

For immediate release

American College of Healthcare Executives Announces Top Issues Confronting Hospitals: 2013

CHICAGO, January 13, 2014—Financial challenges again ranked No. 1 on the list of hospital CEOs' top concerns in 2013, making it their No. 1 concern for the last 10 years, according to the American College of Healthcare Executives' annual survey of top issues confronting hospitals. Healthcare reform implementation ranked second and governmental mandates and patient safety and quality both ranked third.

"It is not surprising that financial challenges and health reform implementation are on the minds of hospital CEOs," says Deborah J. Bowen, FACHE, CAE, president and CEO of ACHE. "In addition, both government mandates and patient safety remain top priorities as CEOs and leadership teams work hard to improve patient care and redesign care delivery as they face a challenging reimbursement climate."

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 1,091 community hospital CEOs who are ACHE members of whom 388, or 36 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	2013	2012	2011
Financial challenges	2.4	2.5	2.5
Healthcare reform implementation	4.3	4.7	4.5
Governmental mandates	4.9	5.0	4.6
Patient safety and quality	4.9	4.4	4.6
Care for the uninsured	5.6	5.6	5.2
Patient satisfaction	5.9	5.6	5.6
Physician-hospital relations	6.0	5.8	5.3
Population health management	7.6	7.9	—
Technology	7.9	7.6	7.2
Personnel shortages	8.0	8.0	7.4
Creating an accountable care organization	8.6	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 issues identified in the survey. (Respondents could check as many as desired.)

Financial Challenges (n = 388)¹

Government funding cuts	85%
Medicaid reimbursement (including adequacy and timeliness of payment, etc.)	81%
Medicare reimbursement (including adequacy and timeliness of payment, etc.)	71%
Bad debt	67%
Decreasing inpatient volume	64%
Increasing costs for staff, supplies, etc.	50%
Competition from other providers	40%
Inadequate funding for capital improvements	39%

Financial Challenges (n = 388)¹

Revenue cycle management (converting charges to cash)	37%
Other commercial insurance reimbursement	35%
Managed care payments	34%
Emergency department	31%
Other	n=14

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

Healthcare Reform Implementation (n = 388) ¹

Reduce operating costs	72%
Alignment of provider and payor incentives	66%
Shift to value-based purchasing	60%
Align with physicians more closely	53%
Regulatory/legislative uncertainty affecting strategic planning	50%
Develop information system integrated with primary care MDs	45%

Healthcare Reform Implementation (n = 388) ¹

Study avoidable readmissions to avoid penalties	40%
Hire one or more primary care physicians	35%
Obtain funding from the American Recovery and Reinvestment Act for electronic records	27%
Study avoidable infections to avoid penalties	17%
Other	n = 17

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

Governmental Mandates (n = 388) ¹

CMS audits (RAC, MAC, CERT)	83%
Implementation of ICD-10	79%
CMS regulations	65%
State regulations	33%
Increased government scrutiny (e.g., IRS, Sarbanes-Oxley Act)	32%

Governmental Mandates (n = 388) ¹

Other	n = 35
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¹ If number of respondents is fewer than 50, only numbers are provided.

Patient Safety and Quality (n = 388) ¹

Engaging physicians in improving the culture of quality	71%
Redesigning care processes	66%
Pay for performance	54%
Redesigning work environment to reduce errors	45%
Compliance with accrediting organizations (e.g., Joint Commission, NCQA)	29%
Leapfrog 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 high-risk neonatal conditions)	29%
Medication errors	28%
Public reporting of outcomes data	28%

Patient Safety and Quality (n = 388) ¹

Nonpayment for “never events”	26%
Nosocomial infections	15%
Other	n = 13

¹ If 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 4,000 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.

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