

For Immediate Release

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American College of Healthcare Executives Announces Top Issues Confronting Hospitals: 2009

CHICAGO, January 11, 2010—Financial challenges ranked No. 1 on the list of hospital CEOs' top concerns in 2009, making it their No. 1 issue for the last five years, according to the American College of Healthcare Executives' (ACHE) annual survey of top issues confronting hospital CEOs. Implementation of healthcare reform, an issue newly introduced in the 2009 survey, and care for the uninsured were CEOs' No. 2 and No. 3 concerns, respectively.

“Though financial challenges continue to top the list of healthcare CEOs' chief concerns, not surprisingly, healthcare reform is also weighing heavily on CEO respondents' minds, reaffirming their concern for many of the other top issues such as care for the uninsured and quality of care,” says Thomas C. Dolan, PhD, FACHE, CAE, president and CEO of ACHE.

In the survey, ACHE asked respondents to rank 13 issues affecting their hospitals in order of importance and to identify specific areas of concern within their top three issues.

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Following are some key results from the survey, which was sent to 1,275 hospital CEOs in October and November 2009, of whom 525, or 41 percent, responded. 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 hospitals. In 2009, 76 percent of respondents cited financial challenges as their top concern, which is similar to results obtained in 2008 (77 percent).

Issue	2009	2008	2007
Financial challenges	76%	77%	70%
Healthcare reform implications	53%	---	---
Care for the uninsured	37%	41%	38%
Patient safety and quality ¹	32%	43%	---
Governmental mandates	30%	26%	22%
Physician-hospital relations	25%	32%	35%
Patient satisfaction	15%	22%	17%
Personnel shortages	13%	30%	30%
Capacity	7%	16%	11%
Technology	7%	9%	8%
Governance	2%	---	---
Disaster preparedness ²	1%	1%	1%
Issues about not-for-profit status	1%	2%	4%
Patient safety	---	---	29%
Quality	---	---	33%

¹ Starting in 2008, this issue comprises 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.

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

Financial Challenges (n = 393)

Medicaid reimbursement	87%
Bad debts	80%
Medicare reimbursement	78%
Increasing costs for staff, supplies, etc.	72%
Inadequate funding for capital improvements	64%
Managed care payments	47%
Other commercial insurance reimbursement	46%
Revenue cycle management (converting charges to cash)	45%
Emergency department	43%
Competition from specialty hospitals	25%
Other	10%

Healthcare Reform Implications (n = 275)

Reduced reimbursement as a result of:

Reduction in Medicare reimbursement	91%
“Public option”	83%
Bundling payments instead of fee for service	80%
Tax on “Cadillac”-type plans	25%
Other	11%

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Increased demand for services such as:

Queues for emergency services	46%
Queues for preventive care (e.g., mammography)	29%
Access to primary care*	5%
Other	2%

Reduced quality of care:

Less innovation in diagnosis and treatment	40%
Standardized (“cookbook”) medical protocols	35%
Other	9%

Care for the Uninsured (n = 187)

Medicaid	91%
Advocacy for funding	79%
Underwriting costs	61%
Reaching out to all community members	34%
Response to other hospital closings	11%
Increasing numbers*	6%
Emergency department overuse*	5%
Other	3%

*This item was derived from written-in responses. Frequencies for this variable should be taken as an underestimate of perceived importance.

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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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