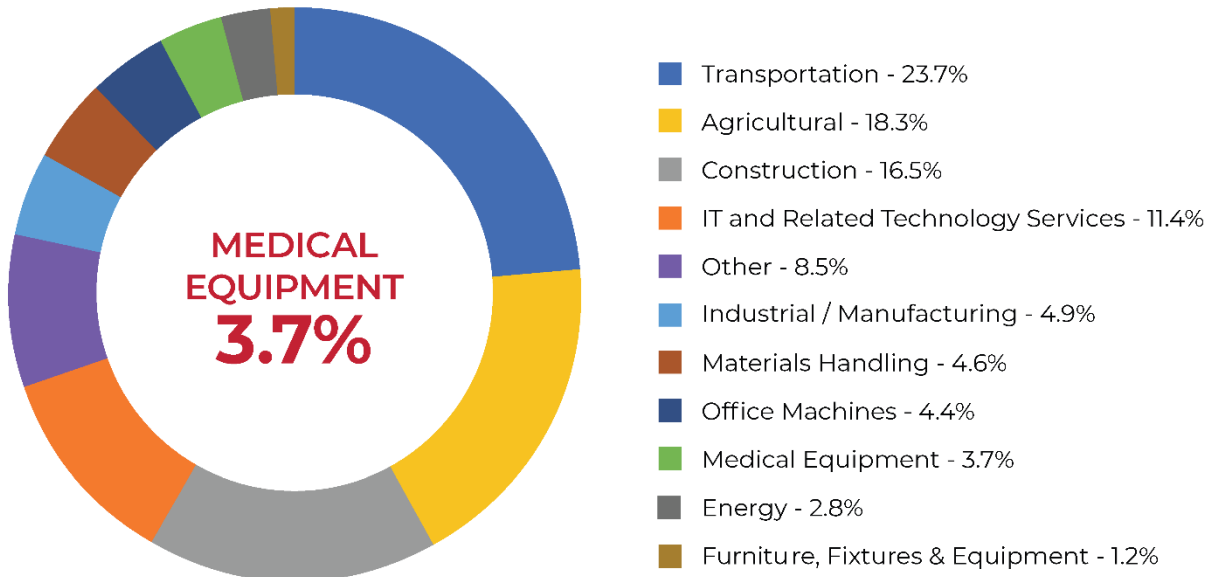


Fact Sheet: Equipment Finance in the Medical Equipment Industry



EQUIPMENT FINANCE IN THE **MEDICAL EQUIPMENT** INDUSTRY

Medical equipment represents 3.7% of equipment financing new business volume in the United States.



Source: 2024 Survey of Equipment Finance Activity.

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Equipment Financing Volume

- Medical equipment represented 3.7% of new business volume reported by ELFA member companies, down from 4% in 2022.
- As an end-user of equipment finance, the health services industry represented 4.8% of new business volume reported by ELFA member companies, down from 5.4% in 2022.

Percentage of new business volume ELFA member companies financed by equipment type:

Category	In 2023	In 2022
Medical imaging, diagnostic, surgical and electronic devices	2.8 %	2.7%
Other medical equipment	0.6%	0.8%
Furniture, fixtures and equipment (FF&E) for hospitals and other medical buildings	0.3%	0.4%

According to the Equipment Leasing & Finance Foundation's [2024 Equipment Leasing & Finance Industry Horizon Report](#):

- Medical equipment was the most likely equipment vertical to be financed in 2023, with an estimated 84% of acquisition volume secured by a lease, loan or line of credit.
- More than 8 in 10 businesses (82%) that acquired equipment and software used at least one form of financing to do so.
- Total public and private sector equipment and software investment expanded to \$2.3 trillion in nominal terms. Approximately 58% of this investment was financed, yielding an industry size estimate of about \$1.34 trillion.
- Of private sector equipment and software investment, 64.2% was financed.
- Leasing was the most common financing method (used by 26%), followed by secured loans (16%), lines of credit (14%) and unsecured loans (8%).
- The top reasons end-users chose to finance their equipment and software acquisitions were “optimization of cash flow” (62%), “protection from equipment obsolescence” (55%), and “tax advantages” (51%).

Equipment Market

According to the U.S. Bureau of Economic Analysis:

- In 2023 medical equipment and instruments investment was \$123.5 billion.

According to “[What’s Hot, What’s Not: Equipment Market Forecast 2024](#),” based on a survey of ELFA members to measure industry perceptions of equipment types:

- Medical equipment ranked 3rd in portfolio preference among equipment finance executives surveyed, unchanged from the previous year. The industry still suffers from confusion regarding the future of healthcare finance with changes to the Affordable Care Act, and the loss of pandemic-related subsidies.
- The medical industry’s preference for leased equipment continues unabated, driven by demographics linked to the increasing health care needs of the baby-boom generation.
- The medical equipment secondary market is robust with the global refurbished medical imaging market estimated to be \$4.4 billion in 2023, and expected to grow 10.4% CAGR to reach \$18.3 billion by 2030.

Investment

According to the [Foundation-Keybridge Equipment & Software Investment Momentum Monitor](#):

- Medical equipment investment increased 8.6% annualized in Q3 2024.
- In November 2024 medical equipment investment was up 2.3% year over year.
- Medical equipment investment growth will remain modestly positive through the end of Q2 2025.

About ELFA

The Equipment Leasing and Finance Association (ELFA) represents financial services companies and manufacturers in the \$1 trillion U.S. equipment finance sector. ELFA's 575 member companies provide essential financing that helps businesses acquire the equipment they need to operate and grow. Learn how equipment finance contributes to businesses' success, U.S. economic growth, manufacturing and jobs at <http://www.elfaonline.org>.

ELFA's **Knowledge Hub** is *the* source for business intelligence on the equipment finance industry. This one-stop, online library provides easy access to ELFA's wide range of industry data and information. Visit <https://www.elfaonline.org/KnowledgeHub> for additional information.

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