



Make No Little Plans: The State of Health Care in Chicago

Posted by Curt Lucas

The [Health Care Council of Chicago \(HC3\)](#) recently released its second annual report on the [State of the Chicago Health Care Industry](#). Chronicling recent events of the health care ecosystem in the Second City, actually nation's third largest metropolitan area by population, the report presents a framework for analyzing the trends and opportunities facing the city and its health care sector stakeholders including care professionals, government, investors and vulnerable communities.



InveniasPartners provides C-Suite executive search and talent advisory services to leading health care organizations across the US. Our perspective is wider than just Chicago and the Midwest region as our team is based across the country and our clients are dispersed from Southern California to Boston. Similar state of the industry studies highlight [Georgia's](#) stature as the center of the southeastern health care ecosystem, [Texas'](#) position as one of the leading life science states, and the wellness profile of [Metro Denver](#). Yet the new research about Chicago's health care scene speaks to our firm as it highlights the complex operating environment facing health care leaders who are driven by mission while navigating an evolving business model.

Findings and Trends

Seven trends are highlighted in the State of the Chicago Health Care Industry report and I encourage you to check out the roster. It's a good primer (especially during budget season) on the challenges and opportunities facing our industry. The report highlights the impact of the upcoming Illinois gubernatorial elections, Medicaid issues (Illinois ranks #6 in the country for total recipients), a declining life sciences sector, digital innovation growth, and health care venture capital. Two of the findings resonate with me and align with my view of market conditions.

First, the white paper points to the rapid, ongoing consolidation across Chicago's hospital community. It is a bit of old news for those of us who have built their career in health care, but it remains the headline story for years to come. According to the study, hospitals alone contributed \$95.3 billion to the Illinois economy and produced 466,000 jobs last year. The outlook continues to be positive for telehealth and direct to employer contracting, which are likely to prompt a shift in profits, organizational profiles, and possibly employment levels. The local hospital market is dominated by three not-for-profit players and the deal market is percolating. The result is a relentless drive to reduce administrative costs, push continuous operational improvement and advance technology - all factors fueling consolidation. The trend isn't exclusive to Chicago, but the statistics point to an urgent need for transformation.

The other Chicago area issue that captured my attention is one that I wish wasn't on the list: health disparities. According to the research, there is a 16-year difference in life expectancy between residents of the Loop (downtown Chicago) and those who live on the West Side of the city - the same difference that exists between the United States and Iraq. That's headline news. It's also a call to action. The picture isn't bright across the state either as evidenced by Illinois' rank of 45th in overall health care quality by the [Agency for Healthcare Research and Quality](#). Organizations such as the [American Hospital Association](#).

At the national level, the American Hospital Association has teamed with American College of Healthcare Executives, Association of American Medical Colleges, Catholic Health Association of the United States and America's Essential Hospitals in a [National Call to Action to Eliminate Health Care Disparities](#). With a common purpose, this collective calls upon hospital and health system leaders to begin taking action to accelerate progress in four areas: data, training, diversity and community partnerships. Hospitals and health systems are urged to take [the pledge](#) and commit to working on efforts within their organization or in the community related to health equity and diversity and inclusion.

Talent as a Solution

Analysis and commentary on the state of the industry points to the need to embrace transformation and change while staying committed to patient care, academic research, medical education and community wellness. Today's health care challenges are complex and multi-faceted. Issues such as value-based reimbursement, population health management, patient and consumer engagement, and integration across the continuum of care seem like a manageable battle or campaign when compared to the war on health inequities. Agile, visionary leadership talent is needed to guide and drive the health care industry forward and to tackle the toughest issues. Together, let's "make no little plans" when it comes to addressing health disparities in Chicago and across the country.

As always, feel free to email me with questions or ideas lucasc@inveniaspartners.com.

www.inveniaspartners.com

