

Healthcare's New Environmental Imperative: What Board Members Need to Know

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Between the air pollution from Canadian wildfires to excess heat waves, relationships between the natural environment, our changing climate, and human health have become increasingly apparent.

While the health harms from these events are experienced across regions, the impacts disproportionately affect vulnerable populations such as children, pregnant women, the elderly, the disabled, communities of color, and low-income communities.

Ensuring your organization has a robust strategy in place to reduce the environmental harms of its operations and to both prepare for and manage impacts from climate change is critical to sustainable business in our changing climate. Many strategies for reducing environmental impacts also yield cost savings and even employee engagement payoffs. It is not only about safeguarding our environment—it is about sustaining a resilient business model in a changing climate. From both risk and benefit perspectives, it is imperative that board members keep apprised of changing expectations and opportunities for their health systems. This article provides a short primer for healthcare boards.

The Call to Action on Climate and Health

In 2015, the United States government joined 196 countries in signing the Paris Agreement, committing in principle to reduce carbon emissions in order to limit global warming to no more than 1.5 degrees Celsius. As global temperatures surpass 1.5 degrees Celsius, the increasingly dire consequences of climate change on health become evident, with intensified heatwaves, increased vector-borne diseases, and disrupted

food and water sources leading to widespread health crises.

The health sector is responsible for 8.5 percent of all U.S. emissions and is also at risk from climate-caused disasters

themselves. Disruptions to continuity of operations from extreme events include risks of power outages, water shortages, damage to buildings and equipment, disruption of supply chains, and impacts on staffing.

Hospitals may also need to expand their capacity and

services to meet increased demand for care resulting from climate-related illnesses and injuries. For example, one recent payer claims analysis estimated that heat event days may be responsible for almost 235,000 emergency department visits and more than 56,000 hospital admissions, which in turn creates additional financial impacts estimated to be over \$1 billion.¹

Navigating a New Era

In 2021, at the United Nations Climate Change Conference in Glasgow, Scotland (COP26), the U.S. joined 60 other countries in committing to transition their health sectors to low-carbon, climate-resilient health systems. At the event, the U.S. announced efforts specifically for VA and federal healthcare facilities. This was followed in 2022 with the Health and Human Services (HHS) "Health Sector Climate Pledge," a voluntary pledge for the private healthcare sector to reduce greenhouse gas emissions by 50 percent by 2030 and achieve net-zero emissions by 2050. At the time of this writing, over 15 percent of U.S. hospitals have committed to this pledge.

Other market forces are also creating opportunities and pressures for healthcare decarbonization. For instance,

Key Board Takeaways

- Has the board been educated on climate change, its effect on the healthcare sector, and organization-specific concerns? Only a well-educated board can truly understand climate change's impact and ask smart questions in the boardroom.
- Does the board receive regular updates on the organization's sustainability progress? Boards need to be informed of this progress, as well as how the organization's performance compares to peers and industry best practices.
- Do we have a robust governance structure that oversees climate change and health matters? For example, some healthcare organizations achieve this through the work of a board committee or senior executive.
- Is our organization involved in any climate change initiatives? The board should advocate for initiatives that support the transition to a low-carbon and resilient healthcare sector.

consumers are increasingly demanding more sustainable and socially responsible products and services; lenders are supporting green financing; insurers are incorporating climate risk into their premiums and policies; regulators are imposing stricter environmental standards and reporting requirements; and competitors are differentiating themselves by their environmental performance and reputation.

Guiding Health Systems Toward a Sustainable Future: How Boards Can Respond

Board members have a vital role in ensuring health systems are in sync with this new environmental imperative and not exposing their operations to risk. Below are some of the most important steps boards can take:

- Seek regular updates on sustainability progress, including performance compared to peers and industry best practices.
- Raise questions about environmental impacts if not already discussed, focusing on concerns addressed in community health assessments, environmental dimensions in community health plans, and public reporting



¹ Steven Woolf, et al., "The Health Care Costs of Extreme Heat," Center for American Progress, June 27, 2023.

on environmental stewardship. Example questions include:

- » How are environmental concerns addressed in our community health needs assessments? Is there an environmental dimension to our community health improvement plan?
- » Do we report on environmental stewardship as part of our public reporting?
- » Has organization leadership evaluated participation in the HHS pledge? If so, what barriers are seen to participating?
- Initiate board education sessions to foster understanding of climate change's scientific basis, trends, health effects, and mitigation solutions that incorporate climate and health considerations.²
- Establish a robust governance structure overseeing climate change and

health matters, possibly through a board committee or senior executive. Ensure their responsibilities include the development and implementation of a comprehensive climate action plan that covers both mitigation and adaptation goals, targets, policies, programs, metrics, and reporting.

- Advocate for initiatives that support the transition to a low-carbon and resilient healthcare sector, such as the Health Sector Climate Pledge,³ the VA decarbonization goals,⁴ or the Clean Energy Standard.⁵
- Share your organization's achievements and lessons in tackling climate change and health to foster mutual learning and improvements.

Leading for a Healthier Future

Addressing climate change's impact on health is a complex and evolving issue that requires leadership, collaboration,

innovation, and action from the healthcare sector. As a board member, you have the opportunity and the responsibility to guide your organization towards a more sustainable and resilient future that benefits your patients, your staff, your community, and your bottom line.

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2 For example, the [International Hospital Federation](#) has workshops and trainings specifically for healthcare leaders that build awareness and action for sustainable health systems.

3 See HHS, "[Health Sector Commitments to Emissions Reduction and Resilience](#)," for more information on the Health Sector Climate Pledge and resources for accelerating work to advance emissions reduction and climate resilience.

4 See U.S. Department of Veterans Affairs, "[Energy, Environment, and Fleet Program](#)," to learn about the VA's sustainability efforts.

5 See Derek Murrow and Sam Krasnow, "[Clean Energy Standards: Why We Like Them and What to Look For](#)," NRDC, July 8, 2020.