



State of the healthcare industry 2026

Rising healthcare costs, demographic shifts and rapid innovation are reshaping how hospitals and health systems operate. On the positive side, financial performance has mostly stabilized since 2023, quality outcomes continue to improve and organizations have expanded how they support clinicians, improve access and drive productivity.

Yet, significant challenges remain, with structural pressures intensifying. Affordability, workforce shortages, capacity constraints and shifting payer dynamics are creating uncertainty. Long-term demographic trends will further affect demand and utilization, so leaders need to balance near-term financial stability with sustained investment in innovation and growth.

New Vizient report examines the market forces redefining the healthcare industry in 2026

The [report](#) identifies five key findings:

1. **The U.S. healthcare system is under structural pressure with higher costs, rising complexity and persistent quality challenges.** The system is taking on more, delivering marginally more and paying far more.
 - Multiple forces are reshaping the landscape, pointing to the need for scalable, resilient and consumer-centered healthcare operating models.
2. **Financial sustainability is likely to be challenged as demographic, policy and innovation headwinds accelerate.** Across the board, this means more volume, less favorable reimbursement and higher risk.
 - These headwinds allude to a more volatile financial environment requiring diversified revenue strategies and cross-ecosystem partnerships.
3. **Cost pressures are evolving, not easing.** Workforce shortages persist as drug, device and supply costs surge. A higher labor cost floor, accelerating workforce shortages and rising expenses are redefining margin resilience.
 - To protect margins and sustain performance, health systems will need advanced analytics, scale-enabled efficiencies and disciplined, systemwide spend management to manage persistent cost growth and build more resilient operating models.

4. **Market behavior is evolving from large-scale mergers and acquisitions to include strategic, vertical and ecosystem partnerships.** The new market advantage is ecosystem orchestration built around owned assets.
 - With some disruptors cutting back and platforms scaling value-based models, growth is increasingly driven by agile, capability-focused partnerships rather than consolidation alone.
5. **Artificial intelligence offers real potential to reduce waste and transform operations.** Turning AI's promise into performance depends on redesigning workflows, not just deploying tools.
 - AI's impact depends on disciplined integration, governance and workflow redesign. A divide is emerging between organizations building system-level AI capabilities and those relying on isolated pilots. The report suggests that health systems that embed AI as a foundational operating capability will be more successful.

All these trends should challenge the way leaders think about revenue, growth and efficiency while sharpening the strategic agenda. Organizations that address internal cost structure, redesign workforce models, embed technology and align service mix with population needs will be better positioned to sustain performance. The next era of healthcare will favor integrated, data-enabled and collaborative operating models that turn pressure into progress.

For more details on these insights to help you navigate the year ahead, [read Vizient's Trends report](#).

Information for this article was obtained from:

- Vizient's Jan. 22 report, [New margin math: The trends resetting healthcare's financial foundation](#), Vizient, Jan. 22, 2026.

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