

“Anesthesiologists are switching to products that emit fewer greenhouse gases.”

Decarbonizing the Health Sector



T

he health sector has a unique relationship with—and responsibility to address—climate change.

According to government data, the US health sector (encompassing both life sciences and healthcare delivery) is responsible for 8.5 percent of national carbon emissions. While not as high as those in other sectors, such as electricity (25 percent) and agriculture (11.5 percent), the country’s health-sector emissions increased by 6 percent between 2010 and 2018. Today, the US makes up one-quarter of the global health sector’s total emissions.

Carbon emissions come from the operation of healthcare facilities, like hospitals, clinics, and doctor’s offices, as well as the energy needed to heat and cool them. A full 80 percent of the sector’s footprint is in its complex and global supply chain, which

includes production, transport, and use and disposal of goods, as well as services.

Climate change also affects human health, of course. Extreme weather events, including heat waves, droughts, and floods, have acute long-term negative effects on health. High temperatures, for example, increase the risk of heart attacks and strokes. Poor air quality has been linked to increased emergency-room visits and higher rates of mortality for people with asthma and other diseases. Disadvantaged and underserved communities experience the brunt of these adverse health effects.

The sector is starting to take its responsibility seriously. In mid-2022, the US government, through the Health and Human Services Office of

Climate Change and Health Equity, called on the sector to share its action plans for responding to climate change. During the 2021 Climate Conference (COP26) in Glasgow, 50 countries pledged to decarbonize their health systems. They will provide detailed plans during COP27 in November 2022.

US hospitals, healthcare providers, and pharmaceutical companies have already taken meaningful steps toward fulfilling this pledge, among them the following initiatives:

Citing alignment between their mission and values, a nonprofit health system has linked executive compensation to progress on sustainability targets—a move many companies have taken to demonstrate their commitment to managing environmental, social, and governance (ESG) criteria.

Anesthesia is going green: anesthesiologists are switching to products that emit fewer greenhouse gases.

A major health system worked with suppliers to change the packaging of their disinfectant wipes, reducing both overall waste and emissions associated with transport.

Several health facilities across the country are taking advantage of rebates and grants to install LED lighting, thereby reducing emissions and saving money.

Companies are being more explicit about their ESG strategy by undertaking materiality assessments and reporting on ESG performance.

Climate leaders are realizing there can be financial upsides to changes in goods and services, important for those that operate on small margins. Meeting ambitious targets will require capital investment and innovation, however. While the government’s efforts to spark change at the industry level are the first of their kind for the sector, the pledge is voluntary, leaving it up to individual institutions to set their own strategies and timelines.

Hill Street Studios/Getty Images



“As the sector ramps up efforts to decarbonize, we’re likely to see more sustainability roles emerge.”

As the sector ramps up its efforts to decarbonize, we’re likely to see more sustainability roles emerge that will deploy their expertise, mandate, budget, and staff. Technical knowledge is needed but also change-management skills, because achieving ambitious net-zero decarbonization strategies requires the efforts of employees who don’t have “sustainability” in their title. This includes finance teams who can better account for the cost of carbon and the long-term value of sustainability investments, R&D teams who can drive needed innovations in care-delivery models and technologies, and workers across the sector who will need to make sustainable choices in their day-to-day jobs.

Leading health organizations have gotten on board, declaring climate change to be our most serious public health threat. It’s time for the sector to make good on the ideal of doing no harm. █

Baxter is a senior client partner in Korn Ferry’s ESG and Sustainability Solutions practice.