



The State of Healthcare & Private Practices

How providers are navigating
today's market challenges



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Executive Summary

In today's rapidly evolving healthcare landscape, private practitioners often face higher economic pressures, greater patient expectations, and wider technological gaps. This research reveals that while 96% of practices report growth, 41% feel negatively about current economic conditions. And 20% express concern about the economy's impact on their practice over the next five years.

The data offers important takeaways for practice leaders. Among them:

Anxiety about remaining independent

While 92% of practitioners aren't considering selling their practice, 41% express concern about independent practice consolidation generally, suggesting increased worries about this industry trend.

Technology adoption in general lags behind the need

While 74% acknowledge that technology drives growth, and 69% say it improves staff retention, 60% haven't updated their patient communication technologies in more than a year. Given rapid advancements in business technologies — thanks largely to the rise of AI — such delays can bring potentially huge opportunity costs.

Financial flexibility is increasingly crucial

Nearly three in four (74%) practices that offer text payment options report faster receipts than with legacy methods.

For healthcare executives and practice owners, the imperative is clear: Investing in consolidated technology solutions that streamline communication, simplify payments and reduce administrative burden can be key differentiators in the competitive healthcare marketplace. Practices that take decisive action now to update their technological infrastructure can not only improve operational efficiency but also enhance patient experience, reduce staff burnout and strengthen their financial foundation.

Introduction

Meeting the Moment in Healthcare

Healthcare practitioners across the country are confronting significant challenges in today's economic landscape. With inflation at an annual rate of 2.9% in 2024, and still above the Fed's 2% target as this report is written, providers are navigating increased business costs while maintaining quality care and managing ever-greater patient expectations. Despite these pressures, most practices are experiencing growth — a testament to the adaptability and business acumen of healthcare providers.

This report, predominantly based on a comprehensive survey conducted by Weave from August 30, 2024 to September 30, 2024, offers insights into how 1,365 healthcare practitioners in the U.S. are responding to current market challenges, evolving patient needs and technological opportunities. Weave then conducted an additional survey from May 16, 2025 to May 30, 2025 of 1,088 healthcare practitioners to provide additional context to the economic concerns cited in Chapter One. The findings reveal concerns but also key areas of opportunity for private practice leaders in the coming years.



Chapter 1

Economic Concerns vs. Growth Realities

The intersection of economic pressures and healthcare delivery creates a complex operating environment for today's private practitioners. Our research reveals a notable dichotomy: While practitioners express significant concern about economic conditions, most are experiencing tangible practice growth. This paradox highlights the resilience of healthcare practitioners even amid challenging market conditions.

In late 2024, one in five practitioners (20%) identified the economy as their primary concern for the coming five years. (By contrast, only 3% worried about future quality-of-care issues.) They were even more apprehensive about the current economy, with 41% of practitioners reporting negative feelings about economic conditions in their communities.

Their sentiments are at least partly tied to personal experience with rising operational costs. An overwhelming majority — 95% — of

practitioners reported increased business expenses during 2024, with technology (71%), utilities (70%), and wages (69%) being the areas with the greatest increases. Cosmetic medicine practitioners have been particularly affected by rising costs, likely reflecting greater reliance on specialized equipment and facilities. We're now midway through 2025, and nearly all practitioners (98%) report cost increases in the last six months, highlighting rising operational costs.

In response to financial pressures, healthcare providers have resorted to price increases. More than two-thirds (69%) did so over the course of 2024, with most practices keeping their increases modest — between 1% and 5%. Now in 2025, 96% anticipate costs to increase even further in the next six months.

The cosmetic medicine sector is again an exception, with more than 40% of such practices increasing prices by 6% to 15%. One possible

96%

(Nearly all practitioners)
reported a growing
patient base





factor: Elective procedure providers possess greater pricing flexibility than those offering essential medical services.

Despite these economic headwinds, the growth trajectory of healthcare practices remains decidedly positive. Nearly all practitioners (96%) reported a growing patient base, with practices almost evenly divided between those experiencing only slow growth (48%) and those seeing rapid expansion (48%).

Only 5% of practices reported stagnation, suggesting that healthcare demand remains robust despite economic concerns — a dynamic that is in keeping with both long-term demographic trends (including aging Baby Boomers) and short-term forces (including pent-up demand from the pandemic era).

With continued growth on the horizon, practitioners in 2025 are hedging their bets and managing expenses in an uncertain economy: 63% of practices have plans to delay capital expenses, while 52% are delaying tech

investments. The main expense they are willing to purchase still? The day-to-day supplies and consumables they need to function and run their business (66%). In addition, two-thirds (67%) of practices are currently delaying hiring.

In addition, economic pressure is clearly influencing patient behavior in ways that impact practice operations. A significant majority of practitioners (84%) report patients delaying care due to economic concerns, and 63% report an increase in patients utilizing payment plans. Those factors reflect deepening financial strain among patients as well as a growing need for practices to adapt to that strain.

The potential consolidation of independent practices represents another significant concern for practitioners. The vast majority remain committed to independence — 89% are not considering selling to a larger network and 92% are not contemplating any sale at all. And yet, 41% express concern about the broader trend toward practice consolidation, perhaps suggesting a fear that market forces could one day force their hand.

Chapter 2

The Evolution of Patient Relationships

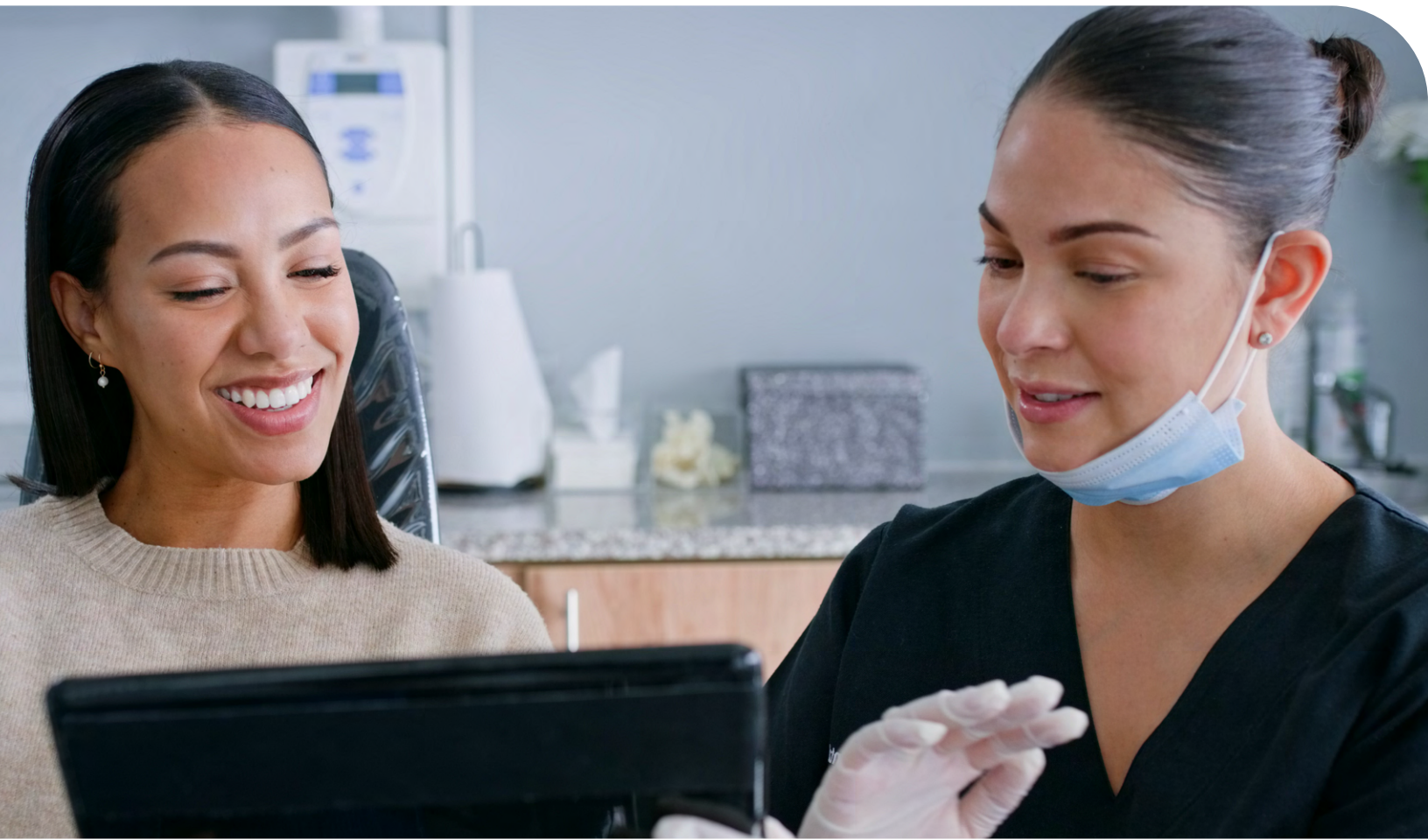
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We have noticed patients being more difficult post pandemic than before. Social isolation, plus a political climate of an adversarial nature and quite frankly an administration that looks to create conflict, has emboldened patients to ‘speak their minds’ more freely as they see others get what they want when they do this. It creates a situation of tenseness and anxiety for front-desk personnel.

—Dr. Josh Prentice, Dentist and Practice Owner at Prentice Dental

The relationships between patients and providers are undergoing significant transformation, creating both opportunities and challenges for healthcare practices. Our research reveals a striking paradox: Patients represent the greatest positive influence on practices but also the greatest source of operational friction, particularly for front-desk staff.

Nearly one-third of practitioners (30%) identify responding to patient needs and care as the most significant positive impact on their practice over the past five years, underscoring how central these relationships are to a practice’s vitality. Yet this patient-centered focus exists alongside intensifying challenges, with 52% of providers reporting more difficult patient interactions over the past year.



The post-pandemic elevation of patient expectations represents an especially important shift. Three-quarters of healthcare professionals (76%) believe patient expectations have increased since the pandemic, with this figure rising to 92% among those serving patients with complex needs — such as those who face multiple physical challenges as well as behavioral health challenges, and can therefore require more resources and time to support.

This dynamic has yielded new operational pressures, especially for front-desk staff who serve as a critical point of connection with patients.

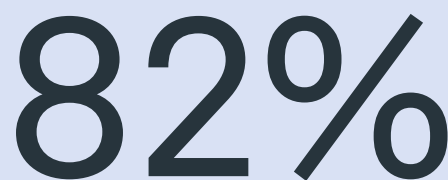
Meanwhile, these front-desk personnel are also facing increased administrative burdens, which hinder their ability to focus on patients. Two factors in particular are driving the trend: burdens related to processing insurance claims, and time spent managing difficult patient interactions. More than half of providers (53%) report such issues.

The pressure on front-desk personnel is further exacerbated by capacity constraints. The majority of healthcare providers (82%) say they are operating at or near the full capacity of their available labor, office space, technology and materials, which leaves them with scant operational flexibility to solve problems.

Communication preferences and effectiveness have emerged as critical factors in managing complex patient dynamics. Despite the proliferation of digital communication channels

and options, text messaging has emerged as the dominant and preferred medium for communicating with patients. Nearly two-thirds of healthcare providers (65%) identify text-based communication as their preferred method and almost all practices (96%) say text reminders increase appointment attendance rates. That's a crucial consideration, given the opportunity costs and other factors when patients don't show up.

Even practitioners who personally prefer other communication methods acknowledge the primacy of texting. More than half (56%) of practitioners who prefer email recognize text messaging as the most effective way to reduce no-show rates.

A large, bold, black '82%' is centered within a light blue rounded rectangular box. Below the percentage, the text 'say they're operating at or near full capacity' is written in a smaller, dark blue font.

say they're operating
at or near full capacity

Chapter 3

Bridging the Technology Implementation Gap

Our research points to a significant disconnect between practice leaders' expressed need for ongoing technology optimization and their actual pursuit of it.

Practice leaders, for instance, universally acknowledge the foundational importance of communication technology. And indeed, 98% of practices have invested in dedicated client communication systems. Similarly, most practices (62%) employ two to three different technologies for client communication. And 55% of practitioners rate technology as extremely important in delivering excellent client experiences.

In a similar manner, many healthcare providers believe that by keeping up with advancements in communication technologies, they can avoid staffing-related issues. For instance, 61% reported that current technologies make hiring easier, while 69% noted that updated technology systems can boost staff retention. Most practitioners (74%) acknowledge that the

use of new office technology has helped their business grow, and more than 80% who experienced fast growth believe that new office technology was a contributing factor.

In an industry that suffers from staffing shortages, increasing burnout and communication-related challenges, technology modernization offers a potentially compelling option that, as yet, has not been fully seized by practice leaders.

“Our front desk continuously juggles anywhere between five to seven resources while checking a patient in and out. We've got rewards programs, EMRs, text messaging, cash-out procedures, intake forms that are digitized, etc. – the list goes on. I've been in practice for 15 years now and remember the days when everything was pen and paper... I am watching a fascinating emergence of software systems combining a variety of my digital needs into one platform and this has made my team's jobs quite easier over the last year.”

–Chris Balbi, Head of Marketing and Operations at Meesha Aesthetics

“

Since implementing the latest back-office technology, we've seen a meaningful boost in both patient satisfaction and staff efficiency. The ability to text appointment reminders, handle inbound calls more effectively, and quickly follow up with patients has transformed our front desk workflow and elevated the overall experience for those we serve.

–Dr. Jeffrey Ellis, Dermatologist and Co-Owner at Belaray Dermatology

Chapter 4

Financial Communication as Strategic Advantage



A practice's financial health increasingly depends on effectively managing patient payment processes, with particular emphasis on communication methods and payment flexibility. Practices that embed payment tools directly into existing communication workflows experience significantly improved financial outcomes, according to the survey, with text-based payment systems delivering particular advantages.

More than seven in ten (74%) providers who allow patients to pay for services via text believe they receive payments faster as a result. Additionally, over 60% of survey respondents agreed that the option for clients to pay by text is helpful in preventing overdue invoices.

These benefits are particularly important in the current economic environment, in which patients are increasingly engaging in financial triage to manage their healthcare needs —

prioritizing what they perceive as essential care while postponing services they deem optional. The fact that more patients are relying on flexible payment plans further indicates a growing demand for financial flexibility.

Text-based payment systems represent a potent option in this regard. While adoption remains limited — 57% of practices do not yet offer text payment options — those that do are enjoying substantial benefits. More than 70% of practices that offer text payment options report faster payment receipts, and more than 60% report reductions in overdue invoices.

Many of those who have not adopted these technologies understand the missed opportunity. More than 40% acknowledge they would probably receive payments faster with such capabilities, highlighting the potential for more practices to leverage these systems to improve their finances and their patient satisfaction levels alike.

Indeed, successful practices often approach revenue cycle management as an integrated component of their patient communication strategy, rather than a separate administrative function. By embedding payment discussions and options throughout the patient journey — from scheduling, through treatment, to follow-up — these practices can normalize financial conversations with patients, and thereby reduce patient anxiety around such issues.

74%

of providers who offer text payments receive payments faster

60%

say text payment options help prevent overdue invoices

57%

of practices still don't offer text payment options

Executive Action Plan

For healthcare practice executives and owners looking to convert these insights into actionable strategies, consider these priority steps:

01 **Audit your current technology stack**

Document all software systems in use, noting redundancies, integration issues and staff frustrations. Target consolidation of functions for your next technology upgrade.

02 **Evaluate your patient communication journey**

Analyze how patients interact with your practice, from first contact through payment. Identify gaps where text-based communications could streamline processes.

03 **Consider text-to-pay options**

Because 70% of practices that use this method say they receive faster payments, this represents a potentially high-ROI investment benefiting patients and the practice alike.

04 **Assess the staff's technology burden**

Survey your team members about their frustrations with the practice's technology and opportunities for automation.

05 **Develop a technology roadmap**

Create a 12-to-24-month plan for consolidating potentially redundant technologies, updating patient communication technologies, and implementing tools that enable greater payment flexibility for patients.

By acting now to modernize your practice's technological infrastructure, you can simultaneously manage the economic pressures, patient expectations, and staff retention challenges cited in this research. Leveraging these insights can position your practice for sustainable growth in an increasingly competitive healthcare landscape.

Appendix

Veterinary Medicine

Methodology

Veterinary Medicine

A Canary in the Healthcare Coal Mine

Veterinary practitioners face distinct challenges — but ones that offer potentially valuable insights for human healthcare providers.

Unlike their counterparts in human medicine, veterinary practitioners operate in an ecosystem with minimal insurer support. As a result, the survey suggests, they often must more assertively attack challenges with finances — and client communications in particular.

Veterinary practitioners, for instance, are experiencing notably difficult client interactions. While all medical practitioners report growing challenges on this front, veterinarians have been hardest hit: 71% report more difficult clients, significantly exceeding the 52% average across all healthcare fields.

Similarly, the financial pressures affecting healthcare practitioners generally are more acutely evident in veterinary settings. The data shows that 81% of veterinary practitioners report increased wage expenses to account for cost-of-living increases — the highest percentage among all healthcare sectors surveyed. Meanwhile, 78% of veterinary practices report increased technology costs and 78% report higher utility expenses — significantly exceeding the broader industry's increases in those two categories (71% and 70% respectively).

The pattern further extends to pricing strategies, and, perhaps relatedly, to payment trends among clients. While the overall rate of healthcare practitioners who increased prices in the past year was 69%, far more veterinary practices raised their prices during this span — 97%. Notably, most veterinary price increases (55%) fell within the modest range of 1% to 5%. But for nearly 38% of practitioners, the increases ranged from 6% to 15%.

Perhaps as a response, 88% of veterinary practitioners reported clients delaying care due to economic concerns — a rate that slightly exceeded the overall healthcare average of 84%. To better accommodate clients who did not delay care, both veterinary and human health practices increasingly adopted more flexible payment terms. Nearly two-thirds (63%) of both groups reported an increase in clients using payment plans.



97%

of veterinary practices
raised their prices in the
past year

Amid such financial challenges, it is noteworthy that veterinarians intensified their focus on communication technologies and better methods over the past year. Nearly 43% attended trade shows to identify best practices — a rate that was exceeded only by cosmetic medicine practices (59%) and optometrists (52%), and which far surpassed that of physician offices (29%).

As human healthcare continues to experience intensified financial and operational challenges, the veterinary sector's experience

with pricing, payment flexibility, and client communication offers a potentially instructive model for practices that treat human patients. Human patients face less generous financial terms from health insurers and inflationary pressures as well.

The veterinary experience suggests that practices that proactively address financial communication and payment flexibility could be better positioned to navigate changing economic conditions.



Methodology

Weave conducted research over two separate studies, with the initial survey done through an online distribution among Weave customers from August 30, 2024 to September 30, 2024, garnering 1,365 responses from private healthcare practitioners in various occupations, functional roles, locations, and office sizes. Occupations included dental, medical cosmetic, medical rehab, optometry, physician's office, veterinarian, and various other fields of healthcare.

Following the initial study, another survey was conducted among Weave's customers in order to further understand respondents' experience with the economic impact of the first half of 2025. The survey was conducted from May 16, 2025 to May 30, 2025, and included 1,088 responses. For financial-based questions, only relevant responses were included for deriving percentages, as not all respondents had insight into business decision-making at their organizations.