vulnerable
- **Integrity**, in decisions and interactions, both clinical and organizational
- **Humility**, in the face of complexity and uncertainty
- **Courage**, to speak up, advocate, and act ethically under pressure

CONTRIBUTOR:
Linda Roszak Burton, ACC, BBC, BS

To learn more about Linda, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

FLOURISHING IN HEALTHCARE: A RESEARCH-BASED REMEDY TO BURNOUT

These are not idealized traits — they are practiced habits that can be cultivated over time. Organizations that recognize and reward virtuous behavior help reinforce a culture where flourishing becomes contagious.

VALUES AND ETHOS: THE INVISIBLE ARCHITECTURE

Every healthcare system has an **ethos** — a shared moral climate that shapes the lived experience of work. When this ethos is grounded in core values like respect, equity, service, and collaboration, it becomes the invisible architecture supporting well-being, trust, and performance.

Leaders play a critical role in making values actionable — how meetings are run, how feedback is given, and how people are celebrated all reinforce (or erode) this ethos. When values are consistently modeled, especially under stress, they act as stabilizers. They remind people who they are, why they're here, and how they want to show up.

KEY PATHWAYS TO FLOURISHING IN HEALTHCARE

Drawing on research from positive psychology, the Global Flourishing Study, and VanderWeele's domains, here are four science-backed pathways to flourishing in healthcare:

1. **Purpose and Meaning in Work**
   Healthcare is inherently purposeful, but that purpose can get buried under bureaucracy and burnout. Leaders can help reconnect staff with meaning by sharing patient impact stories, recognizing acts of care, and creating space for reflection.
   - **Research Insight:** A study in the BMJ Quality & Safety journal2 found that physicians who spent at least 20% of their time on work they found most meaningful had half the burnout rate of their peers.
   - **Application:** Include regular opportunities for clinicians to reflect on meaningful moments — perhaps through storytelling rounds, gratitude practices, or narrative medicine sessions. Leaders can ask, "What part of your work gives you the most joy?" and redesign roles accordingly.
2. **Positive Relationships and Team Cohesion**
   Social connection is a key driver of well-being. Peer support programs, structured team huddles, and gratitude rounds can enhance trust and reduce isolation.
   - **Research Insight:** Barbara Fredrickson's Broaden-and-Build Theory3 shows that positive emotions expand cognition and build psychological resources over time. This has strong implications for improving adaptability in high-stress environments.
   - **Application:** Celebrate small wins at shift changes. Share uplifting stories during team huddles. Encourage rituals of appreciation — both peer-to-peer and from leadership.
3. **Strengthen Relationships and Psychological Safety**
   Flourishing is inherently social. Teams with high trust, empathy, and mutual respect are more likely to support one another and bounce back from adversity.
   - **Research Insight:** Amy Edmondson's work on psychological safety4 shows that teams that feel safe to speak up, admit mistakes, and ask for help have better outcomes and reduced stress.
   - **Application:** Build peer support groups, facilitate open dialogue, and train leaders in empathic communication. Healthcare teams flourish when trust and connection are prioritized.
4. **Support Accomplishment and Mastery**
   Clinicians want to feel effective. Chronic inefficiencies, documentation overload, and lack of recognition erode the sense of feeling valued and accomplishment.

- **Research Insight:** Teresa Amabile's "Progress Principle" 5 shows that the most powerful motivator at work is making progress in meaningful work.
- **Application:** Remove obstacles to progress, including meaningless tasks and toxic relationships. Track and celebrate improvements in patient care, not just metrics. Create systems that allow for visible, shared goals. Publicly acknowledge efforts and milestones, big or small.

THE ROLE OF LEADERSHIP IN SYSTEMIC FLOURISHING

Culture flows from the top. Leaders set the tone for what is valued, supported, and modeled. A flourishing healthcare culture must begin with leadership buy-in — not just for wellness initiatives but for a broader paradigm shift toward human-centered systems.

- **Start with Gratitude:** Organizations that embed evidence-based gratitude practices into their culture — from executive-level thank-you's to patient expressions of appreciation — see higher morale and engagement. Gratitude is the gateway emotion to flourishing.
- **Measure What Matters:** Alongside operational metrics, track flourishing indicators: psychological safety, job satisfaction, purpose alignment, and positive emotions.
- **Lead by Example:** Leaders who are authentic, vulnerable, and invested in their well-being create ripple effects. When a CMO talks openly about their gratitude practice or takes a wellness day, it normalizes self-care.

A LEADER'S CHECKLIST FOR FLOURISHING CULTURES

Use this as a starting point to assess and enhance your team or organization:

- We have a clear, shared purpose that connects to meaning.
- We actively promote gratitude and recognition in daily practice.
- We support professional growth aligned with personal strengths.
- We prioritize psychological safety and open communication.
- We align policies with our core values and make them visible in action.
- We measure well-being regularly and act on what we learn.
- We intentionally cultivate relationships and social trust.
- We celebrate stories of compassion, courage, and connection.

FLOURISHING IS A COLLECTIVE ACT

Flourishing in healthcare is not about individual heroism. It is a collective act — a shared commitment to nurturing the conditions in which people can thrive. It asks: How can we honor the human in every clinician, nurse, technician, and administrator? Flourishing offers us a vision of what is possible — not just surviving but truly thriving.

Contact Linda at: Linda@AccordantHealth.com

REFERENCES

1. Gratitude enhances health
2. Shanafelt, T., et al. (2009). Career fit and burnout among academic faculty. *Arch Intern Med*.
3. Fredrickson, B. (2001). The role of positive emotions in positive psychology. *American Psychologist.*
4. Edmondson, A. (2019). *The Fearless Organization*.
5. Amabile, T., & Kramer, S. (2011). *The Progress Principle*.

CONTRIBUTOR:
Linda Roszak Burton, ACC, BBC, BS

To learn more about Linda, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

PURPOSE AND PLANNING IN TURBULENT TIMES

In our strategic planning work within healthcare, the “five-year strategic plan” has been a commonly held convention – particularly through the 2000’s and into the 2010’s. A five-year planning cycle was an intuitive time horizon, far enough into the future to allow for real progress during relatively stable economies, labor markets, and policy environments.

However, it's time to reexamine the norms with which companies strategically plan in an unstable environment. I argue for an alternative approach, starting with these two questions:

- Are we clear on our enduring purpose – the value that will last no matter what?
- How far into the future can we accurately scope the strategy and tactics that realize our purpose?

Let’s start by unpacking what it means to have an enduring purpose. Organizational purpose is, of course, not a new concept. Organizations have sought to voice their missions, visions, values, purposes, etc., for a long time. But these last few years aren’t lost on anyone – and now employees, leaders, and board members are looking closely at what organizations say and do about their purpose.

Will it endure? Will your institution still believe in the value it offers after the next shock, and the next one? The quality of durability in purpose statements has taken on new importance for anyone trying to get a read on your organization. To put it another way, instead of looking at a five-year strategic plan for the source of stability and assurance, employees and leaders are increasingly

turning to purpose for that stability. After all, that's the promise you are making to your stakeholders – a promise of impact that will remain after those exogenous shocks and resulting pivots.

To return to the core questions stated above, their logic is built on the assumption that organizations that wish to compete for top talent and rise above the noise will do so when they can express an enduring and timeless purpose that will matter even if the world continues to change. Healthcare organizations that have articulated their enduring purpose can then decide how to structure their actions – including how far into the future their plan for effective action takes them.

Organizations that enjoy the stability of enduring purpose can more flexibly choose the strategic planning horizon that fits their situation. Here is a range of scenarios where organizations may opt for different planning horizon choices.

- **1 year:**
  - o Turnaround situations in which tight financial planning and strict controls are necessary to address pressing balance sheet issues
  - o Professional associations that are light on capital investment and can mobilize their workforce into new experiments for revenue generation and then pivot to what's working
  - o Startups
  - o Units within larger firms that are sources of innovation
  - o Medical school departments in particularly turbulent and unpredictable operating environments
  - o Organizations coming off a successful five-year strategy that have important work still to do before they're ready to engage in a more comprehensive look ahead
- **2-3 years:**
  - o Providers chasing the market leader, who need to show operational effectiveness while being nimble
  - o Companies that must contend with essential capital decisions, but understand that economic conditions will play a role in their ability to invest
  - o Systems seeking to grow their workforce to meet anticipated demand strategically
  - o Companies anticipating a major leadership or ownership transition within three years
  - o Organizations that must set a medium-term direction while contending with the possibility of state and federal policy changes that could imperil larger investments
- **4-5 years:**
  - o Institutions in established industries (health systems and companies in capital-heavy industries) and mature markets
  - o Long-running companies that are staging for organic and inorganic growth
  - o Health sciences companies managing a pipeline of innovation that takes years to bring to fruition
- **6+ years:**
  - o Systems that are planning for building construction
  - o Integrated systems and payors who must consider generational trends for the purpose of population health management

CONTRIBUTOR:
Christopher Hugill, MBA

To learn more about Chris, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

PURPOSE AND PLANNING IN TURBULENT TIMES

It is important to note these timelines (except for significant capital investments (e.g., buildings)) may need to be shortened in times of instability. A key takeaway from this contemplation of planning horizon ranges is that, in most cases, a shorter horizon will result in more nimble tactics and strategies. When purpose is the stabilizing element of direction, tactics and actions are freed to be more flexible.

A relevant example comes to us from a recent client, a medical school in the Midwest connected to a state university, that was considering a strategic planning process. The institution had enjoyed a stable planning environment during its last planning cycle approximately three years prior. With two years left in its five-year plan, many of the assumptions underpinning the expression of its purpose had changed. NIH funding was a deeply changed funding source, AI had raised pressing questions about both pedagogy and curriculum, and the school's commitment to engaging underserved communities was taking on complexity that wasn't apparent several years ago.

Rather than initiate a new five-year strategy or simply 'refresh' the prior direction, the school engaged in a rapid and targeted planning effort for the next three years. It did so first by affirming its organizational purpose, grounded in its well-regarded history and pointed at an impactful future. From there, it evaluated current efforts through the filter of this affirmed purpose. Some ancillary projects and research pursuits were deprioritized. Others were reaffirmed. Still other actions were newly initiated, including redoubled efforts to integrate with a surrounding community deeply in need of the school's capabilities. This prioritization was matched to a planning horizon that consciously fit their home institution's planning cycle as well as their perceived ability to anticipate the future environment.

Instability, like what we've collectively experienced, makes noise, and we have observed partnered companies grapple with how to execute on their purpose and operation within that noise. The organizations that are best able to be heard have conviction about their purpose and real solutions pinned to that purpose, consciously matched to their situation and environment.

Contact Chris at: chugill@cfar.com

For more information on this topic or related materials, contact CFAR at info@cfar.com or 215.320.3200 or visit our website at www.cfar.com.

Source: Bigstock

CONTRIBUTOR:
Christopher Hugill, MBA

To learn more about Chris, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

REBUILDING HEALTHCARE FROM THE GROUND UP

When CMS Administrator Dr. Mehmet Oz selected AtlantiCare for one of his first health system visits, it underscored a reality that leaders in Washington are beginning to acknowledge: the future of healthcare will be shaped by what happens on the ground in places like South Jersey.

Source: Bigstock

This visit carried weight. Dr. Oz came with focus and purpose, he asked the tough questions, sat with our frontline teams, spent time with patients at our Federally Qualified Health Center (FQHC), and engaged with community partners and industry leaders who understand both the urgency and complexity of care delivery in underserved communities. He came to listen, and that alone set a different tone.

Then, our Chief Information Officer, Jordan Ruch, represented AtlantiCare at the White House Summit on data interoperability and infrastructure modernization. He joined senior leaders from CMS, HHS, Oracle, Apple, Google, and other institutions to discuss what it will take to make healthcare technology work for providers and patients alike.

These two moments, while independent, reflected a shared inflection point, an acknowledgment that real healthcare reform must be rooted in operational reality, and that local systems have a vital role to play in shaping national policy.

CARRYING RESPONSIBILITY AND OPPORTUNITY AS AN ANCHOR INSTITUTION

As a regional health system serving more than one million patients across five counties in Southern New Jersey, we are the region's largest non-casino employer, a key economic driver, and a longstanding partner in community health. That is what defines an anchor institution — and with that role comes both responsibility and opportunity.

Vision 2030, our long-term strategic plan, was developed through this lens. It reflects the understanding that improving health outcomes requires more than clinical care. It demands sustained investment in people, technology, and systems that can evolve alongside the needs of the communities we serve.

THE STRUCTURAL FRICTION IN MEDICARE AND MEDICAID

For many of our patients, Medicare and Medicaid are not supplemental programs — they are the foundation of care. Yet, the administrative weight built into these systems often undermines their intended impact. During his visit, Dr. Oz saw firsthand the kinds of delays and burdens that providers face every day such as prior authorization bottlenecks, reimbursement constraints, and a regulatory framework that adds cost without improving outcomes.

We discussed how reform should focus on reducing friction, aligning incentives with prevention and care coordination, and supporting solutions led by the communities most affected. These are not theoretical, they are real barriers, with unfortunate consequences, for patients and providers alike.

INNOVATION GROUNDED IN PRACTICAL IMPACT

At the White House, Jordan Ruch emphasized that innovation must be judged not by its novelty, but by its impact at the point of care. That principle guides our own work. AtlantiCare's enterprise-wide transformation, powered by Oracle, is helping us improve care quality, streamline workflows, and predict patient risk in ways that are already producing measurable outcomes.

From prior authorization automation to real-time data sharing and command center operations, we are building infrastructure that supports better decision-making without adding burden. But even the most effective tools require regulatory support and funding models that enable adoption.

WHAT POLICYMAKERS MUST CONSIDER

To build a stronger system, policymakers must be willing to look beyond top-down solutions and engage more deeply with those delivering care. That means:

- Ensuring that provider perspectives inform regulatory and payment reform
- Prioritizing infrastructure investment that supports long-term improvement
- Redesigning value-based models so they work in real-world settings, not just in theory

The reality is that no single entity can drive transformation alone. It requires shared accountability, mutual respect, and a willingness to co-create policy that is both ambitious and executable.

BUILDING THE SYSTEM OUR COMMUNITIES DESERVE

At AtlantiCare, we are not waiting for reform to be handed down. We have already charged ahead with the clarity that comes from being close to the work. We are investing in solutions that improve care today and position our system for the needs of tomorrow.

This moment in our healthcare industry calls for non-partisan leadership. For institutions that are willing to take on the hard work of change and bring others along in the process, that is the opportunity in front of us — and AtlantiCare has long-been committed to meeting it.

Contact Michael at his LinkedIn profile.

CONTRIBUTOR:
Michael J. Charlton

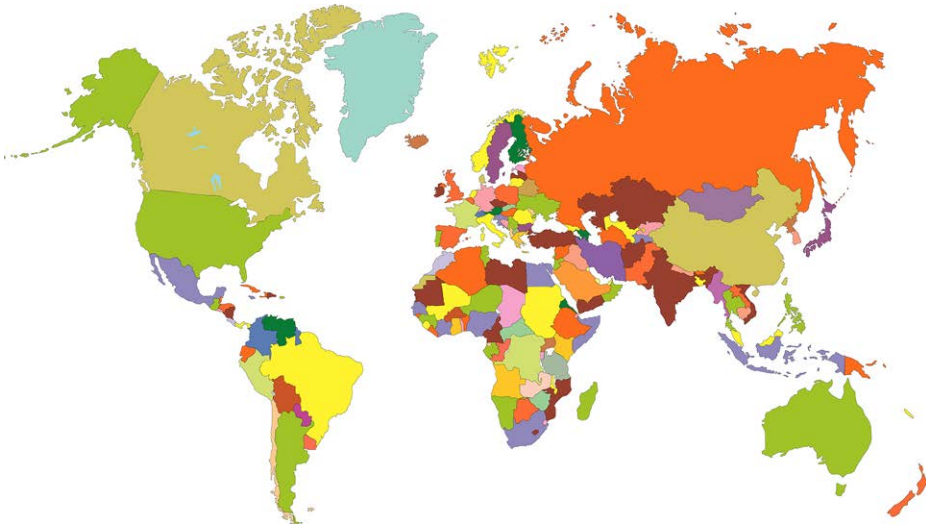
To learn more about Michael, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

WHARTON AROUND THE GLOBE: WHARTON GLOBAL HEALTH VOLUNTEERS (WGHV) PARTNERS WITH OSSEOLABS TO ADVANCE MEDTECH INNOVATION IN THAILAND

Wharton Global Health Volunteers (WGHV) is a student-run organization that connects MBA students and opportunity-rich, resource-poor healthcare organizations in developing countries for semester-long, pro-bono consulting projects. The group's goal is to not only enrich the educational and professional experiences of students, but also to advance healthcare equity internationally. With careful project and team selection, along with the support of the Healthcare Management (HCM) advisors, the organization is committed to applying expertise to address pressing challenges faced by healthcare organizations globally.



SPRING 2024 VOLUNTEER PROJECT: OSSEOLABS THAILAND – EXPLORING U.S. MARKET ENTRY FOR 3D-PRINTED SURGICAL IMPLANTS

In the spring, WGHV partnered with OsseoLabs, a Bangkok-based MedTech startup that leverages AI and 3D printing to deliver personalized surgical solutions for maxillofacial and orthopedic patients. The team worked virtually throughout the semester to conduct a current state assessment and analyze OsseoLabs' value proposition and go-to-market strategy for entering the U.S. market.

During a week-long site visit in Thailand, students toured OsseoLabs' facilities, attended a maxillofacial surgery conference in Hua Hin, and conducted business workshops with the engineering team. They also had the rare opportunity to observe the company's technology in real procedures and engage directly with local surgeons to better understand the clinical applications of 3D-printed implants.

"This project was an exciting opportunity to see OsseoLabs' impact firsthand. We engaged directly with Thai surgeons on their use of 3D implants and discussed key differences in go-to-market strategies between the U.S. and Southeast Asia. Not only did our team have an amazing time exploring Thailand, but we also got to see the beauties of the country through the perspective of a local startup," shared Jieru Shi (WG'26).

Kathy Ye (WG'26) added, *"WGHV was one of the most unique and rewarding experiences I've had at Wharton. Getting to work hands-on with OsseoLabs felt worlds away from a typical classroom project. We helped them think through how to*

bring their 3D-printed surgical implants to the U.S. by breaking down the healthcare system, mapping out key partners, and outlining next steps. What made it even more memorable was how open and engaged their team was. We got to attend a surgery conference, see their device used in real procedures, and even sit in on an operation. It was an incredible window into how far the company has come and I felt lucky to support them during such an exciting phase of their journey."

Wharton Student Team in Thailand:
Jieru Shi (WG'26), Ioana Economos (WG'26), Kathy Ye (WG'26), Rohan Parepally (WG'26), Illen Asmerom (WG'26), OsseoLabs Engineering Team and Leadership

NEW INITIATIVE! BUILDING A WHARTON GLOBAL HEALTH SME DIRECTORY

WGHV is excited to announce the launch of the **Global Health SME Directory**, a growing network of subject matter experts from across the Wharton and broader Penn community. This initiative aims to strengthen WGHV project teams by providing an opportunity to connect with alumni and industry professionals who bring deep expertise in global health, life sciences, MedTech, and digital health around the world. These expert advisors offer critical insights that enhance the relevance and impact of student recommendations.

Interested in becoming an SME and connecting with current Wharton students? Reach out to vgarth@wharton.upenn.edu or cmalkin@wharton.upenn.edu.

Wharton Global Health Volunteers (WGHV) is a student-run organization that connects MBA students and opportunity-rich, resource-poor healthcare organizations in developing countries for semester-long, pro-bono consulting projects. The group's goal is to not only enrich the educational and professional experiences of students, but also to advance healthcare equity internationally. With careful project and team selection, along with the support of the Healthcare Management (HCM) advisors, the organization is committed to applying expertise to address pressing challenges faced by healthcare organizations globally.

CONTRIBUTORS:
Claire Malkin, WG'26 and Viviane Garth, WG'26

To learn more about Claire and Viviane, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

WHARTON AROUND THE GLOBE: WHARTON GLOBAL HEALTH VOLUNTEERS (WGHV) PARTNERS WITH OSSEOLABS TO ADVANCE MEDTECH INNOVATION IN THAILAND

SUPPORT WGHV

WGHV relies on fundraising to help students travel to client sites like this every semester to conduct on-site research and work hand-in-hand with teams in person. If you are interested in donating funds to make initiatives like these possible for students during the 2025-2026 academic year, please follow instructions below:

Instructions to donate by check:

Make check payable to "WGA" with "Wharton Global Health Volunteers" in the reference/memo field. Please note that it is imperative to ensure that your accounts payable department writes the check exactly in this manner or else it risks being applied to a different Wharton student club.

- Please mail checks to the following P.O. Box:

  Wharton Graduate Association – Wharton Global Health Volunteers
  P.O. Box 13387
  Philadelphia, PA 19104

To Pay by Wire or ACH:

Please send payments directly to the Wharton Graduate Association's TD Bank account and include "Wharton Global Health Volunteers" and "226" in the reference area:

- Our corporate name is Wharton Graduate Association
- Our checking account# is 4420249347
- Our routing# for wire transfers is 031101266; for ACH is 036001808
- SWIFT code is NRTHUS33XXX
- Our branch address is:

  TD Bank
  3735 Walnut Street, Philadelphia, PA 19104
  Phone: (215) 387-1000

Contact Claire at: cmalkin@wharton.upenn.edu
Contact Viviane at: vgarth@wharton.upenn.edu

Source: Bigstock

Featured Article

CONTRIBUTORS:
Claire Malkin, WG'26 and Viviane Garth, WG'26

To learn more about Claire and Viviane, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org

PRESCRIPTION FOR CHANGE: APPLYING BEHAVIORAL SCIENCE TO WORKFORCE WELLNESS

Admittedly, the oxygen mask metaphor feels trite. At the same time, I have not come across better imagery to help convey the concept of caring for ourselves before we step into our role as caretakers. We can see the immediate need of the situation on a flight where something has gone wrong. We don't have much time to quickly secure our own mask before we won't be able to help others.

In the business of healthcare, we move very slowly, in comparison. *That drawn out pace can make it difficult to detect when our workforce is slowly losing oxygen before it is too late.* With intention and strategic focus on supporting our team members, we can secure that oxygen mask and strengthen our organizations.

There is no shortage of advice on workforce wellness. Yet, many healthcare organizations are struggling with employee retention, increasing levels of burnout, and other signs of organizational malaise. While there is helpful general advice, every organization has a unique context to consider. This is where behavioral science can give you a lens through which to view organizational design.

The term behavioral science can be defined as a systematic study of human behavior. Many fields contribute to our understanding of human behavior, including social sciences, neuroscience, economics, computer science, and many others. 'Applied' behavioral science takes that systematic study of human behavior into real-world settings, while maintaining ethical standards. The real-world context often makes it hard to study behavior change initiatives in the same robust ways you may be able to do in controlled settings. Experimenting and evaluating our strategies and tactics is nevertheless still important.

In recent years, 'behavioral science' has steadily grown in popularity – particularly among marketing, product, and design professionals. There is no shortage of books on behavioral science concepts on the market, including several from Wharton professors. Going from concept to application can be challenging, especially without formal education in a behavioral science approach.

Bringing the focus back to the healthcare space, most applied behavioral science in this realm is targeting health behaviors. In other words, we are very focused on how we can support healthcare consumers (patients, clients, caretakers, etc.) with behavior change, and we often miss turning inward to understand, shape, and support the behaviors of our leaders, individuals, and teams to deliver the best care possible and create environments where people want to work. In a highly regulated, complex space, it can be hard to know where to start or who to turn to. As a healthcare leader, it can start with you.

You can apply behavioral science in your work and with your team without having to target large groups (though your learnings may end up applying to many parts of your organization!). Getting the right support to get there will be key when you are new to working in a behavioral science frame. There are many stellar consultants that focus on organizational change with an applied behavioral science lens. You can also learn about behavioral science, join an applied behavioral science community, and start experimenting. A formal education in a behavioral science field is not for everyone and with the right guidance and support, you can do applied behavioral science without a degree.

Because I am an applied behavioral science professional, I want to leave you with something practical for your journey. At the time of writing, the SIDE Behavioral Science Course is a free offering by Matt Waellert and Lorraine Minister for anyone who would like to learn how to put behavioral science into practice. There is also an online community you can join where you can ask questions about the framework, get advice on your application, and connect with others who are actively applying behavioral science in their work.

Contact Bridgette at her LinkedIn Profile.

CONTRIBUTOR:
Bridgette Collado, MA, RD

To learn more about Bridgette, click here.

FALL 2025
Volume 14, Number 4

Healthcare Management Alumni Association
The Wharton School
University of Pennsylvania
204 Colonial Penn Center
3641 Locust Walk
Philadelphia, PA 19104
215.898.6861 phone
215.573.2157 fax
www.whartonhealthcare.org