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State of academic medical centers in 2022: South

Wringing every dollar

Across the Southern 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. AMC executives are addressing revenue streams, liquidity pressure and labor shortages.

AMCs tend to draw more patients that are reliant on government health plans and fewer with private insurance. And like all healthcare providers, labor costs have soared as more systems are vying for a limited pool of doctors, nurses and other professionals.

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

Right place, right price

Today, AMCs' footprints cover broad metro areas by partnering or merging with other hospitals and medical facilities in cities and suburbs. The expanded networks help create referrals downstream. But they also bring more cost-effective primary- and secondary-level care closer to patients' homes, improving community health and preserving AMC resources for high-acuity care.

"Building modern academic health systems comes down to keeping people out of the expensive hospital setting. AMCs generally cannot compete at the urgent-care level—their cost base is relatively high. They excel, in part, because of their efficiency and expertise with the most complex cases, which may not be as effectively managed elsewhere."

Adam Rudner

Managing Director, Greater South Healthcare, Higher Education and Nonprofit

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.



