

For Immediate Release

Contact: Kay A. Branz
Vice President, Communications and Marketing
(312) 424-9420
kbranz@ache.org



AmericanCollege of
HealthcareExecutives
for leaders who care®

Suite 1700
One North Franklin Street
Chicago, Illinois 60606-3529
(312) 424-2800 Phone
(312) 424-0023 Fax
ache@ache.org

Hospital CEO Turnover Rate Increases

CHICAGO, March 8, 2010—Hospital CEO turnover increased in 2009, tracking at 18 percent nationwide, up from 14 percent in 2008. The increase makes it the highest turnover rate since 1999 and only the fourth time the turnover rate has reached this level since tracking began in 1981.

“While there are many factors in play, I believe the primary driver for this increase in CEO turnover is the retirement of healthcare leaders in the baby boomer generation,” says Thomas C. Dolan, PhD, FACHE, CAE, president and CEO of the American College of Healthcare Executives (ACHE). “These findings underscore the need for healthcare organizations to have good succession planning in place to ensure organizational success when changes in senior leadership occur.”

ACHE’s CEO turnover reports are based on changes in an organization’s chief executive officer as reported to the American Hospital Association.

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NEWS RELEASE

**Annual CEO Turnover Rates for Nonfederal,
General Medical/Surgical, Short-Term Hospitals**

Calendar Year	Qualifying Hospitals	CEO Turnover Rate*
2009	4,582	18%
2008	4,520	14%
2007	4,496	15%
2006	4,546	15%
2005	4,512	14%
2004	4,566	16%
2003	4,569	14%
2002	4,602	14%
2001	4,624	15%
2000	4,689	17%
1999	4,744	18%

* To account for the interim and acting CEOs who are intentionally assigned to their posts for a short period, the data have been adjusted downward. Because these adjustments are based on a representative sample and therefore contain a margin of error, the annual percentage rates reported are rounded to the nearest whole number.

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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 FACHE[®] credential, signifying board certification in healthcare management, and its educational programs including the annual Congress on Healthcare Leadership, which draws more than 4,000 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, 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 including textbooks for use in college and university courses. Through such efforts, ACHE works toward its goal of being the premier professional society for healthcare executives dedicated to improving healthcare delivery.

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American College of Healthcare Executives

Hospital CEO Turnover*

YEAR	ADJUSTED ** (percent)	NUMBER OF HOSPITALS
1981	14	5687
1982	14	5678
1983	13	5672
1984	15	5665
1985	16	5651
1986	17	5626
1987	18	5583
1988	18	5526
1989	16	5454
1990	13	5398
1991	17	5294
1992	15	5198
1993	14	5030
1994	14	5045
1995	17	4940
1996	16	4928
1997	16	4842
1998	17	4780
1999	18	4744
2000	17	4689
2001	15	4624
2002	14	4602
2003	14	4569
2004	16	4566
2005	14	4512
2006	15	4546
2007	15	4496
2008	14	4520
2009	18	4582

* Short term, general medical and surgical and nonfederal hospitals.

** Based on a universal telephone study in 1990, we reduced the total turnover for the years 1981-1997 by 14.2% due to incorrect reporting of retained CEOs and by 9.9% due to the appointment of interim or acting CEOs. The total reduction is 24.1%. In 1998, a sample survey of 146 hospitals showed that the appropriate deflator should be 18.6% which was applied to the 1998-2002 rates. In 2004, this deflator was adjusted to 18.8% on the basis of a survey of a sample of 150 hospitals; this was applied to the 2003-2007 rates. In 2009, on the basis of a survey of 300 hospitals, a new deflator of 13.04% was computed.

American College of Healthcare Executives –February 19, 2010
 Annual CEO Turnover by State – Rates adjusted for states with 30+ hospitals
 Non-Federal, Short Term, General Medical/Surgical Hospitals - Calendar Year 2009

Rank	State	Adjusted CEO Turnover Pct*
	(High-turnover states)	
1	DIST. OF COLUMBIA	63 [†]
2	DELAWARE	40 [†]
3	ALASKA	33 [†]
4	ARKANSAS	32
5	WYOMING	32 [†]
6	NEW MEXICO	32
7	OREGON	31
8	RHODE ISLAND	30 [†]
9	VERMONT	29 [†]
10	SOUTH CAROLINA	26
11	ARIZONA	25
12	NORTH DAKOTA	23
13	CALIFORNIA	22
14	TENNESSEE	20
15	NEBRASKA	20
16	NEVADA	20
17	MONTANA	20
	(Medium-turnover	
18	WASHINGTON	20
19	GEORGIA	20
20	OHIO	20
21	MINNESOTA	19
22	NORTH CAROLINA	19
23	MISSISSIPPI	19
24	PENNSYLVANIA	19
25	LOUISIANA	17
26	KENTUCKY	17
27	MISSOURI	17
28-29	ILLINOIS	17
28-29	TEXAS	17
30	VIRGINIA	15
31	OKLAHOMA	15
32	MICHIGAN	15
33	ALABAMA	15
34	HAWAII	15 [†]
35	FLORIDA	15
	(Low-turnover states)	
36	WISCONSIN	15
37	SOUTH DAKOTA	14
38	MASSACHUSETTS	14
39	NEW JERSEY	14
40	CONNECTICUT	14 [†]
41	KANSAS	14
42	WEST VIRGINIA	14
43	INDIANA	13
44	COLORADO	13
45	NEW YORK	12
46	IOWA	12
47	NEW HAMPSHIRE	12 [†]
48	IDAHO	11
49	PUERTO RICO	11
50	MARYLAND	11
51	MAINE	10
52	UTAH	2
	US TOTAL	18

* This table adjusts the turnover rate downward in states with 30 or more hospitals to account for unrecorded interim and acting CEOs who are intentionally assigned to their posts for a short period.

[†] Fewer than 30 hospitals – unadjusted rate