

For Immediate Release

Survey: Healthcare Finance, Governmental Mandates, Personnel Shortages Cited by CEOs as Top Issues Confronting Hospitals in 2017

CHICAGO, February 1, 2018—Financial challenges again ranked No. 1 on the list of hospital CEOs' top concerns in 2017, according to the American College of Healthcare Executives' annual survey of top issues confronting hospitals. Governmental mandates ranked second, followed by personnel shortages.

"Assuring patient safety and providing quality care is the No. 1 job of hospital leaders," says Deborah J. Bowen, FACHE, CAE, president/CEO of ACHE. "The survey results indicate that leaders are addressing the challenge of doing so in a changing and uncertain financial and regulatory environment. That personnel shortages have become one of the top three concerns suggests that hospitals are keeping their attention on attracting and retaining a talented workforce to ensure the short- and long-term needs of patients can be met."

In the survey, ACHE asked respondents to rank 10 issues affecting their hospitals in order of how pressing they are and to identify specific areas of concern within each of those issues. Following are some key results from the survey, which was sent to 1,049 community hospital CEOs who are ACHE members, of whom 299, or 29 percent, responded. The issues cited by survey respondents are those of immediate concern and do not necessarily reflect ongoing hospital priorities.

Issue	2017	2016	2015
Financial challenges	2.0	2.7	3.2
Governmental mandates	4.2	4.2	4.5
Personnel shortages	4.5	4.8	5.1
Patient safety and quality	4.9	4.6	4.2
Patient satisfaction	5.5	5.5	5.3
Physician-hospital relations	5.9	5.9	5.7
Access to care	5.9	5.8	6.2
Technology	7.0	7.2	7.1
Population health management	7.3	6.6	6.3

Issue	2017	2016	2015
Reorganization (e.g., mergers, acquisitions, restructuring, partnerships)	7.5	7.8	7.4

The average rank given to each issue was used to place the issue in order of how pressing they are 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 10 issues, respondents identified specific concerns facing their hospitals. Following are those concerns in order of mention for the top three issues identified in the survey. (Respondents could check as many as desired.)

Financial challenges (n = 299)¹

Medicaid reimbursement (including adequacy and timeliness of payment, etc.)	71%
Increasing costs for staff, supplies, etc.	64%
Reducing operating costs	57%
Government funding cuts (other than reduced reimbursement for Medicaid or Medicare)	56%
Bad debt (including uncollectable Emergency Department and other charges)	54%
Competition from other providers (of any type—inpatient, outpatient, ambulatory care, diagnostic, retail, etc.)	48%
Transition from volume to value	47%
Managed care and other commercial insurance payments	46%
Inadequate funding for capital improvements	42%
Medicare reimbursement (including adequacy and timeliness of payment, etc.)	42%
Revenue cycle management (converting charges to cash)	37%

Financial challenges (n = 299)¹

Moving away from fee-for-service	36%
Emergency Department overuse	28%
Pricing and price transparency	24%
Other	(n=15)

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

Governmental mandates (n = 299)¹

CMS regulations	70%
Regulatory/legislative uncertainty affecting strategic planning	67%
Cost of demonstrating compliance	54%
State and local regulations/mandates	51%
CMS audits (RAC, MAC, CERT)	48%
Increased government scrutiny of accounting practices (e.g., IRS, Sarbanes-Oxley Act)	17%
Implementation of ICD-10	11%
Other	(n=22)

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

Personnel shortages (n = 299)¹

Registered nurses	69%
Primary care physicians	63%

Personnel shortages (n = 299)¹

Physician specialists	52%
Physician extenders and specially certified nurses (physician assistants, nurse practitioners, certified nurse midwives, etc.)	36%
Therapists	30%
Technicians (e.g., clinical lab scientists, CT/laboratory/radiology/surgery technicians)	7%
Other	(n=49)

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 40,000 healthcare executives who lead hospitals, healthcare systems and other healthcare organizations. ACHE's mission is to advance our 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 leaders 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.

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