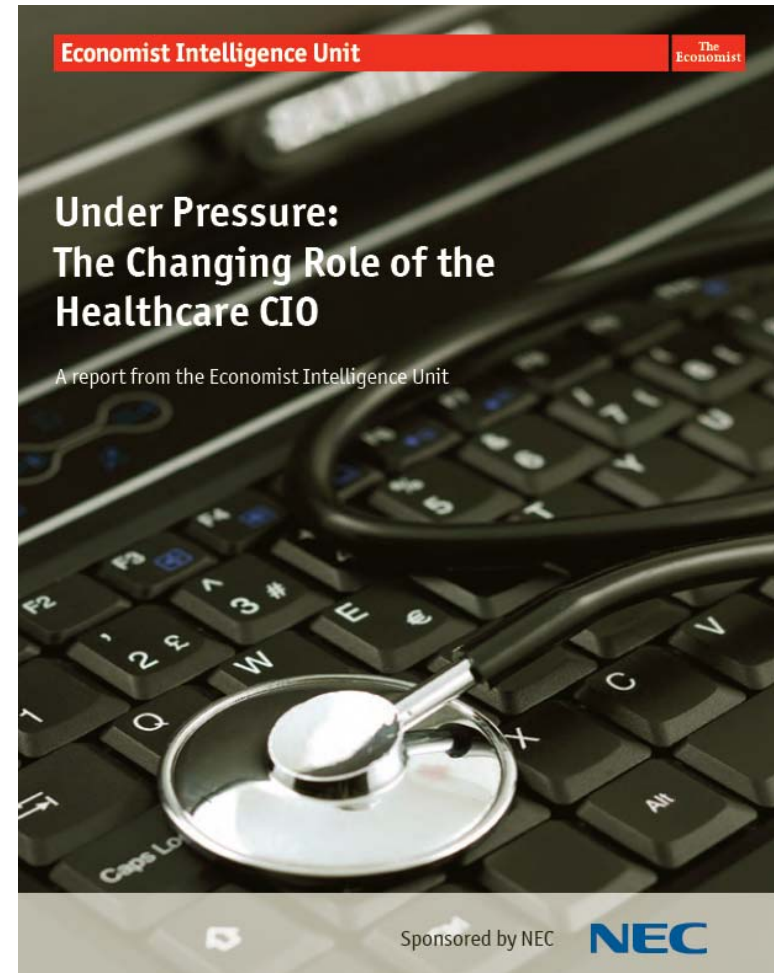


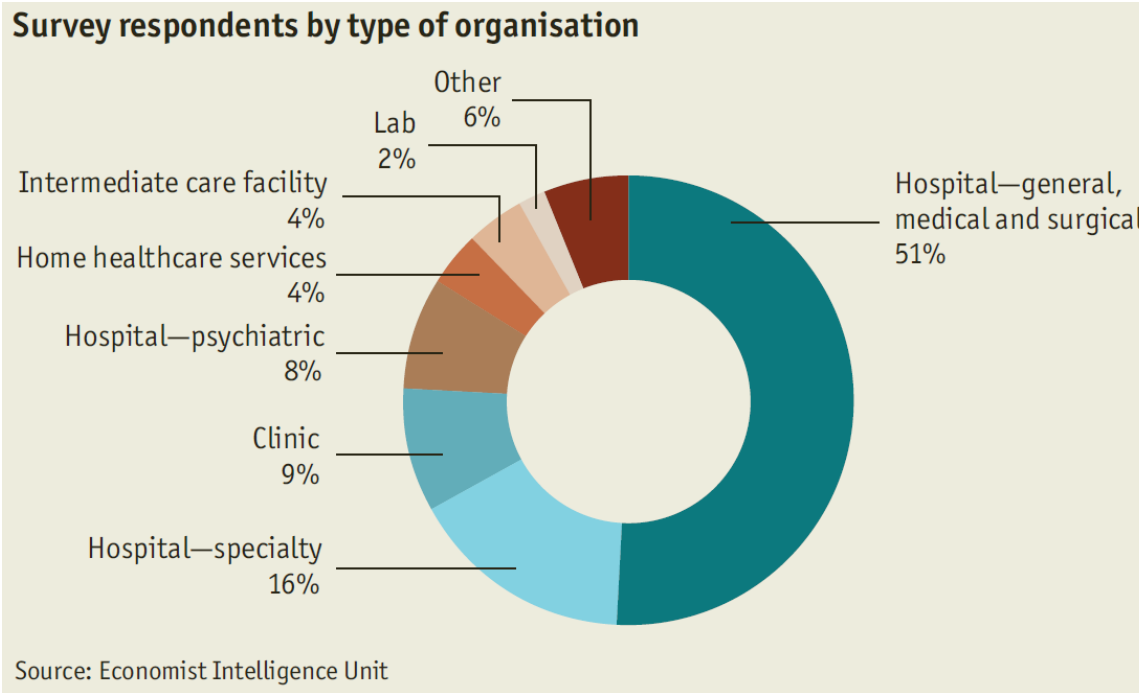
Under Pressure: The Changing Role of the Healthcare CIO

A report from the
Economist Intelligence Unit



Survey of 100 senior healthcare IT executives

- 67% at general or specialty hospitals
- 51% at organisations with revenues of under US\$500m
- 34% from organisations with revenues of between US\$500m and US\$1bn, remainder over US\$1bn



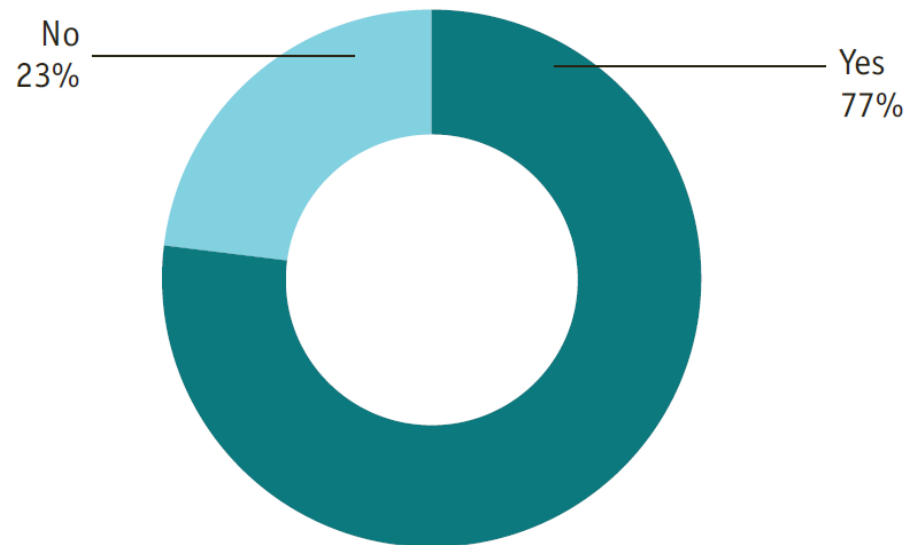
The healthcare CIO: lagging behind

- Compared to other industries, healthcare CIO's role has not seen rapid evolution.
- Potential savings from paperless technology like electronic health records (EHRs) and computerised provider order-entry (CPOE) systems substantial – as much as US\$40bn/year on aggregate
- Adoption has not been swift: Healthcare Information and Management Systems Society (HIMSS) Electronic Medical Record Adoption Model survey for 2Q 2010 shows around half US hospitals at stage 3, 34% were still below this level and only 16% above it.
- Why? Lack similar commercial imperatives as other industries; thin profit margins; complex organisational structures
- But change is coming – how will this affect the CIO?

The HITECH push

- Healthcare responds better than other industries to regulatory pressure
- US\$19bn worth of federal government incentives to digitise – and penalties for lack of adoption

Figure 2: Federal funding
(% respondents expecting to qualify)



Source: Economist Intelligence Unit

Key finding 1

- **The CIO's role is expected to become increasingly strategic as IT adoption accelerates...**

Figure 4: CIOs' level of involvement in strategy
(% respondents selecting "agree" or "strongly agree")

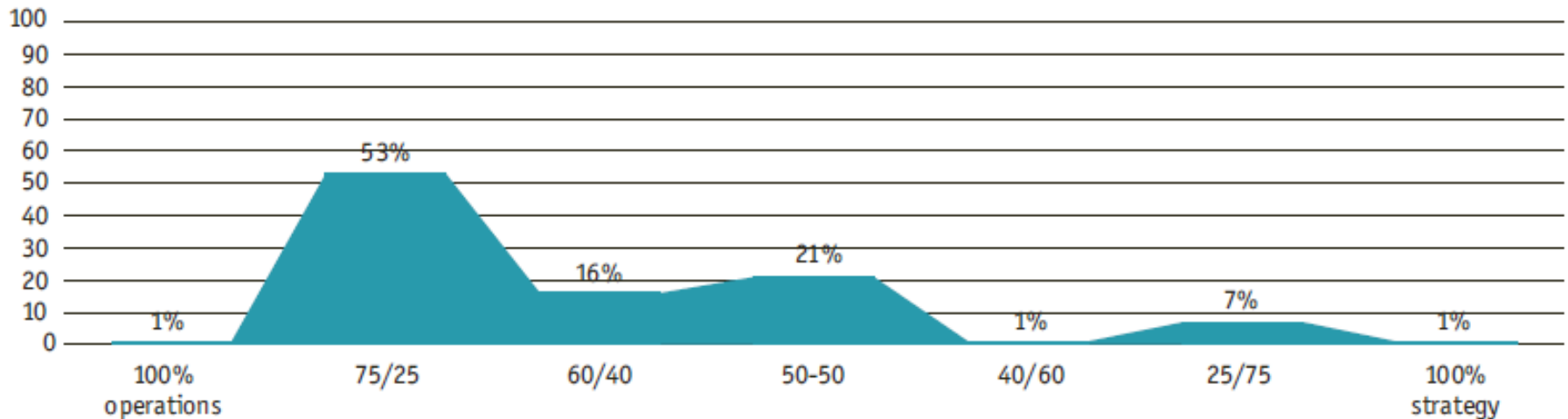


Source: Economist Intelligence Unit

Key finding 1

- The CIO's role is expected to become increasingly strategic as IT adoption accelerates...

Figure 5: How CIOs use their time
(% respondents selecting specified divisions)



Source: Economist Intelligence Unit

Key finding 2

- **...but others may not see it that way; CIOs will have to educate the board level**

Figure 6: Perceptions of IT in the organisation

(% respondents)

A support function



A strategic function

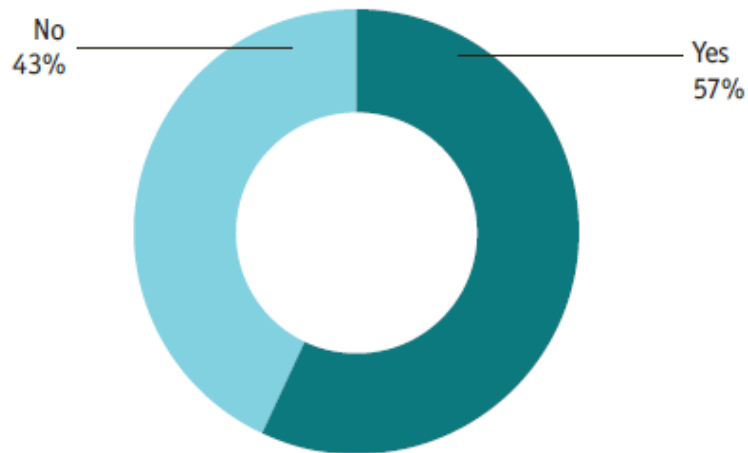


Source: Economist Intelligence Unit

Key finding 3

- **CIOs also need to secure the buy-in of clinical staff when planning and rolling out new IT**

Figure 7: Do you have a director of clinical informatics?
(% respondents reporting title in their organisations)



Source: Economist Intelligence Unit

Figure 7a: Do you plan to appoint one?
(% respondents)

Yes, within six months

7

No, we have no plans to do so

93

Source: Economist Intelligence Unit

Key finding 4

- **While regulation to drive IT adoption is broadly welcomed, some CIOs remain sceptical about government incentives—and fear new regulations may make their lives more difficult.**

Figure 3: CIOs' top clinical priorities

(% respondents ranking issues 1 or 2 on a five-point scale)

Patient safety

76

Clinical workflow efficiency

72

Meaningful use criteria

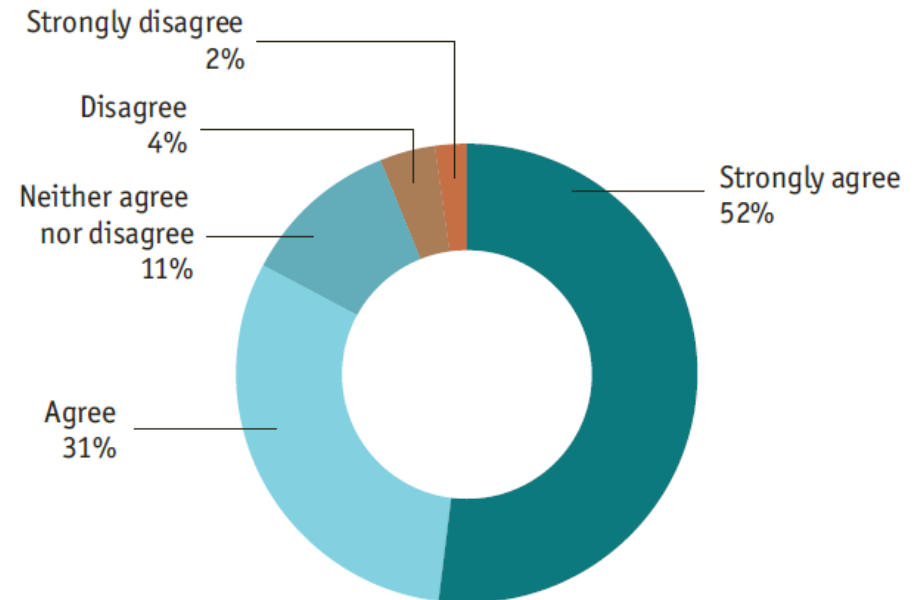
65

Key finding 5

- **Many CIOs expect digitisation of electronic health records will bring more pressure on them to ensure compliance.**

Figure 9: Under pressure to ensure data security compliance
(% respondents)

“Increasing use of electronic health records (EHRs) means my role in ensuring compliance with data security regulations will become increasingly pressurised.”

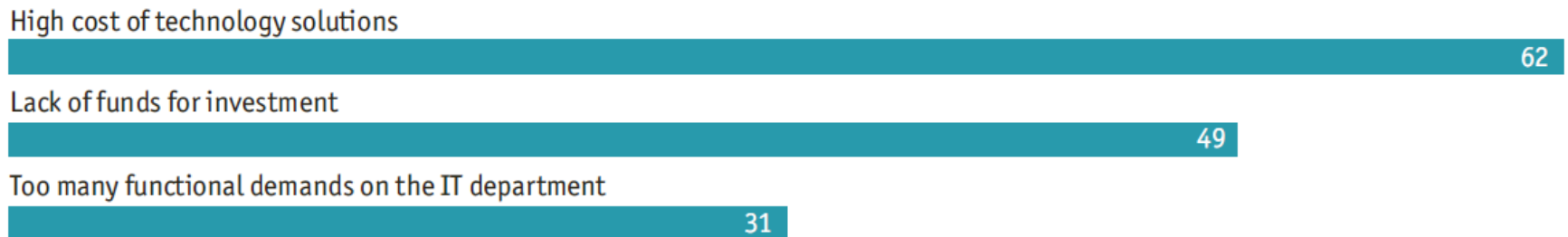


Source: Economist Intelligence Unit

Key finding 6

- **CIOs face big challenges in driving change....**

Figure 10: Challenges to implementation
(% respondents selecting among top three)



- **...but they have a once-in-a-career opportunity to do so.**