

The No. 1 priority for hospital CEOs? Cost control

Written by Alyssa Rege | July 11, 2018 | [Print](#) | [Email](#)

Cost control [surpassed](#) revenue growth as the top priority for hospital and health system CEOs in 2018, according to the Advisory Board's Annual Health Care CEO Survey.

The nationwide [survey](#), conducted between December 2017 and March 2018, included the responses of 146 C-suite executives from hospitals and health systems. Sixty-two percent of those surveyed identified preparing their organization for sustainable cost control as their foremost priority — the most for any concern outlined in the survey during the past four years.

"Health system CEOs recognize that any effective growth or financial-sustainability strategy must be built on a competitive cost structure in order for their enterprises to deliver high-quality, cost-effective care to the patients they serve," Christopher Kerns, executive director of research at the Advisory Board, said in the organization's July 11 [statement](#). "The entrance of nontraditional healthcare providers ... adds to the urgency of health systems improving cost structures."

The survey analyzed executives' responses and level of concern for 33 topics. Here are the top five areas of extreme interest hospital and health system CEOs selected as their No. 1 priority:

1. Preparing the enterprise for sustainable cost control — 62 percent
2. Innovative approaches to expense reduction — 56 percent
3. Exploring diversified, innovative revenue streams — 56 percent
4. Boosting outpatient procedural market share — 50 percent
5. Meeting rising consumer demands for service — 50 percent

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