‘We’re all chasing the same staff’

Universal Health Services recently announced a partnership with venture capital firm General Catalyst. Why did you think this was a necessary action to take?

General Catalyst has made it a priority in the last five to seven years to utilize a lot of its skill set to try and bring improvements to healthcare, specifically in behavioral health and mental health. It was a natural for us [to partner]. We started to speak with its team years ago to try and see what things we could do [together] as they try to be as innovative as they can in a sector that has lacked innovation in the past.

How much disruption needs to happen through these kinds of external partnerships?

A tremendous amount, because it’s obvious that without the outside expertise coming in, we’re not going to do it ourselves. In the healthcare sector and in the hospital industry, we’ve made small steps over many years. But to really advance [innovation] in a way that we want, we need outside help.

For us, it’s a lot more about catching up to a base level, as opposed to [seeing] significant disruption.

Given your significant behavioral health presence in the U.K., how does the market there compare with that of the United States?

They’re vastly different, as you can imagine. What happens in the U.K. is just night and day from what we have in the United States, both in acute care and the behavioral health space. On the behavioral health side, the government has looked for outside operators, such as ourselves, to come in and help.

UHS’ behavioral health footprint spans 39 states, plus Washington, D.C., Puerto Rico and the United Kingdom. What strategies has the system taken to increase access to behavioral care?

We can’t be everywhere physically. That’s why some of our other efforts, such as telehealth, are so key and are growing. We’ve had telehealth operations now for over 20 years, but we continue to try and double down on those efforts. We’re partnering with more folks that are improving tele-opportunities for behavioral health. This includes General Catalyst, which is doing some great things with technology and telehealth.

In addition, we’re trying to partner with some of the largest nonprofit acute care systems in the country to see how we can work with them and try to alleviate some of the stressors that they’ve had on the behavioral side. These may be things that maybe they’re not as equipped to do on their own. This may involve working with current operations, building new hospitals in their communities or just trying to find areas of need where we can be helpful.
One of the other biggest differences is that there are many long-stay patients in the U.K., whereas we don’t have that here. Our length of stay in the United States can be as low as five days, whereas there are many situations in the U.K. in which we have patients that have been in a facility for a year or two. The way we treat the relationship with the patient is a lot different in that scenario.

COVID-19 has led to significant staffing challenges around the country. What have you seen at UHS in this regard?

We hear a lot about staffing in healthcare, and most of the time that’s focused on acute care. Our acute care operation has seen the same challenges as all our other colleagues in this industry. There’s a lack of staff. We’re all chasing the same staff. And the rates of pay have increased significantly.

What has also happened, but has not gotten as much attention, is that the behavioral health staff has been hit the hardest. Traditionally, behavioral staff members would not move over to an acute care setting for a pay raise of a couple of bucks. It just didn’t happen. Those staff members chose to work in the behavioral health business for a number of reasons. A lot of them work in that setting because of personal situations.

But [that changed as] the money started to increase so significantly during COVID-19 and in the last couple of years. It’s something that we’ve just never experienced before, at least in my 30 years of doing this. You had—really for the first time—behavioral staff members who were jumping over to the acute care side. There was no way for us to backfill that staff on the behavioral side. It’s caused a number of problems that we’re still dealing with today and are trying to work our way out of.

The needs of behavioral patients are increasing, but we have fewer staff. It’s incumbent upon us to figure out a way to service these types of patients without [having them be] in an inpatient or outpatient setting with staff members. That’s where I think technology is going to play a big part going forward.

You sit on the board of the Federation of American Hospitals. How does the wider industry plan on addressing these staffing challenges?

We’ve talked about it a lot and are partnering with the American Hospital Association. The Federation has tried to impress upon our elected leaders in Washington, D.C., just how dire some of these situations are and that we need some help in working our way out. Everybody’s affected by this. This is something that touches all 50 states. I feel like we have made progress in D.C. in getting people to recognize what the issues are, but [it’s] a little bit harder in getting solutions to some of these problems. But we continue to work with our legislators and hopefully we’re making progress.

What are your big goals for 2023?

I think that as we look to 2023, we’re getting further from the pandemic and hopefully further from some of the issues we’ve been dealing with. It’s been interesting and a little bit disappointing that we continue to see such a rocky road in our business.

The ups and downs in 2022, while not totally unexpected, were more significant than we thought. We thought we’d have a larger ramp-up this year. You can see across the healthcare spectrum that so many companies and health systems are having similar issues.

For 2023, we’re just hoping the staffing issue starts to settle down a bit. We know there are a lot of people who need our services whom we want to be able to treat, but we can’t do it without more staff. For us, that’s number one.

And then number two, as we talk about technology and what we can do, we’re very focused on patient safety in both divisions. [We’re looking at] what types of things we can do on a technology front that can assist us in providing more quality [care] to our patients, especially on the behavioral side with so many patients coming to us in more severe situations. We want to make sure we can help those folks better than we did last year. So that’s the focus for us.