

For Immediate Release

Hospital CEO Turnover Rate Increases Slightly

CHICAGO, March 4, 2013—Hospital CEO turnover increased slightly in 2012, tracking at 17 percent compared to 16 percent in 2011, according to a recent report from the American College of Healthcare Executives. The turnover rate in 2011 and 2010 was 16 percent, and the annual rate has fluctuated between 14 and 18 percent in the last decade.

“As the retirement of baby boomers continues, the CEO turnover rate—which is already too high—may continue to increase,” says Thomas C. Dolan, PhD, FACHE, CAE, president and CEO of ACHE. “Now more than ever, hospitals must ensure they have the appropriate succession plans in place to avert any potentially negative impact of leadership changes. Hospital boards and CEOs must work together to achieve this.”

ACHE's CEO turnover reports are based on changes in an organization's chief executive officer as reported to the American Hospital Association.

American College of Healthcare Executives

Hospital CEO Turnover*

YEAR	ADJUSTED ** (percent)	NUMBER OF HOSPITALS
2012	17	4555
2011	16	4542

2010	16	4567
2009	18	4582
2008	14	4520
2007	15	4496
2006	15	4546
2005	14	4512
2004	16	4566
2003	14	4569
2002	14	4602
2001	15	4624
2000	17	4689
1999	18	4744
1998	17	4780
1997	16	4842
1996	16	4928
1995	17	4940

1994	14	5045
1993	14	5030
1992	15	5198
1991	17	5294
1990	13	5398
1989	16	5454
1988	18	5526
1987	18	5583
1986	17	5626
1985	16	5651
1984	15	5665
1983	13	5672
1982	14	5678
1981	14	5687

* Short-term, general medical and surgical and nonfederal 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 in 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.

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Annual CEO Turnover by State—Rates adjusted for states with 24+ turnovers

Nonfederal, Short-Term, General Medical/Surgical Hospitals—Calendar Year 2012

Rank	State	Adjusted CEO Turnover Pct*
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(High-turnover states)

1	DIST. OF COLUMBIA	43
2	RHODE ISLAND	30
3	IDAHO	29
4	ARKANSAS	28
5	ARIZONA	26
6	TENNESSEE	25†
7	NEVADA	24
8	NORTH CAROLINA	24†
9	FLORIDA	24†
10	NORTH DAKOTA	23
11	COLORADO	23
12	OKLAHOMA	23
13	TEXAS	22†
14	MONTANA	22
15	LOUISIANA	22
16	PUERTO RICO	20

17	SOUTH CAROLINA	19
	(Medium-turnover states)	
18	MICHIGAN	19†
19	UTAH	19
20	ALABAMA	19
21-22	HAWAII	19
21-22	NEW MEXICO	19
23-24	MISSISSIPPI	18
23-24	VIRGINIA	18
25	OHIO	17†
26	MASSACHUSETTS	17
27	CALIFORNIA	17†
28-29	KANSAS	17
28-29	KENTUCKY	17
30	PENNSYLVANIA	16†
31	MINNESOTA	16

32	NEBRASKA	15
33	NEW JERSEY	15
34-35	ALASKA	14
34-35	WASHINGTON	14
	(Low-turnover states)	
36	GEORGIA	14
37	ILLINOIS	14†
38	MISSOURI	13
39	NEW YORK	13
40	INDIANA	13
41	WEST VIRGINIA	12
42	IOWA	12
43	OREGON	11
44	WISCONSIN	11
45	WYOMING	11
46	MAINE	9

47	NEW HAMPSHIRE	8
48	VERMONT	8
49	SOUTH DAKOTA	6
50	MARYLAND	5
51	CONNECTICUT	4
52	DELAWARE	0
	US TOTAL (50 states, DC, Puerto Rico)	17

* This table adjusts the turnover rate downward in states with more than 23 turnovers to account for unrecorded interim and acting CEOs who are intentionally assigned to their posts for a short period.

† More than 23 turnovers - adjusted rate

About the American College of Healthcare Executives

The American College of Healthcare Executives is an international professional society of more than 40,000 healthcare executives who lead hospitals, healthcare systems and other healthcare organizations. ACHE offers its prestigious FACHE® credential, signifying board certification in healthcare management.

ACHE's established network of more than 80 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 goal of being the premier professional society for healthcare executives dedicated to improving healthcare delivery. **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 4,500 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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