US HOSPITAL CTO SEPTEMBER 2014 SURVEY

Survey completed October 10th, 2014. We interviewed CTOs and CIOs of various sized hospitals across the US. Our survey focused on emerging technologies in the hospital setting, IT budget trajectories, and software brand preferences.

SURVEY DISTRIBUTION

No. of responses

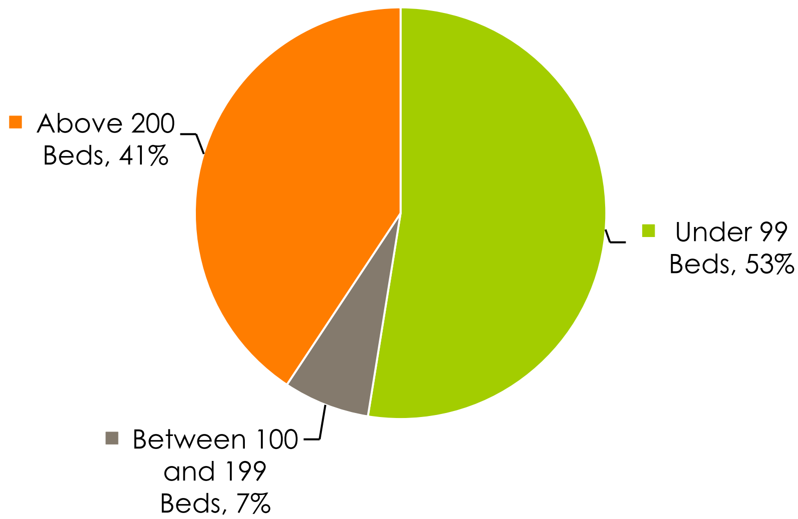
There were a total of 59 surveys completed across the country.

Region	Count	Percentage
Midwest	18	31%
Northeast	9	15%
South	22	37%
West	10	17%
Total	**59**	**100%**

State	Count	Percentage
Alabama	4	7%
California	7	12%
Connecticut	1	2%
Florida	3	5%
Georgia	3	5%
Illinois/ Indiana	8	14%
Iowa	2	3%
Kansas	1	2%
Kentucky	1	2%
Louisiana	2	3%
Maine	1	2%
Minnesota	1	2%
Mississippi	1	2%
Montana/ Nebraska	2	3%
Nevada	1	2%
New Jersey	2	3%
New York	3	5%
North Carolina	1	2%
Ohio	4	7%
Oklahoma	2	3%
Pennsylvania/Rhode Island	1	2%
South Carolina	1	2%
South Dakota	1	2%
Texas	4	7%
Vermont	1	2%
Virginia	1	2%
Total	**59**	**100%**

QUESTION 1

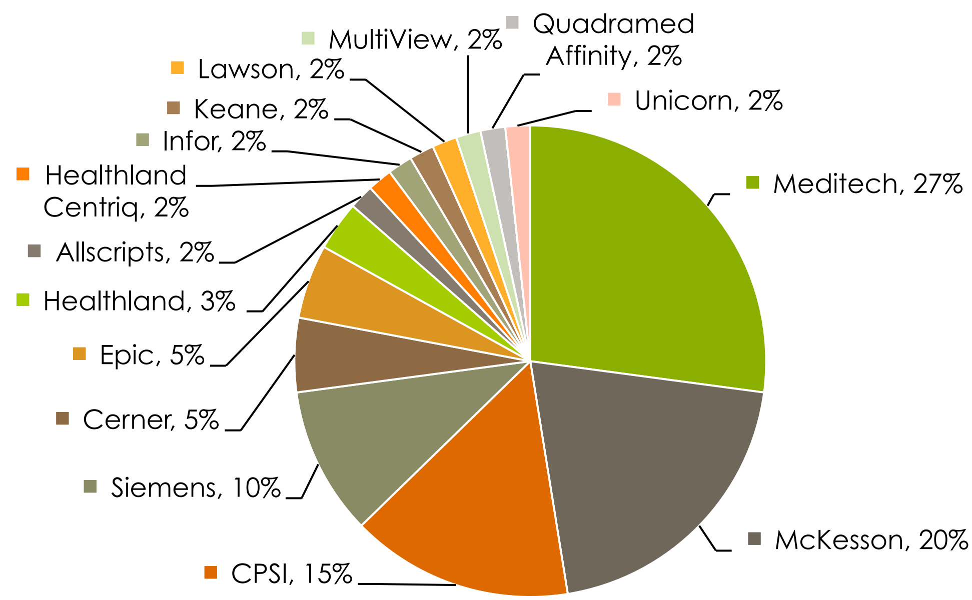
How many inpatient beds does your hospital have approximately?



	Count	Percentage
Under 99 Beds	31	53%
Between 100 and 199 Beds	4	7%
Above 200 Beds	24	41%
Total	**59**	**100%**

QUESTION 2

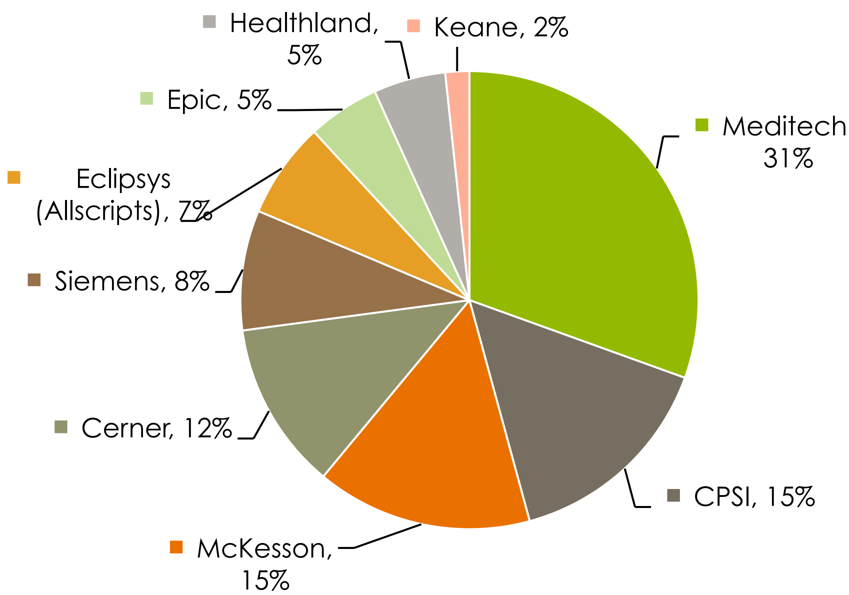
Which vendor is your hospital's Financial systems provider?



	Count	Percentage
Meditech	16	27%
McKesson	12	20%
CPSI	9	15%
Siemens	6	10%
Cerner	3	5%
Epic	3	5%
Healthland	2	3%
Allscripts	1	2%
HealthlandCentriq	1	2%
Infor	1	2%
Keane	1	2%
Lawson	1	2%
MultiView	1	2%
Quadramed Affinity	1	2%
Unicorn	1	2%
Total	**59**	**100%**

QUESTION 3

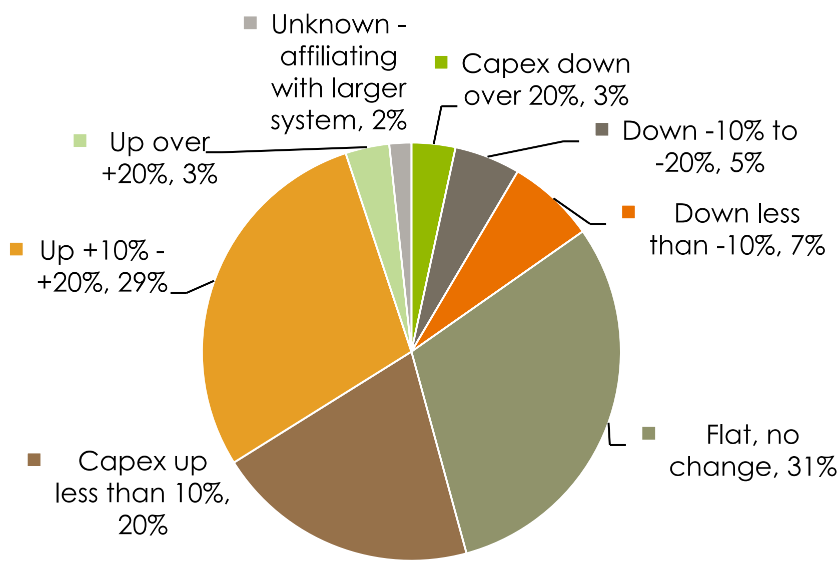
Which vendor is your hospital's Clinical systems provider?



	Count	Percentage
Meditech	18	31%
CPSI	9	15%
McKesson	9	15%
Cerner	7	12%
Siemens	5	8%
Eclipsys (Allscripts)	4	7%
Epic	3	5%
Healthland	3	5%
Keane	1	2%
Total	**59**	**100%**

QUESTION 4

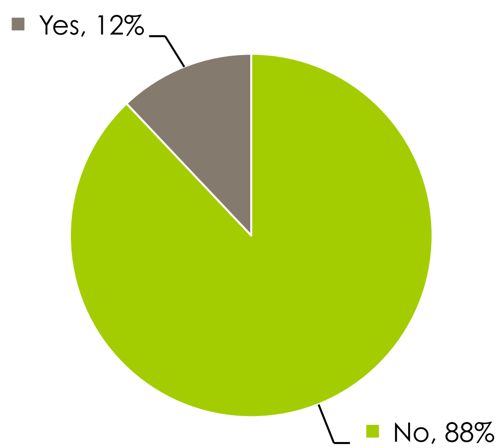
How do you expect your organization's Healthcare IT capital expenditures to change year-over-year over the next 12-18 months?



	Count	Percentage
Capex down over 20%	2	3%
Down -10% to -20%	3	5%
Down less than -10%	4	7%
Flat, no change	18	31%
Capex up less than 10%	12	20%
Up +10% - +20%	17	29%
Up over +20%	2	3%
Unknown - affiliating with larger system	1	2%
Total	**59**	**100%**

QUESTION 5

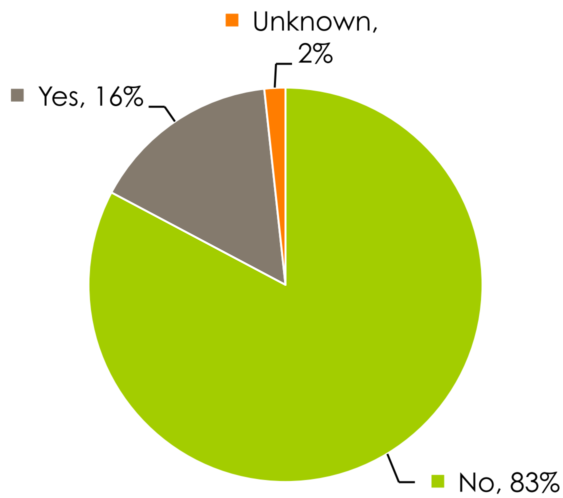
Is your hospital likely to select a new CLINICAL systems vendor in the next 12-24 months?



	Count	Percentage
No	51	88%
Yes	7	12%
Total	**58**	**100%**

QUESTION 6

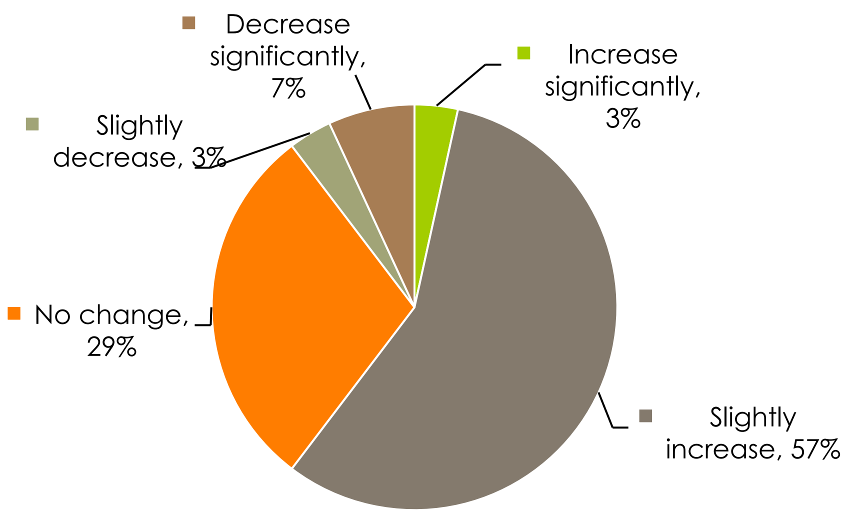
Is your hospital likely to select a new FINANCIALS systems vendor in the next 12-24 months?



	Count	Percentage
No	48	83%
Yes	9	16%
Unknown	1	2%
Total	**58**	**100%**

QUESTION 7

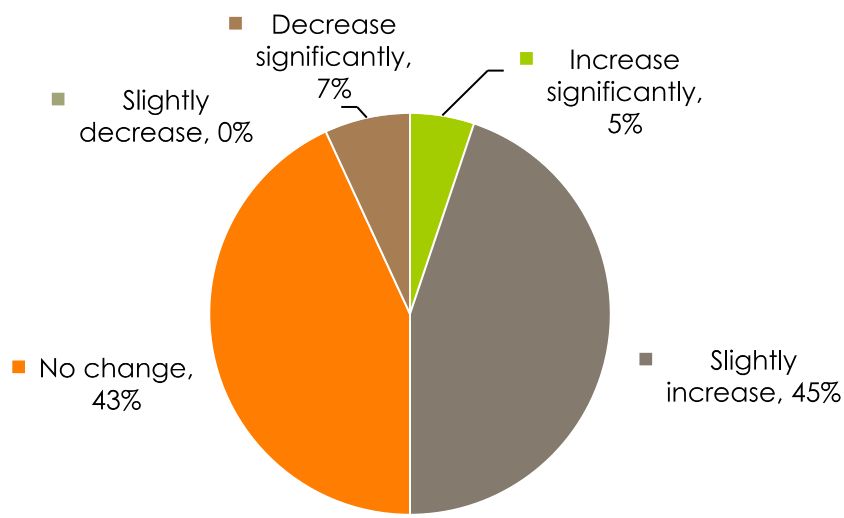
How will your spending with your current main CLINICAL systems vendor change in the upcoming 12-18 months?



	Count	Percentage
Increase significantly	2	3%
Slightly increase	33	57%
No change	17	29%
Slightly decrease	2	3%
Decrease significantly	4	7%
Total	**58**	**100%**

QUESTION 8

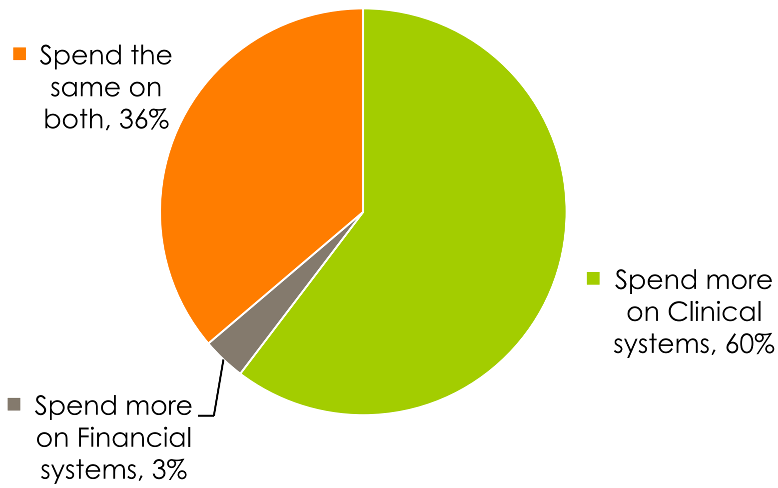
How will your spending with your current main FINANCIALS systems vendor change in the upcoming 12-18 months?



	Count	Percentage
Increase significantly	3	5%
Slightly increase	26	45%
No change	25	43%
Slightly decrease	0	0%
Decrease significantly	4	7%
Total	**58**	**100%**

QUESTION 9

Do you plan on spending more on CLINICAL systems or FINANCIAL systems over the next 12 to 18 months?



	Count	Percentage
Spend more on Clinical systems	35	60%
Spend more on Financial systems	2	3%
Spend the same on both	21	36%
Total	**58**	**100%**

QUESTION 10

In which areas do you plan to INCREASE spending in the next 12-18 months?

	Count	Percentage
Not increasing spending	3	4%
Analytics	6	9%
Security	5	7%
Clinical Integration	3	4%
Interfaces	3	4%
population health	2	3%
Hardware	2	3%
Licensing	1	1%
Data Warehouse applications	1	1%
voice systems capex	1	1%
Infrastructure	1	1%
IT	1	1%
ePrescribing	1	1%
Connectivity	1	1%
Financial system	1	1%
Additional integrated clinical modules for core HIS.	1	1%
Ambulatory, Perioperative, OB, Oncology	1	1%
Inter-operability	1	1%
Business Intelligence, Patient/Mobile Applications	1	1%
Clinical	1	1%
Surgery Scheduling & Anesthesia, Radiology Information System	1	1%
Electronic documentation	1	1%
Clinical interfaces	1	1%
Clinical Meaningful Use	1	1%
EHR, Decision support	1	1%
Eligibility systems and services	1	1%
Emergency Dept, Clinical Nursing, Surgical areas, CathLab	1	1%
iPhone/iPad-based clinical mobility solutions, major version upgrade to both clinical and financial, improved physician documentation	1	1%
Equipment and software	1	1%
Financial systems add on products to make Meditechefficient., Clinical add on products that will help meet meaningful use., Virtual servers	1	1%
HRMC is purchasing an Emergency Department EHR to supplement our hospital system, HRMC will be buying new storage and server environment infrastructure; Penetration testing and security systems will increase	1	1%
ICD 10 and MU prep	1	1%

Integration with Clinical Devices, Single sign-on, ICD-10, regulatory changes, meaningful use Stage III	1	1%
Meaningful Use requirements for patient engagement, Add On modules from HIS Vendor, Updates and upgrades to existing systems	1	1%
Medical Home, Hospice & Home Care, Imaging	1	1%
Meditech upgrade planned requiring server hardware and vendor fees	1	1%
More on Meaningful Use initiatives with more integration	1	1%
New ancillary systems. e.g. Surgery, ED	1	1%
New clinical EMR and financial system	1	1%
Patient portals, data exchanges, and ICD 10 efforts	1	1%
PHYSICIAN DOCUMENTATION/MEANINGFUL USE	1	1%
Physician support systems, (ie Biomed and specialty systems)	1	1%
Radiology, Cardiology, EYE, OB, Mobile technology, CRM, Help Desk, PMO,	1	1%
Replacement computers, Upgraded wireless, improved storage	1	1%
Network Infrastructure	1	1%
MU Stage 3 prep, ICD10	1	1%
Staff time with implementation of EHR functions	1	1%
Technology, EMR/EHR, Ancillary	1	1%
telemetry upgrades, medication management system upgrades	1	1%
Upgrade meditech to 6.1	1	1%
Upgrading Epic version.	1	1%
We have purchased PeopleSoft to replace our financials/HR/Supply Chain systems. We are also evaluating new clinical enterprise systems and are planning on selecting within one year.	1	1%
Total	**69**	**100%**

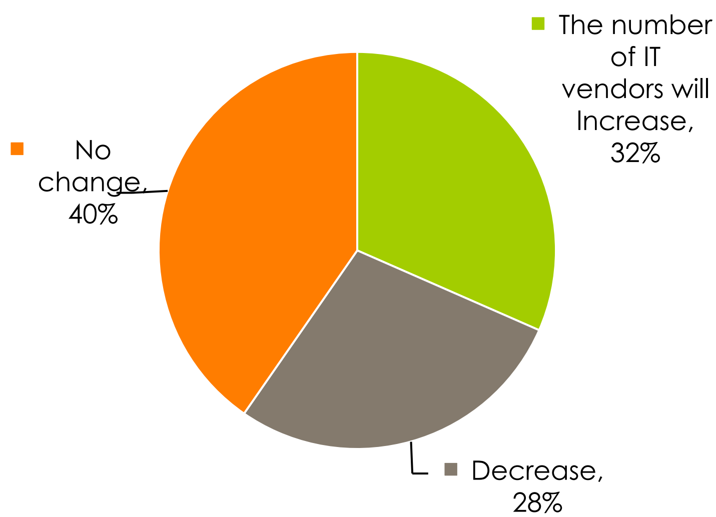
QUESTION 11

In which areas do you plan to DECREASE spending in the next 12-18 months?

	Count	Percentage
Do not plan to decrease.	5	13%
All areas	2	5%
Hardware	4	10%
Staffing	3	8%
Infrastructure	2	5%
Administrative systems	1	3%
Already made MU2 purchases, so spending should be significantly less for clinical.	1	3%
Communication costs.	1	3%
Computer software	1	3%
Decrease spending with current and legacy vendors as new solutions replace existing systems	1	3%
departmental systems	1	3%
DR	1	3%
EMR	1	3%
servers, new Paragon modules, consulting	1	3%
less capital purchase of core EMR software	1	3%
Less on consulting	1	3%
Maintenance	1	3%
Material Mgmt, Accounts Payable	1	3%
MU projects	1	3%
Service Contracts	1	3%
No new clinical systems unless required by CMS	1	3%
One-off clinical applications	1	3%
Optical systems	1	3%
Patient Accounting/Billing	1	3%
Projects and process oriented.	1	3%
speech recognition	1	3%
sunsetting some smaller software	1	3%
Telephony	1	3%
voice systems opex	1	3%
Total	**40**	**100%**

QUESTION 12

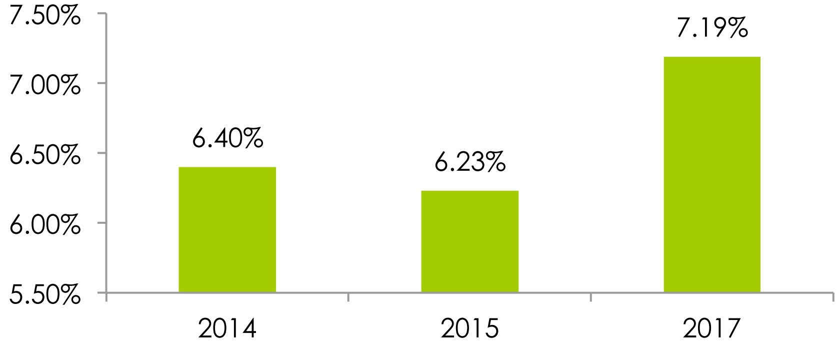
In the next 2-4 years, do you think that the number of healthcare I.T. companies your organization deals with will INCREASE or DECREASE or STAY THE SAME?



	Count	Percentage
The number of IT vendors will increase	18	32%
Decrease	16	28%
No change	23	40%
Total	**57**	**100%**

QUESTION 13

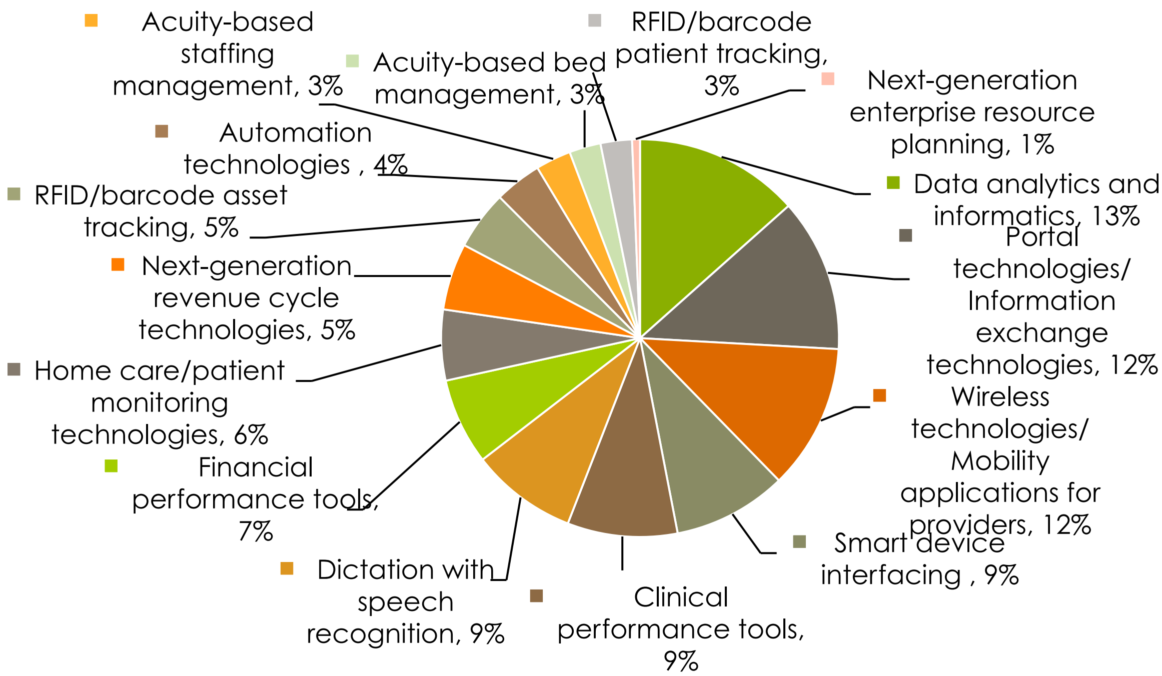
Approximately what portion of your hospital's operating budget is targeted to IT in 2014, 2015, and 2017?



	2014	2015	2017
Midwest	4.33%	3.96%	5.17%
Northeast	7.78%	6.18%	7.07%
South	7.58%	8.05%	9.33%
West	5.53%	5.89%	7.17%
Overall	**6.40%**	**6.23%**	**7.19%**

QUESTION 14

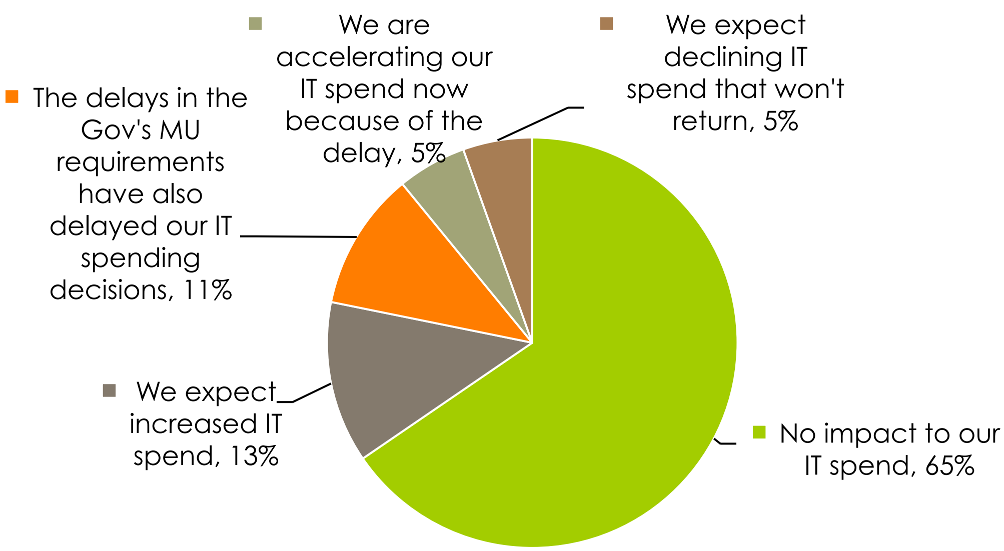
What next-generation functionalities are part of your hospitals longer-term plan for technology deployment and utilization?



	Count	Percentage
Data analytics and informatics	42	13%
Portal technologies/Information exchange technologies	39	12%
Wireless technologies/Mobility applications for providers	37	12%
Smart device interfacing (pumps, monitors, etc.)	29	9%
Clinical performance tools	28	9%
Dictation with speech recognition	27	9%
Financial performance tools	22	7%
Home care/patient monitoring technologies	18	6%
Next-generation revenue cycle technologies	17	5%
RFID/barcode asset tracking	15	5%
Automation technologies (drug dispensing, packaging, compounding, etc.)	12	4%
Acuity-based staffing management	9	3%
Acuity-based bed management	8	3%
RFID/barcode patient tracking	8	3%
Next-generation enterprise resource planning	2	1%
Total	**313**	**100%**

QUESTION 15

How have delays in the government's Meaningful Use requirements (i.e. Stage 3 won't begin until Jan. 1, 2017, 2011 certified systems accepted for a longer time period, etc.) impacted your spend on healthcare IT?



	Count	Percentage
No impact to our IT spend	36	65%
We expect increased IT spend	7	13%
The delays in the Gov's MU requirements have also delayed our IT spending decisions	6	11%
We are accelerating our IT spend now because of the delay	3	5%
We expect declining IT spend that won't return	3	5%
Total	**55**	**100%**