Definitive Healthcare

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Industry Pulse

The new geography of healthcare: What decentralization means for the businesses supporting the industry

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Executive summary

The future of outpatient care is local, connected, and personalized.

Healthcare is moving out of the hospital.

In recent years, patients have increasingly pursued care in outpatient settings, and providers and healthcare organizations are responding by expanding beyond the four walls of large hospital campuses. That shift is showing up in urgent care centers, ambulatory surgery centers (ASCs), medical office/outpatient buildings (MOBs), and micro hospitals, along with other community-based sites built to deliver focused care closer to where people live—at the level of quality and convenience they have come to expect.

The reason is practical. Clinical and technological advancements have made it safer to perform more procedures in outpatient settings.[1] At the same time, patient expectations are rising. People want care that's closer to home, easier to access, has more transparent pricing, and is more personalized to their needs.

Decentralization isn't just changing where care happens. It's changing how the healthcare ecosystem operates and where opportunity is created. The ripple effects extend beyond providers, touching the consultants, tech companies, real estate and construction firms, staffing agencies, and suppliers that keep healthcare running.

Using Definitive Healthcare's proprietary data and analytics, along with third-party research, we've identified a set of trends driving this shift. In this report, we'll examine the data behind each trend, reveal what it signals for the industry, and discuss how healthcare-adjacent organizations should evaluate these changes within a broader strategic framework.

The goal is to provide clarity on the factors most likely to shape key business and operational decisions today and in the years ahead. With a clearer, data-driven view of the healthcare landscape, organizations can better understand where the market is headed and what it will take to succeed and grow.

Key insights:

- → Outpatient care is leaving hospitals behind, driven by patient preferences, chronic disease, retail clinics, reimbursable surgical procedures, and more.
- → Artificial intelligence, telehealth, and remote patient monitoring are making outpatient care scalable and attractive to investors and patients alike.
- → Ambulatory surgery centers and medical office buildings are emerging as core growth engines for outpatient expansion, even as construction lags behind.
- → Data integration is the next competitive advantage. The organizations that succeed will be the ones that can connect providers with the right insights and expertise to guide them through the changing care landscape.

The market forces behind decentralized care

The shift in outpatient care is the result of multiple forces moving in the same direction: demographic demand, rising consumer expectations, new care models, procedure migration, technology, and more.

The healthcare industry is adapting in kind, leading to a more decentralized provider landscape with more outpatient facilities. Together, they're changing where care is delivered, how networks expand, and what kinds of facilities (and business models) make sense to build and invest in.

Industry definitions:

- **Micro hospital:** A fully licensed, semi-acute care facility that is anywhere between 15K to 50K sq. ft. in size and has five to 15 inpatient beds. Provides typical services, including an emergency department, an inpatient pharmacy and lab, primary care, surgical services, imaging, and more.
- **Medical office/outpatient building (MOB):** Specialized facility built to accommodate the unique needs of medical professionals and patients in the community. Can offer a broad variety of services including urgent care, ambulatory surgery, dialysis, and standard physician offices.
- **Ambulatory surgical center (ASC):** A facility designed for procedures that don't require an overnight stay.

TREND 1

More procedures are happening in outpatient settings

One of the clearest drivers behind the shift toward decentralized care is procedure volume. Across the healthcare market, more surgeries and services are shifting from inpatient hospitals to ASCs, hospital outpatient departments, medical office buildings, urgent care centers, and other community-based settings. This migration not only impacts where care is delivered, but also where revenue, staffing needs, and real estate investment are concentrated.

Outpatient demand is expected to continue growing. JLL's 2026 Medical Outpatient Building Perspective suggests that outpatient volumes in the U.S. are projected to increase by about 11% over the next five years.[2] Revenue is moving in the same direction. According to Colliers, outpatient revenue has increased 45% since 2020 and is projected to grow another 10% over the next five years.[3]

We can see this shift in action with Definitive Healthcare data. The tables on the next page compare the share of hip, knee, and shoulder surgeries performed at inpatient, outpatient, and ASC locations from 2019 to 2023. Across these procedures, care is moving more frequently into ambulatory surgery centers and hospital outpatient departments, while inpatient hospital share is declining.[4]

FIG. 1 SHARE OF INPATIENT, OUTPATIENT, AND ASC HIP SURGERIES, 2019 - 2023

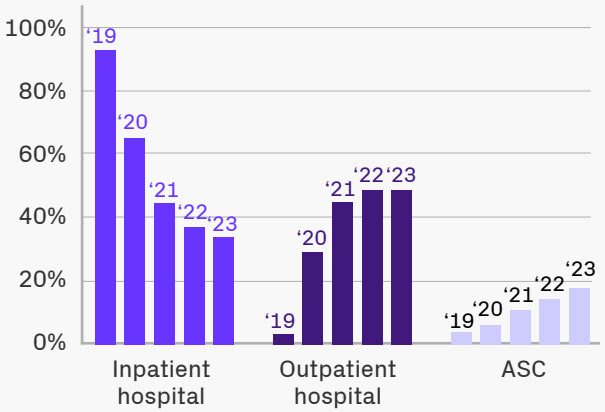


FIG. 2 SHARE OF INPATIENT, OUTPATIENT, AND ASC KNEE SURGERIES, 2019 - 2023

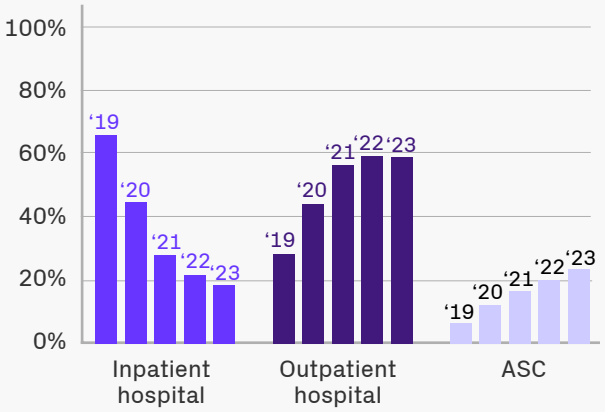
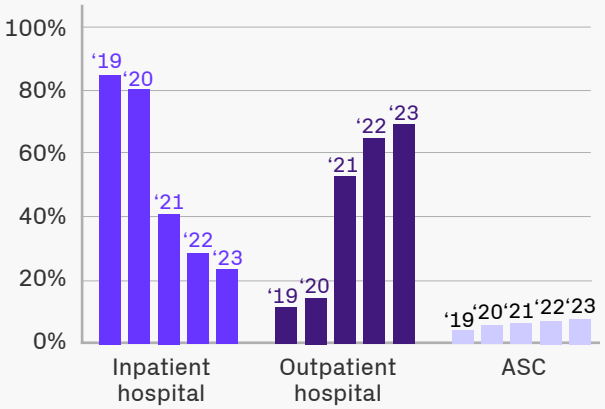


FIG. 3 SHARE OF INPATIENT, OUTPATIENT, AND ASC SHOULDER SURGERIES, 2019 - 2023



Figs. 1-3 Share of hospital inpatient, outpatient, and ASC knee, hip, and shoulder surgeries from 2019 – 2023 sourced from the Atlas All-Payor Claims dataset. Data accessed July 2026.

The evolving reimbursement landscape is one reason why we may see more surgical procedures trend higher in outpatient settings. CMS' Inpatient-Only (IPO) list defines which procedures Medicare will reimburse only when performed in the inpatient setting. Historically, many procedures were considered too complex or risky to perform outside the hospital. But advances in anesthesia, minimally invasive surgical techniques, risk assessment, and post-acute care have changed what is clinically feasible in outpatient environments.[4]

As CMS removes procedures from the IPO list, more services can be reimbursed in hospital outpatient departments (HOPDs) and, where approved on the ASC Covered Procedures List, in ASCs. This creates significant growth opportunities for surgery centers that have the clinical staff and facility capacity to support more complex procedures.

This also creates risk for hospitals. The challenge is not necessarily lost surgical volume, but a redistribution of where care is delivered. As high-margin cases migrate to HOPDs and ASCs, hospitals may see a less favorable revenue mix, with fewer high-margin procedures available to offset lower-margin care, even if overall surgical volumes remain stable. Because commercial payors often use CMS policy as a guide when shaping coverage and site-of-care rules, these impacts extend beyond Medicare.

Ultimately, surgical care migration is one part of a broader shift toward decentralized care that is opening opportunities across the healthcare ecosystem while challenging organizations to rethink service-line strategies, maintain quality and coordinate care across settings, and sustain financial performance as care moves closer to the patient.

TREND 2

Aging population & chronic disease are driving demand for specialized care

The U.S. population is growing older and living longer, and this demographic shift is projected to accelerate. Roughly 10,000 Americans turn 65 each day, according to the U.S. Census Bureau. By 2030, every Baby Boomer will be at least 65, and by 2034, older adults will outnumber children under 18 for the first time in U.S. history.[5]

That older adults use more healthcare and have more complex needs is well established. The National Council on Aging reports that 93% of older adults have at least one chronic condition, and nearly 80% have two or more.[6] These conditions often require regular monitoring, specialty visits, diagnostics, rehabilitation, and follow-up care, not all of which need to happen in a hospital.

But higher demand does not necessarily translate into stronger growth opportunities. An aging population shifts payor mix toward Medicare, which generally reimburses below commercial rates, so providers face growing volume on lower margins. At the same time, commercial reimbursement growth, long relied upon to offset Medicare shortfalls, is coming under pressure. To compound matters, the rise of Medicare Advantage, which represents over half of Medicare enrollment, introduces additional administrative friction through stricter utilization management than traditional Medicare. Advantage in this landscape will favor organizations that lower cost-to-serve rather than assume rising demand will carry them.

Meanwhile, younger generations are entering adulthood with higher chronic disease burdens than previous cohorts. These patients may require different engagement and care delivery models than those built primarily for Medicare populations. Younger patients have different expectations around access, are more likely to be uninsured or covered through employer-sponsored or ACA marketplace plans, and less likely to have an established primary care provider.

For organizations enabling chronic care delivery, evolving demand will require solutions and care models that address older adults with complex, longitudinal needs while also engaging younger patients whose chronic disease management begins earlier and often outside traditional care pathways.

TREND 3

Concierge medicine and direct primary care are becoming more popular

The same demographic forces increasing demand for specialized, ongoing care are also changing expectations for primary care. Patients of all ages, but especially older adults and patients with chronic conditions, are looking for care models that offer easier access and stronger relationships with physicians.[7]

That demand is helping fuel growth in concierge medicine and direct primary care (DPC), two models that shift more routine care into smaller, decentralized outpatient settings.

In concierge medicine, patients typically pay a membership fee for enhanced access to a physician, longer visits, and a more personalized care experience. In DPC models, patients pay directly for primary care services—and in some cases certain prescription drugs—without billing insurance for those services. Both models are designed to reduce friction, improve access, and support more ongoing engagement between patients and providers.

To meet this demand, the number of practices and clinicians performing this type of care is increasing. Research cited by Harvard Medical School found that the number of concierge and DPC practices grew by 83% from 2018 to 2023.[8] The workforce mix practicing in those models is also evolving. Over the same time period, the number of clinicians grew by 78%, while physician assistants and nurse practitioners grew by 40%.

Investors are taking notes. In 2025, Healthcare Foresights estimated the U.S. concierge medicine market at $7.35 billion and projected it to reach approximately $19.84 billion by 2035, representing a 10.32% CAGR.[9]

For the outpatient market, the growth of concierge medicine and DPC reinforces a broader reality: the decentralization of care is not limited to procedures. Patients are increasingly willing to seek care outside traditional hospital settings when the experience is more accessible and personalized to their needs. However, access remains limited to patients who can afford it. While prices can vary based on location and the type of service provided, membership fees can range from thousands to tens of thousands of dollars a year.[8] Piloting lower-tier membership programs and expanding use of telemedicine and other hybrid practices may be a way to give more patients an opportunity to receive concierge medicine and DPC.

TREND 4

Consumers are expecting more from the care they receive

The shift toward decentralized care is also being shaped by changing patient expectations. Patients increasingly want healthcare to fit into their lives, not the other way around. Studies have shown that timely, convenient access to healthcare is rising in importance in consumers' decision-making processes.[10] For example, 42% of patients surveyed in a 2025 Tebra Report indicated they would change providers for access to online appointment scheduling.

This is one reason smaller, community-based facilities are gaining momentum. Urgent care centers, ASCs, and MOBs can bring care closer to where patients live and work, while supporting more focused services and easier navigation than a large hospital. These settings can also be designed around specific patient needs, whether that means faster access to low-acuity care, more convenient surgical options, or recurring touchpoints for chronic disease management.

TREND 5

Retail clinics are changing the front door to care

Retail clinics are also making care more distributed, convenient, and accessible. Embedded inside pharmacies, supermarkets, and big-box stores, these clinics have reshaped how many Americans access basic and routine healthcare. Their value proposition is straightforward: bring care closer to where people already shop, work, and live.

In spite of some headwinds, the market opportunity is growing with that demand. Some analyses valued the retail clinics market at roughly $1.6 billion in 2025 and suggest that it could more than double over the next decade.[11]

More than 1,700 active retail clinics dot the country, with big drugstore chains like CVS Health holding the reins over most of them.[12] However, health systems and physician groups have also been moving into the market in recent years, either by partnering with existing chains or taking over ownership.

Data from Definitive Healthcare's Atlas All-Payor Claims Dataset breaks down some organizations that are leading the market and the top reported diagnoses.[13]

FIG. 4 RETAIL CLINIC MARKET SHARE BY NUMBER OF LOCATIONS

Retailer	# of clinics
CVS Health	1027
Kroger Health	205
Kaiser Permanente	35
Harbor Health	27
Piedmont Healthcare	26

Retail clinic data sourced from Definitive Healthcare's ClinicView product. Location counts reflect facilities tracked in the Definitive Healthcare database and may not represent a complete consensus of the U.S. retail clinic market. Data accessed July 2026.

FIG. 5 MOST COMMON DIAGNOSES MADE AT RETAIL HEALTH CLINICS

ICD-10 code	Description	% of total diagnoses
Z23	Encounter for immunization	8.18
Z111	Encounter for screening for respiratory tuberculosis	4.57
Z0000	Encounter for general adult medical examination without abnormal findings	2.99
J029	Acute pharyngitis, unspecified	2.09
Z2820	Immunization not carried out because of patient decision for unspecified reason	1.88
Z7189	Other specified counseling	1.68
H524	Presbyopia	1.62
J069	Acute upper respiratory infection, unspecified	1.60
Z113	Encounter for screening for infections with a predominantly sexual mode of transmission	1.56
Z713	Dietary counseling and surveillance	1.52

Analysis of diagnoses performed at a retail clinic sourced from Definitive Healthcare's Atlas All-Payor Claims dataset. Based on claims reported by retail clinics in calendar year 2025. Data accessed July 2026.

The diagnosis mix suggests that retail clinics are being used primarily for routine and preventive services and common illnesses that need quick treatment.

Research from the CDC indicates that older adults are among the patient groups most likely to use retail health clinics. In 2024, 25% of users of retail health clinics were age 65 and older.[14]

However, retail health clinics are still finding their footing in the market. Despite a 200% surge in use from 2017 to 2022, visit growth has slowed through 2026 as pandemic-driven immunization demand normalized and operators faced difficulties, from rising operating costs to weaker storefront traffic.[12, 15, 16]

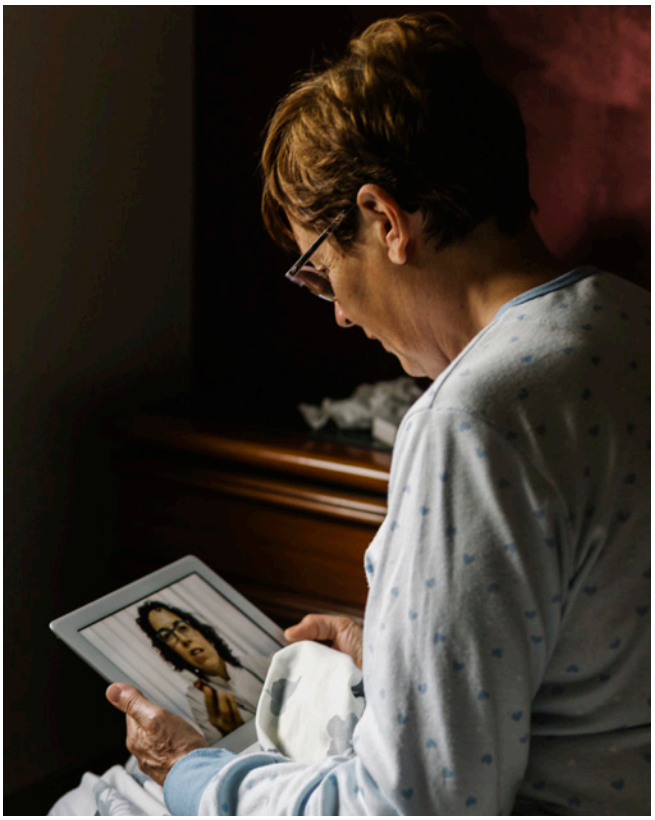
Looking ahead, evolving coverage dynamics could create new sources of demand. As Medicaid changes and the expiration of enhanced ACA subsidies lead to rising numbers of uninsured patients, affordability may become a larger factor in healthcare decisions. For routine care, some patients may increasingly turn to lower-cost, transparent pricing models, and retail clinics could capture a share of this demand in 2027 and beyond.

Overall, the spread of retail health clinics reinforces the change we're seeing across the care landscape: patients are increasingly willing to seek care in outpatient and community-based settings when those settings are convenient, accessible, and aligned to their needs.

TREND 6

New technologies are making outpatient sites more viable—and valuable

Technology is becoming a core part of the decentralized care model. As providers expand into outpatient facilities, medical office buildings, micro hospitals, and other community-based



sites, they need infrastructure that can support both in-person and digital care delivery. That includes new technologies like AI systems, telehealth, and remote patient monitoring (RPM), which contribute to making care more convenient, cost-effective, and patient-centered.

The opportunities for AI in healthcare are numerous. Through the lens of healthcare real estate and the shift to decentralized care, AI can help address and improve concerns related to facility performance and clinical operations. For example, AI can analyze data on a building's energy consumption and recommend changes that improve energy efficiency and lower carbon footprints while reducing operating costs. In addition, AI systems can use predictive analytics to support a proactive approach to facility and equipment maintenance—a use case already commonly used in medical supply warehouses and distributors.[17]

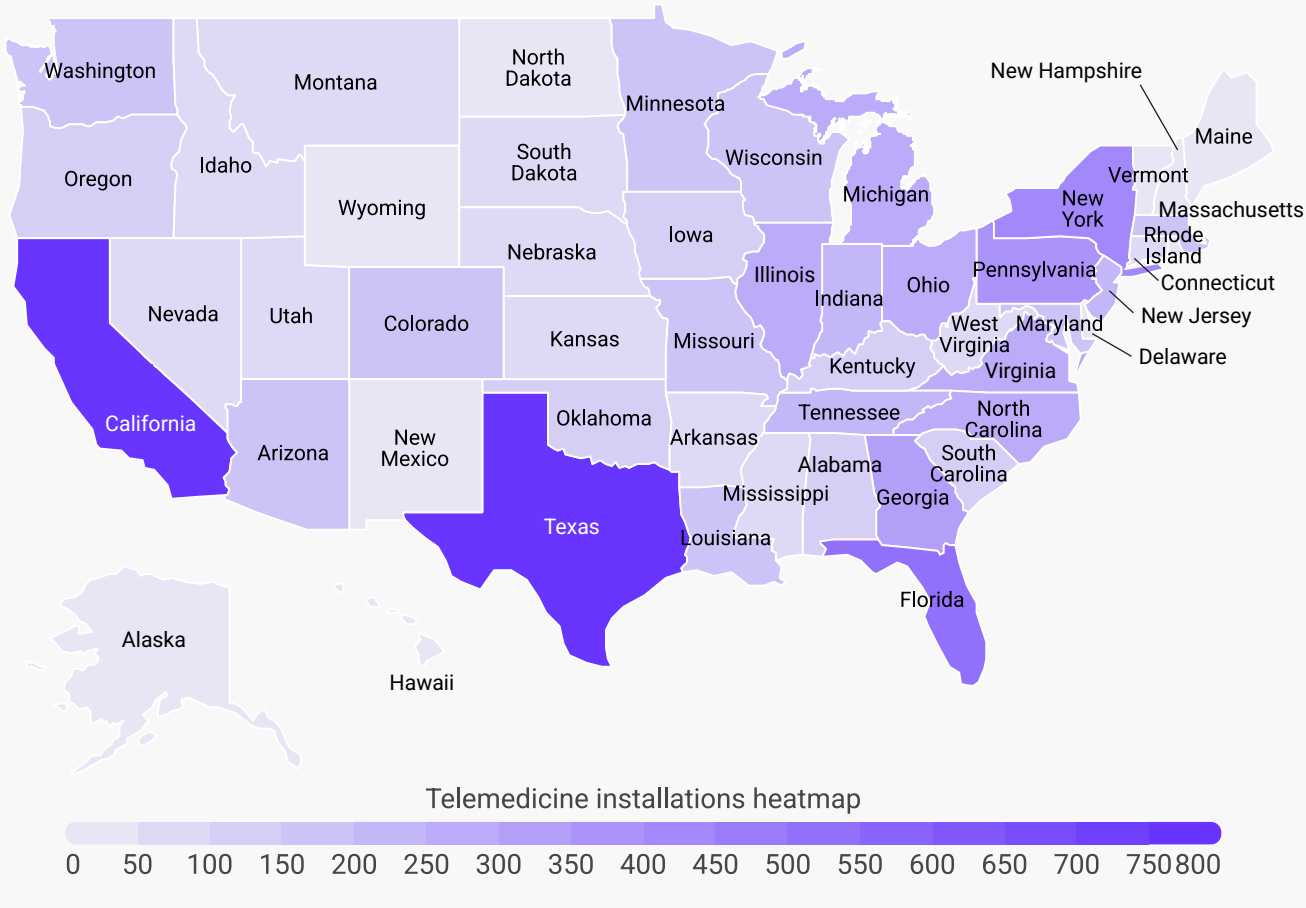
But the benefits extend beyond the building itself. AI can assist practitioners by summarizing notes and research, powering ambient documentation, analyzing vast datasets and medical images, supporting diagnostic decision-making, and accelerating operations. Finally, AI-enabled chatbots can reduce administrative burden on staff by helping answer common patient questions and scheduling appointments, keeping the humans focused on providing care.

Alongside AI, telehealth and RPM are also changing what investors and tenants look for in healthcare real estate. As care becomes more decentralized, smaller, localized facilities become more attractive—and even more so when they can support high-speed internet, flexible exam and office spaces, secure data exchange, and more. For landlords and real estate developers, this shift presents an opportunity to offer more adaptable medical office spaces that meet the needs of hybrid healthcare models.

Definitive Healthcare data can show where these technologies are already shaping delivery. The heatmap below shows telehealth adoption among outpatient facilities varies by state, with deployment focusing on states like TX, CA, FL, NY, and PA.[18]

FIG. 6 TELEMEDICINE INSTALLATIONS HEATMAP

Telemedicine implementations at healthcare organizations sourced from Definitive Healthcare's HospitalView product. Data accessed July 2026.



Furthermore, diagnosis data shows how practitioners are using telehealth and RPM technology to treat patients.

FIG. 7 DIAGNOSES WITH THE HIGHEST SHARE OF TELEHEALTH-RELATED CLAIMS

Rank	ICD-10 code	ICD-10 description	% of principal diagnoses
1	F411	Generalized anxiety disorder	11.0%
2	F331	Major depressive disorder, recurrent, moderate	4.9%
3	F840	Autistic disorder	3.0%
4	I10	Essential (primary) hypertension	2.8%
5	F4323	Adjustment disorder with mixed anxiety and depressed mood	2.7%

Telehealth diagnoses from Definitive Healthcare's Atlas All-Payor Claims dataset for calendar year 2025. Data accessed July 2026.

FIG. 8 SPECIALTIES WITH THE HIGHEST SHARE OF RPM PROCEDURE CLAIMS

Rank	Specialty	% of RPM patients	% of RPM procedures
1	Internal medicine	21.5%	13.6%
2	Physical therapy	13.5%	3.2%
3	Cardiology	12.1%	11.0%
4	Family practice	10.6%	7.2%
5	Nurse practitioner	7.1%	3.7%

Analysis of data from Definitive Healthcare's Atlas All-Payor Claims dataset for calendar year 2025. Data accessed July 2026.

FIG. 9 DIAGNOSIS CATEGORIES WITH THE HIGHEST SHARE OF RPM-RELATED CLAIMS

RPM diagnosis category	% of RPM diagnoses	% of RPM claims
Essential hypertension	26.7%	62.1%
Disorders of lipid metabolism	7.5%	15.7%
Diabetes mellitus without complication	4.4%	10.7%
Diabetes mellitus with complications	4.1%	7.9%
Hypertension with complications and secondary hypertension	3.4%	6.5%
Other nutritional; endocrine; and metabolic disorders	3.2%	5.5%
Residual codes; unclassified	2.2%	4.8%
Other nervous system disorders	2.2%	4.2%
Coronary atherosclerosis and other heart disease	2.0%	3.9%

Analysis of data from Definitive Healthcare's Atlas All-Payor Claims dataset for calendar year 2025. Data accessed July 2026.

Data from the Atlas All-Payor Claims Dataset shows that telehealth is frequently used for mental, behavioral, and neurodevelopmental health conditions, suggesting that behavioral health demand may influence where providers and investors prioritize space.[19] RPM data offers another view into outpatient opportunity, with primary care providers and cardiologists among the specialties using RPM most frequently, and chronic diseases such as heart disease and diabetes among the most common conditions managed through remote monitoring.[20]

Altogether, AI, telehealth, and RPM point to a decentralized care landscape that is more technology-enabled, more data-driven, and more responsive to patient demand. This creates numerous opportunities for growth and improving patient outcomes for software and IT companies, financial consultants, real estate investors, and other healthcare-adjacent organizations.

Looking ahead, 2027 will likely be a pivotal period for virtual care technology as Medicare expands certain telehealth flexibilities while introducing tighter requirements and potential payment changes for RPM and RTM. Together, these shifts are likely to influence which virtual care models scale, where organizations invest, and how telehealth and remote monitoring are integrated into the changing landscape of care delivery.

Opportunities and challenges in the new geography of care

The forces transforming care delivery are laying the groundwork for a more geographically dispersed healthcare system. Of course, hospitals aren't going away, and they will continue to play a critical role in high-acuity and specialized care. But it's clear that their role as a "central hub" is already beginning to change. In fact, a significant number of healthcare leaders now view extending care delivery beyond the hospital as one of their highest priorities in the years to come.[21]

A decentralized model of care flips the traditional hospital-centric paradigm on its head. Rather than having patients come into a central location, this model brings care closer to the patient through a network of conveniently located ASCs, retail clinics, and other community-based settings.

This shift is creating significant opportunities—and new complexities—for the companies that support healthcare. The organizations best positioned to succeed will be those with the data, market clarity, and operational expertise to understand where the industry is moving and help providers adapt. Here's a look at how healthcare-adjacent organizations can generate revenue and grow in the new landscape while helping improve patient outcomes.

Software & IT

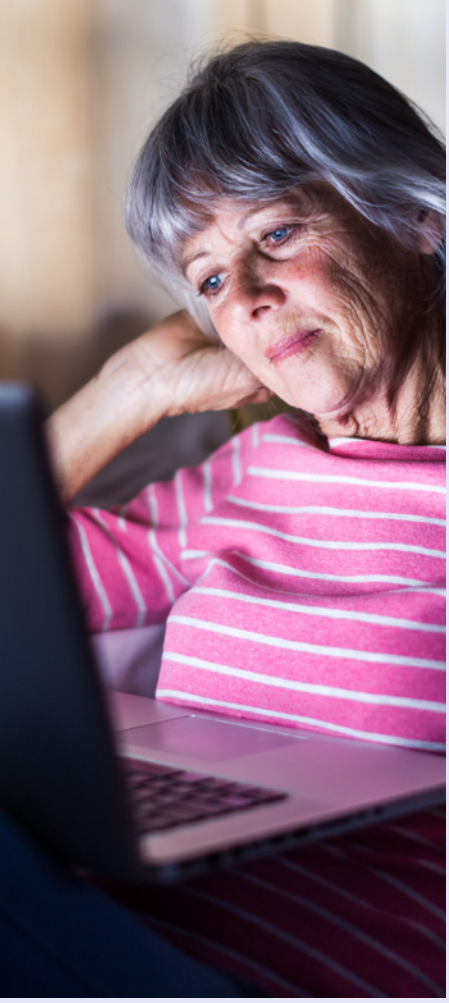
With care becoming more distributed across outpatient facilities, coordination becomes more important and more difficult.

Software and healthcare IT companies can serve as the connective tissue of the decentralized healthcare ecosystem, helping providers and partners coordinate care, gather and share data, manage operations, and improve the patient journey across increasingly diverse sites.

Where the opportunities are

1. Connecting data across the healthcare ecosystem

Distributed care can create more access points, but it can also create more data silos within organizations. Software and IT companies can help eliminate silos and keep claims, financial, and clinical data integrated and shareable across teams and facilities. This is critical for referral management, care coordination, performance measurement, and understanding where demand is forming in the market.



2. Supporting hybrid and virtual care delivery

Telehealth and RPM are becoming core capabilities in many outpatient care models. Technology companies have an opportunity to support virtual visits, remote follow-up, device integration, chronic disease monitoring, and patient communication—especially organizations managing older adults and patients with chronic conditions.

3. Improving the patient experience

As patients use more outpatient options, healthcare organizations need to make it easier to find the right site, book the right service, and move through the care journey with less friction. Digital front door tools, online scheduling, call center optimization, patient messaging, and referral-routing platforms can help match patients to the most appropriate setting.

4. Boosting efficiency with AI and analytics

From building a more resilient supply chain to alleviating administrative burden, AI and analytical tools can streamline and enhance the operational side of healthcare. Opportunities include forecasting demand for suppliers and distributors, identifying referral leakage, improving documentation workflows, advancing R&D, keeping data secure, and much more.

What challenges are present

1. Technology can add additional burdens

Many healthcare organizations already operate complex technological systems. Adding more point solutions can create an added burden if systems do not integrate cleanly or if staff need to manage too many disconnected platforms.

2. More digital access points can create added security and compliance risk

More access points can also increase an organization's exposure to cybersecurity attacks and compliance challenges. Software and IT companies must be able to support providers in a changing technological landscape without creating new vulnerabilities or putting them at risk of noncompliance.

3. Interoperability and high-quality data are a necessity

The success of decentralized care hinges on accurate, timely, and complete data. If patient records, engagement data, claims, referrals, and scheduling information do not move reliably across organizations and care settings, it becomes harder to coordinate treatment and measure performance while introducing speed bumps in the patient journey.

How companies can respond

Software and healthcare IT companies should focus on solving the operational realities of decentralized care, not just selling individual tools. The strongest opportunities will come from platforms and solutions that help healthcare organizations connect data, coordinate patients, improve access, and manage performance across multiple sites and partners.

To stand out, companies should demonstrate how their technology supports measurable outcomes: shorter wait times, better referral conversion, reduced leakage, stronger patient engagement, improved staff efficiency, and clearer visibility into network performance. Solutions that simplify complexity will be more valuable than systems that add another layer to manage.

Healthcare consultants & financial advisors

Decentralized care is creating new investment and advisory opportunities across the healthcare market.

For consultants and financial advisors, the opportunity lies in knowing where patient demand and reimbursement are headed, and which organizations are good fits for investment. Patients are demanding care that is convenient and affordable, uses the latest technology, and is personalized to their needs, and consultants and advisors can help providers bridge the gap and grow without complication.

While the data shows great potential for growth, success will depend on insight into local demand, staffing constraints, the competitive landscape, and whether an organization can scale without compromising quality or access.

Where the opportunities are

1. Setting partnerships up for success

The decentralized care model creates webs of relationships between providers, tech companies, payors, real estate, and investors. Advisory firms can step in to provide support for anything from contracting strategies to service line expansion plans to help organizations generate revenue.

2. Improving financial processes

Healthcare organizations are facing rising operational costs and a changing reimbursement landscape. Consultants can help by providing expertise in financial planning, revenue cycle management, and cost containment.

3. Enhancing the patient experience

Healthcare providers know how vital patient satisfaction is to growth. Consultants can analyze patient feedback, identify bottlenecks and inefficiencies, and implement strategies for improving the overall patient experience.

What challenges are present

1. Access and quality concerns

Decentralized care can improve convenience, but it can also create inequities or care coordination gaps if expansion is not planned carefully. Investors and advisors need to consider whether their plans strengthen access and outcomes or simply shift profitable services away from traditional care settings.

2. Workforce constraints

Labor shortages, fragmented technology, and disrupted supply chains can limit growth even when market demand is strong.

3. Integrating AI into healthcare infrastructure

At the moment, the rapid adoption of AI has created a dangerous governance problem.[22] Without strict oversight, clear standards, and well-documented security protocols, organizations open themselves to data breaches and cyberattacks as well as compliance nightmares. Consultants can position themselves as partners for answering questions about safely integrating AI, keeping patient data protected, and maintaining trust.

How companies can respond

Consultants, private equity investors, and financial advisors should evaluate decentralized care opportunities through the lens of both growth and execution. Strong demand is important, but it is not enough. Organizations need to understand whether a market has the right patient population, provider base, and technological and operational infrastructure to support expansion and secure ROI.

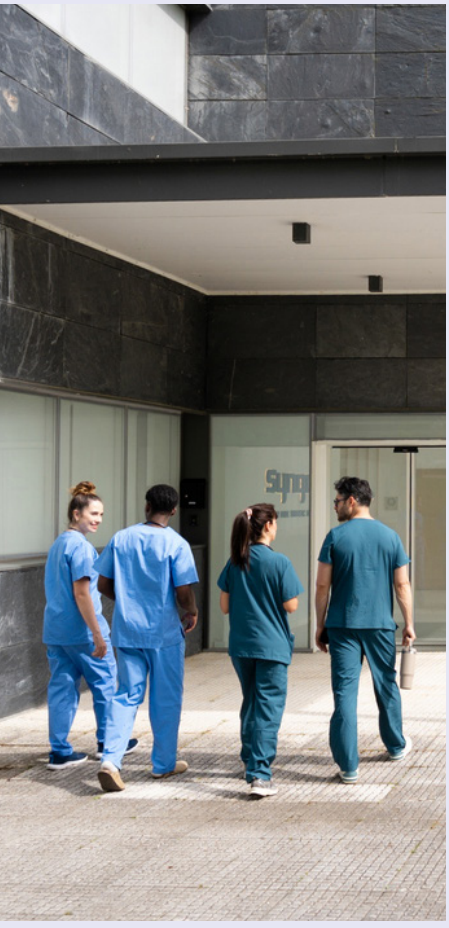
Data should guide every stage of the process, from developing an investment thesis to market entry, partnership strategy, and performance measurement. Investors and advisors can use claims, affiliations, demographic, facility, provider, and payor data to identify where demand is forming, which models are gaining traction, and where risk may be highest.

Real estate & construction

Decentralized care is priming the healthcare real estate market for success as demand for outpatient-focused development soars. The U.S. healthcare real estate market was valued at $1.32 trillion in 2024 and is projected to reach $1.87 trillion by 2030, growing at a CAGR of 6.2%.[23]

While demand is rising, the ability to build quickly and cost-effectively is under pressure. Reports indicate that construction completions for new healthcare real estate projects may fall to decade-low levels.

Providers, meanwhile, are not simply looking for more square footage. They need facilities that are accessible to patients, aligned to the needs of the community, flexible enough to support evolving service lines, and built to accommodate the technology reshaping modern outpatient care.



Where the opportunities are

1. Investing in MOBs

Medical office buildings are quickly becoming one of the most attractive assets in healthcare real estate because they sit directly at the intersection of outpatient growth, long-term tenant demand, and investor appetite for stability. A CBRE report states that MOB investment volume rose by 78% YoY in Q1 2026 to $2.9 billion, 15% above the five-year Q1 average, indicating how sought after these assets are in the market currently.[24]

2. Designing flexible facilities

With a growing population of adults over 65, the spread of chronic conditions, and technologies like AI, telehealth, and RPM being integrated into modern healthcare facilities, developers can differentiate themselves by designing flexible, technology-enabled spaces. At the same time, they should consider giving tenants the room to adjust as service lines expand and patient needs change.

3. Addressing rural access problems

Rural communities are historically underserved. Real estate firms and construction companies have an opportunity to support these communities by creating new facilities or renovating existing buildings that are aligned with the unique needs of the patients who live there.

What challenges are present

1. Rising construction costs

Higher material and labor costs, interest rates, and economic volatility can make new projects more expensive and harder to justify. Even when demand exists, these pressures may delay projects, reduce scope, or shift interest toward renovations and conversions rather than ground-up development.

2. Risk of misaligned site selection

Outpatient growth does not create equal opportunities in every market. Poor site selection can lead to underutilized space, weak referral capture, or unnecessary competition with existing providers. Real estate decisions need to account for demographics, payor mix, physician supply, procedure volume, competitive density, and patient access patterns.

3. Rural access impacts hospitals

While decentralized care can create new access points for patients in rural areas, it can also create pressure for hospitals that are already financially vulnerable. Colliers suggests that 14% of rural hospitals in the U.S. are at risk of closure in 2026.[25] As more ASCs and outpatient facilities are built, they may siphon patient volumes that would otherwise support rural hospitals.

How companies can respond

Real estate firms and construction companies can improve decision-making by grounding development plans in market-level data. Before pursuing a project, they should evaluate where outpatient demand is growing, which service lines are shifting into community settings, where facility capacity is constrained, and whether the local workforce can support the site. In a market where construction costs remain elevated, flexibility can help protect long-term asset value and reduce the risk of building space that becomes outdated too quickly.

Staffing & recruiting

For staffing and recruiting agencies, decentralized care adds complexity to an already strained healthcare labor market. Providers are competing for talent at the same time that some practitioners are pursuing roles in concierge medicine, outpatient care, virtual care, and other models that offer attractive perks.

As workforce demand spreads across more varied sites, staffing partners will play a larger role in helping healthcare organizations recruit, retain, and schedule the talent needed to keep facilities open and operational.

Where the opportunities are

1. Building dedicated talent pipelines

As more procedures and services move outside the hospital, providers will need a diverse range of talent. Staffing agencies can create value by building dedicated pipelines for roles such as physician assistants, nurse practitioners, medical assistants, imaging technicians, surgical technologists, telehealth support staff, and more.

2. Supporting market expansion

New outpatient facilities need staffing plans before they open. Agencies can help providers and investors assess local labor availability, compensation expectations, hiring timelines, and role requirements before a site launches. This is especially valuable for organizations expanding into new markets or building repeatable outpatient models.

3. Improving retention and stability

Hiring is only part of the challenge. As providers compete for outpatient talent, agencies can help clients improve retention through stronger onboarding, workforce analytics, scheduling support, and career pathway development.

What challenges are present

1. Geographic constraints

Decentralized care depends on local access, but not every market has enough available clinical talent to support new facilities. A site may make sense from a patient demand or real estate perspective but still struggle if the local labor pool is too limited, especially in rural areas.

2. Maintaining a balance

Healthcare organizations need to control labor costs while maintaining access and quality. Agencies will need to balance speed, cost, and fit, especially when staffing gaps can lead to appointment delays, canceled procedures, lower patient satisfaction, or reduced site productivity.

How companies can respond

Staffing and recruiting agencies can help healthcare organizations plan for workforce demand earlier and with more precision. That starts with using market data to identify where outpatient growth is accelerating, which roles will be hardest to fill, and whether a local labor market can realistically support a new ASC or specialty practice.

Agencies should also be developing deeper expertise in specialized roles (for example, in chronic care and behavioral health) to help organizations address the needs of an evolving patient population.

Finally, staffing partners can help providers design more flexible workforces across the ecosystem. That may include float pools, per diem coverage, locum support, centralized scheduling, and retention programs.

Medical & facility suppliers

The decentralized care ecosystem is reshaping the supply chain. Each new outpatient facility creates new touchpoints for procurement and distribution, offering new opportunities and challenges in equal measure.

Smaller community-based sites often have less storage space, leaner staffing models, and tighter operating schedules than large hospital campuses. They need reliable access to the right equipment, consumables, facility supplies, and maintenance support without carrying excess inventory or creating unnecessary cost.

The opportunity lies in helping providers make operations more predictable and reliable. That means supporting standardization, improving visibility into what each site needs, and building logistics models that can keep multiple facilities equipped, efficient, and ready to serve patients.

Where the opportunities are

1. Real-time inventory visibility

Accuracy and reliability become more important when suppliers can create value by offering real-time inventory insights, replenishment support, demand forecasting, and logistics capabilities that reduce stockouts, over-ordering, and supply delays.

2. Data analytics and reporting

Suppliers can also differentiate by helping customers understand purchasing patterns, utilization, spend variation, and supply performance across sites. Better reporting can help providers identify where standardization is working, where waste is occurring, and where supply chain gaps may be affecting operations.

3. Specialization is in demand

The explosion of hospital-at-home programs and treatment for chronic conditions has increased demand for supply chains equipped for these patients. Suppliers can offer specialized handling, storage, and distribution processes to meet their unique needs.

What challenges are present

1. More locations introduce added complexities

Medical and facility suppliers must reach more locations in a more decentralized care model. This often means adapting to new and different service lines, storage needs, usage patterns, and ordering processes. Without strong coordination between manufacturers, warehouses, distributors, and customers, the supply chain is at risk of operating inefficiently at best.

2. Variability and reliability at the site level

Not every outpatient site has the same clinical focus, tech infrastructure, or physical footprint. Suppliers need to account for the differences across facilities to best serve them as partners when problems arise. Smaller sites in particular tend to have less ability to recover from delayed shipments and supply chain disruptions.

3. Cost pressures

Healthcare costs continue to rise, and leaders are looking closely for opportunities to cut expenses and save money. Mitigating inventory waste, reducing supply spend, and keeping logistics costs lean will be pain points. Suppliers will have to show clear value beyond product availability.

How companies can respond

Medical and facility suppliers should position themselves as more than just vendors. The companies best prepared for decentralized care will act as operational partners, helping providers standardize what they buy, centralize how they purchase, and improve visibility into what each site needs to operate effectively.

To stand out, suppliers should offer solutions that support scale, such as real-time inventory reporting, automated services, advanced logistics and ordering platforms, and reporting capabilities that keep shipments affordable and on time.

Preparing for the next phase of care delivery

While a decentralized healthcare landscape makes it easier and more accessible for patients to get the treatment they need in a way that's convenient for them, in many ways it will make the operational side of the industry more complex.

With more ASCs, MOBs, retail clinics, micro hospitals, and other outpatient facilities entering the market, providers will have to make more decisions across a wider ecosystem.

But it is in that complexity where healthcare-adjacent organizations have an important role to play. Software and healthcare IT companies can help integrate data and technology to support practitioners and improve patient experiences. Consultants can identify areas where growth is viable and advise on how to expand successfully. Staffing and recruiting agencies can help providers attract and retain the talent they need to deliver high-quality care aligned with their communities. Suppliers can ensure procuring medical and facility equipment remains consistent. And finally, healthcare real estate firms and construction companies will be integral to bringing new facilities into new areas.

Better data drives better decisions. The right insights will help you target and segment the market and grow your business faster.

Success in this market will depend on more than recognizing that outpatient care is on the move. Healthcare-adjacent organizations will need to understand where demand is shifting, what providers need to support their operations, and which risks could present obstacles. The companies that can bring clarity to those decisions—and help providers and networks deliver great care—will be better positioned in the years to come.

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About Definitive Healthcare

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