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State of academic medical centers in 2022: Northeast

Payer mix is deteriorating

Across the Northeastern U.S., academic medical centers (AMCs) take on the most complex care in their communities, serve those most in need, discover technological and medical breakthroughs and educate future generations of health professionals. In today's climate, as they help our communities emerge from a costly pandemic, AMC executives are addressing revenue streams, liquidity pressure and investing in future growth.

The patient population relying on government health plans is growing at the same time that privately insured patients are gravitating toward newer entrants to the healthcare market.

Organizations in the region are tapping into new revenues and maintaining margins by:

- Developing in-house pharmacy operations to gain better pricing on specialty drugs
- Using tech-transfer offices to convert cutting-edge research into lucrative licenses or startups
- •Expanding enrollment and teaching capacity in physician and nursing programs

"There's a real feeling right now among AMCs that now is a good time to assess their investments."

> **Melissa Bastan** Managing Director, Northeast Healthcare, Higher Education and Nonprofit

Thinking about liquidity

Federal government relief during the pandemic and healthy stock portfolios are presenting AMCs in the region with new opportunities.

"There's a real feeling right now among AMCs that it's a good time to assess their investments," says Melissa Bastan. "We're spending time with them, helping them streamline their bank accounts, improve cash flow and also find private opportunities and real estate they can invest in to grow in the future."

Footprints expanding

Today, AMCs extend their reach by partnering or merging with other hospitals and facilities. The larger networks help create referrals downstream. But they also bring more cost-effective primary- and secondary-level care closer to patients' homes, improving community health.

J.P. Morgan's deep experience in **healthcare** can help AMCs minimize operating costs to make the most of their revenue. Our **InstaMed** product works with Epic-based systems already in use at most AMCs to capture patient payments and help make EOBs and bills easier to send, simpler to understand and faster to collect. Reach out to learn how we can help make your health system more efficient and effective.



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