

For Immediate Release

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American College of Healthcare Executives Announces “Top Issues Confronting Hospitals: 2008”

Chicago, January 5, 2009—Financial challenges continued to rank No. 1 on the list of hospital CEOs’ top concerns in 2008, with patient safety and quality their second most prominent concerns, according to the American College of Healthcare Executives’ (ACHE) annual survey of top issues confronting hospital CEOs. “While CEOs’ concerns surrounding financial challenges are heightened, given the economic downturn, their commitment to creating and implementing systems to improve quality and patient safety in our nation’s hospitals is their second most prominent concern,” says Thomas C. Dolan, PhD, FACHE, CAE, president and CEO of ACHE.

In the survey, ACHE asked respondents to rank 12 issues affecting their hospital in order of importance and to identify specific areas of concern within their top three issues. Following are some key results from the survey, which was sent to 1,092 hospital CEOs in October 2008 of whom 433, or 40 percent, responded.

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Each of the issues in the following table is listed by the percentage of respondents who indicated it as one of the top three issues confronting their hospital. In 2008, 77 percent of respondents cited financial challenges as one of their top three concerns, reflecting an increase from 70 percent in 2007. Forty-three percent of hospital CEOs identified patient safety and quality as a major concern. In prior years these issues were listed separately, so no direct comparison is possible.

Care for the uninsured continues to rank as hospital CEOs' No. 3 issue, with 41 percent of respondents citing it as a major concern. In 2008 there was increased mention by respondents of governmental mandates (26 percent), patient satisfaction (22 percent) and capacity issues (16 percent) as other top concerns.

Issue	2008	2007	2006
Financial challenges	77%	70%	72%
Patient safety and quality ¹	43%	NA	NA
Care for the uninsured	41%	38%	37%
Physician-hospital relations	32%	35%	40%
Personnel shortages	30%	30%	30%
Governmental mandates	26%	22%	23%
Patient satisfaction	22%	17%	16%
Capacity	16%	11%	11%
Technology	9%	8%	8%
Issues about not-for-profit status	2%	4%	3%
Malpractice insurance	2%	2%	3%
Disaster preparedness ²	1%	1%	1%
Patient safety	NA	29%	27%
Quality	NA	33%	29%

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Within each of their three top issues, respondents identified specific concerns facing their hospital. Following are those concerns in order of importance for the top three issues identified in the survey:

Financial Challenges

Medicaid reimbursement	83%
Bad debt	78%
Increasing costs for staff, supplies, etc.	75%
Medicare reimbursement	73%
Inadequate funding for capital improvements	63%
Managed care payments	46%
Other commercial insurance reimbursement	40%
Revenue cycle management (converting charges to cash)	40%
Emergency Department	36%
Competition from specialty hospitals	20%
Other	9%

Patient Safety and Quality

Redesigning care processes	66%
Redesigning work environment to reduce errors	66%
Compliance with accrediting organizations (i.e., Joint Commission)	60%
Medication errors	57%
Nosocomial infections	47%
Nonpayment for “never events”	43%
Pay for performance	41%
Leapfrog demands (i.e., computerized physician order entry; ICU staffing by trained intensivists; and evidence-based hospital referral)	40%
Public reporting of outcomes data	40%
Surgical mistakes	24%
Other	7%

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Care for the Uninsured

Medicaid	87%
Advocacy for funding	75%
Underwriting costs	61%
Reaching out to all community members	27%
Other	20%
Response to other hospital closings	10%

¹ In 2008 this issue was composed of both patient safety and quality. In prior years, they were two unique issues.

² In 2008 this issue was broadened and changed from “biodisaster” to “disaster” preparedness.

American College of Healthcare Executives

The American College of Healthcare Executives is an international professional society of more than 30,000 healthcare executives who lead hospitals, healthcare systems and other healthcare organizations. ACHE is known for its prestigious credentialing and educational programs and its annual Congress on Healthcare Leadership, which draws more than 4,500 participants each year. 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 journals, the *Journal of Healthcare Management* and *Frontiers of Health Services Management*, as well as groundbreaking research and career development and public policy programs. ACHE's publishing division, Health Administration Press, is one of the largest publishers of books and journals on all aspects of health services management in addition to textbooks for use in college and university courses. Through such efforts, ACHE works toward its goal of being the premier professional society for healthcare leaders by providing exceptional value to its members.

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