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EXECUTIVE SEARCH

SRA 2011 Health System CIO Survey Report

Trends, Advice and Salaries

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SRA 2011 Health System CIO Survey Report

The challenges were steeper and pressures were more intense for the health system CIOs who participated in the 2011 Sanford Rose Associates Health System CIO Survey. When asked what were the most important issues impacting their health system and the delivery of IT, 75 percent mentioned “Meaningful Use,” while over 61 percent mentioned “EMR/CPOE implementation,” while 49 percent view “Budget Concerns” and “Clinical Transformation Projects” as major issues.

Survey background and methodology

In late summer 2011, a select group of health system CIOs were randomly contacted for the web-based survey. Fifty CIOs from 23 states responded covering all regions of the United States. The survey respondents represented 164 hospitals and over 28,000 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 percent of the CIOs represented organizations with 2 or more hospitals, and 85 percent have health systems with more than 200 beds.

CIO reporting relationships

More than 54 percent of the CIOs said they report to the CEO, while 24 percent said they report to the CFO, and 2 percent said they report to the Chief Administrative Officer. Other reporting relationships mentioned were Chancellor, Corporate CIO and several “dual” reporting relationships.

Successors to CIOs

Majority of the CIOs respondents mentioned that they have one or more successors in place - 61 percent compared to 44 percent in 2010. The successors' titles mentioned varied, with Director of IT or Director of Applications referenced by 17 percent of the CIOs, and CTO or CMIO mentioned by 10 percent of the CIOs as possible successors.

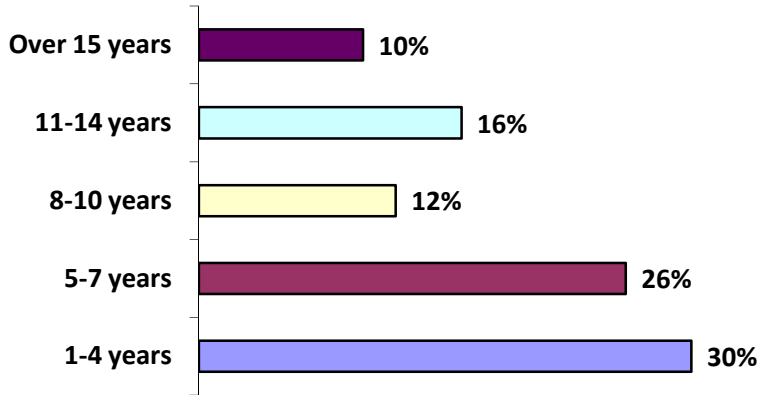
CIO backgrounds

Fifty percent of the CIO respondents mentioned that they have the title of Vice President/Chief Information Officer (48%). Forty-two percent (42%) have the CIO title, eight percent (8%) with a Senior Vice President/ CIO title and two percent (2%) with Executive Vice President/CIO title.

Sixty-eight percent of CIO respondents have an advanced degree with 34 percent having a master’s degree (MS, MA, MHA, MHS, and MHP) and 30 percent having an MBA, and four percent having an MD or PhD. Healthcare information technology certifications and credentials were important to this group of CIOs with 42 percent achieved the CHIME CIO certification, CHCIO, 36 percent have a CPHIMS certification, 23 percent being a FHIMSS, and 10 percent were a Fellow in the CHIME organization.

The length of time that the CIO respondents have been in their current CIO position varied, with 30 percent stating they have been in their current position for 1 to 4 years, 26 percent for 5 to 7 years, 12 percent for 8 to 10 years, 16 percent for 11 to 14 years and 10 percent for over 15 years.

Years in Current CIO Position



CIOs' unique backgrounds and experiences

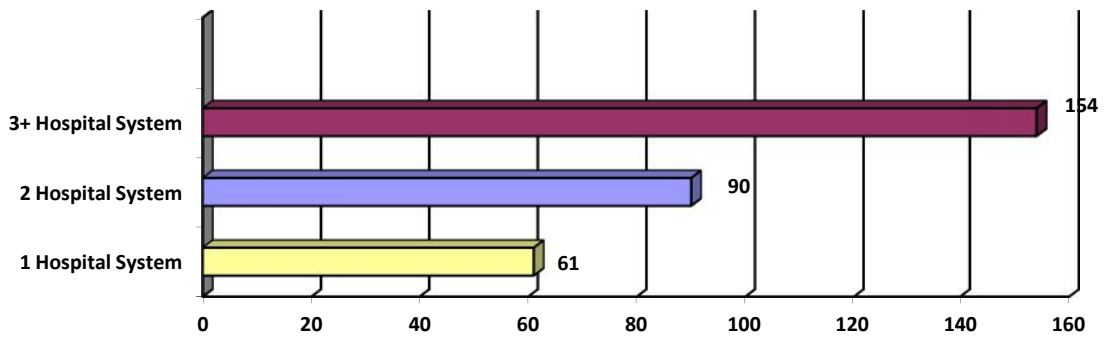
The CIO respondents mentioned some of the unique characteristics of their background and experiences which included:

- Military experience
- Vendor, consulting and provider background
- Health administration
- Clinical background as a physician or nurse
- Financial and revenue cycle background
- Management consulting
- Banking and manufacturing
- Strong technical and programming
- Business and marketing

Staff size

Eighty-four percent of the CIO respondents mentioned managing staff outside of their information technology departments. The number of total staff mentioned went from a low of 16 to a high of 1200 total staff. The size of the IT staff varied with 14 percent of the CIO respondents stating that they have 5 to 20 IT staff, 16 percent said they have 21 to 50, 30 percent stated that they have 51 to 80 IT staff, 22 percent said they have 81 to 150 IT staff, while 18 percent stated that they managed 151 to 400 IT staff. Single hospital CIOs had an average number of IT staff of 61, up from 53 in 2010. CIOs who responded from two hospital systems averaged 90 staff in 2011, compared to 64 staff in 2010. CIOs at the three or more hospitals averaged 154 IT staff compared to 260 IT staff in 2010.

Staff Size by Number of Hospitals

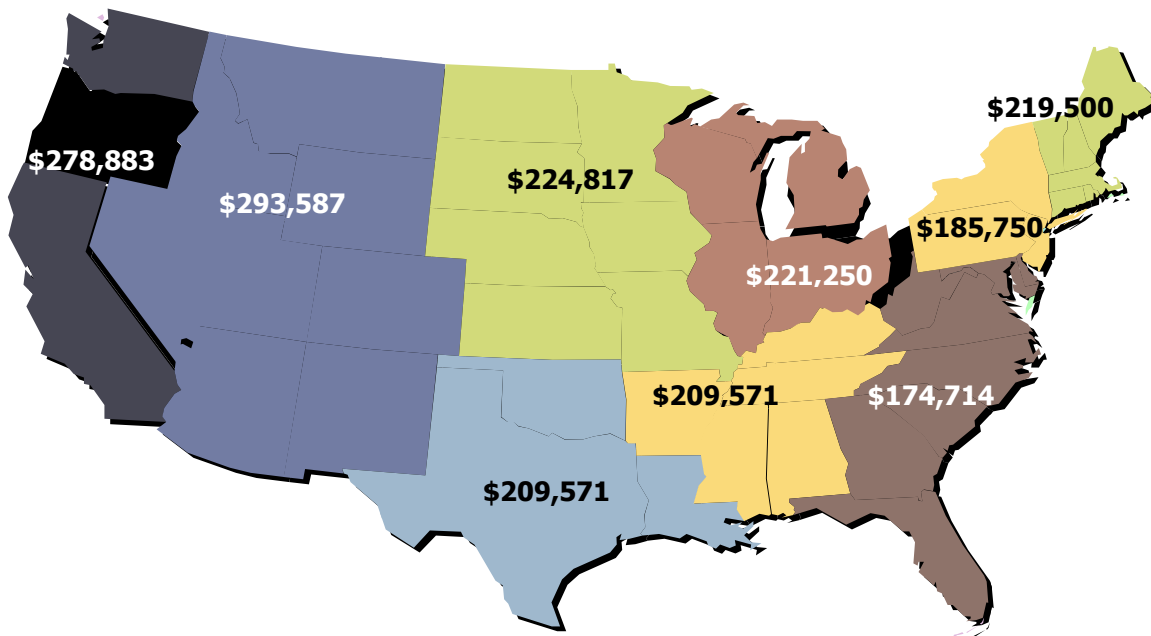


Comparative salaries

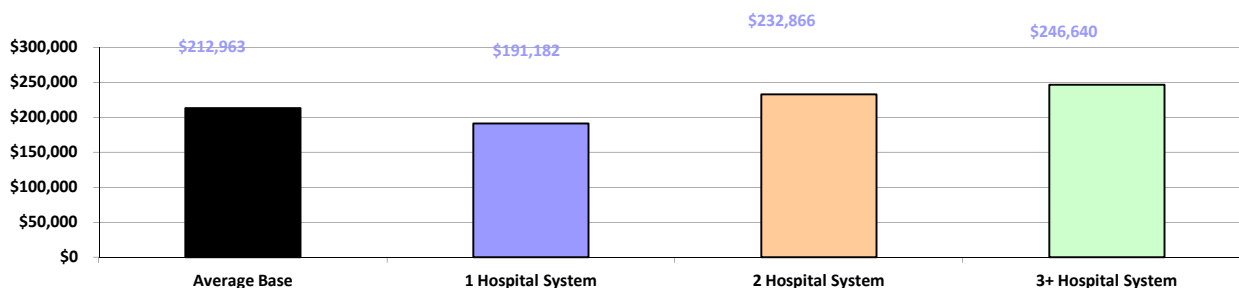
In 2011, the average base salary of the healthcare CIOs surveyed has increased. The respondents had an overall average base salary of \$221,963 in 2011, compared to \$212,040 in 2010. Over forty percent of the CIOs work in a single hospital system, and they had an average base salary of \$197,182 in 2011, compared to \$191,976 in 2010. CIOs at organizations with two hospitals averaged \$232,866 base salary in 2011, compared to \$200,303 in 2010. CIOs who work at organizations with three or more hospitals had an average base salary of \$246,640 in 2011, compared to a higher average in 2010 of \$261,681. The highest base salary was \$400,000, and the lowest was \$125,000.

Bonuses varied from 2 percent to 100%. Perks included stock options, car and cell phone allowance, fully funded 403b and 457, executive compensation plans (\$10k to \$50k), additional retirement benefits, high PTO rate, and retention or project bonuses.

Average Base Salary by Region



Average Base Salary by Number of Hospitals



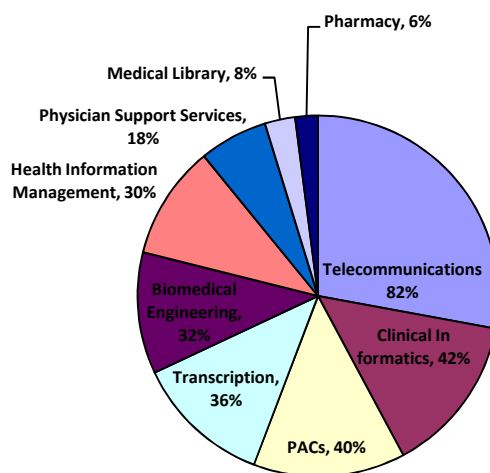
Chief Medical Information Officer

CIOs were asked “Has your organization hired a CMIO?” and over 60 percent said they have a CMIO compared to only 52 percent last year. CMIO reporting relationships appear to be varied, with about 35 percent of the CMIOs reporting directly to the CIO (which is the same as last year), 17 percent reporting to both the CMO and CIO, 13 percent reporting to the CMO and the rest reporting to another executive. Interesting, one organization has three CMIOs, and they are called “Chief Medical Process Officers.”

CIO Responsibilities

Over 80 percent of CIOs oversee the telecommunication function at their organization, but the real growth over the last five years appears to be managing other areas, with clinical informatics mentioned by 42 percent of the CIOs. Another growing area of responsibility mentioned was the PACS area. Over 30 percent stated they manage HIM, Biomedical Engineering and Transcription areas. Many more areas and functions were mentioned, the most prominent ones being physician support services, medical library, and pharmacy.

Departments reporting to the CIO in 2011

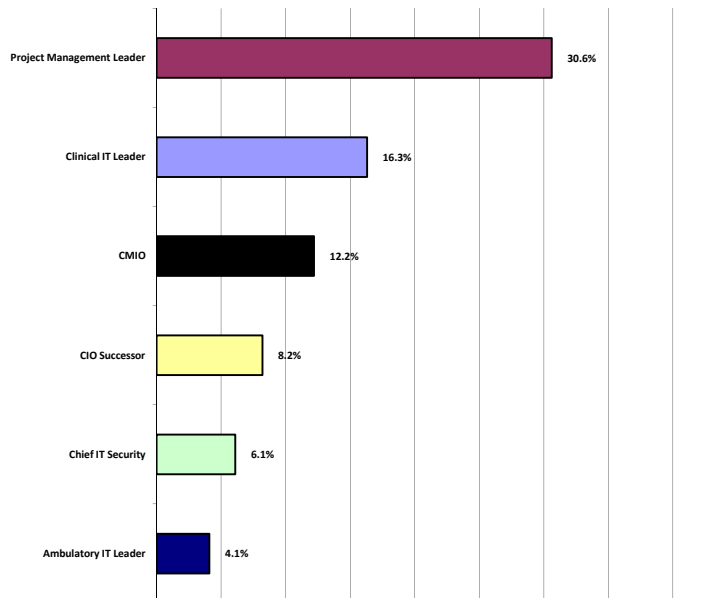


Other departments mentioned were switchboard, physician answering service, PMO, case management, audio-visual, revenue cycle, IT security, business intelligence/business informatics

Health IT leadership needs in 2011/12

Over 60 percent of the CIOs said they plan on hiring new IT leadership positions in the coming year, with over 30 percent looking for project management leaders, over 16 percent need clinical IT/informatics leaders and over 12 percent looking for chief medical informatics officers (CMIO). Other positions include CIO successor (8 percent), chief IT security officers (6 percent) and ambulatory IT leaders (4 percent).

New/Replacement IT Leadership Positions in 2011/12



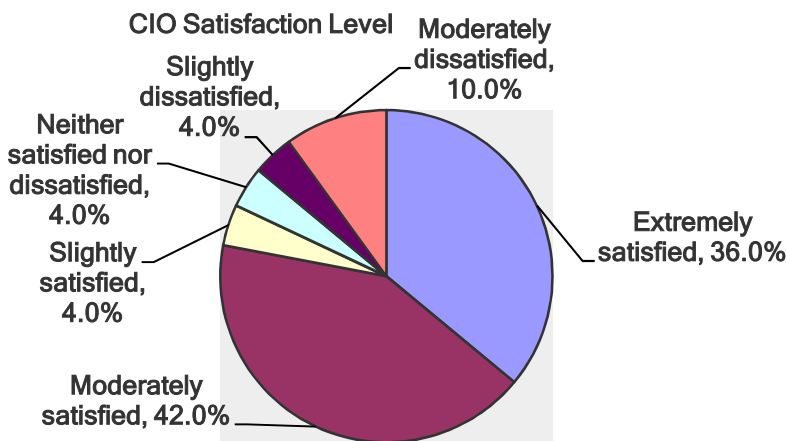
Retention strategies

Keeping healthcare IT talent continues to be a major consideration of health system CIOs. Here were some of the creative ways mentioned:

- Paying for on-call
- Social and team building events
- Collaborative work environment
- Competitive compensation
- Retention bonus
- Education and training
- New exciting technology
- Exciting, challenging work
- Flexible and remote work schedules
- Opportunities for growth and development
- Tangible and non-tangible recognition

Satisfaction levels

CIOs were asked about their satisfaction level with their job and about 36 percent mentioned that they were extremely satisfied, 42 percent were moderately satisfied, but surprisingly 14 percent said they were feeling moderately or slightly dissatisfied.



Career advice for future CIOs

The CIO respondents offered a wide array of helpful tips and advice for those individuals seeking to move their careers into healthcare IT and the role of Chief Information Officer. Here are some of their excellent suggestions:

- Communicate, communicate, communicate
- Understand the business and clinical needs, it is more than technology
- Have a good mentor and soak up as much advice as possible
- Establish positive relationships with the physician community
- Surround yourself with smart, knowledgeable people and allow them to be challenged and make independent decisions
- Keep patient safety and care at the center of everything
- Understand how the government changes impact IT
- Volunteer at a hospital and/or clinic in non-IT areas to learn hospital operations
- Arm yourself with tools like project management, time management, presentation skills, future thinking and overall organization
- Participate in local HIMSS planning and events
- Look at other industries for solutions and process
- Be open minded, there are several ways to accomplish the same tasks
- Reach deep inside yourself and ask why you want this role, then focus and preserve
- Ensure that you have excellent interpersonal skills, they are more important than technical skills
- Be prepared to move at a slower pace than for-profit non-healthcare environments
- Be a problem solver and bring value
- Look hard at an organization and their financial footprint, their history with IT and their overall IT and business strategy
- Understand the business of regulation and make sure that the CEO and CFO understand the value of IT, before you take the job

- Learn the culture of healthcare and develop strategies that compliment
- Network with your peers
- Be patient, it takes a long time to move up the ranks
- Interview with principal operations outside of IT, like the CNO, COO, CFO, service line clinical and administrative managers
- Look to formal health informatics education

Ideal next job

CIOs shared some of their thoughts on what would be their “ideal” next job. Several CIOs mentioned that they are currently in their “ideal” job now.

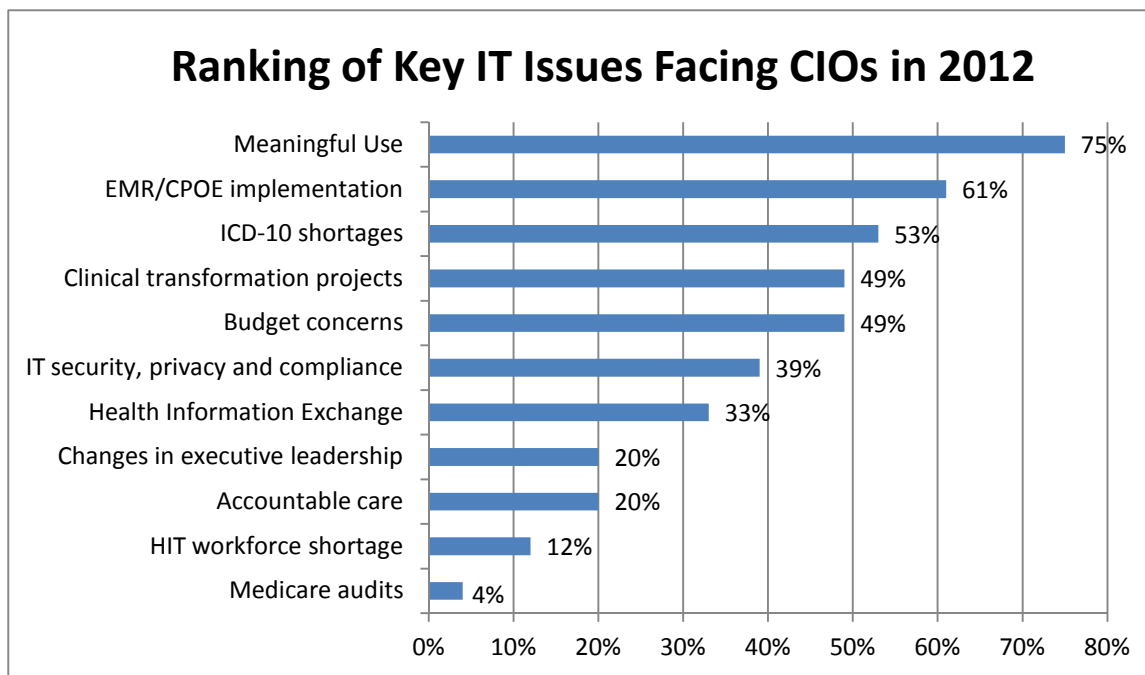
- Work for an organization that is willing to invest in IT and sees it as a top priority in their strategy
- Place where I can develop strategy and innovate new solutions to transform healthcare
- Current job, with more FTEs to allow me to cut back on my hours a bit
- Part-time CIO and part-time consultant
- Right job, right place with right team all motivated by right things
- Multi-facility, research oriented or academic medical center in a large metro area
- Warmer climate, with a progressive health system that recognizes and embraces healthcare information technology
- Current job but with more funding available for IT
- Consultant on big, complex multi-site EHR implementations
- A place with fewer politics
- Being a community hospital CIO is ideal, you can make a difference in a short period of time
- Increase responsibilities in areas such as HIM, clinical engineering, laboratory, radiology and pharmacy
- CIO/VP at a children’s hospital which has an academic affiliation
- Make a positive impact to healthcare delivery and decision support through the leveraging of systems and technology
- Be in a role to develop more efficient tools for clinicians
- Leading a turnaround environment, specifically developing, developing and building a high performing IT department
- Move into a CEO role at a community hospital
- Either CIO at a multi-facility organization or a COO of a mid-sized organization
- Report to the CEO
- Larger organization that invest in IT and believes in participative management
- Large academic medical center in a large metropolitan area
- Retirement

Changes impacting IT

Over the last year, it seemed that changes were normal for the health system CIOs who participated in the survey. With the higher profile of ARRA-HITECH funding, executives were taking more interest in information technology. CIOs said they reorganized their departments, added more directors and managers to their area and increased their areas of responsibilities. There were many more project responsibilities and not just in information technology. CIOs were asked to educate executive management and the board of directors as HIT drew more industry attention. CIOs mentioned major issues impacting the delivery of healthcare IT which included the following: merging organizations, adding or building new facilities, moving of data centers and operations. ICD-10 planning, laying the foundation for ACOs and more pressures with Meaningful Use, and Clinical IT initiatives with EMR and CPOE.

Important issues facing health system CIOs

The CIO respondents ranked "Meaningful Use" as the number one most important issue impacting healthcare and the delivery of IT facing them as they approach 2012. Number two was the EMR/CPOE Implementation, number three was ICD-10 initiatives, number four was a tie between Budget Concerns and Clinical Transformation Projects, and number five was IT Security, Privacy and Compliance. Showing how times have changed, compared to findings from just three years ago, CIOs mentioned back then that EMR/CPOE implementations was number one and quality was number two. Other issues impacting healthcare and delivery of IT mentioned were: geographic expansion, new construction, telehealth and ambulatory EMR.



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 Survey Report

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