

DRIVING HIGH PERFORMANCE IN COMMUNITY HEALTH CENTER FINANCE

Five key takeaways



The changing landscape of Community Health Center finance leadership

The **2025 CFO Growth Code** interviewed 600 senior finance leaders from the US across industries. The results demonstrate a shifting landscape for senior finance leaders—in community health centers (CHCs) and beyond.

Here's what you need to know.

Rising pressures facing CHCs

- Medicaid unwinding
- Shrinking margins
- 24 Reporting requirements
- Federal funding uncertainty
- Talent and labor shortages

Opportunities for change

- Increase efficiency with advanced technology
- Make smarter decisions with real-time insights
- Boost resilience with more integrated tools

The five need-to-knows for finance leaders in Community Health Centers

CHC finance leaders sit at the intersection of healthcare and nonprofit. Data collected from both sectors in the **2025 CFO Growth Code** alongside key industry research, reveal five crucial insights:



1 CHCs are a vital lifeline for millions

CHCs provide care to millions of Americans in every corner of the country regardless, of their ability to pay. Demand for these essential services has surged in recent years as Americans seek affordable, accessible healthcare.

32.5 M patients served in 2023.

1 Americans receive care from CHCs.

in 12 increase in reach over the past decade.

70%

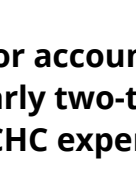
2 Margins are under pressure, making financial sustainability a top concern

CHCs operate on some of the tightest margins in healthcare. Rising labor costs, inflation, and the end of pandemic relief funding have squeezed budgets even further.

With little financial buffer, CHC finance leaders must find new ways to protect sustainability and ensure resources go further for patient care.



Median operating margin for CHCs is under 4%.



Labor accounts for nearly two-thirds of CHC expenses.



Federal funding per patient has declined by 30% since 2015.

3 Finance leaders are looking to technology for efficiency gains

Amid rising demand and ongoing workforce shortages, CHC finance leaders are ready to adopt technology that bridges operational gaps. Automated processes, audits, reporting, grant-tracking, reconciliations, and forecasting deliver much-needed relief and efficiency for CHC finance teams.

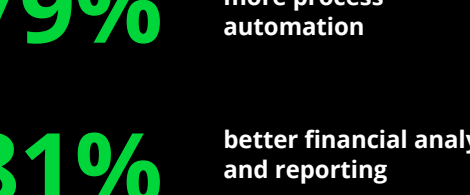


of nonprofit CFOs agree improvements could be made to their current tech stack.



of healthcare finance leaders believe it's becoming more vital to introduce new technologies that save time and costs in finance.

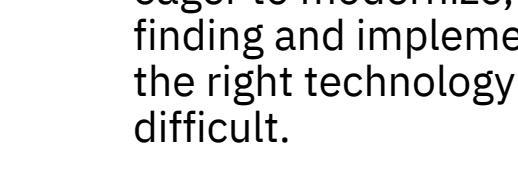
Healthcare finance leads want:



more AP automation and outlier detection



more process automation



better financial analysis and reporting



We have a lot on our plate... We don't have the luxury of days to produce a customized report.

Sabrina Rivera
AP and Payroll Specialist, Whole Family Health Center

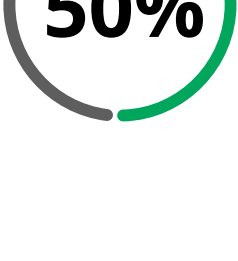
4 The true value of AI is yet to be unlocked

CHC finance leaders are eager to modernize, but finding and implementing the right technology is difficult.

There's a strong appetite for AI, with the vast majority believing these tools could help them make a bigger impact. However, many feel they aren't fully leveraging those technologies yet.



of healthcare finance leaders are excited about the expansion of AI's capabilities.



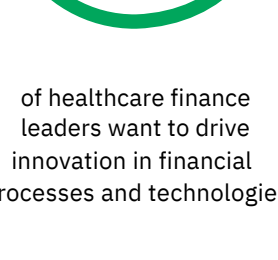
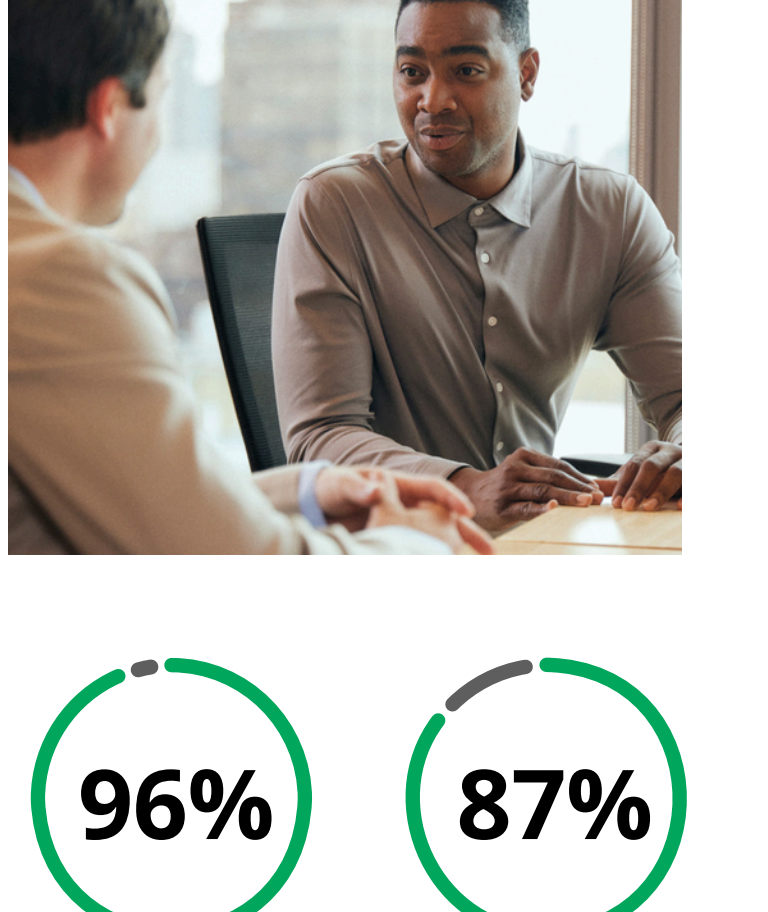
of healthcare finance leaders believe AI will drastically change the finance function over the next two years.



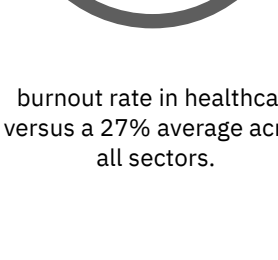
of healthcare finance leaders say they're not using AI to its full potential.

5 CHC professionals are optimistic and mission-driven

Finance leaders at CHCs are optimistic and eager to invest in innovation that will help them deliver even better care to their patients. What's holding them back isn't motivation—it's a lack of technology that truly supports their needs.



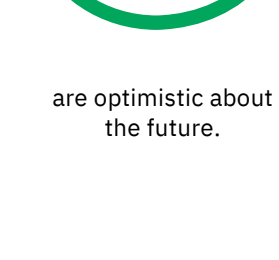
of healthcare finance leaders want to drive innovation in financial processes and technologies.



burnout rate in healthcare versus a 27% average across all sectors.



of healthcare finance leaders feel successful in their role.



are optimistic about the future.

Embracing high-performance in Community Health Centers

CHC finance leaders are facing a landscape of rising complexity, with tighter margins, workforce shortages, evolving reporting requirements, and ongoing funding uncertainty. The need to adapt and innovate has never been more pressing.

By embracing advanced technology and real-time insights, finance leaders can drive efficiency, make smarter decisions, and ensure resources go further when delivering patient care. Those who lead with clarity and a commitment to continuous improvement will help their organizations thrive and expand access to care, no matter what challenges arise.

The **2025 CFO Growth Code** interviewed 600 finance leaders from around the globe, across industries including financial services and insurance, hospitality, healthcare, software, construction and real estate, and nonprofit.