



Sanford Rose Associates.
EXECUTIVE SEARCH

Health System CIO Perspective: Facts, Salaries, and Advice Executive Summary

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Executive Summary

This year the challenges are steeper and pressures are intense for the 85 health system CIOs who participated in the 2010 Sanford Rose Associates Health System CIO Survey. When asked what are the top key trends impacting their health system and impacting the delivery of IT in 2010, more than seventy-five percent (79%) mentioned "Meaningful Use", while over half (59%) mentioned "ARRA, government IT subsidies" and "Budget Concerns" as major trends. Key survey findings include:

Survey Background

In February 2010, over 300 CIOs were randomly contacted for the web-based survey. With a twenty five percent response rate, a total of 85 CIOs from 34 states and all regions of the United States participated. The survey respondents represented 326 hospitals and over 65,000 beds. Respondents represented a mix of healthcare organizations including community based hospitals, integrated delivery systems, academic medical centers, children's hospitals, ambulatory centers and a health plan. Over 50% of the CIOs represented organizations with 2 or more hospitals and close to 20% have health systems with more than 1000 beds.

CIO Reporting Relationships

More than 50% of the CIOs responding said they report to the CEO. As far as reporting to the CFO, there has been a drop to around 18% from a high of 25% five years ago. Surprisingly this year, more "dual" reporting relationships were mentioned.

Successors to CIOs

The majority of the CIO respondents do not have a successor or number two in place (56%). Being too busy to do succession planning or other factors such as reduction in staff or key people leaving can play into this shortage. Titles of those successors or # 2s in place vary from CTOs to Director of Applications and even VP of Clinical Information Systems.

CIO Demographics

The majority of the CIOs have the title Vice President/Chief Information Officer (45%) and over forty percent have been in their current position less than four years. Over half of the CIOs are in their first CIO position, while ten percent have had over 4 different CIO roles. Over seventy percent have advanced degrees, including M.D. and PhD. Almost all of the CIOs belong to CHIME and HIMSS associations (96%).

Salaries, Staff and Budgets

The 85 CIOs responding to the survey represent 326 hospitals and integrated delivery systems in 34 states. They had an overall average base salary of \$212,040. Over forty percent work in a single hospital system and they had an average base salary of \$191,976, an average IT staff of 53, average IT operating budget of \$15.2 million and an average IT capital budget of \$6.2 million. CIOs who work in an organization with two hospitals averaged \$200,303, 64 staff and \$13.9 million in IT operating budget and \$7.8 million in IT capital budget. CIOs who work at organizations with three or more hospitals averaged \$261,681 in base salary, averaged 260 staff, \$42 million in IT operating budget and \$21 million in IT capital budgets. The highest base salary was \$400,000 and the lowest was \$99,500. Bonuses varied from 1% to 60%.

Chief Medical Information Officer.

CIOs were asked "Has your organization hired a CMIO?", and over 52% said their organization has a CMIO. CMIO reporting relationships were varied with only 35% of the CMIOs reporting directly to the CIO, while over 32% of CMIOs report to more than one C-suite position. Interesting, one CMIO in an organization did not have any reporting relationships.

Clinicians in the IT department

About 90% of the CIO respondents have clinicians working in the IT department. Some CIOs even mentioned that clinicians make up a third of their staff. The most mentioned disciplines are: physicians, nurses, laboratory techs, pharmacists, radiologists, but also respiratory therapists and other therapies. The titles of clinicians mentioned are varied: CMIO, CNIO, director of medical or clinical informatics, clinical transformation experts, clinical project managers, coordinators, analysts and educators. About 10% of the CIOs mentioned that they do not have clinicians in their IT department.

CIO Responsibilities

Over 80% of CIOs oversee the telecommunication function at their organization. But the real growth over the last five years appears to be managing the Health Information Management area. Over 31% of the CIOs mentioned that they lead the HIM area, which makes sense because of the implementation of the electronic medical records. Many more areas and functions were mentioned with the more prominent ones being biomedical engineering, revenue cycle, ancillary, clinical informatics and physician practices.

Staff Retention Strategies

The CIOs were asked about their key staff retention strategies and the ones most mentioned were: competitive salaries; training plans, continuing education opportunities, exciting projects to motivate and challenge, flexible schedules; excellent work environment; pay for performance, bonus\$ for top performers; telecommuting, work at home.

New Hires in 2010

Over 60 percent of the CIOs mentioned that they are planning to hire new or replacement IT leadership positions in 2010 with Project Management, Successors, Clinical IT or Informatics, IT Security as the most frequently mentioned roles needed.

Top 2010 trends impacting healthcare and delivery of IT.

“Meaningful Use” is number one among the CIO respondents as the most significant trend. Number two is the ARRA health IT money, number three is budget concerns, number four is EMR and CPOE system implementations, and tied for fifth are these two trends: IT security, privacy and quality, process improvement. Showing how times have changed, compared to findings from just two years ago, CIOs mentioned then that EMR and CPOE implementations was number one and quality was number two. Other trends mentioned this year were: clinical transformation projects, changes in executive leadership, HIT workforce shortage, and ambulatory EMR implementation and integration with hospital.

Advice to Future CIOs and Future IT talent

The CIO respondents were very generous and humorous in their advice to those that might venture into IT leadership. A couple of “Don’t do it” comments were given, but most of the advice centered on understanding the healthcare business and clinicians. Other thoughtful bits of advice included:

- Be creative, dedicated, listen first
- It is not about the technology
- Rely on an experienced mentor
- Be a change leader, be visible
- Expect responsibility for 24/7 operations
- Be an expert on ARRA and HITECH.

For more information, contact:

Individuals are welcome to cite this survey study and any of the findings as long as the information is attributed to [SRA 2010 Health System CIO Perspective Executive Summary](#). Additional information from this study or questions can be sent to the author:

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