



## **Funding Strategies for Resilient, Energy Efficient Hospitals**

Modernize critical systems while controlling costs and reducing operational risk.



# MAINTAINING CRITICAL HEALTHCARE INFRASTRUCTURE

Much of today's hospital infrastructure was built for a different time, before digital health records, AI-powered diagnostics, and the demand for 24/7 patient access. Healthcare leaders now face a perfect storm of rising patient expectations, increasing regulatory pressure, aging systems, and chronic staffing shortages all while working within tight budgets and limited capital. The challenge is delivering exceptional care in efficient, resilient spaces without the resources to fund needed improvements.



In a rapidly evolving health-care landscape, prioritizing adaptable, energy efficient infrastructure helps hospitals strengthen patient care, lowering operational costs, and build long term stability even when budgets are tight.



# TOP TRENDS RESHAPING HEALTHCARE FACILITIES

## The Shift Toward District Energy in Healthcare

Hospitals are increasingly exploring district energy systems as a strategic way to stabilize utility costs, improve reliability, and reduce the burden of maintaining aging central plants.

**Trend:** A growing number of healthcare systems are moving away from stand-alone boilers and chillers in favor of shared district energy networks that offer higher resilience, predictable costs, and greater use of campus space for clinical services.

**Solution:** Veregy helps hospitals evaluate, plan, and integrate district energy solutions that modernize infrastructure, support long term operational goals, and free up space for patient-focused care.

## The Rise of All-Electric, Intelligent Hospitals

Hospitals are accelerating electrification and adopting smarter building systems to improve efficiency, resilience, and indoor environmental quality.

**Trend:** Healthcare leaders are pursuing all-electric facilities supported by renewable energy, IoT sensors, cloud platforms, and automation that monitor and optimize equipment and air quality in real time.

**Solution:** Veregy supports hospitals in designing and implementing electrification and smart building strategies that reduce energy use, strengthen reliability, and create healthier clinical environments.



# A NEW ERA FOR HEALTHCARE INFRASTRUCTURE

## Energy Reliability a Requirement for Hospitals

Hospitals depend on uninterrupted energy supply to support patient care at all hours, making reliability an operational priority.

**Trend:** Many healthcare systems are strengthening resilience by relying on expert operations and maintenance teams for onsite plants or by partnering with ESCOs to ensure consistent performance.

**Solution:** Enhance reliability through modernized infrastructure, right sized maintenance strategies, and resilient energy solutions that keep critical services running without interruption.

## Operational Pressures in Healthcare

Hospitals continue to face rising costs and workforce shortages that strain day to day operations.

**Trend:** Challenges such as employee burnout, operating room efficiency, and overall capacity management are among the most cited concerns for healthcare leaders in 2025.

**Solution:** Hospitals can ease staffing pressures by upgrading systems with digital controls, remote monitoring, and data driven BAS that streamline operations, and improve performance of critical environments.





# TOP TRENDS RESHAPING HEALTHCARE FACILITIES

## Financial Pressures in Healthcare Districts

Healthcare districts are facing tighter budgets as state funding becomes less predictable, federal program support fluctuates, and rising labor and inflation costs strain operating margins. These pressures make it harder to plan capital improvements, maintain facilities, and invest in new technologies without flexible financing options.

Veregy helps districts address financial pressures by offering flexible procurement options such as PPAs, EaaS, and ESPCs that reduce upfront capital needs, stabilize long term costs, and support strategic modernization without straining operational budgets.

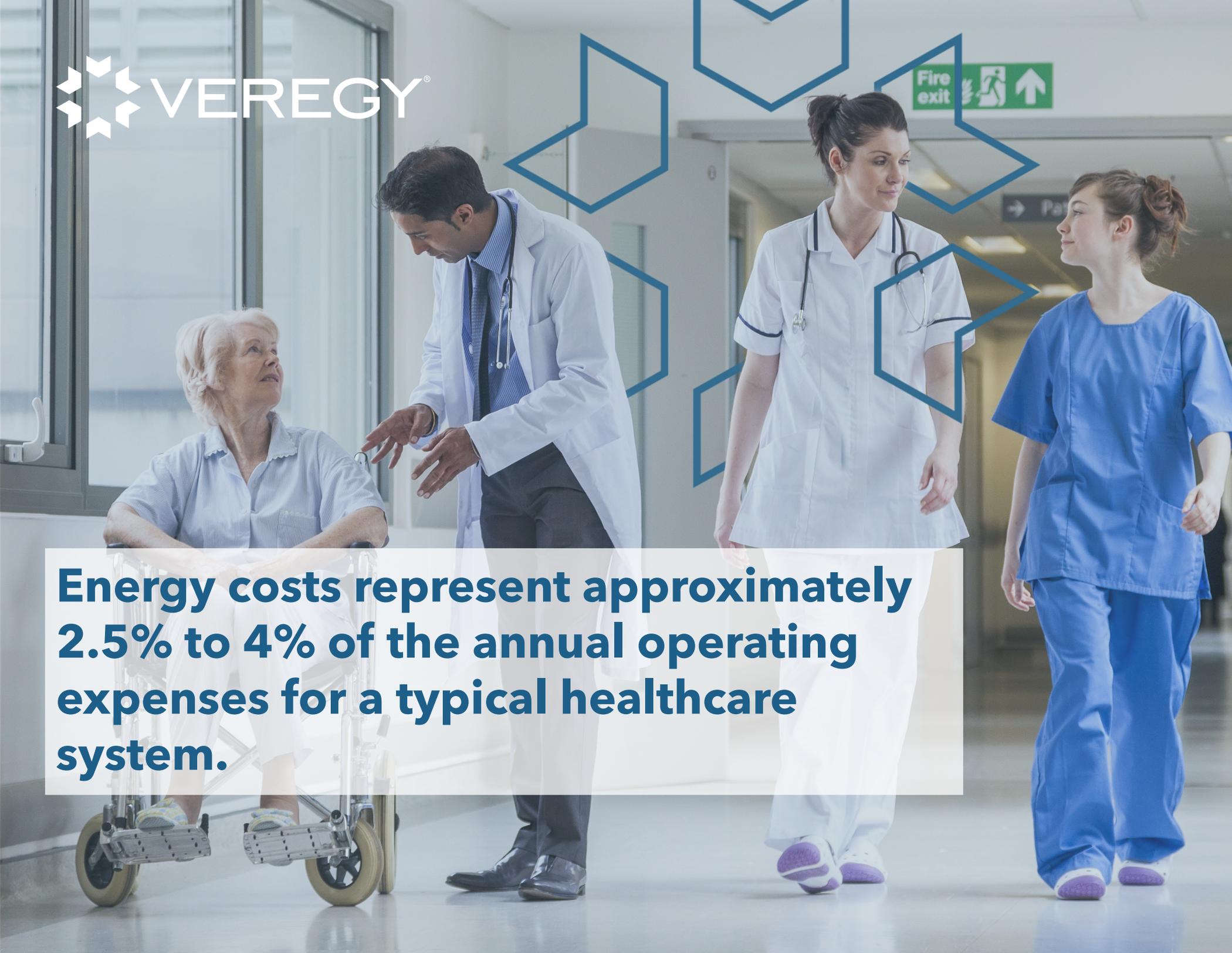


**We understand the compounding pressures hospitals are facing coupled with the mounting need to stay current with industry trends. That's why we help hospital executives future-proof their facilities with energy-efficient, sustainable, and budget-neutral facility improvements, delivered through multiple contract options that minimizes disruption and maximizes return on investment.**





**Energy costs represent approximately 2.5% to 4% of the annual operating expenses for a typical healthcare system.**





**Hospitals cannot pause operations to make improvements, yet waiting for critical systems to fail is even more costly. Aging equipment, outdated infrastructure, and rising utility expenses can quietly erode the performance of even the best-run health systems. EaaS and ESPC provide a practical way forward. When health-care organizations lack the capital to fund upgrades, or when too many projects compete for limited dollars, these models offer flexible options to deliver necessary improvements through equipment leasing and guaranteed energy savings over the life of the contract.**

## What Is Performance Contracting or ESPC?

Performance contracting is enabling legislation that provides a budget neutral way for healthcare facilities to implement capital improvements without upfront costs. The energy and operational savings produced by the upgrades pay for the improvements over time, allowing hospitals to redirect scarce dollars toward clinical priorities and strategic initiatives.

### How it works:

- Facility and overall hospital needs/goals are assessed
- Facility and campus energy and operational spend is analyzed
- Cost-saving opportunities are identified
- Upgrades are implemented with guaranteed savings and performance outcomes
- The savings are used to repay the dept service agreement over time



## Smart Upgrades That Deliver Long-Term Savings

Upgrading your hospital's infrastructure not only reduces energy consumption and improves reliability, it also enhances patient comfort and reduces the risk of costly downtime. For instance, a one-hour outage in a hospital with high patient volume could result in \$500,000 in losses from delayed procedures and cancelled appointments.

### Common high-impact facility upgrades include:



#### **HVAC Systems:**

Improve indoor air quality, increase temperature control/comfort, and reduce energy usage.



#### **LED Lighting:**

Brighten clinical spaces while slashing energy costs and maintenance needs.



#### **Boilers & Chillers:**

Optimize heating & cooling efficiency with modern, low-emission systems.



#### **Building Envelope**

Enhance insulation, prevent leaks, and extend the life of your roof.



#### **Building Automation Systems (BAS):**

Gain centralized control over systems and optimize performance in real time.



#### **Plumbing and AI Leak Detection:**

Low flow plumbing and leak detection keep facilities reliable and water smart.



#### **Central Plants:**

Optimize central plants, deliver reliable performance and reduce operational costs.

**Each of these improvements is designed with one goal in mind: making your facility more cost-effective, resilient, and ready for the future.**

## What is Energy-as-a-Service (EaaS)

Energy as a Service is a procurement model that allows hospitals to replace aging equipment and improve efficiency without upfront capital by paying for the upgrades as a service over time. A provider designs, installs, owns, and maintains the systems, and the hospital pays a predictable service fee that is often offset by energy and operational savings.

### How it works

- EaaS is structured as a service agreement rather than a financed capital project
- Payments are made as a predictable service fee instead of debt service
- Equipment and assets typically remain off the hospital's balance sheet
- Savings generated by the upgrades cover the cost of the service over the term

At Veregy, we help hospitals across the country design and deliver smart upgrades that turn today's aging infrastructure into tomorrow's high-performing healthcare environment.



# Which Funding Model Fits Your Hospital's Needs?



## ESPC

Upgrades paid for through guaranteed energy and operational savings

No bonds or capital budgets required

Ideal for HVAC, central plant, lighting, controls, and onsite power generation

Performance guarantees protect your district's investment

## EaaS

Pay for energy outcomes, not equipment

Moves costs off balance sheets

Long-term service model ensures reliable operation and predictable costs

Enables technology upgrades without the complexity of ownership



## Upgrades That Save Money, Cut Risk and Modernize Facilities

Upgrading your facility is an opportunity to bring in modern equipment, reduce operating expenses, and mitigate the risk of downtime or service interruptions, all while working within today's strained budgets, and Veregy is ready to help you move forward with solutions that strengthen care without adding financial pressure.



To learn more about Veregy and how we can help improve your facility, visit us at [Veregy.com](https://www.veregy.com)



## Let's talk.

**Shiva Subramanya**  
Enterprise Director  
[ssubramanya@veregy.com](mailto:ssubramanya@veregy.com)