



What CSOs Are Working on Right Now

Diversifying Revenue to sustain mission critical work

Medicaid and Medicare Advantage (MA) denials are driving the need for revenue diversification. CSOs are investing in differentiated models to more effectively manage costs and sustain work considered “mission critical,” such as chronic disease management.

Controlling TCOC via MA investments and site-of-service optimizations

Investments in Medicare Advantage, while partially influenced by payers, are mainly driven by a commitment to patients and controlling total cost of care. This commitment also manifests in site-of-service optimization efforts, which work to CSOs’ advantage in improving operational efficiencies.

Strengthening governance structure among strategic partnerships

To instill structures of accountability, strategy teams are working to strengthen governance within their systems and across partnerships. By creating a strong system of reporting, CSOs can secure greater ROI and expect improved reporting on patient outcomes.

Rising drug cost leading to direct-to-consumer pharmacy disruption

CSOs are observing significant disruptions in specialty pharmacy access due to rising drug costs across the market. Health system strategists are working to build stronger relationships with underserved patients to better understand how to improve access to specialty prescriptions—particularly for patients experiencing menopause and those under chronic care management.

Tailoring access points according to patient demographics

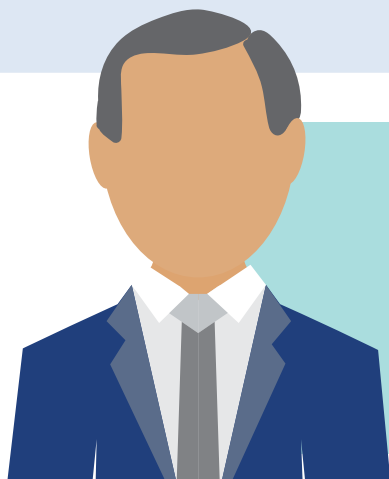
By using AI tools in digital scheduling, CSOs are tailoring processes to better meet the needs of diverse patient populations. Digital scheduling helps reduce variability between provider preferences and call centers, but also introduces challenges—particularly with language barriers, leaving non-English speaking patients at risk of care coordination gaps.

Key Quotes

"You have to ask not just 'Can I do it?' but 'Should I do it?' Sometimes, a partner can operate something better than we can, and that's where real value comes in."

"Pharmacy has become a critical revenue stream—it's generating more than some of our surgical lines, and we need to think of it as more than just an operational cost."

"We've learned that digital-first scheduling is crucial, but it can't be digital-only—especially in communities with aging populations where preferences vary."



Get to Know the CSO Persona

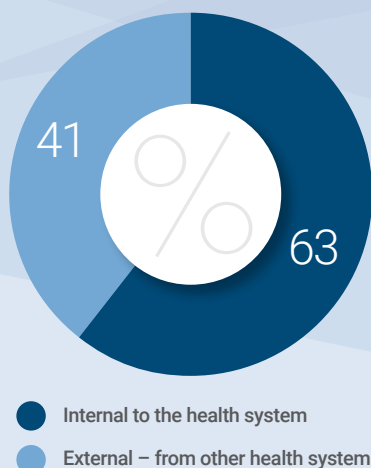
CSO in Brief

CSOs provide strategic leadership and management across a broad scope to ensure the health system performs effectively and continues to grow. They typically report to the CEO but collaborate closely with other executives—such as the COO on operations, the CFO on budgeting and finance, and the CNO on care team strategy. CSOs are often focused on defining the system’s strategic direction for the next three to five years.



Audit of Leading Health System CSO Profiles

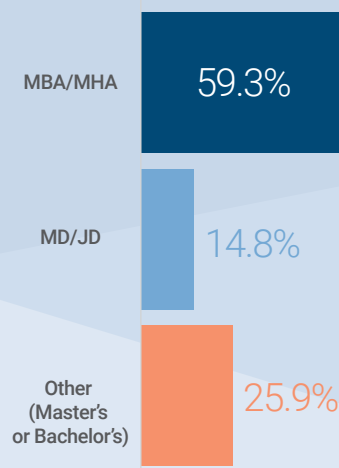
Where are CSOs Hired From?



How Long Have CSOs Been in Seat?

4.8 years
Average years in role

What Education Do CSOs Have?



Obstacles and Investment Decision Drivers

Pain Points That May Impact Strategy Execution

- ✓ Substantial pressure to reduce costs forcing increased level of oversight and time investment into new and existing industry partner contracts
- ✓ Increased system merger and acquisition activity, creates added hurdles in creating a unified culture with standardized processes and economies of scale
- ✓ Urgency to bend labor cost growth curve, forcing need to automate certain workforce tasks (and/or outsource) and see swift and significant ROI in reducing cost and possibly non-clinician FTE requirement
- ✓ Lack of centralized data and dashboards to keep pulse on issues across system
- ✓ Labor shortages, particularly in clinical roles; management of hybrid/remote workforce in a post-pandemic environment

CSO Checklist for Choosing Solutions

- ✓ Solution reduces labor load with both hard ROI (e.g., reduced FTEs) and soft ROI (e.g., reduced admin burden, frustration)
- ✓ Solution has clear metrics that would define success across the entire health system
- ✓ Seamless interoperability with current systems
- ✓ Established continuity plans, willing to jointly scenario plan to identify risks for disruption, potential back-up plans
- ✓ Low compliance risk (e.g., data sharing, price transparency)



Get to Know the CSO Persona

2025 CSO Strategic Priorities and Opportunities

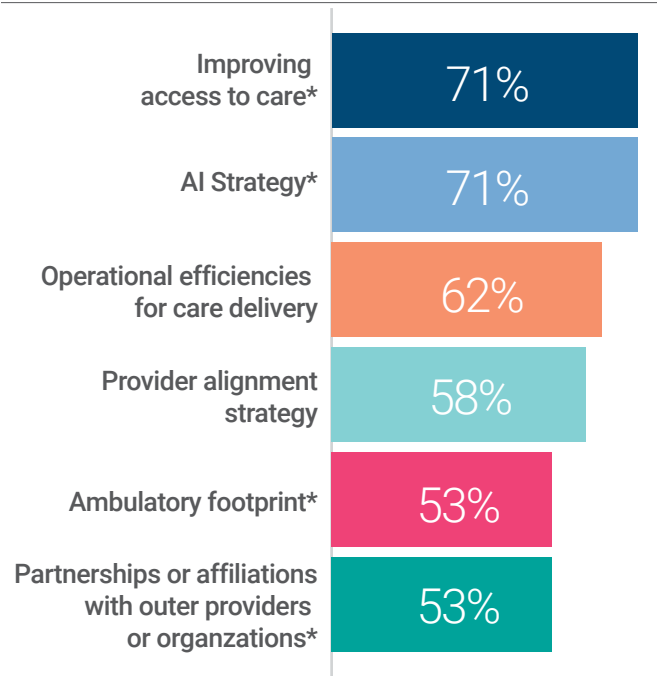
These are the top ten rated priorities (out of a list of 26) in The Academy’s survey of Leading Health System Chief Strategy Officers conducted in late 2024.

Top 10 Strategic Priorities for CSOs

1	Improving access to care	6	Provider alignment strategy
2	Operational efficiencies for care delivery	7	Payer strategy
3	Strengthening the workforce	8	Ambulatory footprint
4	Site-of-service optimization	9	Partnerships or affiliations with other providers or organizations
5	Strategic cost management	10	Inpatient capacity/infrastructure

Top 5 Priorities Rated “More Important”

Percent of CSOs who rated category “More Important” in 2025 versus 2024



* Indicates a tie

Top 5 Improvement Opportunities

Relative to performance today

1	Improving access to care
2	Consumer-centered care delivery
3	Reducing care team administrative burden
4	Healthcare affordability
5	Divesting underperforming assets/services



Get to Know the CSO Persona

2025 CSO Executive Priorities Survey Results

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

Priority	Priority Rank	Improvement Opportunity Rank
Improving access to care*	1	1
Operational efficiencies for care delivery*	2	7
Strengthening the workforce*	3	25
Site-of-service optimization*	*4	10
Strategic cost management*	*4	15
Provider alignment strategy	6	*12
Payer strategy	7	26
Ambulatory footprint	8	*21
Partnerships or affiliations with other providers or organizations	9	*21
Inpatient capacity/infrastructure	10	*21
Reducing care team administrative burden*	*11	3
AI strategy*	*11	17
Consumer-centered care delivery*	13	2
Automation of workflows and processes*	14	11
Care at home strategy	*15	*12
M&A strategy	*15	*21
Digital & hybrid care models	17	16
Organizational literacy with data and technology*	*18	14
Health equity*	*18	19
Risk-based payment strategy	20	18
Consumer data & analytics	*21	*8
Behavioral health strategy	*21	20
Healthcare affordability*	23	4
Revenue diversification outside of core care delivery	24	*8
Direct-to-employer partnerships	25	6
Divesting underperforming assets/services	26	5

* Indicates a tie