HIMSS
The Source for Healthcare Information

14th Annual HIMSS Leadership Survey

Healthcare CMO Results

April 7, 2003

Healthcare CIO Survey

Healthcare IT Industry

Vendor CEO Survey

Healthcare CMO Survey Final Report

Sponsored by Superior Consultant Inc.

SUPERIOR CONSULTANT

14th ANNUAL HIMSS LEADERSHIP SURVEY

Sponsored by Superior Consultant Company

Final Report: Chief Clinical Officer

Sponsored by **Superior Consultant Company**, the 14th Annual HIMSS Leadership Survey reports the opinions of information technology (IT) executives from healthcare provider and vendor organizations from across the U.S. regarding the use of IT in their organizations. The survey is designed to obtain information about IT priorities, barriers, applications, and other crucial factors in the use of IT to enhance healthcare.

This is the fourth in a series of four reports on findings from the 14th Annual HIMSS Leadership Survey. It reflects the opinions of clinician executives at provider organizations across the United States. The first report, released in February 2003, presents the opinions of CIOs at healthcare provider organizations. The second report, released in March presents the opinions of presidents and chief executive officers in the vendor, supplier and consultant community. The third report represented the opinion of presidents and chief executive officers from healthcare provider organizations across the United States and was released in conjunction with this report.

Contents

Figures

Methodology

To ensure the most informed, representative coverage of the field possible, data were solicited from nearly 1,000 physician and nursing executives at healthcare organizations across the United States. Each individual was sent an electronic invitation to participate in this year's survey. This approach helped ensure that each organization was represented only one time in the survey.

One hundred senior-level physician or nursing executives throughout the United States completed the self-administered Web-based questionnaire over a six-week period beginning on December 11, 2002. Data from healthcare CIOs were captured in a separate survey; the results were reported at the 2003 Annual HIMSS Conference and Exhibition on February 10, 2003. Results from surveys of CEOs in the vendor community were released on March 17, 2003 and the opinions of chief executive officers at provider organizations are being released at the same time as this survey in April of 2003.

Profile of Survey Respondents

More than half of the respondents (52 percent) reported their position to be Chief Nursing Officer (CNO) or Vice President of Nursing; 18 percent of the respondents were Chief Medical Officers, and 17 percent are Vice Presidents of Patient Services. The remaining 13 percent indicated that their positions as "other."

Half of the respondents reported that they worked for a stand-alone hospital. Another 42 percent reported that they work for a hospital that is part of a multi-hospital system or network. Seven percent of respondents indicated that they work for some other type of healthcare facility, such as a nursing home.

Just under one quarter of respondents (22 percent) reported that they work in the East North Central region of the United States. This is followed by the South Atlantic (20 percent), and the Mountain and New England regions, both with 14 percent.

More than three-quarters of the respondents (88 percent) indicated that their facility is not-for-profit. Another seven percent reported that their facility is a for-profit organization, and the remaining five percent indicated that they work for a government facility.

Annual gross revenue for the vendor organizations represented in the survey is:

- $2 million or less—7 percent;
- $2 million to $10 million—14 percent;
- $11 million to $50 million—15 percent;
- $51 million to $200 million—20 percent;
- $201 million to $350 million—14 percent;
- $351 million to $500 million—6 percent;
- $501 million to $1 billion—11 percent;
- More than $1 billion—1 percent;
- Don't Know/Not Applicable—9 percent.

Figures:

IT Priorities

Two-thirds of the chief clinical officers in this study indicated that IT can be used to improve patient care, particularly by increasing patient safety. Respondents identified availability of staff, patient safety and Medicare cutbacks as the three top issues that would affect healthcare in the next two years. Respondents also indicated that they are involved in the IT decision-making process at their organization; nine out of ten respondents participate in their organization's IT Steering Committee for some or all projects.

When asked to identify the business issues that would affect healthcare in the next two years, 74 percent of respondents identified availability and retention of staff. Other significant issues include increasing patient safety/reducing medical errors and Medicare cutbacks, each identified by 57 percent of respondents. Cost pressures were also identified by over half of the respondents—53 percent.

Increased competition and complying with managed care requirements, were each identified by four percent of respondents, and the National Healthcare Information Infrastructure (NHII) was identified by only two percent of respondents. None of the physician or nursing executives in this study identified mergers or consolidations between organizations as a healthcare issue in the next two years.

Respondents also were asked to identify the single most significant barrier to successfully implementing IT solutions intended to improve the patient care process. The top four responses were: lack of adequate financial support for IT (21 percent), vendors' inability to effectively deliver satisfactory products or services (17 percent), difficulty in proving quantifiable benefits or ROI (15 percent) and the lack of a strategic IT plan or failure to execute an implementation plan (13 percent).

Physician and nursing executives in this study indicated that they believe IT improves the level of patient care. Almost half—45 percent—indicated that IT improves patient care, and 11 percent said that IT greatly improves the level of care that patients receive. Only three percent of respondents indicated that IT decreased the level of care patients receive.

Specifically, almost half of respondents (45 percent) indicated that reducing medical errors and improving patient safety would be the areas in which IT would have the most impact on patient care. This was followed by implementation of enterprise-wide systems, such as master patient indexes or enterprise resource planning systems (23 percent), and clinical transformation (17 percent). Only two percent of respondents indicated that IT would improve patient care by mitigating staff shortages.

More than half of the respondents (57 percent) indicated that physicians, nurses and other practitioners at their organization had secure, on-line access to clinical patient information, such as laboratory results, from a remote, non-hospital location. However, when placed in the context of areas in which IT can have the most impact on patient care, this is not a top issue; only seven percent of respondents identified obtaining medical records from a remote location—compared with 45 percent who identified reducing medical errors.

One quarter of the respondents (27 percent) indicated that their facility's IT plan mirrors the clinical plan of the organization, and another 53 percent indicated that the alignment was somewhat close. Only 11 percent suggested that alignment between an IT strategic plan and the organizational plan was not at all close. Perhaps this alignment can be explained by the fact that 56 percent of clinical executives in this survey indicated that they were a part of their organization's IT Steering Committee/IT Decision Making Team for some projects. Another 35 percent indicated involvement on this type of committee for all projects.

Three-quarters of respondents were confident in their facility's IT department's ability to consistently deliver on-time, on-budget projects. Specifically, 19 percent reported a high degree of confidence, and half reported some degree of confidence. Only two percent reported having no confidence in the IT department at their facility.

Most (69 percent) of the respondents in this survey indicated that their facilities IT operating budget would increase for 2003. Specifically, 40 percent of respondents indicated that the IT operating budget at their facility would definitely increase in 2003; 29 percent indicated that such an increase was probable. Approximately 10 percent indicated a probable or definite budget decrease.

Nearly one-third of respondents (29 percent) believed that more than 30% of their facility's IT spending is controlled outside of the IT department. Another 29 percent believed that 20% or less of the budget was controlled outside of the IT department. Only 14 percent indicated that the entire budget was controlled exclusively by the IT department.

Figures:

Survey Sponsors

About Superior Consultant Company

Superior Consultant specializes in Digital Business Transformation(tm) services that enable clients to thrive in the information-driven economy. Superior's outsourcing, management and information technology consulting services and solutions help clients plan and execute better business strategies and meet their fiscal challenges while advancing clinical quality. Superior's best practices outsourcing model includes a full range of flexible business process and information technology solutions, including data center services, 24/7/365 network monitoring and help desk services, facility management, interim management, and application outsourcing services. For more than 18 years, Superior has been recognized as one of the most innovative within the healthcare industry and has been rewarded with full and partial outsourcing contracts, thousands of engagements, approximately 150 interim management assignments, and nearly 3,000 clients.

For more information on Superior Consultant Holdings Corporation simply dial 1-800-PRO-INFO and enter the Company ticker: SUPC (a no-cost fax-on-demand service) or visit the Company's Web site at http://www.superiorconsultant.com.

About HIMSS

The Healthcare Information and Management Systems Society (HIMSS) provides leadership in healthcare for the advancement and management of information technology. Headquartered in Chicago, HIMSS provides services to more than 13,000 members, including IT healthcare corporations, firms and professionals from around the globe. Through the collaboration of 42 chapters and 19 special interest groups, HIMSS directs and shapes the healthcare industry, encourages emerging technology and promotes public policies that will improve healthcare delivery. For more information, visit HIMSS at www.himss.org.

How to Cite This Study

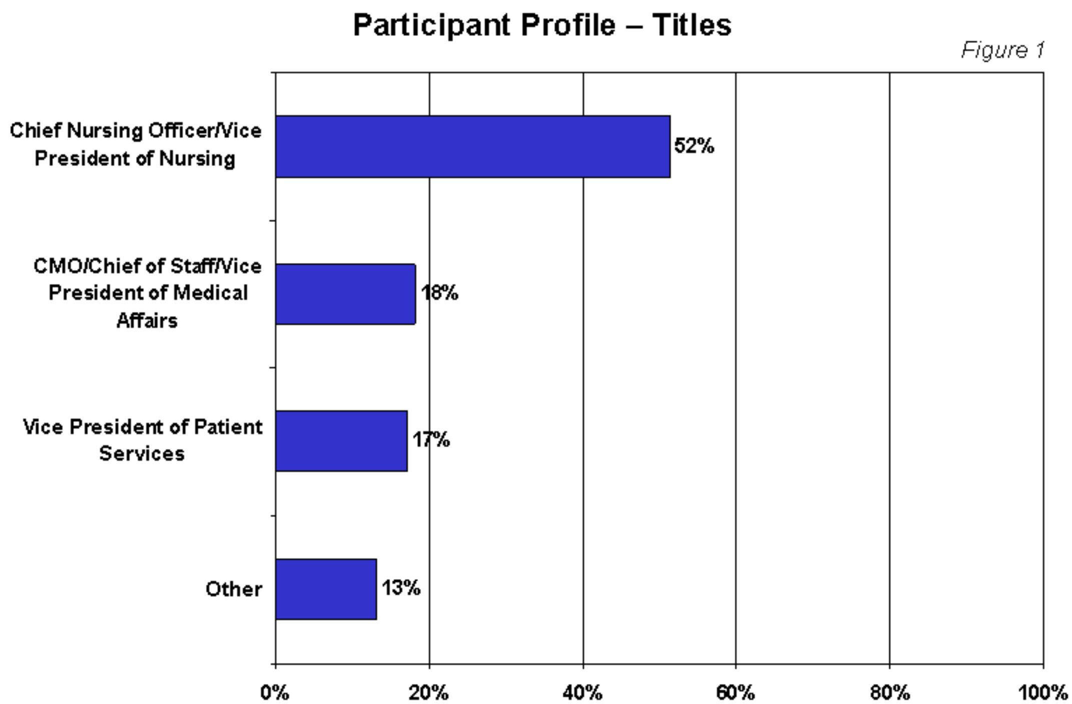
Individuals are encouraged to cite this report and any accompanying graphics in printed matter, publications, or any other medium, as long as the information is attributed to the 14th Annual HIMSS Leadership Survey sponsored by Superior Consultant Company.

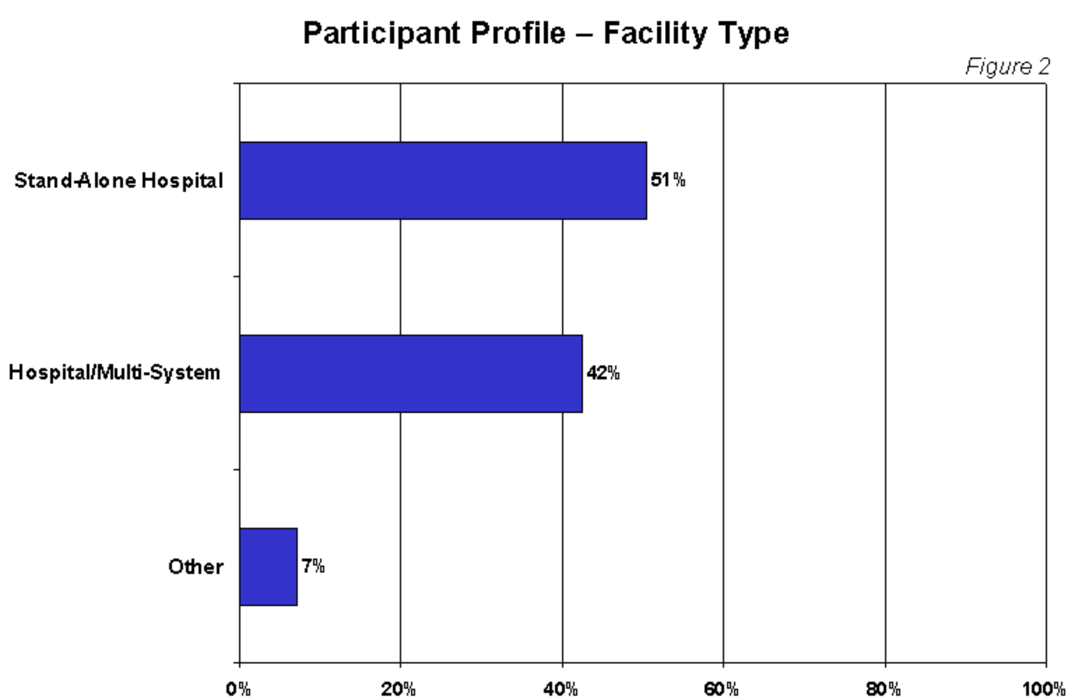
For more information, contact:

Joyce Lofstrom
Corporate Communications Specialist
HIMSS
312/915-9237
jlofstrom@himss.org

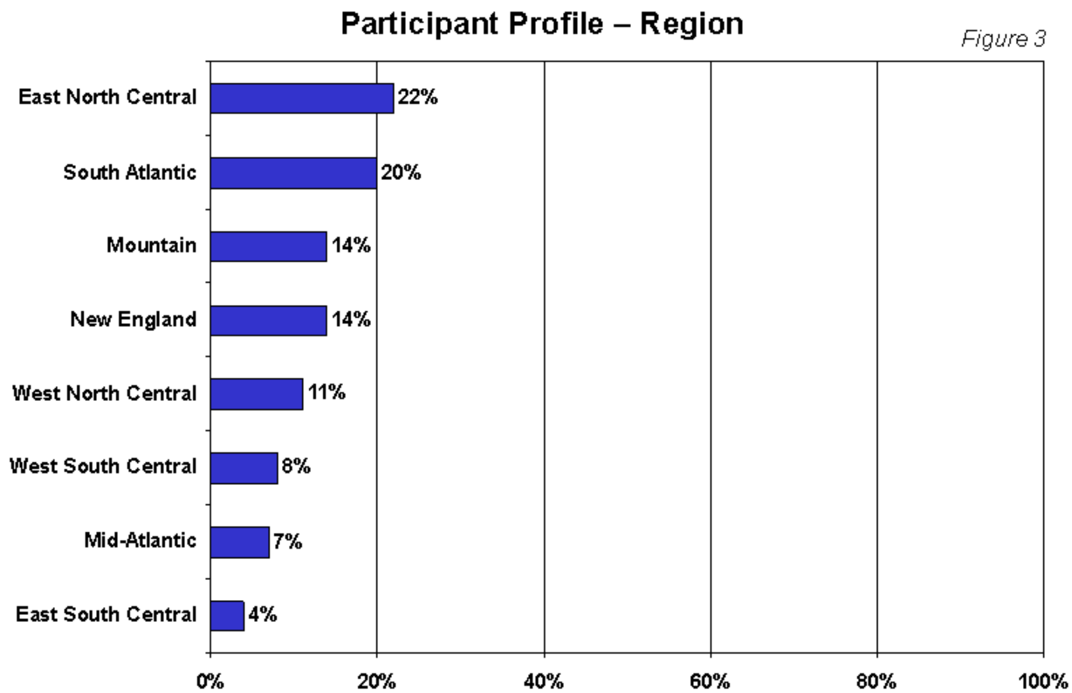
Sue Synor
Executive Vice President
Superior Consultant Holdings Corporation
248/386-8300
sue_synor@superiorconsultant.com

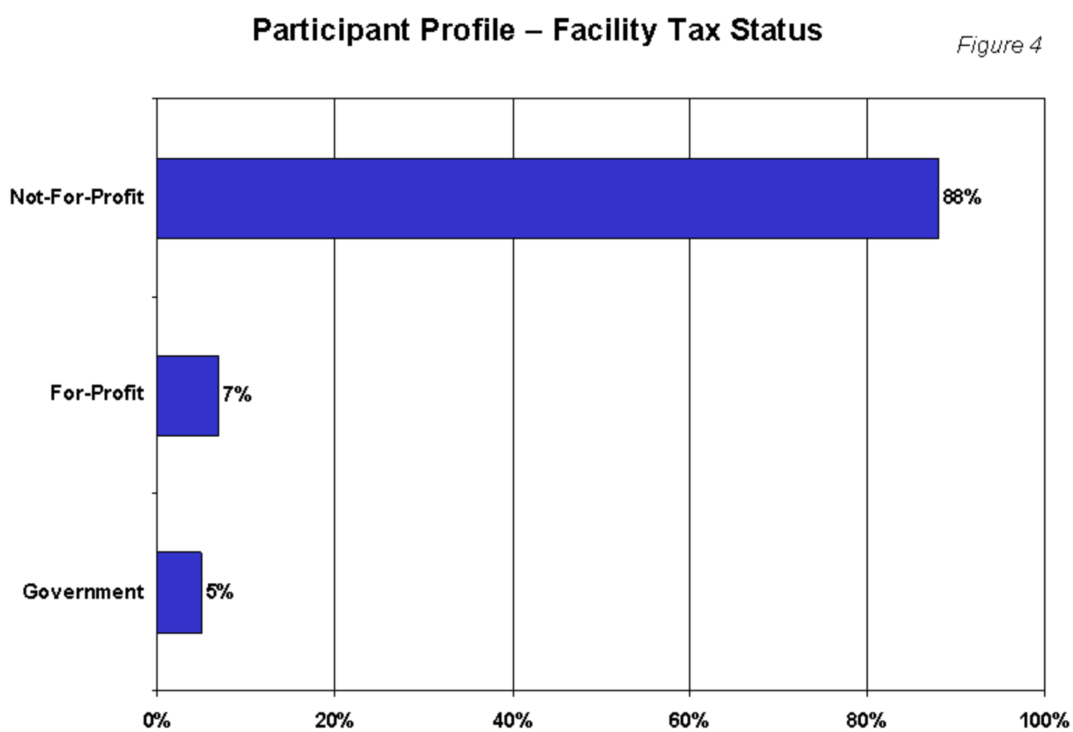
IT Priorities



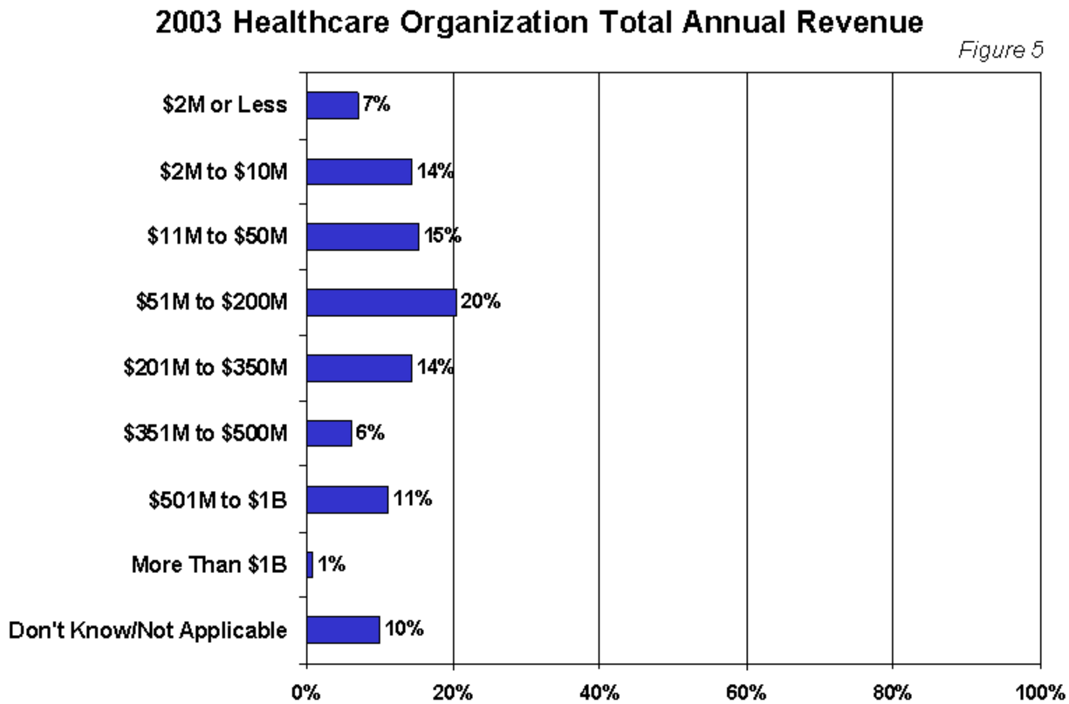


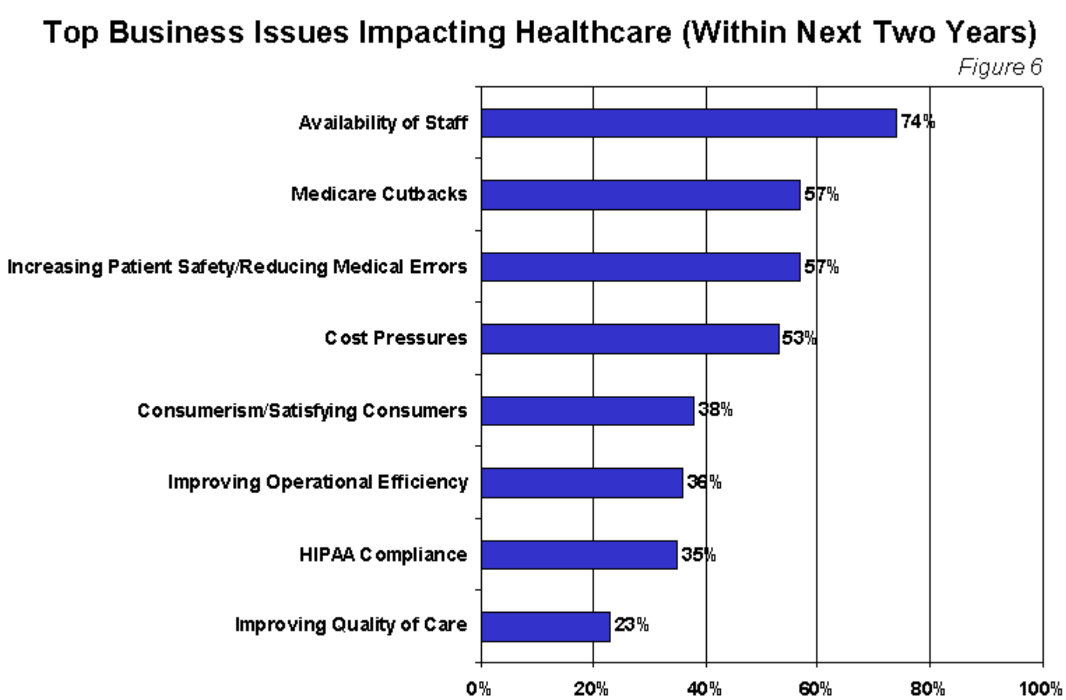
IT Priorities (Continued)



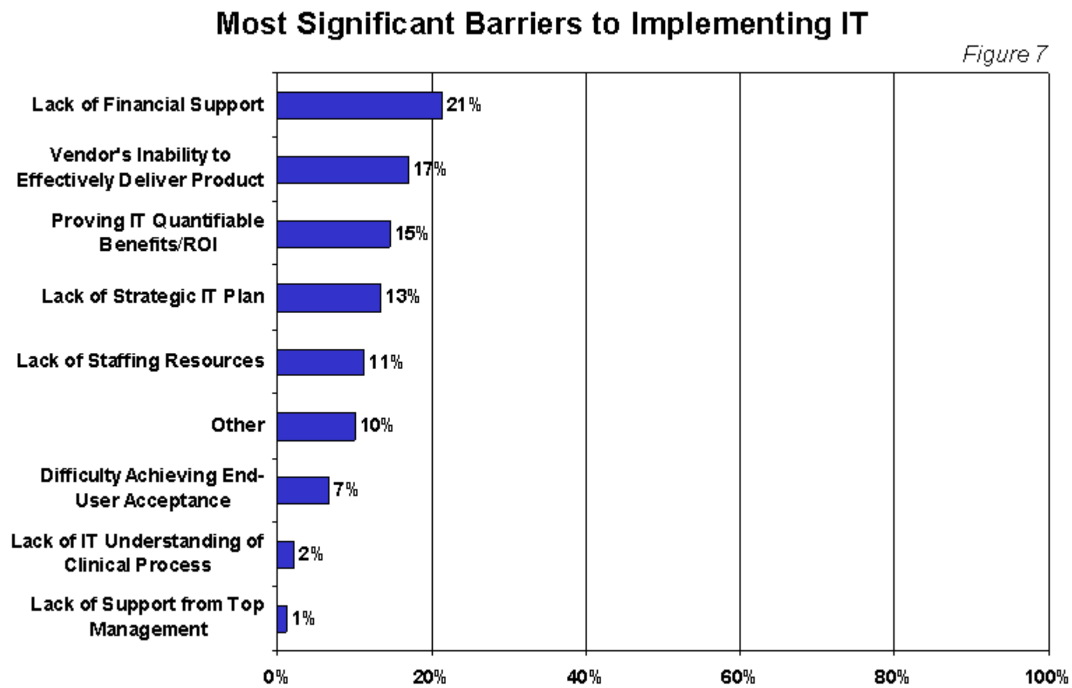


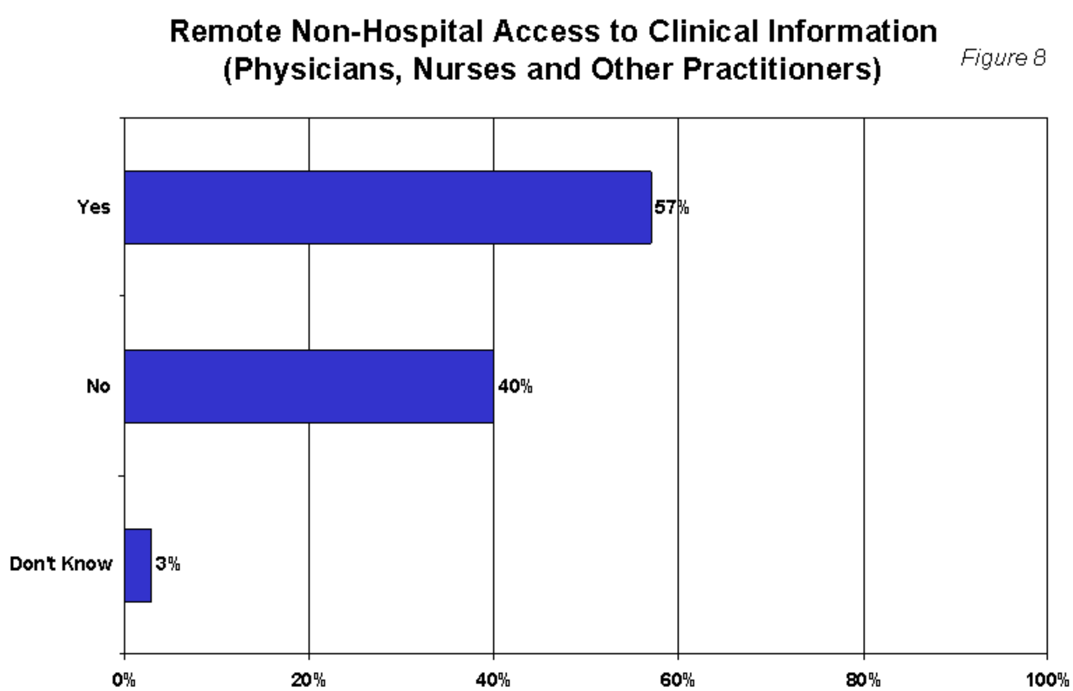
IT Priorities (Continued)



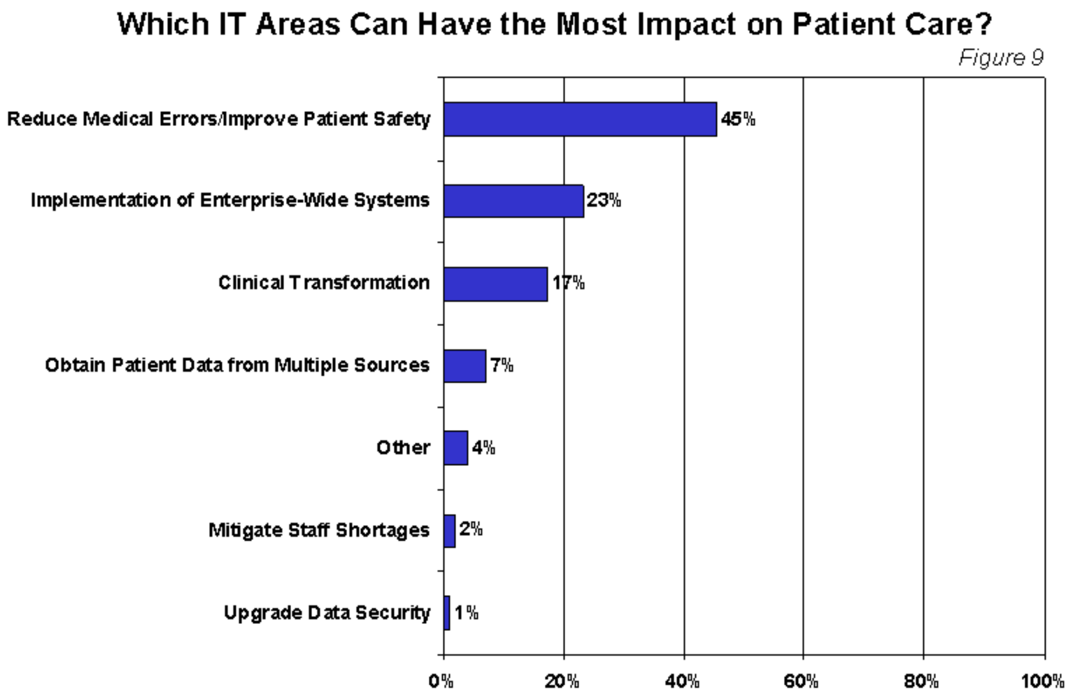


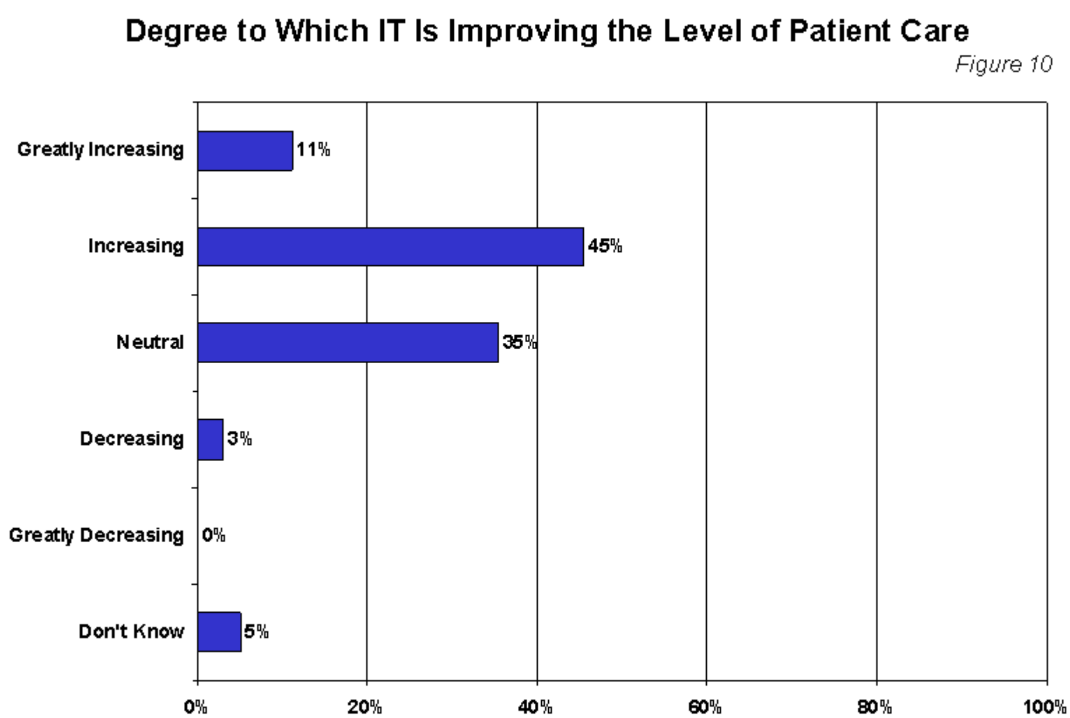
IT Priorities (Continued)



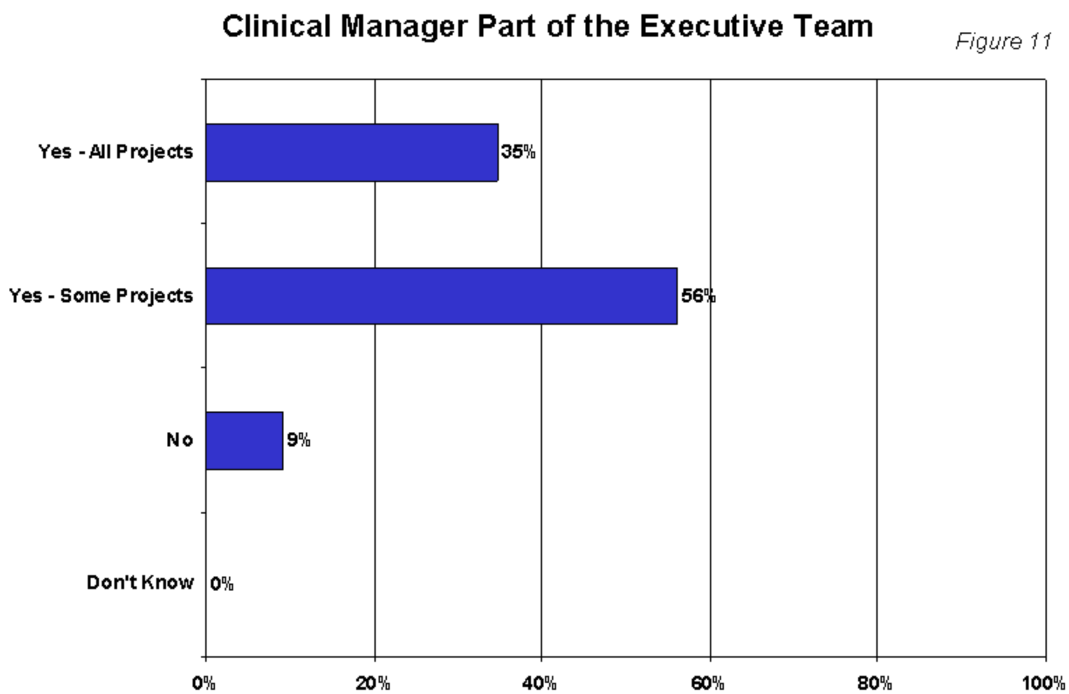


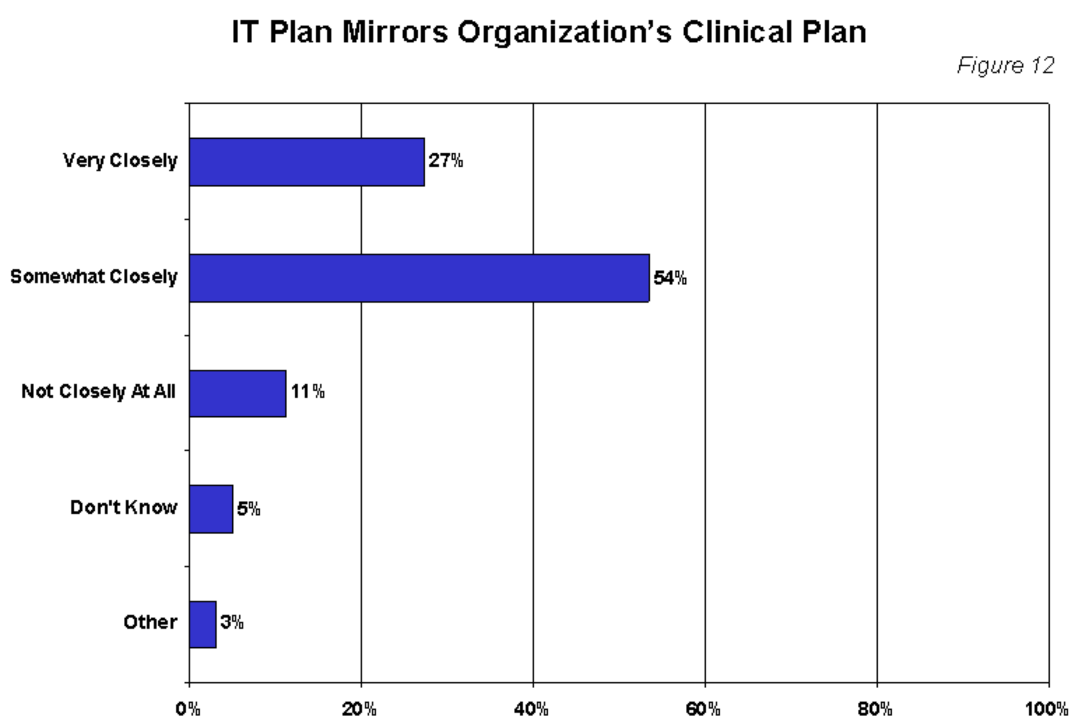
IT Priorities (Continued)



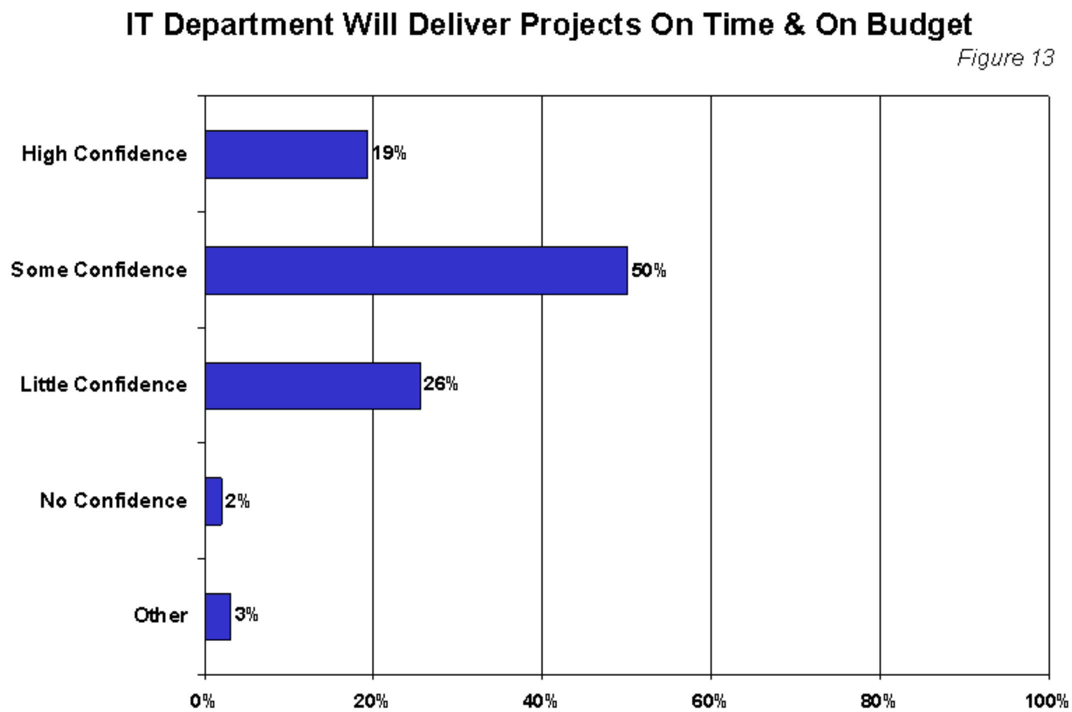


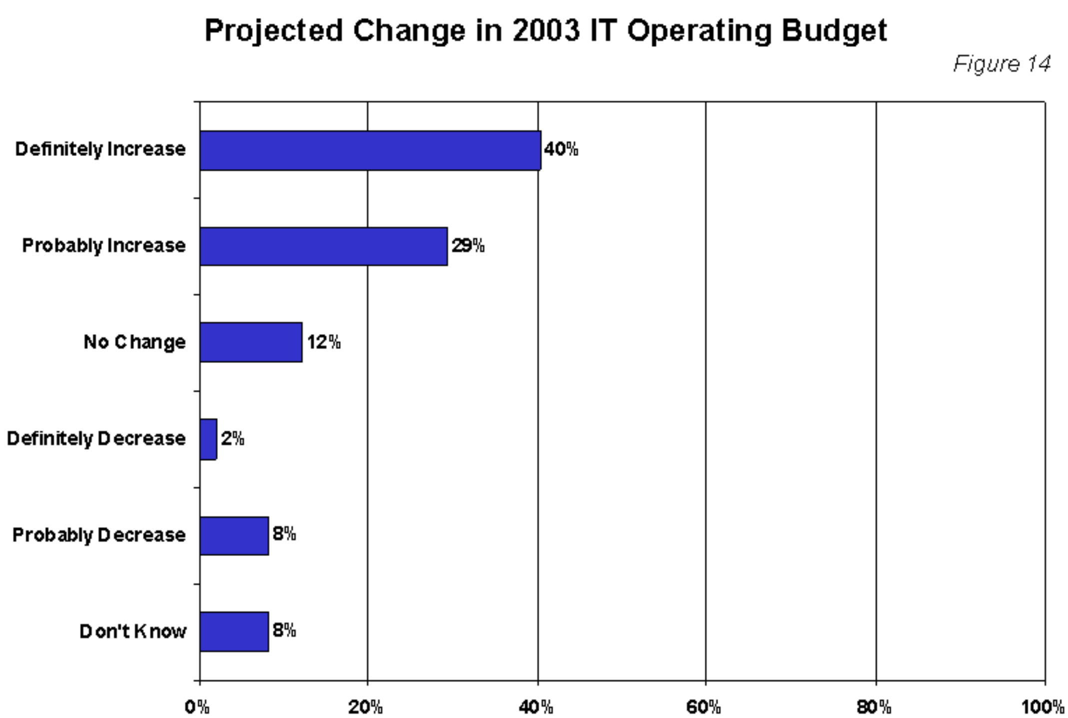
IT Priorities (Continued)





IT Priorities (Continued)





IT Priorities (Continued)