4 insights shaping the future of pediatric care

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Pediatric hospitals aren't short on challenges. That's why we convened pediatric leaders from across the country for the second annual Optum Pediatrics Roundtable. We wanted to identify a few areas of commonality and cooperation, and four themes surfaced repeatedly throughout the discussion.

Some reflected long-standing pediatric challenges, particularly around access to highly specialized expertise. Others pointed to emerging questions around AI adoption, partnership strategy, and changing demand patterns. Together, these perspectives illustrate just how much the pediatric landscape is evolving and where leaders may need to rethink traditional approaches to growth and care delivery.

Pediatric access is an expertise problem, not just a capacity problem

We've published before about healthcare's shift from a subspecialty premium to an access premium. In pediatrics, that challenge is amplified by the complexity and rarity of many conditions, which make it difficult to identify and access the right specialized expertise.

For example, consider that 70 to 75% of rare diseases exclusively have a pediatric onset.[1] Collectively, these diseases create a disease burden comparable to diabetes, yet families can spend five or six years bouncing between multiple specialists before receiving a diagnosis. As several leaders noted, the challenge is multifaceted: recognizing that the observed symptoms don’t fit with the most common condition, examining the totality of the child and not the symptoms alone, and access to specialized diagnostics and expertise. In an ideal world, the identification, synthesis, and referral would require fewer iterations — and as attendees shared through personal stories — less family anxiety.

That reality changes how organizations should think about pediatric access. Expanding clinical availability remains important, but adding appointments, opening new sites, or consolidating services doesn't automatically make expertise more available. Strong referral pathways, clinician-to-clinician consultation, virtual specialty support, and decision support tools all help knowledge move more efficiently through the system.

For many pediatric organizations, the next phase of access is finding new ways to deliver personalization at scale. Many of the conversations surrounding access challenges point to the promise of technology.

AI may be underhyped in pediatrics

AI was mentioned repeatedly throughout the roundtable, particularly in conversations about rare disease diagnosis and clinical complexity. Yet the discussion was notably more tactical than many of the broader healthcare conversations occurring across the industry.

The conversations focused on the here and now. Participants pointed to opportunities to shorten diagnostic journeys, reduce administrative burden, find relevant clinical information faster, and support clinicians managing increasingly complex cases.

At the same time, pediatrics faces many of the same challenges slowing AI adoption elsewhere. Questions around data quality, workflow integration, governance, and clinical trust remain unresolved. Participants also noted that families, specifically those navigating rare diseases, often bring valuable research and lived experience to the care journey. The challenge is not to dismiss those insights, but to help clinicians evaluate and incorporate them effectively. No one suggested AI would solve pediatric care's most pressing challenges on its own.

Instead, debate was less about whether AI belongs in pediatric care and more about how organizations can apply it thoughtfully to solve specific operational and clinical challenges. For health systems struggling with limited specialist capacity, even incremental improvements in diagnosis, knowledge sharing, or administrative efficiency could have an outsized impact.

Viewed through that lens, the conversation around AI shifts from technology adoption to a more practical question: how to give clinicians more time, information, and support to care for patients with complex needs.

Collaboration is a strategic necessity

No single pediatric organization can maintain every low-volume specialty, serve every geography, or independently absorb every investment required to improve access. That reality surfaced repeatedly throughout the roundtable and shaped many of the conversations about future strategy.

What stood out wasn't simply a willingness to collaborate. It was the breadth of approaches leaders discussed. Shared specialty services, virtual consult networks, coordinated care pathways, community partnerships, and regional and national collaboration models all create opportunities to extend expertise without requiring every organization to build every capability internally.

These partnerships can do more than reduce costs or create operational efficiencies. When designed effectively, they allow organizations to expand access, direct care to the most effective setting, test demand in new markets, and sustain highly specialized services that might otherwise be difficult to support independently.

At the same time, participants were clear that partnership itself is not a strategy. Organizations still need to determine which capabilities should remain core, which can be shared, and which are better sourced through external partners. Governance, aligned incentives, interoperable workflows, and clear accountability matter just as much as shared mission.

As financial pressures continue and specialized workforce shortages persist, collaboration is increasingly shifting from a strategic option to an operating necessity.

The demand outlook requires a two-horizon strategy

Declining birth rates continue to shape discussions about the future of pediatric care, but the demand outlook is more nuanced than many assume.

Advisory Board's Market Scenario Planner data for patients under 19 suggests a sharper contraction in inpatient demand than in outpatient care. Inpatient volume is projected to decline nearly 7% over the next five years and 10% over the next decade. Outpatient demand, by contrast, appears far more resilient, with utilization projected to increase roughly 1% over the next five years before leveling off and declining less than 1% over the next decade.

Several factors help explain that difference. While declining birth rates reduce future need for pediatric care, increasing disease prevalence and technology-enabled care continue to support more utilization per capita. In fact, disease prevalence alone is projected to add more than 8 million outpatient encounters over the next five years and nearly 15 million over the next decade, helping offset some of the demand pressure created by population trends.

The more important takeaway, however, isn't the projected decline itself. It's the divergence between settings. Pediatric organizations aren't preparing for a future with uniformly lower demand. They're preparing for a future in which demand continues to shift across sites of care, requiring different types of capacity, infrastructure, and investment. As complex pediatric care becomes increasingly concentrated in specialized centers, many of which rely heavily on Medicaid reimbursement, those capacity decisions carry growing financial and operational consequences. That distinction has significant implications for strategy.

Many organizations will likely need additional ambulatory, virtual, and network-enabled capacity even as they re-evaluate portions of their inpatient footprint. Flexible assets, shared specialty resources, and care models that can move across settings will become increasingly important as demand evolves. The challenge isn't deciding whether to invest. It's determining where those investments will create the greatest value over both the short and long term.

Looking ahead

Across each of these discussions, a common theme emerged: the future of pediatric care will depend less on an organization's ability to build capacity and more on its ability to deploy expertise.

Whether leaders were discussing access, AI, partnerships, or changing demand patterns, the underlying challenge was remarkably similar. How do you connect highly specialized knowledge with more patients in more settings while operating within increasingly constrained resources?

The organizations best positioned for that future will likely take a broader view of what growth requires. They'll invest in new ways to extend expertise, apply technology to practical operational challenges, build partnerships that expand capabilities, and align today's strategic decisions with long-term demographic realities.

In many respects, pediatrics is confronting these questions sooner than the rest of healthcare. That may be what makes these conversations so valuable. The challenges pediatric leaders are navigating today offer an early glimpse into the strategic questions many health systems will soon be asking themselves.

Endnote

1. Muntañola AC. Rare Diseases in the Pediatric Population. Springer. November 9, 2021.

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