

For Immediate Release

Hospital CEO Turnover Rate Remains Steady

CHICAGO, May 19, 2017—For the third straight year hospital CEO turnover held steady at 18 percent, according to a recent report by the American College of Healthcare Executives. While less than the record high of 20 percent in 2013, the level of turnover registered in 2016 is equal to that reported in the previous two years and remains among the highest rates calculated in the last two decades.

"Our data indicate that the elevated CEO turnover rates over the past several years have become the norm," says Deborah J. Bowen, FACHE, CAE, ACHE's president and CEO. "The ongoing consolidation of healthcare organizations, continuing movement toward new models of care and retiring leaders from the baby boomer era may all be influencing these turnover rates. This rate of change in hospital and health system senior leadership teams underscores the importance of those organizations having succession plans to successfully manage C-suite changes," adds Bowen. "Succession planning should include not only naming and preparing immediate successors to C-suite positions, but more broadly an emphasis on developing the pipeline of future leaders."

ACHE's CEO turnover rates are based on changes in an organization's CEO, as reported to the American Hospital Association.

American College of Healthcare Executives
Hospital CEO Turnover*

YEAR	ADJUSTED ** (percent)	NUMBER OF HOSPITALS
2016	18	4,401
2015	18	4,448
2014	18	4,501
2013	20	4,546
2012	17	4,555
2011	16	4,542
2010	16	4,567
2009	18	4,582
2008	14	4,520
2007	15	4,496

2006	15	4,546
2005	14	4,512
2004	16	4,566
2003	14	4,569
2002	14	4,602
2001	15	4,624
2000	17	4,689
1999	18	4,744
1998	17	4,780
1997	16	4,842
1996	16	4,928
1995	17	4,940
1994	14	5,045
1993	14	5,030
1992	15	5,198
1991	17	5,294
1990	13	5,398
1989	16	5,454
1988	18	5,526
1987	18	5,583
1986	17	5,626
1985	16	5,651

1984	15	5,665
1983	13	5,672
1982	14	5,678
1981	14	5,687

* Nonfederal short term, general medical and surgical hospitals.

**Based on a universal telephone study in 1990, we reduced the total turnover for the years 1981–1997 by 14.2 percent due to incorrect reporting of retained CEOs and by 9.9 percent due to the replacement of interim or acting CEOs. The total reduction is 24.1 percent. In 1998, a sample survey of 146 hospitals showed that the appropriate deflator should be 18.6 percent, which was applied to the 1998–2002 rates. In 2004, this deflator was adjusted to 18.8 percent on the basis of a survey of a sample of 150 hospitals; this was applied to the 2003–2007 rates. For the 2008 calendar year, on the basis of a survey of 300 hospitals, a new deflator of 13.04 percent was computed, which was used for 2009 and 2010 as well.

Beginning with the 2011 figures, our calculations exclude known interim CEOs, rather than correcting for them using the deflator. A deflator of 2.10 percent, correcting for overlooked interim CEOs and misidentified turnovers, was computed on the basis of a 2012 survey of 300 hospitals and applied to the 2012–2015 rates.

In 2016 we eliminated any corrections to the turnover rates on the basis of our 2016 survey of 300 hospitals, which indicated that the accuracy of our identification of interim CEOs and CEO turnovers was sufficient not to warrant any adjustment to our estimates.

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Annual CEO Turnover by State

Nonfederal, Short-Term, General Medical/Surgical Hospitals—Calendar Year 2016

Rank	State	CEO Turnover Percent
(High-turnover states)		
1	DIST. OF COLUMBIA	67
2	NEW HAMPSHIRE	38
3	WASHINGTON	30
4	VERMONT	29
5	GEORGIA	27

6-7	HAWAII	26
6-7	LOUISIANA	26
8	TENNESSEE	24
9-12	NORTH CAROLINA	22
9-12	OREGON	22
9-12	RHODE ISLAND	22
9-12	SOUTH CAROLINA	22
13	PUERTO RICO	22
14-15	ARKANSAS	22
14-15	NEW MEXICO	22
16	FLORIDA	22
17	INDIANA	21
	(Medium-turnover states)	
18	TEXAS	21
19	ALABAMA	20
20	CONNECTICUT	20
21	NEW YORK	19
22	SOUTH DAKOTA	19
23-24	IDAHO	19
23-24	MAINE	19
25	VIRGINIA	18
26	WEST VIRGINIA	18

27	MASSACHUSETTS	18
28	OHIO	18
29	NEVADA	17
30	COLORADO	17
31	MISSISSIPPI	17
32	OKLAHOMA	17
33	MONTANA	17
34	CALIFORNIA	16
35	ARIZONA	16
	(Low-turnover states)	
36	MISSOURI	15
37	NEBRASKA	15
38	NEW JERSEY	15
39	UTAH	14
40	KANSAS	14
41	KENTUCKY	13
42	MICHIGAN	13
43	MINNESOTA	12
44	MARYLAND	12
45	ILLINOIS	12
46	PENNSYLVANIA	10
47	IOWA	9

48	WISCONSIN	8
49	WYOMING	8
50	ALASKA	7
51	NORTH DAKOTA	6
52	DELAWARE	0
US Total (50 states, DC, Puerto Rico)		18

About the American College of Healthcare Executives

The **American College of Healthcare Executives** is an international professional society of 40,000 healthcare executives who lead hospitals, healthcare systems and other healthcare organizations. ACHE's mission is to advance its members and healthcare management excellence. ACHE offers its prestigious FACHE® credential, signifying board certification in healthcare management. ACHE's established network of 78 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 vision of being the preeminent professional society for healthcare executives dedicated to improving health. **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. For more information, visit www.ache.org.

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