

For immediate release

**American College of Healthcare Executives Announces Top Issues
Confronting Hospitals: 2012**

CHICAGO, January 7, 2013—Financial challenges again ranked No. 1 on the list of hospital CEOs' top concerns in 2012, making it their No. 1 concern for the last nine years, according to the American College of Healthcare Executives' (ACHE's) annual survey of top issues confronting hospitals. Patient safety and quality ranked second. Healthcare reform implementation, which has been the No. 2 concern since it was introduced to the survey in 2009, was ranked No. 3 in 2012.

"As CEOs are positioning their organizations to succeed in an uncertain environment, it is not surprising that financial challenges, patient safety and quality, and healthcare reform continue to be on their minds," says Thomas C. Dolan, PhD, FACHE, CAE, president and CEO of ACHE.

In the survey, ACHE asked respondents to rank 11 issues affecting their hospitals in order of importance and to identify specific areas of concern within each of those issues. Following are some key results from the survey, which was sent to 1,202 community hospital CEOs who are ACHE members of whom 472, or 39 percent, responded. The issues in the following table are listed by the average rank given to each issue, with the lowest numbers indicating the highest concerns.

Issue	2012	2011
Financial challenges	2.5	2.5

Patient safety and quality	4.4	4.6
Healthcare reform implementation	4.7	4.5
Governmental mandates	5.0	4.6
Care for the uninsured	5.6	5.2
Patient satisfaction	5.6	5.6
Physician-hospital relations	5.8	5.3
Technology	7.6	7.2
Population health management	7.9	---
Personnel shortages	8.0	7.4
Creating an accountable care organization	8.6	8.4

The average rank given to each issue was used to place issues in order of concern to hospital CEOs, with the lowest numbers indicating the highest concerns.

The survey was confined to CEOs of community hospitals (nonfederal, short-term, nonspecialty hospitals).

Within each of these 11 issues, respondents identified specific concerns facing their hospitals. Following are those concerns in order of mention for the top three issues identified in the survey. (Respondents could check as many as desired.)

Financial Challenges (n = 472)¹

Medicaid reimbursement	83%
Government funding cuts	81%
Medicare reimbursement	72%
Bad debt	69%
Decreasing inpatient volume	61%
Increasing costs for staff, supplies, etc.	52%
Inadequate funding for capital improvements	43%
Other commercial insurance reimbursement	40%
Managed care payments	35%
Revenue cycle management (converting charges to cash)	34%
Emergency department	30%
Competition from specialty hospitals	18%
Other	n = 20

¹If number of respondents is fewer than 50, only numbers are provided.

Patient Safety and Quality (n = 472)¹

Engaging physicians in improving the culture of quality	69%
Redesigning care processes	61%
Redesigning work environment to reduce errors	50%
Pay for performance	47%
Public reporting of outcomes data	40%
Compliance with accrediting organizations (e.g., Joint Commission, NCQA)	35%
Medication errors	35%
Leapfrog Group demands (i.e., computerized physician order entry; ICU staffing by trained intensivists; and evidence-based hospital referral—moving patients to facilities that perform numerous surgeries and manage high-risk neonatal conditions)	33%
Nonpayment for “never” events	29%
Nosocomial infections	23%
Other	n = 15

¹If number of respondents is fewer than 50, only numbers are provided.

Healthcare Reform Implementation (n = 472) ¹

Reduce operating costs	76%
Alignment of provider and payor incentives	63%
Align with physicians more closely	60%
Regulatory/legislative uncertainty affecting strategic planning	52%
Develop information system integrated with primary care physicians	47%
Study avoidable readmissions to avoid penalties	46%
Hire one or more primary care physicians	41%
Obtain funding from the American Recovery and Reinvestment Act for electronic records	29%
Study avoidable infections to avoid penalties	25%
Other	n = 33

¹If number of respondents is fewer than 50, only numbers are provided.

About the American College of Healthcare Executives

The **American College of Healthcare Executives** is an international professional society of more than 40,000 healthcare executives who lead hospitals, healthcare systems and other healthcare organizations. ACHE offers its prestigious

FACHE® credential, signifying board certification in healthcare management. ACHE's established network of more than 80 chapters provides access to networking, education and career development at the local level. In addition, ACHE is known for its magazine, *Healthcare Executive*, and its career development and public policy programs. Through such efforts, ACHE works toward its goal of being the premier professional society for healthcare executives dedicated to improving healthcare delivery. **The Foundation of the American College of Healthcare Executives** was established to further advance healthcare management excellence through education and research. The Foundation of ACHE is known for its educational programs—including the annual Congress on Healthcare Leadership, which draws more than 4,500 participants—and groundbreaking research. Its publishing division, Health Administration Press, is one of the largest publishers of books and journals on health services management including textbooks for college and university courses.

Contact:

Lisa M. Freund, FACHE

Vice President

Communications and Marketing

American College of Healthcare Executives

One North Franklin, Suite 1700

Chicago, IL 60606

(312) 424-9420

lfreund@ache.org