

FOURTH EDITION

VAULT CAREER GUIDE TO

HEALTH CARE MANAGEMENT

Andrew Morkes

Introduction by Mario Garner



Vault Career Guide to Health Care Management, Fourth Edition

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Introduction

I'd like to share what led to my passion for a career in health care. At age 8, I accompanied my grandfather, who had lung cancer, to all of his doctors' and chemotherapy appointments. Because he could not read, he always told me to write down what the doctors were saying, to ask questions, and then when we got home, I would read and interpret what I had written. While I did not realize it at the time, I was acting as a "patient navigator" for my grandfather. In high school, I completed a two-year health care occupations program after which I became a certified nursing assistant and acquired hands-on appreciation for patient bedside care. These experiences had a significant effect on me, and the principles of courtesy, concern, kindness, and compassion to the patient have stayed with me in all subsequent roles throughout my career.

I began the administrative track of my health care career as an administrative resident at the HCA Tulane University Hospital in New Orleans. In May 2005, I completed graduate school and was on the cusp of entering the HCA's Chief Operating Officer (COO) Development Program. My start date was September 1, 2005. However Hurricane Katrina devastated the city on August 29, so I relocated to Houston. My first responsibility in this new role as associate administrator within the HCA system was to work with HCA colleagues from New Orleans on relocation assistance. It helped that I was very familiar with many of these employees from my tenure as an administrative fellow at Tulane University Hospital immediately prior to Hurricane Katrina.

In my first senior-level experience as an associate administrator, I authored a business plan that led to the development of a \$70 million Cardiovascular Tower and Specialized Women's Services Department for the hospital. I also served as the facility's executive champion for developing initiatives to improve employee engagement and patient satisfaction. I independently authored a facility-wide campaign, entitled *Work S.M.A.R.T.er not harder*—a practical/common sense approach to enhancing a patients' stay and the employee's workday.

For the next four years, I served as a COO within the HCA system—two years at an HCA-affiliated hospital in Lafayette, Louisiana, and two years at an HCA-affiliated hospital in Dublin, Georgia. I received my first COO job as a result of successful completion of HCA Executive Development’s competencies for business acumen and leadership. My second COO position came to fruition from networking—a happenstance conversation with the CEO of the Dublin, Georgia hospital at an American College of Healthcare Executives (ACHE) Congress in Chicago. Interestingly, we met for the first time and conversed in the “free Wi-Fi” area located in the conference registration area. An hour later, at the conclusion of our conversation, he asked if I would be interested in pursuing an available COO opportunity on his leadership team.

As COO, I led efforts to improve employee morale and physician engagement, which ultimately improved patient satisfaction. I led comprehensive facility modernization and renovation initiatives. In Georgia, I was able to increase the quality of the cardiovascular program for a community that historically sought interventional cardiology care in a city located 45 minutes away. As a result, the hospital added a second digital catheterization lab as well as achieved and sustained the region’s quickest door-to-balloon time [a time measurement in emergency cardiac care] for STEMI emergencies [the most critical form of heart attack]. A highlight of my tenure in Dublin was the establishment and hosting of a weekly, 30-minute television broadcast on the regional news station called *Meet the Doctor*. The show became a popular segment for the station’s audience of 100,000 residents. *Meet the Doctor* increased citizens’ awareness of the scope of specialties and wellness services offered by health care providers in Middle Georgia.

My first CEO position sprang from the network I established and maintained during my time as COO in Louisiana. In 2009, as COO in Lafayette, LA, my involvement on the executive board of the Louisiana chapter of ACHE provided me the opportunity to establish networks with healthcare leaders throughout the state. I coordinated the chapter’s first statewide educational symposium. Healthcare leaders, statewide, were able to complete continuing education hours throughout the weekend’s seminars. This exposure and the resulting connections I made proved beneficial two

and a half years later, when colleagues, with whom I remained in contact, recommended me for a CEO opportunity in New Orleans.

In September 2013, I was selected by the Orleans Parish Hospital Services District Board of Commissioners to serve as the inaugural president and CEO of New Orleans East Hospital. I led the construction, licensing, accreditation, and operations of this mission-critical initiative, spearheaded by the City of New Orleans and the U.S. Department for Housing & Urban Development. This role not only allowed me to drive the re-establishment of health care back into the region, but it also allowed me to be influential in stimulating the overall economic recovery efforts for the city, where my administrative health care career began.

In summer 2015, I was appointed the inaugural senior vice-president and CEO of Memorial Hermann Pearland Hospital—which is currently under construction in Pearland, Texas. Much of the framework to establish a hospital presence in this community parallels that of my experience in New Orleans. Thus, I am grateful for the many blessings, opportunities, and opened doors I've received during my career. My career experiences have taught me a great deal about servant leadership and strategic planning as well as the processes for constructing hospitals, establishing medical infrastructure with physician coverage, and building talented teams of mission-oriented hospital staff. I consider my most recent appointments, serving as the first CEO of two high-profile hospitals, as unique opportunities to make a difference in the communities where I reside.

I thoroughly enjoy serving as a mentor to young professionals. Developing and molding future leaders is my way to ensure the continued success of the health care field. One of the main guiding steps I give to new colleagues is: make yourself a valuable commodity to your organization. I strongly encourage new colleagues to use a multi-faceted approach through two strategies while in graduate school or participating in a fellowship.

- 1) Develop a panoramic purview; try to absorb as much as possible from all domains of hospital operations, because a good hospital leader—a CEO, COO, or chief nursing officer—has broad working knowledge of the realm of operations which make the hospital work. This may mean taking the personal initiative to familiarizing yourself with all components of the

organization and its operations. Then, 2) find an operational domain for which you can become a subject matter expert and contribute value to the organization.

Oftentimes, when hiring decisions are made for leadership positions, the hiring manager evaluates the applicant's ability to add value. What value has the candidate contributed to previous organizations? Does the resume reflect the candidate's contributions to the organization? What assets can be gleaned from the candidate's resume for how he/she can contribute to my organization? A graduate internship or fellowship is a prime opportunity to do these things. Acquire a broad portfolio of experiences, then delve into an area where you can really establish a niche. Ultimately, top performers are those who can demonstrate their value to an organization.

Assertiveness is another key skill for young professionals. CEOs seek leaders who are keen at being "intrapreneurs." A good "intrapreneur" is one who can optimize internal processes, effectively and efficiently manage internal systems, enhance internal quality, and grow revenue within an organization. If you can come into an organization and make a contribution as an "intrapreneur," you'll certainly catch the eye of the CEO, and be strongly considered for growth opportunities either within that organization or come with a strong recommendation for another organization.

Students must become skilled at communicating their accomplishments. You must be able to speak to and quantify what you have accomplished within an organization. A good resume should speak to your effect on operational metrics and volume, which we constantly measure in health care. It shouldn't reiterate your job description; it should be a concise summary of quantifiable departmental and/or organizational accomplishments.

Geographic flexibility is also important. I've worked in six places during the past 10 years. It's important to remain open to opportunities that may not exist within a specific geographic market. This gives you an opportunity for growth, potentially at a swifter pace than remaining within one market or waiting to rise up the ranks within one organization. However, geographic flexibility is a matter of personal preference, especially if

“climbing the ladder” is what you aspire to do. There’s nothing wrong with staying and growing within one organization.

Finally, going above and beyond the call of duty is important—arrive early if needed, stay late if necessary, and schedule meetings that may not be on the routine schedule as required to accomplish the goal. These actions add value and foster success at your organization.

I wish everyone who reads this edition of *The Vault Career Guide to Healthcare Management* much success on your journeys to fulfill your personal missions as health care leaders and difference-makers for your communities.

—Dr. Mario J. Garner, FACHE, senior vice president & CEO of Memorial Hermann Pearland Hospital in Pearland, Texas

About the Authors

Dr. Mario J. Garner, FACHE is the Senior Vice President & CEO of Memorial Hermann Pearland Hospital in Pearland, Texas. He holds a bachelor's of science in microbiology from Louisiana State University, a master's degree in health care administration from Tulane University, and a doctorate in education from the University of Houston. He is an adjunct professor within the Health Administration Department at Tulane University's School of Public Health & Tropical Medicine.

Garner has received numerous awards during his career including the 2015 Robert S. Hudgens Award for Young Healthcare Executive of the Year from the American College of Healthcare Executives; *Becker's Hospital Review's* 2015 Rising Star-25 Healthcare Leaders Under Age 40; 2014 *Modern Healthcare's* Up and Comer Award; and the 2014 New Orleans' Millennial of the Year in the field of health care.

Garner is a native of Lake Charles, Louisiana. In his spare time, he enjoys running, swimming, youth mentorship, and attending collegiate athletic events.

Andrew Morkesis a freelance writer and editor in Chicago, Illinois, who has been writing about college- and career-related topics for more than 25 years. He is the founder of College & Career Press, the editorial director of the *CAM Report* and *College Spotlight*, and the author of The Morkes Report: College and Career Planning Trends blog. Andrew has written and edited many books for Ferguson's including the *Encyclopedia of Careers & Vocational Guidance*, the *Vault Career Guide to Accounting*, and many volumes in the *Careers in Focus*, *Discovering Careers*, and *Career Skills Library* series. He is also the author of *They Teach That in College!?: A Resource Guide to More Than 100 Interesting College Majors and Programs*, which was selected as "A Perfect Ten" by the library journal *Voice of Youth Advocates*, and *Nontraditional Careers for Women and Men: More Than 30 Great Jobs for Women and Men With Apprenticeships Through PhDs*. Andrew is a member of the parent advisory

board at his son's school. His poetry has appeared in *Cadence*, *Wisconsin Review*, *Poetry Motel*, *Strong Coffee*, and *Mid-America Review*.

The Basics

Overview

Health care is the largest industry in the United States, employing more than 18 million people and growing rapidly, according to the Centers for Disease Control and Prevention. Health care workers diagnose, treat, and administer care to patients 24 hours a day, 7 days a week.

The health care system is comprised of a wide variety of medical facilities that are located throughout the country. Hospitals provide comprehensive medical care to patients. Services include emergency care, diagnostic medicine, surgery, and general care. Nursing and residential facilities provide medical services to people who need continuous care, but do not need to be hospitalized.

Offices of physicians and other health care professionals consist of small groups of medical professionals who work together to reduce practice costs. These physicians see patients with problems ranging from the flu to serious illnesses, such as cancer or heart disease. Group medical practices are similar, but they often have hundreds, and even thousands, of doctors on staff. Rehabilitation centers help people recover from stroke, injuries, or other medical conditions. Diagnostic imaging centers provide imaging services such as radiography and sonography. Urgent-care facilities provide care on an unscheduled, walk-in basis to people with illnesses or injuries that are not serious enough to cause them to go to a hospital emergency room. Home health care services provide medical and nursing care to patients in their homes. Additionally, some medical professionals work at health care consulting firms, providing their expertise to the various industry sectors.

It takes skilled managers to keep these facilities and the health care system running effectively to serve the needs of patients. Health care managers direct the operation of hospitals, nursing homes, and other health care organizations. They are responsible for facilities, services, programs, staff, budgets, and relations with other organizations.

More than 394,000 health care managers are employed in hospitals; group medical practices; offices of physicians, dentists, and other health practitioners; and centers for urgent care, rehabilitation, and diagnostic imaging. Opportunities are also plentiful in long-term care facilities, such as nursing homes, home health care agencies, adult day care programs, life care communities, and other residential facilities. Health care facilities are owned by state and federal governments or religious and other nonprofit organizations. Many are for-profit companies such as HCA Healthcare, Community Health Systems, Tenet Healthcare, DaVita, Universal Health Services, Genesis HealthCare, Brookdale Senior Living, Select Medical, Encompass Health Corporation, Acadia Healthcare, and Ensign Group—all of which made the Fortune 500 in 2020. Some health care managers work for health care consulting firms or own their own consulting businesses. The military and the U.S. Departments of Veterans Affairs and Health & Human Services, as well as state and local agencies, also offer careers in this field.

Health care is big business. Total U.S. health care expenditures reached \$3.6 trillion in 2018, according to the Centers for Medicare & Medicaid Services. Industry expenditures broke down as follows: hospital care (\$1.2 trillion), physician and clinical services (\$725.6 billion), prescription drugs (\$335.0 billion), other health, residential, and personal care services (\$191.6 billion), nursing care facilities and continuing care retirement communities (\$168.5 billion), dental services (\$135.6 billion), and home health care services (\$102.2 billion). These large expenditures translate into excellent job opportunities for health care managers, who, in addition to managing employees and facilities, are needed to help manage budgets and reduce expenditures while still providing quality health care services to patients.

The health care industry was hit hard by the COVID-19 pandemic in 2020. The American Hospital Association reports that hospitals and health systems lost \$206.6 billion in revenue from March 1 through June 30, 2020, as a result of the pandemic. Some nonessential health care workers lost their jobs, while critical care medical professionals in hard-hit areas experienced highly stressful work conditions as they sought to provide care to those stricken by the virus. The industry continues to recover from this worldwide

pandemic, and health care managers are at the forefront of coming changes to the industry that have been fueled or accelerated by the pandemic.

Jobs for those in health care management range from chief executive officers, who lead entire facilities, to department heads, who are responsible for a single department at a hospital or other health care facility. Such departments include nursing administration, finance, government relations, marketing and public affairs, patient care services, and others. Jobs in health care management exist at many levels and provide opportunities for people with a wide range of skills and experience. Medical knowledge is not always required, and many of the jobs typical of any large company or organization exist in the industry, with the bonus that they are likely to be in demand in the future as the need for health care grows.

The career of health care manager typically ranks high in “best job” lists due to its combination of good pay, relatively low stress levels, challenging work, advancement possibilities, strong employment demand, and other criteria.

In 2017, CNNMoney/PayScale ranked the career of hospital administrator as the 8th-best job in the United States because it offered “big growth, great pay, and satisfying work.” The career received the following letter grades: personal satisfaction: A; benefit to society: A; opportunity to telecommute: B; and low stress: C.

U.S. News & World Report listed the career of medical and health services manager as the 11th-best job in the United States in 2020, touting its high pay and good work-life balance.

Primary Products and Services

Health care managers are employed by organizations that provide direct patient care, such as hospitals, nursing homes, and physician group practices, and those that support the provision of care and services, such as hospital associations and managed care organizations. These institutions provide many different levels of direct care along what is referred to as the *continuum of care*.

Levels of Care

Acute Care Hospitals

The highest level of care is provided in acute care hospitals; large, complex organizations with hundreds, or even thousands of employees and dozens or hundreds of supervisory and management personnel. Hospitals may be free-standing or part of a health system. They are classified according to ownership and control: federal, state, county or city government, non-government and not for profit, or investor owned and for profit. Hospitals are also categorized by number of beds, the levels and types of services they provide (i.e., general medical and surgical, psychiatric, rehabilitation, children's general) and whether they have physician training programs, research programs, and academic affiliations.

Long-Term Acute Care

The next level of care on the continuum is called long-term acute care. These hospitals are either freestanding or units within an acute care hospital that provide care to patients with chronic conditions. This is a level of care that emerged in the 1980s, expanded rapidly in the 1990s, and is still in a growth mode as units and facilities open throughout the country.

Subacute Care

Subacute care is provided in hospitals and nursing homes. Hospital units are often referred to as transitional care units in which patients receive intense rehabilitation and nursing care for an average of eight days after acute hospital care for conditions such as stroke, heart surgery, or orthopedic surgery. Nursing homes, or skilled nursing facilities, provide care to the elderly, disabled, and others requiring long-term care. Either freestanding, part of a regional or national company such as HCR Manor Care and Kindred Healthcare, or hospital-based, nursing homes operate subacute or short-term units in which patients discharged from the hospital receive rehabilitation and other clinical services for conditions, such as a stroke or joint replacement.

Assisted Living

Assisted living facilities provide a lower level of care than nursing homes. These facilities are generally used to treat elderly residents unable to live on their own and who require supervision and assistance with activities of daily living.

Adult Day Care

Adult day care programs may be a medical model, providing nursing and therapy services, or a social model, providing activities and recreation programs. These programs provide socialization and medical services, nursing care, physical, occupational, and speech therapy, in the case of the medical model to elderly individuals who live in the community.

Other levels include home health care and ambulatory care. These services are provided by a variety of organizations and individuals, including hospitals, physicians, nurses, therapists, and technologists.

Types of Organizations

Hospitals and Health Systems

A large number of health care managers work in hospitals and health systems. According to the American Hospital Association, there were 6,146 registered hospitals in the United States in 2020. These included 5,198 hospitals classified as community hospitals. Of these, 2,937 were non-government and not for profit; 1,296 were investor-owned, for-profit hospitals; and 965 were state and local government hospitals. Community hospitals are short term and provide either general services (medicine, surgery, pediatrics, obstetrics), a specialty service (orthopedics; rehabilitation; ear, nose, and throat; pediatrics), or care for a specific disease (heart disease, cancer).

Community Hospitals

Community hospitals are often classified as nonteaching hospitals, teaching hospitals, or academic medical centers. Teaching hospitals have medical education programs that train medical students and residents through an affiliation with a medical school. Academic medical centers generally have their own medical schools, numerous residency training programs, other allied health programs (e.g., nursing schools, lab technology programs) and are often part of a university. Because of the requirements of the residency training programs in terms of number and type of patients and services and physician faculty, teaching hospitals tend to be larger and more complex than nonteaching hospitals.

Hospitals are also categorized by the level of service provided, ranging from critical access hospitals in rural areas that provide emergency and basic medical services, to tertiary and quaternary care that provide complex procedures, such as open-heart surgery and organ transplants.

The size of a hospital, expressed in number of beds or net revenue, is another means to group hospitals. Bed size ranges from as few as 25 beds to well over 1,000 beds, and likewise, net revenue varies from \$10 million to hundreds of millions of dollars.

For-Profit Hospitals

For-profit, or proprietary hospitals are generally owned by a group of physicians, or are owned and operated by a multi-hospital chain (e.g., HCA Healthcare). These hospitals, unlike not-for-profit and government hospitals, are required to pay taxes. For-profit hospitals tend to be small in terms of bed size, and limit their services to those that are most lucrative; insurance and private payments significantly exceed the cost of providing the care. Multi-hospital chains also provide management contract services through which they run the day-to-day operations of nonprofit hospitals to improve efficiency and increase revenue.

Other Hospitals

Additional types of organizations include federal government hospitals (about 210); nongovernment psychiatric hospitals (approximately 615); and long-term care hospitals for chronic medical conditions, such as ventilator care (approximately 90).

Health Care Systems

Approximately 3,230 hospitals are a part of a health care system. A system is defined as either a group of two or more hospitals owned or sponsored by a central organization, or a freestanding hospital with three or more additional health care organizations providing different levels (i.e., long-term care) of services. Health systems have been on the rise for the last 25 years for several reasons: as a result of initiatives to reduce scale; through consolidation of departments, such as finance and human resources, and group purchasing; and to provide more leverage in terms of managed care negotiations as well as to increase cross marketing and referrals across the continuum of care (hospital admissions from nursing homes that are part of the system and vice versa).

Other Health Care Providers

Ambulatory Care Facilities and Physician Group Practices

Ambulatory care facilities and physician group practices employ an increasing number of health care managers. This is due in large part to the shift from inpatient care to outpatient care driven by new technology, medical advances, and pressure to reduce health care costs. Ambulatory care is provided in physician offices, ambulatory surgery centers, clinics, and outpatient diagnostic and treatment centers. Each of these facility types may be organized in several ways.

There are more than 5,400 ambulatory surgery centers (ASCs) in the United States performing an estimated 30 million surgeries annually. Ophthalmology, gastroenterology, orthopedic, gynecologic, urologic, podiatric, plastic surgery, and ear, nose, and throat are among the most common types of procedures performed in ASCs. The centers are a cost-effective and convenient means of performing these procedures; studies have indicated that the average cost of a procedure performed in an ambulatory surgery center is slightly more than half of the cost of the procedure in a hospital setting. In addition, many patients prefer the center environment to that of a hospital.

About 85 percent of ASCs are certified by Medicare. Nearly all states currently license these facilities. Several accrediting agencies, including The Joint Commission, the American Osteopathic Association, and the American Association for Accreditation for Ambulatory Surgery Facilities, regularly survey centers to determine compliance with pre-established standards.

How Are ASCs Organized?

A large number of ASCs are operated or sponsored by hospitals or health systems. Some of these centers are partnerships with attending surgeons at the hospital and others are three-party partnerships that include an outside management company. These organizations are generally for-profit entities involved in the planning and startup of a center, and they often secure a management contract to run the facility. Many of the companies have ownership interest and/or manage ASCs in 10 to 20 states across the country.

Groups of physicians have also started their own ambulatory surgery centers, and hire management and nursing personnel to operate them. The directors or managers of ASCs may come from a nursing or management background and are responsible for daily operations, marketing, staffing, budgeting, regulatory compliance, quality assurance, and contracting with insurers. Large, multistate ambulatory surgery companies (e.g., Ambulatory Surgical Centers of America) have regional directors of operations, marketing, and contracting as well as vice presidents of business development and finance for the entire organization.

Group Practices

Physician groups vary in type from primary care groups to single specialty (e.g., cardiology) and multi-specialty groups (internal medicine, gastroenterology, and cardiology). Size can range from several physicians, to practices with several hundred physicians in dozens of specialties. A number of the larger groups have diversified by providing diagnostic imaging, ambulatory surgery, physical therapy, and other services in addition to their office practices. These groups usually hire an administrator to run the business aspects of their practice. In the case of very large practices (i.e., 50 or more physicians) a number of management personnel are employed in the areas of human resources, finance, and managed care contracting.

Diagnostic Imaging Centers

Diagnostic imaging centers are often formed by a radiology group and are of varying sizes. Large groups have 50 or more radiologists, employ several hundred staff, and are affiliated with or have contracts with several hospitals. Public companies are also national providers of imaging services; for example, the industry leader RadNet owns approximately 355 multimodality centers in across the United States. The centers perform basic radiologic tests and ultrasounds, as well as more sophisticated tests like CT scans, MRIs, and nuclear medicine studies. The large groups and national companies employ a CEO, CFO, and often COO to run the daily operations of the business and provide financial management.

Dialysis Centers

Dialysis centers are usually run by health care managers from a nursing background. They provide services to patients with chronic kidney failure or end-stage renal disease, and are certified by Medicare. These organizations are owned and operated by groups of nephrologists (doctors who specialize in kidney care and treating diseases of the kidneys), hospitals, or private companies, or through a number of different arrangements, including partnerships between or among the aforementioned parties, joint ventures, or management contracts. A number of regional and national companies enter into these arrangements and provide purchasing, billing, staffing, medical directorship, and other management services. DaVita Kidney Care, one of the largest dialysis companies in the U.S., operated or provided administrative services at 2,625 outpatient dialysis centers located in the United States serving approximately 201,000 patients as of September 30, 2018. It also operates more than 235 outpatient dialysis centers located in 10 countries outside the United States. The individual centers range from as few as six hemodialysis stations to 40 or more; staff includes nurses, technicians, dietitians, and social workers. Larger operations not only have an administrator but supervisory staff.

Health Centers

Nearly 1,400 Health Resources & Services Administration–funded health centers operate at more than 13,000 sites in the country to provide primary care services to underserved communities. The centers provide health care for migrant workers, the homeless, residents of public housing, and the uninsured.

Adult Day Care Centers

Adult day care centers are community-based services that provide an alternative to institutionalization for older adults requiring care and assistance. In addition, they are a means of respite for the caregivers of seniors; the programs operate three to eight hours per day, five days per week. Programs may have as few as 10 participants or as many as 100 or more.

There are two basic models of adult day care, the social model and the medical model. A third model focuses on care for individuals with Alzheimer's disease and related dementia disorders. The social adult day care centers provide social activities, meals, recreation, and some health-related services; they are not generally licensed by the state in which they operate. Medical centers, known as adult day health centers, provide nursing services and physical, occupational, and speech therapy in addition to social activities for individuals with medical problems who otherwise would be admitted to a long-term care facility. These facilities are generally licensed by the state in which they are located. Centers for Alzheimer's and dementia provide specific programs and health services for these conditions and are usually state licensed.

Approximately 4,600 adult day care programs operate in the United States. Approximately 80 percent of the programs are nonprofit and about three quarters are affiliated with a larger health care organization such as a nursing home, hospital, or senior organization. The number of centers will most likely increase as the number of physically and cognitively impaired adults grows.

Long-Term Care Facilities

There are approximately 15,600 nursing homes in the United States. Also known as skilled nursing facilities, these provide nursing services 24 hours per day. Nursing facilities may be hospital-based, either physically located on a hospital campus or owned and operated by a hospital or health system and in a separate location. Other nursing homes are freestanding facilities. In addition, there are state-owned and operated facilities and veterans homes.

Nursing facilities are either not for profit or for profit. For-profit homes may be individually owned, part of a group of nursing facilities (usually between two and 30) in a geographic area, or members of a national chain that operates hundreds of facilities, such as HCR ManorCare. Corporate structures of regional groups and national chains include vice presidents, chief operating officers, chief financial officers, and chief executive officers that oversee operations, finance, purchasing, information technology,

human resources, and other functions. Some national chains operate facilities providing different levels of care, such as assisted living and long-term acute care.

Generally, services provided by nursing homes include long-term care for individuals, mainly elderly, who will most likely remain in the facility for the rest of their lives, and what is known as sub-acute care. This type of care is provided to patients discharged from hospitals who are still too sick to go home and require medical (e.g., intravenous therapy, wound care) and rehabilitation services (physical therapy, occupational therapy, and speech therapy) for several weeks. Many facilities have established separate units for these residents. Nursing homes also care for residents with severe dementia and those who are ventilator dependent. These services are provided on discrete units and require separate state licensure.

Assisted Living Facilities

A rapidly expanding level of care for seniors is assisted living. These facilities provide a long-term care alternative that is a kind of middle ground between independent living and a nursing home. Assisted living facilities (ALFs) provide 24-hour supervision and assistance with personal care and health care services for seniors generally over age 75. Personal care assistance is provided for activities that include dressing, bathing, toileting, eating, communicating, and other needs, such as transferring from a bed to a wheelchair. Residents live in studio, one-bedroom, or two-bedroom apartments, eat three prepared meals in a central dining room, and engage in social, educational, and religious activities in common areas.

In the United States, there are approximately 36,000 assisted living facilities licensed or certified by the states in which they are located. They range in size from 10 units to more than 150 and may be freestanding, or part of a hospital or nursing home campus. ALFs may also be a component of a continuing care retirement community (CCRC), a center that provides independent senior living residences, nursing home care, and assisted living.

Many assisted living facilities are owned and operated by for-profit chains. A number of these chains, such as Kindred, also operate nursing homes and long-term acute care hospitals.

Continuing Care Retirement Communities

The philosophy of “aging in place,” remaining in a safe environment where an individual can live as independently as possible, has contributed to the growth of continuing care retirement communities, also known as life care centers and life care communities. Within a CCRC, a campus with a full range of services, independent living, assisted living, and nursing home residents may transfer from one level of care to another when their condition worsens or needs change, while remaining in a familiar location. Residents enter into a long-term contract for housing, services, and nursing care.

There is a mandatory entrance fee for CCRCs ranging from \$100,000 to \$1 million, and monthly fees vary from \$3,000 to \$5,000, according to AARP. The centers are located on large campuses with high-rise, mid-rise, or single-story buildings, and offer living arrangements from studio apartments to single-family homes. The number of residents in a CCRC ranges from 100 to more than 1,000.

CCRCS are owned by for-profit chains, or sponsored by a nonprofit religious or fraternal organizations. Centers are run by an administrator or executive director who usually has a background in managing a nursing facility, ALF, or other health care organization. A management team similar to that in a nursing facility assists the administrator.

Home Health Care

Home health care agencies provide nursing services, medical social services, medical equipment and supplies, home health aide, and physical, occupational, and speech therapy services in a patient’s home for up to 24 hours per day. Home health aides or homemakers assist with personal hygiene, dressing, and feeding under the supervision of a nurse. These agencies may be operated by a hospital, nursing home, or health system,

freestanding or part of a local or regional company that provides such services. There are more than 12,200 home health services in the United States and the number is growing rapidly, driven by the growth in the number of older individuals with greater health care needs, new medical technology facilitating home care for more conditions, and efforts to replace institutional long-term care with less expensive home care. Eighty percent of these agencies are for-profit entities.

Uppers and Downers

Uppers

- Personally fulfilling. Working collaboratively with a diverse array of professionals and disciplines toward a common goal, the delivery of quality patient care. Health care is extremely important and being a part of providing this service can be very meaningful.
- Strong salaries. While entry-level managers may start at a salary in the area of \$58,000, compensation for chief executive officers in hospitals ranges from \$200,000 to more than \$500,000 annually, depending on hospital size. Executives in hospital and health care systems may earn more than \$1 million per year in total compensation.
- Good benefits. Many health care managers receive additional benefits, such as cars, travel allowances, expense accounts, and paid travel and expenses for conferences, seminars, and meetings. Many managers have the opportunity to earn incentive compensation when achieving pre-established objectives. For example, a nursing home administrator who maintains a 95 percent occupancy rate may receive a bonus equal to 10 percent of his or her base salary. This type of compensation is common, and rewards the manager for good performance.
- Flexibility. The ability to move to and work in almost any part of the country is another positive feature of health care management. Health care managers frequently relocate from one part of a state to another or to other parts of the country. The skills one acquires as a health care manager are generally transferable, allowing the manager to move to a similar organization (from one hospital to another, or one nursing home to another). In addition, the geographic distribution of health care organizations allows managers to work and live in the type of setting they prefer, from urban to suburban to rural. This also provides the opportunity for managers to live in close proximity to their workplace, particularly in suburban and rural locations.
- A diverse set of responsibilities. Over the course of a day, the manager interacts with physicians, nurses, accountants, therapists,

housekeepers, dietitians, food service workers, and, at times, engineers, architects, and government officials. The broad spectrum of disciplines and individuals that the manager encounters makes the job interesting and stimulating.

Downers

- High stress. Increasing financial pressures have placed demands on health care managers to accomplish more with fewer resources. Staff levels are frequently reduced, new equipment may not be readily available, and adhering to budgeted expenses is a requirement of the job. These constraints, coupled with more regulations and public scrutiny of health care, have made the job more challenging and often results in anxiety and frustration for the manager.
- Grueling schedules. Hospital administrators typically work 10 or more hours a day and have evening meetings several times a week. Managers in other settings, such as nursing homes and ambulatory care facilities, work extended hours to a lesser degree but may find themselves on the job for 50 hours or more per week. In addition, many managers are on call on a regular basis. In this capacity, they receive phone calls at night and on weekends when there is a problem that requires intervention (e.g., loss of power in the facility, staffing shortages). At times, the manager may have to come to the facility during non-work hours, particularly if there is a crisis (e.g., job action by a group of employees).
- Lack of ethnic and gender diversity. Although minorities made up 32 percent of hospital patients in 2015, only 11 percent of executive-level leaders and only 19 percent of first- and mid-level management jobs were filled by minorities, according to the Institute for Diversity and Health Equity and the Health Research & Educational Trust. Medical associations have launched initiatives to increase the number of minorities in managerial positions, but the percentage of minorities still is much lower than their representation (about 40 percent) in the U.S. population. Women comprise 65 percent of health care workers, but only 13 percent of CEOs, according to Oliver Wyman's Women in Healthcare Leadership 2019 study.

- Constant learning. The health care industry is undergoing major changes in terms of technology, patient care, organizational structures, and job duties and skill sets for workers (including managers). As a result, managers need to stay up to date throughout their careers by completing continuing education credits, as well as by renewing their certifications or earning new, in-demand designations.
- Bureaucracy. Hospitals and other health care providers often have large bureaucracies—which sometimes makes it hard to get things done.

History

Background

People have cared for the sick and injured and sought cures for illness since the earliest days of humanity. At that time most care was provided by family, members of an individual's tribe, or shamans and priests. Although healers could sometimes devise effective remedies, few diseases were understood, and sickness was often attributed to supernatural or superstitious causes. As civilization progressed, the application of medical care became ritualized. In ancient Greece for example, people visited temples dedicated to the healer-god Asclepius, where they obtained medical advice and were even cured via surgery for conditions such as abdominal abscesses. The first medical school in Greece opened around 700 B.C. Facilities to care for the sick and injured were also founded in ancient India and other regions. Physicians as well as workers similar to modern-day nurses and nurse assistants cared for the ill. Managers probably oversaw the work of these caregivers and the overall operations of the facilities.

During the Middle Ages, more schools pursued the study of medicine, and by the 13th century, numerous hospitals were founded by religious communities. They cared for the sick and injured, but they sometimes also housed poor people and religious pilgrims. The first hospital in the New World was the Hospital of St. Nicholas of Bari, founded in 1494 in what is now the Dominican Republic. Records show that 40 injured Spaniards were likely treated there after the Indian uprising of 1494. The Pennsylvania Hospital was the first hospital in the United States. It was established in Philadelphia in 1751 by Benjamin Franklin and Dr. Thomas Bond. As the practice of medicine became more sophisticated and better organized, a need emerged for dedicated management to administer medical institutions.

The development of modern health care management has largely mirrored the advancement of hospitals and the overall field of health care. Until the late 1800s, most people who were admitted to hospitals were poor and didn't have family to care for them. Wealthy people typically paid for care provided in their homes. In many instances, hospitals could do little for

patients. That changed in the late 1800s and early 1900s. Medical breakthroughs such as anesthesia, antisepsis, antibiotics, improved surgical techniques, and new imaging methods allowed hospitals to more effectively diagnose and treat patients.

The number of hospitals grew quickly. *Careers in Healthcare Management* (Health Administration Press, 2002) reports that “between 1875 and 1925, the number of hospitals in the United States grew from just over 170 to about 7,000, and hospital beds increased from 35,000 to 860,000.” This rapid growth in the number of hospitals created demand for hospital administrators, who were also referred to as hospital superintendents. Physicians, nurses, workers in other fields, and Roman Catholic sisters were appointed to the position of hospital administrator with little or no special training.

The earliest recognition of hospital administration as a separate profession came in 1898 when the Association of Hospital Superintendents was organized. This group, whose membership today includes nearly all the hospitals in the United States, is now called the American Hospital Association. In 1933, the American College of Hospital Administrators (now the American College of Healthcare Executives) was founded to increase the standards of practice and education in the field.

Educational programs were developed to help professionalize the field. The first formal training program in health economics for nurses who worked as superintendents was established at the Columbia Teachers College in New York in 1900. The first graduate program in hospital administration was founded at the University of Chicago in 1934. Since then, bachelors and masters degrees in health care administration and related fields have become common offerings at many universities and other schools.

Also, there have been many laws passed that promote the expansion of the health care industry in the United States. Most recently the Patient Protection and Affordable Care Act of 2010 (often referred to as the Affordable Care Act, ACA) expanded health insurance coverage to more than 20 million Americans and increased demand for health care professionals, including health care managers.

Technology is changing the health care industry by improving diagnostics and therapies and allowing better communication between health care professionals and patients. One major technologically influenced trend is the transition of health care records from paper to digital format, or electronic medical records. This process, as well as the emergence of medical informatics (which involves the mathematical analysis of patient information to improve health outcomes), is creating demand for qualified managers. Data analytics software is increasingly being used to assess worker performance and patient treatment outcomes, and for many other uses. Telemedicine is allowing medical professionals to consult with and treat patients in their homes and other remote locations. The COVID-19 pandemic, which began in late 2019, increased demand for telemedicine services. Forty-eight percent of physicians surveyed by Merritt Hawkins and The Physicians Foundation in April 2020 reported using telehealth to treat patients—up from only 18 percent in 2018.

Defining Events

In the history of any industry, there are milestones—decisions and laws that change the road down which the industry is traveling, improving and regulating its providers and protecting its consumers. The health care system is no different. In the 20th and early 21st centuries, the health care industry made the largest jumps, when the Hill-Burton Act, Joint Commission on Accreditation of Hospitals, Medicare, Medicaid, and The Patient Protection and Affordable Care Act changed the way we receive health care (although Congress has repealed some of its mandates—such as the individual mandate, which required individuals to purchase health insurance or face a tax penalty).

The Hill-Burton Act

The Hill-Burton Act (The Hospital Survey and Construction Act of 1946) provided federal funds for the first time for hospital construction. The purpose of the act was to address the shortage of hospitals resulting from limited construction during the Depression and World War II. The program was a partnership between the federal government and individual states, in which a state received a grant to survey hospital needs. Federal grants were provided to meet identified needs for additional hospital beds, in rural areas for example, which were supplemented by state and local funding.

An amendment to Hill-Burton in 1954 provided grants for construction throughout the country based on lack of availability of existing health facilities for nursing homes, rehabilitation facilities, diagnostic and treatment centers, and chronic disease hospitals. A second amendment in 1964 authorized funds for modernization and replacement of facilities, with priority given to urban areas.

The Hill-Burton program resulted in more rapid growth of hospitals and other health care facilities than at any previous time in history. From 1947 to 1974, more than 11,000 projects were approved, creating more than

490,000 hospital and nursing home beds. In addition, 3,450 outpatient centers and other health care facilities were opened.

The Hill-Burton Act was a major step in government financing and regulation of health care facilities. It not only provided funding for construction, but stimulated the development of standards for design, construction, and operation. Architects, engineers, and hospital administrators were recruited to help design the facilities. The act also mandated maintenance and an operational standard for facilities constructed with program funds. In addition, facilities receiving funding were required to provide community service in the form of free care to those individuals unable to pay.

Comprehensive health planning first appeared as a result of Hill-Burton. In 1964, further amendments to the act established health planning councils throughout the country. These evolved into the state comprehensive health planning agencies established by the 1966 Comprehensive Health Planning and Public Health Services amendments. The purpose of these agencies was to coordinate and control the growth of health care facilities and services.

Joint Commission on Accreditation of Hospitals

The Joint Commission on Accreditation of Hospitals (JCAH) was established in 1951 when the American College of Physicians, the American Hospital Association, the American Medical Association, and the Canadian Medical Association joined the American College of Surgeons to form the organization. Its purpose was to improve safety and the quality of care provided by hospitals through the accreditation process. The 1965 Social Security amendments included a provision that stated that hospitals accredited by JCAH were deemed to meet the conditions for participation (an extensive set of requirements and standards related to care, patient safety, record-keeping, and other areas) in the Medicare and Medicaid programs. Today the entity is known as The Joint Commission, and it accredits and certifies more than 22,000 hospitals, long-term care facilities, psychiatric facilities, community mental health agencies, ambulatory care facilities, home care services, and freestanding laboratories.

The JCAH fostered the growth of performance improvement. Initially known as quality assurance, then quality improvement, this is a systematic approach to data collection and analysis, and the identification and patterns, trends, problems, and issues with subsequent corrective action and follow-up. If, for example, an increase in the number of medication errors is observed an analysis would be performed. This would include the times, shifts, and days of the errors, the personnel involved, the types of medication involved, and how the medication was administered. The system for dispensing, administering, and recording the medication would also be reviewed. In another example of this process, an increase in patient falls would prompt a thorough investigation of the when, how, where, and why the falls occurred, and a review of policies and procedures to prevent falls as well as the need for additional staff training. A new set of health care professionals arose to implement and manage this important function, performance improvement process. Clinicians, nurses, and physicians are at the forefront of a comprehensive review process, and are assisted by managers and staff members in every department and function of an organization.

Title 18, Medicare, and Medicaid

Another major milestone in the history of health care was Title 18 of the Social Security Act of 1965. This created the Medicare program, providing health insurance for those 65 and older. Part A of Medicare insurance covers hospital stays, post-hospital care, and home health care. Medicare Part B, which is voluntary for those eligible for Medicare and which one may elect or not elect to receive as a benefit, covers physician care and outpatient services. The enactment of Medicare enabled older individuals to receive more health care services. As a direct consequence of Medicare, hospital admissions increased substantially, as did the number of admissions to nursing homes and related facilities.

The Medicare program was also responsible for the development of the utilization review process to eliminate unnecessary hospitalization, thereby reducing the cost of care. Hospitals established utilization review committees for this purpose and to educate physicians through peer review and discussions at clinical department meetings and medical staff meetings

regarding proper utilization of resources and medical care. In effect, these committees—comprised of physicians, nurses, and other clinicians—also began to examine and improve the quality of care provided to patients. Adherence to these standards is determined through a survey by the federal agency administering the Medicare program, a division of the Department of Health and Human Services, which is today known as the Centers for Medicare and Medicaid Services.

Medicaid was created by Title 19 of the Social Security Act of 1965, the purpose of which was to provide funding for the medical care of needy and indigent people. Medicaid is a state-administered program, with the federal government paying up to 50 percent of its cost. Medicaid, as did Medicare, greatly increased demand for health care services, thus driving up cost. Medicaid is a major source of reimbursement to nursing homes, as it pays for the care of needy elderly individuals in these facilities after Medicare, which only pays for 100 days, is exhausted.

Managed Care: The Birth of HMOs

A major development in the history of health care was the emergence of managed care. In response to escalating costs and overutilization of services, a new form of health care delivery, the health maintenance organization (HMO) appeared. The HMO sought to integrate and coordinate all levels of health care services, from physician office visits to hospital care, and to promote preventive and primary care. All services were provided for a fixed monthly fee per enrollee, often called capitation, to the providers of care. Because of the fixed payment, the HMO provided an incentive to doctors and hospitals to avoid unnecessary services and to reduce the cost of care. In 1973, the federal government passed the Health Maintenance Organization Act to stimulate the growth of HMOs.

HMOs were the precursor to other forms of managed care. Many different models and variations have appeared in an attempt to reduce unnecessary utilization of services, lower costs, and improve quality of care. Preferred provider organizations (PPOs) and point of service (POS) plans are two widely used models. Today the vast majority of physicians, other health care providers, and almost all hospitals have contracts with managed care

organizations. These contracts specify covered services, the pre-authorization process for certain procedures, fees, and payment terms. The complexity of the arrangements with the managed care organizations, the different managed care products, the large number of these organizations, and relationships among providers led to the creation of a new management role, the director of managed care. In many hospitals and health care organizations, these individuals negotiate and interpret managed care contracts and develop business relationships among providers of health care services. The managed care organizations also employ managers and staff members to negotiate and administer contracts with providers of care. Consultants with backgrounds in finance and insurance assist hospitals in obtaining the reimbursement they are due from the managed care organizations with whom they contract.

The Patient Protection and Affordable Care Act

The Patient Protection and Affordable Care Act (often referred to as the Affordable Care Act, ACA) was signed into law by President Obama on March 23, 2010, after heated debate between Congressional Democrats (who mostly voted for the proposed law) and Republicans (all of whom voted against it or abstained from voting). It is the most significant regulatory overhaul of the U.S. health care system since the passage of Medicare and Medicaid. Major goals of the ACA include:

- Improving quality of medical care and the reduction of health care costs
- The establishment of consumer protections (e.g., insurance companies can no longer deny coverage to people with pre-existing medical conditions, nor can they put a lifetime limit on payouts)
- Increasing the number of people (based on their annual earnings) who received coverage through Medicare
- The creation of a health insurance marketplace
- Holding insurance companies more accountable for pricing (insurers must justify any premium increase of 10 percent or more before the new rate takes effect)
- Increased access to health insurance for young people; children can receive health insurance under their parents' policies until age 26

The ACA required that all Americans who were not already insured purchase health insurance, receive an exemption, or pay a tax penalty on their federal income taxes (this mandate was repealed by Congress in 2017).

In June 2012, the U.S. Supreme Court upheld the ACA and ruled most of its provisions constitutional, but stipulated that the expansion of Medicare (which would increase the number of people who are insured) is an option for states, not a mandate (as previously indicated in the ACA).

The ACA remains highly controversial, with some believing that it puts undue expectations on people to purchase health insurance, in some cases paying for levels of coverage they don't want or need, and to meet other new rules. The Republican-led Congress repeatedly tried to repeal the ACA in 2017, without success, but did manage to repeal the individual mandate (which required individuals to purchase health insurance or face a tax penalty) and other elements that were unpopular with some Americans. In 2020, a coalition of Republican state attorneys challenged the law, filing a brief with the Supreme Court. The court is expected to rule on the case in spring or summer of 2021.

Despite the ongoing controversies, the ACA has increased the number of people with access to health care. According to the U.S. Census Bureau, approximately 48.6 million (or 15.7 percent of the U.S. population) were uninsured before the passage of the ACA in 2010. A 2016 study by the Centers for Disease Control found that the uninsured rate had fallen to 9 percent under the ACA (the lowest uninsured rate in 50 years). An obstacle to success for the ACA has been the sharp rise of costs to consumers in some regions and health exchange, with premiums increasing much faster than projected year to year. Also, insurance companies have withdrawn from some markets to avoid profit losses, leaving consumers with few options.

As the number of insured Americans has grown, demand has increased for health care managers, physicians, nurses, and allied health professionals. The law has also created new opportunities for accountants, lawyers, and consultants. If Congress continues to cut provisions in the ACA, more

people will become uninsured and the number of health care professionals could decline.

Some states legislatures have attempted to re-introduce discontinued aspects of the ACA or pass other laws that protect consumers (such as the individual mandate or banning the sale of short-term health insurance that provides very low levels of coverage to patients). “Without question, I think we’re going to see a natural experiment in the states and a growing divergence in outcomes,” said Sabrina Corlette, a research professor founder, and co-director of the Center on Health Insurance Reforms at Georgetown University’s McCourt School of Public Policy.

The COVID-19 Pandemic

In late 2019, the coronavirus COVID-19 was detected in China and quickly spread to more than 210 countries, causing tens of millions of infections, hundreds of thousands of deaths, and massive business closures and job losses. In the short-term, the COVID-19 pandemic negatively affected the health of individuals; employment opportunities at businesses, nonprofits, and government agencies; and daily life and the job search process. It also had a major effect on the health care industry. Hospitals and health systems lost \$206.6 billion in revenue from March 1 through June 30, 2020, as a result of the pandemic, according to the American Hospital Association. Some of the other major developments in the health care industry related to COVID-19 included:

- Massive demand for emergency care services in many areas, which severely stressed emergency rooms and health care staff
- Shortages of critical-care nurses and physicians, respiratory therapists, and other health care professionals
- Shortages of ventilators, personal protective equipment for health care workers, and other equipment and supplies—and an increase of the cost of these items
- Cancellation of elective surgeries and other medical procedures, which created layoffs of health care workers who provided these procedures; many of these procedures were financially lucrative in nature, and their

postponement or cancellation reduced profits for hospitals and other care providers

- The increasing use of telemedicine to treat patients who did not need in-person health care
- The increasing use of “hospital at home” programs, which utilized portable medical treatment, communications technology, and visits by paramedics, nurses, and doctors.

Some health care workers in human resources, billing, and other areas were forced to work from home, while others (such as doctors and nurses) were unable to do so and faced extremely demanding work conditions and an increased risk of illness and even death as a result of potential exposure to COVID-19. As of July 24, 2020, more than 100,000 health care workers had been infected in the United States alone and nearly 550 had died from COVID-19, according to Statnews.com.

The job search process also changed during the pandemic. Many health care employers conducted job interviews and career fairs and other recruiting events online. Some health care sectors (including those that offered elective surgeries and procedures) laid off employees and rescinded or delayed job offers to new hires.

The COVID-19 pandemic forced health care managers to reassess staffing, health care delivery methods, the use of technology to reduce costs and save time, safety protocols, hospital and other health care facility design, and many other aspects of the health care delivery system. They also sought to develop risk management and emergency response protocols for future pandemics because, while COVID-19 was the first virus in 100 years to have a worldwide effect, it is clear that it will not be the last.

State of the Industry

Structure

To understand the roles and responsibilities of health care managers, you have to go behind the scenes to look at the corporate structure of the health care provider itself and understand how hospitals and other health care providers are organized, their corporate hierarchies, and the roles their managers play.

Hospital Management

Hospital Systems

The mergers and acquisitions that created hospital systems and the diversification of them into other levels of care also led to centralized system and corporate structures. These organizations' executives are usually at the vice president level and have responsibility for the entire system, overseeing and coordinating the operations of the system members, hospitals, nursing homes, and physician practices. Centralized services are typically finance, human resources, materials management, information services, and business development.

Many systems have also centralized other services and departments, ranging from support areas of environmental and maintenance services, to clinical areas such as respiratory therapy and rehabilitation services. In these organizations, a corporate director and sometimes assistant directors are hired to oversee the operations of the clinical service in all of the company's settings. Corporate services are housed at one of the system's facilities or in separate office spaced leased or owned by the system.

Triad-Governing Board

Regardless of the ownership, control, or type of services a hospital provides, most hospitals are organized in the same manner. The traditional model for hospitals is a triad consisting of a governing board,

administration, and the medical staff. Although the roles of these entities have grown and changed in recent years, each still retains basic responsibilities.

The governing board or board of trustees of a hospital or health systems has fiduciary responsibility for the organization. They must ensure that the organization is compliant with all applicable laws and regulations, is run in a financially sound manner, provides quality care, and meets the health care needs of the community. Initially, hospital board members were primarily philanthropists who donated large sums of money for building projects and the establishment of new services and programs. As health care and hospitals grew larger and more complex, trustees with financial, legal, political, and technical expertise joined boards. Increasingly, more physicians have become board members to assist in planning and policy decisions involving complicated medical issues. The hospital or system chief executive officer is usually a member of the governing board, either as a full voting member or ex-officio.

One of the major duties of the governing board is to hire a chief executive officer, who in turn hires the members of the executive staff. The executive staff, the chief financial officer, the chief operating officer, and the various vice presidents (of nursing, human resources, operations, etc.) are responsible for hiring the directors and managers (often called department heads) of the support (housekeeping, maintenance, food service), and ancillary (laboratory, radiology, respiratory therapy) departments. There are also numerous nursing managers for areas such as the inpatient units, operating room, and emergency room. The department heads recruit supervisors to help carry out their functions.

Committees

The medical staff elects officers to oversee their functions, such as credentialing new physicians and quality reviews, and work with the governing board and administration of the hospital to meet community health needs and ensure a high quality of care. This is accomplished through a committee structure; physician committees to review and make recommendations regarding different aspects of care (for example,

pharmacy, and therapeutics committee for medication use, transfusion committee to review blood usage), and administrative committees (long range planning committee, equipment committee) that include administrative staff and sometimes members of the board. The medical staff offices generally consist of a president, vice president, treasurer, and secretary. The medical executive committee consists of the officers, the clinical department (medicine, surgery, pediatrics) chairs, and several at-large members elected by the medical staff. This body is responsible for the review and approval of applications for membership to the medical staff, monitoring medical care, and developing medical staff policy and procedures.

Service Line Models and Matrix Structures

There are hospitals and health systems that are organized around a service line model. With this approach, major clinical services that the organization provides, such as cardiology, obstetrics, and orthopedics, have separate structures reporting to a service line director who in turn reports to a vice president, chief operating officer, or the chief executive officer. The service line model strengthens the focus on a specific clinical area and often results in increased profitability and improved quality of care outcomes.

The complexities of reporting relationships, one manager reporting to two or more higher level managers (for example, a cardiology service line director reporting to the chief operating officer for administrative matters and the vice president of nursing for clinical matters) in an organization utilizing this approach frequently leads to what is referred to as a matrix structure. Tables of organization in this type of structure often reflect dual reporting relationships and contain dotted lines that define a collaborative relationship (e.g., the orthopedic service line director and the vice president for ambulatory care) between two individuals.

Long-Term Care

Nursing homes are organized much the same way as hospitals, but on a smaller scale. Nursing facilities are required to have a governing body, usually composed of community members, or designated individuals who

perform this function. The governing body develops and implements policies and procedures for the operation of the facility and appoints an administrator licensed by the state to manage the facility.

Governing Boards

There are several types of governing boards. Single facility boards oversee homes that are owned by a single individual, partnerships, or run by a hospital or religious organization. Corporate boards direct regional groups of facilities or national chains. Many of the national chains are public companies with shareholders and therefore focus heavily on earnings, profits, and stock prices. State facilities and veterans' homes have board members who are political appointees. In each of these scenarios, the nursing home administrator is responsible, either directly or through a corporate structure, to the governing board.

Nursing Home Management

The management of a nursing home consists of the administrator, associate or assistant administrators, director of nursing, medical director, and managers of the individual departments. Larger nursing homes (more than 150 beds) usually have an associate or assistant administrator responsible for specific departments and functions. The director of nursing is a key member of the management team as the head of the largest department, and along with the medical director, the primary person responsible for quality of care and clinical decisions. The department managers include directors of rehabilitation, social services, admissions and marketing, staff development, food service, housekeeping, maintenance, activities, and the business office.

Assisted Living Facilities

The management of an assisted living facility consists of an administrator, a nursing or wellness director, and several department managers. Department heads are generally an activities director, a food service manager, an environmental services director, and a marketing director. In many states,

the administrator must be certified by meeting specific educational requirements and passing a written examination.

Adult Day Care Facilities

Managers or directors of adult day care centers come from a number of backgrounds, including social services and nursing. Nursing, social work, activities, therapy, dietary, transportation, and bookkeeping staff report to the director. Larger programs may also have a marketing director.

Home Health Care Facilities

Directors of home care services tend to have a nursing background. Corporate structures in larger regional companies include positions such as vice president of operations, vice president of business development, chief financial officer, and director of clinical services. Many of those filling corporate positions come from a management or business background.

Long-Term Acute Care Facilities

The management of a long-term acute care facility (LTAC) takes on several forms. Those in an acute hospital may be operated by that hospital or owned and operated by an outside company. These outside operators are long-term care companies that may own nursing homes, assisted living facilities, home care agencies, rehabilitation hospitals, and other units within acute care hospitals. There are also arrangements through which an acute care hospital owns LTAC units and contracts with a management company to operate it.

LTACs have their own management structure with a board of directors, executive director or administrator, chief financial officer, and department heads. Regional and national companies (e.g., Kindred) operating LTACs have regional directors of operations, marketing, and business development in addition to corporate executives. The rapid growth of these facilities will create new management positions at the facility, regional, and corporate levels.

Physician Group Practices

Today, more physicians are involved in some aspect of management, including planning and business development (new services, programs, and the growth of existing services), clinical effectiveness (achieving desired patient outcomes), and resource management (using appropriate tests, procedures, treatments and hospital stays, and reducing unnecessary ones). New areas of management specialization include managed care and organizational development, and initiatives on a positive culture that promotes productivity, teamwork, and employee satisfaction. More than ever before, the need for talented managers with a multitude of skills is an imperative for any hospital or health system to be a successful organization.

Independent Practice Associations

Physician groups have several organizational structures. A common type is the independent practice association (IPA). Formed to achieve economies of scale through the pooling of resources, such as office staff and group purchasing, and to negotiate insurance contracts, these organizations preserve the autonomy of each physician member while providing economic benefits. Managed care contracts may be on a fee-for-service basis or capitated, which means that the physicians receive an agreed-upon monthly payment per member for the provision of medical care. Under capitation contracts, the physicians assume some risk because the level of utilization of the insured members varies; some patients may visit several times a month and others once a year.

IPAs can often consist of hundreds of physicians in numerous specialties, are organized through a legal process and are directed by the physician members, often through elected officers. Depending on the size of the IPA, a number of management staff are employed to review and negotiate contracts with insurers, review physician credentials, develop referral processes (from one member of the IPA to another), monitor reimbursement, and oversee utilization and quality assurance.

Physician Hospital Organizations

Another structure that attempts to align the interests of physicians and hospitals is the physician hospital organization, or PHO. Developed to secure favorable managed care contracts through increased leverage (i.e., a large group of physicians and a hospital that provides services to a sizeable population in a geographic area should, in theory, be able to secure more favorable payment from the managed care organizations), these organizations are legal entities managed by physicians and members of the hospital's administration. As with IPAs, they attempt to negotiate fee-for-service and capitation contracts. The scope and complexity of hospital services (operating rooms, emergency rooms, laboratory, radiology, cardiac diagnostic tests), however makes the negotiation of capitation contracts much more difficult. How to incorporate these services in terms of cost and projected utilization by patients is an issue in contract negotiation. Providing administrative services, such as billing and claims management, to IPAs and PHOs are entities called management services organizations. Health care managers generally run these organizations and, depending on the size of the business, may have other managers reporting to them.

The Business of Physician Practices

In the 1980s and 1990s, hospitals and private companies (e.g., PhyCor) began to acquire physician practices in an attempt to increase leverage (by attempting to gain control of large numbers of physicians in a geographic area) with managed care companies, position themselves for capitation or risk contracts (having a wide array of specialists would enable them to provide more comprehensive services and attract more members), and in effect increase control of the markets they served. The demand for physician practices on the part of hospitals that wanted to secure them before a competing hospital or physician practice company did drove up purchase prices. Many doctors received lucrative buyouts for their practices and/or long-term contracts with guaranteed income. Hospitals employed managers with expertise in physician practice management to oversee the contracts and run the business components, billing, purchasing, contracting and staffing of the physician offices.

Physician Practice Management Companies

In the early 1990s, large national organizations known as physician practice management companies (PPMCs), such as MedPartners, emerged and began purchasing practices throughout the country. Founded on the concept that they could link independent practices and increase revenue while reducing expenses, these companies grew rapidly and many went public. Physicians sold all or part of their practices, often in exchange for stock in the PPMC. The companies promised more favorable managed care contracts, access to capital (for renovation and expansion of offices and equipment purchases), sophisticated computerized clinical information services, and professional management. The popularity of PPMCs peaked in 1998. Managed care companies found other physicians to contract with and in many cases, the office management provided was spread too thin and therefore proved ineffective: company stocks were overvalued, having been driven up solely by the rapid acquisition of practices, and many of the companies went bankrupt or out of business, leaving physicians with virtually worthless stock.

Today, there is a resurgence of PPMCs. “Physician groups are favored targets of PPMs,” according to *Becker’s Hospital Review*, “and even more hospitals and health systems are on the hunt. “Approximately 40 percent of physicians today are either hospital employees or employees of a practice owned by a hospital or health system.” These PPMCs employ management staff to run their operations, manage their finances and, in the case of certain specialty groups that contract with hospitals—such as emergency physicians—market their services.

Snapshot of the Industry Today

More than 394,000 health care managers are employed in the United States, according to the U.S. Department of Labor (DOL). The following sectors were the largest employers of health care managers in 2018:

- hospitals (state, local, and private): 33 percent
- offices of physicians: 11 percent
- nursing and residential care facilities: 10 percent
- government health care facilities: 8 percent
- outpatient care centers: 7 percent.

Employment for medical and health services managers is expected to grow by 18 percent from 2018 to 2028, according to the DOL, or much faster than the average for all careers. The health care management industry parallels that of the overall health care industry. It consists of the following segments, all of which employ managers:

- hospitals
- nursing and personal care facilities
- physicians' offices and clinics, dentists, and other health care practitioners
- home health care services (including hospices)
- outpatient care centers
- medical and dental laboratories.

Health care facilities are owned and operated by for-profit companies, religious and other nonprofit organizations, and government agencies at the local, state, and federal levels. Health care managers also interact with many ancillary organizations to help deliver quality health care. These organizations include insurance companies, Medicare or Medicaid, medical contractors, consulting firms, and medical supply companies. Some health care managers transition into these industries after gaining experience.

There were 6,146 registered hospitals in the United States in 2016, according to the American Hospital Association. These included 5,198 hospitals classified as community hospitals. Of these, 2,937 were non-government and not for profit; 1,296 were investor-owned, for-profit hospitals; and 965 were state and local government hospitals. The data analytics firm Statista reports that the top U.S. for-profit hospital operators based on number of hospitals in 2019 were:

1. HCA Healthcare: 185 hospitals
2. Ascension Health: 151 hospitals
3. CommonSpirit Health: 142 hospitals
4. Community Health Systems: 105 hospitals
5. Trinity Health: 92 hospitals
6. LifePoint Hospitals: 86 hospitals
7. Tenet Healthcare Corporation: 65 hospitals
8. Vibra Healthcare: 65 hospitals
9. Providence Health and Services: 51 hospitals
10. Atrium Health: 50 hospitals

In 2016, there were approximately 15,600 nursing homes in the United States, according to the Centers for Disease Control and Prevention (CDC). These homes had 1.3 million residents in 2015 and 1.7 million available licensed beds in 2016. Approximately 69 percent of nursing homes had for-profit ownership. According to the data analytics firm IQVIA, the leading nursing home chains in the U.S. by number of nursing homes in 2018 were:

1. Genesis Healthcare Corp: 426 nursing homes
2. HCR Manorcare: 239 nursing homes
3. Life Care Centers of America Inc.: 214 nursing homes
4. Sava Senior Care LLC: 201 nursing homes
5. The Ensign Group Inc.: 169 nursing homes
6. The Evangelical Lutheran Good Samaritan Society: 156 nursing homes
7. Consulate Health Care: 155 nursing homes
8. Signature Healthcare LLC: 114 nursing homes
9. Golden Living: 114 nursing homes
10. Trilogy Health Services LLC: 103 nursing homes

In 2016, there are more than 12,000 home health agencies in the United States, according to the CDC. These organizations provided services to 4.5 million patients. Approximately 81 percent of nursing homes had for-profit ownership. According to LexisNexis Risk Solutions, the largest home care chains in the U.S. by number of nursing homes in 2019 were:

1. Kindred at Home
2. Amedisys Inc.
3. LHC Group Inc.
4. Encompass Home Health & Hospice
5. Accentcare
6. Brookdale Senior Living Solutions
7. Bayada Home Health Care
8. Trinity Health at Home
9. Elara Caring
10. Interim HealthCare

There are more than 5,400 ambulatory surgery centers (ASCs) in the United States performing an estimated 30 million surgeries annually. According to the healthcare transaction advisory firm VMG Health, the top ambulatory surgery center chains by number of facilities owned as of December 31, 2018, were:

1. Envision Healthcare: 261 facilities
2. United Surgical Partners International: 255 facilities
3. Surgical Care Affiliates: 219 facilities
4. Surgery Partners: 125 facilities
5. HCA Healthcare: 123 facilities

Below are some of the better-known organizations that wield a major influence in the health care administration world:

- The American College of Healthcare Executives is an international professional society of health care executives with more than 48,000 members who lead hospitals, health care systems, and other health organizations. It offers certification, continuing education classes, publications (such as *Healthcare Executive*), membership for college

students and professionals, and excellent job-search and networking resources and programs.

- The American Health Information Management Association is the premier association of health information management professionals. Its more than 103,000 members are dedicated to the effective management of personal health information required to deliver quality health care to the public. The association offers a variety of certifications, including the Registered Health Information Administrator designation.
- The American Hospital Association (AHA) is the national organization that represents and serves all types of hospitals, health care networks, and their patients and communities. Nearly 6,150 hospitals, health care systems, networks, and other providers of care come together to form the AHA. The AHA also offers several personal membership groups, including the American Society for Healthcare Human Resources Administration, American Society for Healthcare Risk Management, and the Association for Health Care Resource & Materials Management.
- The American Organization for Nursing Leadership (AONL) is the national organization of nurses who design, facilitate, and manage care. The organization, which has more than 10,000 members, provides leadership, professional development, advocacy, and research in order to advance nursing practice and patient care, promote nursing leadership excellence, and shape public policy for health care. The AONL offers the following certification designations: Certified in Executive Nursing Practice and Certified Nurse Manager and Leader.
- The American Public Health Association is the oldest, largest, and most diverse organization of public health professionals in the world and has been working to improve public health since 1872. It publishes the *American Journal of Public Health* and *The Nation's Health* newspaper.
- The Healthcare Financial Management Association (HFMA) is the nation's leading membership organization for health care financial management executives and leaders. More than 56,000 members—ranging from CFOs to controllers to accountants—consider HFMA a respected thought leader on top trends and issues facing the health care industry. HFMA members can be found in all areas of the health care

system, including hospitals, managed care organizations, physician practices, accounting firms, and insurance companies.

- The Healthcare Information Management Systems Society is a “global advisor and thought leader supporting the transformation of the health ecosystem through information and technology.” It represents more than 80,000 individual members, 480 corporate members, 470 nonprofit partners, and 650 health services organizations.
- The Medical Group Management Association represents more than 58,000 administrators and executives in 12,500 health care organizations. It offers certification, continuing education opportunities, and membership options for students and professionals.

Current Trends and Issues

As the health care system continues to evolve in terms of the delivery of services, new laws (or revisions to existing ones such as the Affordable Care Act), and the mechanisms through which care is financed, job duties and required skills (in areas such as performance improvement, data analytics, strategic planning, information technology, and financial analysis) for health care managers are also changing. Major trends that have impacted the health care industry include:

- mergers and acquisitions of health care providers, including hospitals, nursing homes, physicians practices, and home care agencies
- an increase in the provision of services in an outpatient as opposed to an inpatient setting
- the development of health care networks providing different levels of service, from preventive care and outpatient diagnostic services to inpatient hospital and long-term care services
- the growth of managed care
- the emergence and proliferation of specialty niche providers of care, such as renal/dialysis, cardiac and cancer care
- the development of clinical service lines or product lines in specialty areas such as women's and children's care, rehabilitation, and cardiac services
- the expansion of long-term care services, including assisted living in response to an aging population
- the growth of medical management to control utilization of services and improve quality of care
- the closure of more than 120 rural hospitals since 2010, according to The Chartris Center for Rural Health and iVantage Health Analytics; the results: worse health outcomes for rural residents and challenges for the managers and other staff at surviving rural facilities
- increased emphasis on customer service and satisfaction
- shortages in professional staff, such as physicians, nurses, and pharmacists

- the role of information technology in the diagnosis and provision of care as well as by consumers to obtain information and data regarding treatment options and the performance of hospitals, nursing homes, and physicians; the development of pay-for-performance systems to reimburse providers of care
- the transition of the U.S. health system from a volume-based to a value-based care model

Each of these trends has and will impact the requirements and regulations that health care managers must comply with, and in turn, the knowledge base managers need to possess. The following paragraphs take a look at some of these trends in more detail.

The Expansion of Long-Term Care Services

There were approximately 15,600 nursing homes in the United States in 2016, with about 1.7 million beds. The aging of the population in the U.S. will dramatically affect the need for long-term care services. In 2000 there were approximately 35 million people in the U.S. over age 65, according to the U.S. Census Bureau. By 2034 that number is expected to increase to 77 million. The number of people age 85 and older is expected to increase from 4.2 million in 2000 to almost 9.6 million in 2030. Now approximately 25 percent of individuals over age 85 reside in nursing facilities. The need for additional nursing home beds or alternate types of long-term care is evident.

The Shift to Outpatient Settings

Driven primarily by skyrocketing health care costs and the development of new technology, health care services continue to shift from inpatient to outpatient settings. The cost of providing care on an outpatient basis as opposed to an inpatient or hospital setting is often less than half, due in large part to the very high overhead costs in hospitals related to their capital expenses (the cost of construction, renovation, and high-technology equipment); their 24-hour, 365-day operation including, in many cases, emergency rooms; and in some part, operational inefficiencies. The growth

of ambulatory surgery centers is one example of this change. Many surgical procedures in specialties such as ophthalmology (e.g., cataract surgery), podiatry, urology, and gynecology that were previously performed in hospital operating rooms are now done in hospital-based or freestanding surgical centers. Patients at these facilities generally go home the same day as surgery. New technologies, equipment, procedures, and techniques have made the growth of ambulatory surgery possible.

Hospital systems are also getting into the act by creating (or purchasing) outpatient care facilities to reduce costs and increase revenue. Forty-seven percent of hospital revenue is now generated from outpatient care, according to the 2018 white paper, *Healthcare Trends*, from the recruiting firm B.E. Smith.

Medicare and other insurers have promoted same day surgery by changing their reimbursement policies, whereby certain procedures will only be paid at an ambulatory surgery rate and will not be reimbursed if performed in an inpatient setting. These changes have led to the development of ambulatory surgery centers at the vast majority of hospitals with surgical services in the United States, and the development of freestanding surgery centers in communities throughout the country. There are more than 5,800 ambulatory surgery centers (ASCs) in the United States today, according to the Ambulatory Surgery Center Association—up from only about 1,000 ASCs in 1988. ASCs perform an estimated 30 million surgeries annually.

These new facilities have prompted the creation of new management roles, including nurse managers, ambulatory surgery center directors, business managers, and administrators of these centers. The need for operational efficiencies, high levels of patient satisfaction, and effective financial management in terms of cost control and negotiation, and management of insurance contracts and reimbursement have created a new kind of manager—a surgi-center specialist.

Similar changes continue to take place with regard to outpatient treatment centers, diagnostic centers, and procedure centers. Utilization and quality review organizations, under contract with Medicare and Medicaid and managed care (insurance) organizations, monitor appropriate utilization of hospitals' services and often deny payment of services provided in a

hospital that they have determined could have been provided in an outpatient setting. Outpatient dialysis; radiation therapy; cardiac diagnostic services such as cardiac stress tests and angiography; MRIs; and CT scans are examples of these services. As with ambulatory surgery centers, these outpatient centers have generated a need for health care managers with expertise in these areas.

Emergence and Proliferation of Specialty Providers

As health care became increasingly complex from the 1970s forward, in terms of new technologies, medical research, new modalities of treatment, greater physician specialization, and complicated reimbursement and financing mechanisms, specialty providers emerged. These providers of health care services, such as renal/dialysis, cardiac care, orthopedic care, and cancer care, utilized clinical, technical, and financial expertise in the area of specialty to develop service and facilities that were on the cutting edge of treatment. At the same time, many hospitals and health systems chose not to continue to provide these services and entered into affiliation agreements with specialty providers through which patients requiring these services are referred. Other hospitals and health systems elected to create their own specialty niches by forming clinical service lines and in many cases developing separate institutes and facilities for specialty care. Expect this trend to continue as hospitals (especially for-profit chains) maintain their emphasis on watching their bottom lines and focus on providing services that generate the most revenue.

Mergers, Acquisitions, and New Career Paths

As expenses have increased due to costly new technologies and medications, and rising labor rates, hospitals and other health care facilities are seeking easy ways to reduce costs and increase revenue. Mergers and acquisitions are intended to provide more leverage with managed care companies, negotiate higher payment rates, and realize economies of scale in the form of merged services, the elimination of duplicative services and positions, and create greater purchasing power with vendors.

They are also being initiated to achieve strategic initiatives, including clinical excellence through the integration of research programs, medical education programs and physician expertise, and enhancing the reputation of health care providers. Merged institutions also seek to keep referrals within their system, thereby generating more volume and revenue. For example, a hospital system with a cardiac surgery service at one site might encourage all physicians at all the hospitals in the system to refer cases to the cardiac surgeons at the hospital with the cardiac surgery service. Merged entities also offer greater opportunity for branding, a marketing strategy through which they establish an identity that helps differentiate them from competitors and serves to form a connection to consumers. Health care systems that have employed this approach often have logos and tag lines, such as “your care is our only concern,” to increase consumer awareness and use of the system and its services. Finally, the development of health systems through mergers and acquisitions has facilitated the formation of clinical service lines, also called product lines or centers of excellence. By pooling clinical and financial resources, systems have created areas of clinical expertise that are extensively marketed to consumers.

The bottom line: look for the merger and acquisition frenzy to continue as large health care providers seek a competitive edge and an increase in profits as smaller facilities and systems struggle to compete in a bigger-is-better market. Mergers and acquisitions will reduce the number of health care managers in some instances, but new career paths are emerging to create demand. For example, *chief medical information officers* are increasingly being hired to manage cutting-edge technology and develop and implement data analytics strategies. Many large hospitals are hiring *chief experience officers*, to assess and improve customer service and the overall patient experience; *chief transformation officers*, physician executives who work with the heads of various departments across the hospital to identify opportunities for clinical performance improvement, integration, and coordination of care across the health care continuum; and *chief integration officers*, who work to integrate new technology, new departments, or entire companies into an existing health care provider.

Health Care Industry Disruption

An increasing number of companies (many not health-related) are making inroads into the health care industry and competing with existing providers. As a result, the lines are blurring between traditional market segments such as insurance, pharmaceuticals and health care providers. For example, more than 90 startups and established companies (such as IBM, Microsoft, and Google) are working on artificial intelligence applications in health care, according to *Medscape Medical News*. In 2017, the drugstore giant CVS Health purchased Aetna, one of the largest health insurers in the United States. “The transaction...reflects the increasingly blurred lines between the traditionally separate spheres of a rapidly changing industry,” according to the *New York Times*. “It represents an effort to make both companies more appealing to consumers as health care that was once delivered in a doctor’s office more often reaches consumers over the phone, at a retail clinic, or via an app.” Another example of this industry blurring occurred when UnitedHealth Group, one of the largest insurers in the U.S., purchased a large physician group from DaVita, a large for-profit chain of dialysis centers. Its goal was to build a large ambulatory care business.

In 2018, Amazon, JP Morgan Chase, and Berkshire Hathaway announced that they would create an independent, nonprofit health care company for their employees. In March 2019, the companies announced that the new company would be called Haven (<http://www.havenhealthcare.com>). In a statement at Haven’s Web site, CEO Atul Gawande, M.D., M.P.H. said the following about the evolving company: “We’ll start small, learn from the experience of patients, and continue to expand to meet their needs.” [Haven will be an] “advocate for the patient and an ally to anyone—clinicians, industry leaders, innovators, policymakers, and others—who makes patient care and cost better.” Although it is too early to say what the ultimate form the Haven will take, it is clear that whatever action they take (e.g., getting into the health insurance market, using technology to reduce the cost and efficiency of health care, negotiating reduced health care costs for their workers, etc.) will create ripples throughout the industry. These are not the first large companies that have sought more direct control over their employees’ health care. Walmart and Caterpillar have both tried to reduce the cost of health care for their employees, but Amazon (logistics and technology), Berkshire Hathaway (insurance), and JPMorgan Chase

(finance) have individual strengths that, when combined, may generate results.

It is uncertain how these moves will ultimately affect the health care industry. They may cause management positions at traditional health care providers to be lost, while creating new ones at pharmacies, corporate-created health plans, and in other settings.

From Volume-Based to Value-Based Care

“The evolution of the U.S. health system from volume-to value-based care is under way,” according to professional services firm Deloitte. “In the United States, the shift toward value is being accelerated by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), which offers significant financial incentives for health care professionals to participate in risk-bearing, coordinated care models and to move away from the traditional FFS system.” The current volume-based system financially rewards (through Medicare and Medicaid) physicians and health care providers for seeing more patients and conducting more tests and procedures. “One result of this payment based on volume model is enormous variation in rates of procedures and tests such as imaging and screening,” says Dartmouth-Hitchcock, an academic health system that serves patients across New England and a national leader in patient-centered health care. “There is a 2.5-fold variation in Medicare spending nationally, even after adjusting for differences in local prices, age, race, and underlying health of the population. This geographic variation in spending is unwarranted; patients who live in areas where Medicare spends more per capita are neither sicker than those who live in regions where Medicare spends less, nor do they prefer more care. Perhaps most surprising, they show no evidence of better health outcomes.”

Faced with these challenges, the health care industry is gradually moving toward a value-based care model in which data analytics are used to assess the effectiveness of treatments and physicians and other health care providers work more closely with patients regarding their care (i.e., discussing the cost of the procedure and spending more time describing the expected results and potential complications of the therapy, procedure, or

treatment based on concrete data). Dartmouth-Hitchcock describes this process as “employing evidence-based medicine and proven treatments and techniques that take into account the patients’ wishes and preferences,” and with an outcome for patients translating into “safe, appropriate, and effective care with enduring results, at reasonable cost.” The transition from volume to value-based care is prompting several occupational changes. Chief financial officers, chief nursing officers, and chief executive officers will increasingly be expected to have more clinical and financial expertise than previously required. The use of data analytics will create demand for chief information officers or, as they’re sometimes known in the health care industry, chief medical information officers. The global healthcare/medical analytics market is expected to reach \$53.65 billion by 2025, up from \$5.8 billion in 2015, according to a 2018 study by Grand View Research, Inc. The market research and consulting company says that “hospitals are now using healthcare analytics to manage the number of workers working in a particular shift, for instance, a hospital in Paris uses healthcare analytics to predict the number of patients that may be hospitalized. This data can be used to decide the number of staff members that will be needed for a particular shift, which helps in reducing labor cost in hospitals.”

Telemedicine and “Hospital at Home”

The use of telemedicine (or telehealth)—in which physicians and other health care professionals consult with colleagues, and treat patients, who are off-site by using video and other technologies—is expected to become even more popular in the future. The COVID-19 pandemic, which began in late 2019, increased demand for telemedicine services. In April 2020, 43 percent of all Medicare primary care visits were conducted via telemedicine, up from 0.1 percent in February 2020, according to the U.S. Department of Health & Human Services. “Today more than three quarters of U.S. hospitals offer telemedicine services and more than 60 percent are equipped for remote patient monitoring,” according to the American Hospital Association’s *Health Care Talent Scan*. “That is important, because 97 percent of patients were satisfied with their first telehealth experience and would recommend the program...which is a notable gain from 36 percent in 2016.”

A related trend is the increasing use of “hospital at home” programs, which utilize portable medical treatment, communications technology, monitoring devices (that send a patient’s vital signs and other data to the health care provider), and visits by paramedics, nurses, and doctors. Eligible patients include those who are acutely ill (chronic heart failure, diabetes, infections, and even COVID-19), but that do not need 24/7 care. These programs currently provide services to only a small percentage of the approximately 35 million Americans who are hospitalized each year, but more providers are utilizing hospital at home programs to reduce the chances that high-risk patients who would normally be hospitalized will contract COVID-19 or other diseases or encounter other complications. These programs also help health care companies save money on in-house staffing and reduce the need to construct new hospitals to meet rising consumer demand for health care services. In addition to facing a reduced risk of infection and other complications during hospital stays, patients who receive in-home care benefit from being in a more welcoming and relaxing environment. Studies show that patients who participate in hospital at home programs recover faster, have fewer medical complications, and are more satisfied with their care than patients who were hospitalized.

Cybersecurity Concerns

The increasing use of technology and data analytics by the health care industry has improved patient outcomes and reduced costs for health care providers. But it also has exposed these organizations—and the private data of patients—to hacking, ransomware attacks, and other cybercrimes. In 2016, the health care industry was the victim of 88 percent of all ransomware attacks in U.S. industries, according to Solutionary, an NTT Group security company. A ransomware attack involves a cyberthief accessing patient files or other data and denying access to the rightful owner until a ransom is paid. Health care companies are easy targets because they often pay ransoms because access to patient and other information is so critical. The Ponemon Institute reports that, over a two-year period, 89 percent of studied health care organizations experienced a data breach. In a data breach, patient data, business records, and other data is stolen or destroyed. The institute reports that health data breaches alone cost the U.S. healthcare industry an estimated \$6.2 billion each year.

“Organizations are ramping up spending on cybersecurity in urgent response,” according to the recruiting firm B.E. Smith. “They are also expanding staff and creating chief information security officer positions. Hundreds of technology firms offer healthcare-specific deterrents using biometrics, threat-detection software, network traffic analytics, and even blockchain.”

The integration of technology into the health care sector is further complicated because many digital devices used in hospitals and other settings are now interconnected and can exchange information (this is known as the “Internet of things” or, in the medical sector, the “Internet of medical things”) to better serve patient and business needs. The utilization of the Internet of medical things has “proven particularly valuable in remote clinical monitoring, chronic disease management, preventive care, assisted living for the elderly, and fitness monitoring,” according to Deloitte. But “bad actors” can hack into these devices, steal information, or cause the devices to malfunction. “In the near future, healthcare providers may be asked to ‘pay to get a life back’ because ransomware can attack life-supporting medical devices,” predicts Salwa Rafee, IBM Security Industry Leader-Public Sector, in “2018 Cybersecurity Trends in Healthcare.”

Health care managers must work closely with their organization’s chief information security officer and cybersecurity specialists to ensure that systems are protected from hackers and patient privacy is protected.

Employment for information security analysts in the healthcare and social assistance sector is expected to increase by 27.2 percent from 2018 to 2028, according to the U.S. Department of Labor. This is much faster than the average for all careers. This strong growth for information security analysts suggests that job opportunities will also be excellent for chief information security officers and other managers in information security.

Artificial Intelligence, Machine Learning, and Blockchain Technology

Technology continues to change the health care industry. Two emerging fields are artificial intelligence (AI) and machine learning (ML). AI is

technology that can be programmed to make decisions which normally require human thought and act independently of humans. Machine learning is a method of data analysis that incorporates artificial intelligence to help computers study data, identify patterns or other strategic goals, and make decisions with minimal or no intervention from humans. Artificial intelligence and machine learning are having a significant impact on the health care industry. They are being used to automate many lower-level tasks and study vast amounts of data that would be a challenge for humans. Here are some examples of how AI and ML are being used in the health care industry, according to *Surveying the AI Health Care Landscape* (<https://www.aha.org/center/emerging-issues/market-insights/ai/surveying-ai-health-care-landscape>), which was published by the American Hospital Association's Center for Health Innovation:

- Administrative: appointment scheduling, customer services responses, licensure verification, and quality measure reporting
- Financial: billing and collections, claims management, and insurance eligibility verification
- Operations: inventory management, materials management, and supply chain management
- Clinical: predictive technologies, interventional technologies, automated image interpretation, precision/personalized medicine, predictive and prescriptive analytics, and sensors and wearables for diagnostics and remote monitoring

Blockchain is another technology that is starting to be used in the health care industry. It is a shared, distributed ledger database that maintains a continuously-growing list of records that cannot be changed without the agreement of all parties who have access to the database (i.e., no central authority or third-party mediator, such as a bank, is involved in verifying the transaction). Each digital transaction is called a block in the chain of records, hence the blockchain moniker. Each chain is encrypted, in part, with data from the previous block to create the encryption. Both private (permissioned) and public (permissionless) blockchain ledgers can be created. Gartner, a global research and advisory firm, reports that the business value added by blockchain will grow to slightly more than \$176 billion by 2025, and then surpass \$3.1 trillion by 2030. Blockchain

technology has the “potential to transform health care, placing the patient at the center of the health care ecosystem and increasing the security, privacy, and interoperability of health data,” according to the professional services firm Deloitte “This technology could provide a new model for health information exchanges (HIE) by making electronic medical records more efficient, disintermediated, and secure. While it is not a panacea, this new, rapidly evolving field provides fertile ground for experimentation, investment, and proof-of-concept testing.”

Health care managers must be familiar with AI, ML, blockchain technology, advanced robotics, and other emerging technologies in order to help their hospitals or other facilities maintain a competitive edge. Large health care companies are most apt to integrate these and other technologies into their administrative, financial, operations, and clinical departments, but managers at all levels and all employer sizes would be well-served by staying up-to-date on the uses and benefits of technology.

Lack of Gender Diversity

Women comprise 65 percent of health care workers, but only 13 percent of CEOs, 23 percent of chief financial officers/chief actuaries, 29 percent of chief operating officers, and only 33 percent of those in other senior leadership positions, according to Oliver Wyman’s Women in Healthcare Leadership 2019 study. Oliver Wyman’s study also found that it takes women an average of three to five years longer than men to reach the position of CEO.

Factors that have limited the number of women in leadership positions include the “old boys network” (in which senior leadership positions are mostly or all held by men, who are likely to promote other men to positions of power), the lack of females in leadership positions (reducing opportunities for promising female workers to receive mentorship and promotions), unconscious and overt bias, and the lack of company support and development programs for women, among other factors.

To address these issues, many health care employers are implementing leadership development programs and other female-friendly initiatives to

increase the number of women on the leadership track. Diversity Woman publishes a list of the “100 Best Companies for Women’s Leadership Development.” The list, which includes health care employers, can be accessed at <https://www.diversitywoman.com/best-100-companies-for-womens-leadership-development>. Kaiser Permanente, which has 39 hospitals and 695 medical offices, appears on Diversity Woman’s list, as well as other “best company” lists, including *Fortune*’s “100 Best Workplaces for Diversity,” the Latina Style 50 Report (which lists the best U.S. companies for Latinas), and *Forbes*’ “Best Employers for Women.” Approximately 75 percent of Kaiser Permanente employees are women. In 2018, women led five of Kaiser Permanente’s eight regions, and 30 women were named to roles as vice president or above in 2017. “Women are the primary health care decision makers for families in the communities we serve, and our workforce is 75 percent women,” said Sally Saba, MD, MBA, vice president of Kaiser Permanente’s National Equity, Inclusion, and Diversity function, in a press release at the company’s Web site. “By consistently ensuring female representation among our senior leaders, we continue to strengthen our ability to provide the care and services our members need and have come to expect from us.” Kaiser Permanente offers a variety of Business Resource Groups—including Women Empowered at Kaiser Permanente—to allow employees to connect, build relationships, and advance at the company. It also offers programs and initiatives to help employees of color advance and prosper in the workplace.

Although women are still underrepresented in leadership positions at health care employers, many companies and government agencies are recognizing the benefits of employing a workforce that better represents the gender and ethnic makeup of the U.S. population. Look for more female- and minority-focused initiatives in the future, which should continue to increase diversity at health care employers.

Looking Ahead

Industry Outlook

Employment for medical and health services managers is expected to grow much faster than the average for all careers through 2028, according to the U.S. Department of Labor (DOL). The DOL reports that “as the large baby-boom population ages and people remain active later in life, there should be increased demand for healthcare services. This means greater needs for physicians and other healthcare workers, medical procedures, and healthcare facilities, and therefore greater needs for managers who organize and manage medical information and healthcare staff. There should also be increased demand for nursing care facility administrators as the population grows older. Demand in medical group practice management is projected to grow as medical group practices become larger and more complex. In addition, widespread use of electronic health records will continue to create demand for managers with knowledge of health information technology and informatics systems.” Demand will also increase in the offices of health practitioners, as services that were formerly provided in hospitals are shifted to these settings.

The DOL reports that management careers in the following medical and health services sectors will grow much faster than the average through 2028:

- outpatient care centers: 56.2 percent
- home health care services: 47.2 percent
- ambulatory health care services: 40.3 percent
- specialty (except psychiatric and substance abuse) hospitals; state, local, and private: 36.2 percent
- offices of other health practitioners: 36.0 percent
- services for the elderly and persons with disabilities: 35.3 percent
- offices of physicians: 34.2 percent
- offices of physical, occupational and speech therapists, and audiologists: 28.0 percent

Employment for managers is expected to decline in the following health care sectors:

- other residential care facilities: -2.5 percent
- skilled nursing facilities: -3.3
- vocational rehabilitation services: -7.5 percent

The recruiting firm B.E. Smith reports that turnover among senior health care executives continues to be an issue. One reason for this turnover is the average age of health care CEOs (59 in 2017, according to Yaffe & Company). To address this issue, B.E. Smith reports that “organizations are expanding horizons to fill the leadership gap, looking beyond the healthcare industry for senior talent, both to augment the candidate pool and to import new skills.” Those with managerial experience in finance and hospitality were cited as the most desirable sources of managerial experience from outside the industry, followed by those from the information technology and life sciences/pharma sectors.

There is also a shortage of chief nursing officers, and not enough replacements are in the pipeline. More than 50 percent of nurses are over age 50, and 73 percent of those over age 50 are considering retirement, according to the *2017 AMN Healthcare Survey of Registered Nurses*. Many nurses are uninterested in pursuing management positions. In fact, 61 percent of registered nurses surveyed said they did not want to pursue a career in management.

Some industry segments will not grow as fast as others. Hospitals will continue to employ the most medical and health services managers but the number of new jobs created at these organizations is expected to increase at a slower rate in hospitals than in many other industries because of the growing use of clinics and other outpatient care sites. Since there are many hospitals, there will continue to be many job openings for managers in this specialty. Changes in the health care system are taking place because of the need to control escalating costs. This will have the greatest impact on hospitals, traditionally the largest employer of health services executives. Medical and health services managers with experience in large hospital facilities will enjoy an advantage in the job market, as hospitals become larger and more complex. According to the American Hospital Association,

the trend toward hospital systems that include laboratories, group practices, ambulatory care facilities, and ancillary care will increase. In addition, separate companies are being set up to provide services such as ambulatory surgery, alcohol and drug rehabilitation, or home health care. These organizations will compete with hospitals for patients and funding.

With hospitals adopting a more business-like approach aimed at lowering costs and increasing earnings, demand for MBA graduates should remain steady. Individuals who have strong “people” skills and business or management knowledge will find excellent opportunities as administrators in nursing homes and other long-term facilities.

Americans are living longer, and although seniors are healthier today on average than they were in the past, this demographic group still requires more care than other age groups do. This suggests that as the number of senior citizens increases, demand will increase for managers who oversee operations at nursing homes, long-term care facilities, and other settings where health care is provided to the elderly.

Managers also will be needed to oversee the digitization of patient records and to ensure their security as required by law. Additional demand for managers will stem from the need to recruit workers and increase employee retention, comply with changing regulations, implement new technology, and help improve the health of their communities by emphasizing preventive care.

More opportunities will be available with health care management companies that provide management services to hospitals and other organizations, as well as specific departments such as emergency, managed-care contract negotiations, information management systems, and physician recruiting.

Applicants with work experience in the health care field, professional certifications, and strong business and financial management skills should have the best opportunities. Competition for jobs at the highest management levels will be keen because of the high pay and prestige.

Salaries of health care managers depend on the type of facility, its geographic location, the size of the administrative staff, budget, and the policy of the governing board. Salaries ranged from less than \$58,820 to more than \$189,000 in May 2019, according to the DOL. Median annual earnings of medical and health services managers were \$100,980. Mean annual wages were highest in the District of Columbia (\$150,040), New York (\$147,000), Hawaii (\$133,320), California (\$133,040), and Massachusetts (\$132,960). Salaries for managers varied by facility type. For example, managers at general medical and surgical hospitals earned mean annual salaries of \$124,180, while those who were employed at nursing care facilities earned \$97,300.

Know the Field

Job Searching in This Industry

First jobs in management for a student right out of school tend to be difficult to obtain, primarily due to lack of experience. Prior work experience in health care or management in another field is a plus, although some employers are only looking for candidates with prior health care management experience.

Organizations seeking new graduates are often those in which the individual will be mentored and developed by an experienced manager. In hospitals, the mentor can be head of a department, such as performance improvement or radiology. In a nursing home, a new graduate may be an assistant administrator and be developed by the administrator of the facility.

Entry-level positions exist in other organizations, such as consulting firms, ambulatory care facilities, and government agencies. These organizations look for individuals who can perform job functions, such as data analysis, report writing, or supervision of specific daily activities (e.g., insurance verification, scheduling). They often seek individuals who can learn new responsibilities, develop, and move into higher-level positions. In many cases, these entry-level jobs are stepping stones to positions in other organizations that require concrete health management experience.

In today's market, many health care organizations seek management staff with master's degrees—even for entry-level positions. This is especially true of hospitals and increasingly so for long-term care organizations. These individuals have a broader knowledge base and may be good candidates to promote from within the organization. In addition, the specialty track and residency training provide these individuals with greater skills and experience.

So, where should you look when starting your job search? Most often, job seekers build relationships with colleagues during their internship. However, there are other sources of guidance, including career centers, search firms, company Web sites, and professional associations. It's

important to use a combination of these strategies. According to a 2017 survey of health care professionals by the American Hospital Association, the most-popular job-search strategies in descending order were:

1. Online job boards
2. Referrals from friends and colleagues
3. Company Web sites
4. Professional networks (online and offline)
5. Social media/social networks

Career Centers and Other School Resources

Career centers sponsored by educational institutions are a very good resource when searching for a job. These centers are usually open to alumni of the school or program, and provide information on a variety of job openings in different segments of the health care field. The sources of this information include health care organizations with which the school has a relationship through joint training programs, research projects, or other affiliations. Alumni of the school or program also list positions in the career center job bank. Alumni frequently maintain a relationship with their schools and are looking for graduates of the program that they attended to fill positions in their organizations.

Health care management programs also assist students in finding their first job. Many schools bring in human resource professionals to help students develop their resume writing and interviewing skills. Schools also sponsor job fairs at which prospective employers meet and greet recent graduates and, after a screening process, conduct interviews.

Company-Sponsored Recruiting Events

Many hospital chains and other large health care providers host in-person recruiting events at colleges and universities and in other settings. The COVID-19 pandemic prompted many employers to switch to virtual recruiting events. Ascension, the second-largest hospital chain in the United States offers the following advice for a successful event: “Test your

technology and ensure your internet is stable. Find a quiet place free from distractions. Prepare a series of questions and have your resume available. Practice, don't memorize.” Your college may also offer live or recorded webinars that you can register for that will help you to prepare for virtual interviews. Check out the Web sites below for more information on acing virtual recruiting events:

- <https://www.careercast.com/career-news/how-rock-virtual-job-fair>
- <https://www.cnbc.com/2020/08/01/virtual-career-fairs-how-to-land-a-job-offer-at-an-online-event.html>
- <https://www.indeed.com/career-advice/interviewing/virtual-hiring-event-guide>

Search Firms

Search firms, also known as headhunters or recruiters, are another source of employment opportunities. These companies range in size from single individuals to firms with dozens of offices and hundreds of staff. Engaging with search firm professionals was cited as the second most-popular networking strategy of health care professionals surveyed by the American Hospital Association in fall 2017. In terms of geographic areas served, search firms may be specific to a local area, such as greater New York, regional, the Southeast, for example, national or international. Specialization also varies from company to company. There are firms that specialize in more than one field, such as health care, education, information technology, nonprofits, and other areas (WittKeiffer, a large national company, for example). Others may focus exclusively on one area, such as health care management (e.g., B.E. Smith, a national company). Large international companies, such as Korn Ferry, recruit executive and management staff in numerous disciplines, from health care to manufacturing.

Search firms are hired by an organization to help fill a position or positions. The organization generally signs an agreement with the search firm specifying the terms of the engagement, including the process, time frame, and fees. The fees charged are often a percentage of the salary of the position and may range from 20 percent to 35 percent or more, plus

expenses. Payment of the fee is contingent on a candidate being hired who was referred by the recruiter. Other arrangements exist whereby a flat fee is charged or some combination of flat fee and percentage of the position's salary.

Search firms are generally hired to fill executive-level positions, such as vice presidents, chief operating officers, and chief executive officers. They are also utilized for other searches, such as service line directors (e.g., director of women's and children's services at a hospital), and department-level positions, such as director of performance improvement or director of laboratory services. Searches span all disciplines and organizations, from director of planning at a hospital to executive director of a health insurance plan. Vice presidents of human resources, vice presidents of nursing services, and finance directors are searches for which a recruiter is frequently engaged.

Company Web Sites

An effective strategy is to go right to the source: the Web site of the company, nonprofit, or government agency where you want to work. At these sites, you can find information on career paths (and often apply for jobs), leadership development programs, the work environment, and departments and facilities (large hospital chains, for example, have facilities in multiple states). Some even provide an overview of the hiring process; tips on cover letter, resume, and interview formats; and information on college recruiting and career fairs. Here are a few examples of company job-search resources:

- DaVita offers information on its interview process, departments, and career paths; as well as details about its 2,625 outpatient dialysis centers located in the United States at <https://careers.davita.com/whattoexpect>.
- Kindred offers information on administrative careers, its Executive Fellow Program, its departments, and job listings at <https://www.kindredhealthcare.com/careers>.

- HCA Healthcare provides information on its Tuition Reimbursement Program, Executive Residency Program, opportunities for administrators and executives, and job listings at <https://careers.hcahealthcare.com/pages/begin-your-career-in-healthcare>.
- The U.S. Department of Veterans Affairs offers a variety of useful resources to help applicants better understand the application process and learn about career paths at <https://www.vacareers.va.gov/ApplicationProcess/NavigatingHiringProcess>.

Professional Associations

Professional associations offer many useful resources during your job hunt—including networking opportunities, salary surveys, continuing education classes, certification, publications, membership, and additional resources. Many have a presence on social media. Some offer job listings at their sites. These include:

- American College of Health Care Administrators: <https://achca-jobs.careerwebsite.com>
- American College of Healthcare Executives: <https://www.ache.org/career-resource-center/job-center>
- American Hospital Association: <http://www.healthcareercenter.com>
- American Organization for Nursing Leadership: <http://careers.aone.org>
- American Public Health Association: <https://www.apha.org/professional-development/public-health-careermart>
- Association of Hispanic Health Care Executives: <http://www.ahhe.org/jobs>
- Association of University Programs in Health Administration: <http://www.aupha.org/careers/careersoverview>
- Clinical Laboratory Management Association (must be registered): <http://www.clma.org/p/cm/ld/fid=55>
- Healthcare Financial Management Association: <http://jobbank.hfma.org>

- Medical Group Management Association:
<https://www.mgma.com/career-pathways/career-advancement>
- National Association of Health Service Executives:
<https://www.nahse.org/508-2-2-3-2-2>
- Professional Association of Health Care Office Management:
<http://careercenter.pahcom.com>

Researching Companies

Can you name the leading hospitals chains in the Midwest? What nonprofit nursing homes have a reputation as the best places to work? What are the three best-known outpatient surgery providers? If you can't answer these questions, you need to do some research because one of these companies could offer you a job someday. But you don't just need to know the names of the big players; you also need to know which companies are a good match for your educational and professional background, personality, and geographic location. It's a good idea to learn as much as you can before you begin applying for jobs. Social media sites (e.g., LinkedIn, Twitter, Meetup, etc.), career fairs, employer Web sites, information interviews, networking, "best company" lists, magazines and journals (such as *Modern Healthcare*), and industry databases are just a few of the ways you can learn more about potential employers.

Land an Information Interview

An information interview simply involves talking with professionals in your field about career paths, potential employers (including the interviewee's employer), and industry trends. "Sitting down with an industry professional and asking what they think about their job or industry can provide you with an insider's perspective, a stronger network, and can sometimes lead to tips about job opportunities," advises the Center for Student Professional Development at Vanderbilt University. The goal of this type of interview is information, not a job offer. But many information interviews have led to a job or internship offer. Use LinkedIn to identify potential candidates, or ask your professor or career counselor to help arrange an information interview. Ask the following questions during information interviews:

- What's made your company successful? Who are its main competitors?
- What do you like best and least about your job?
- Can you please describe a day in your life on the job?

- What's the work environment like at your company?
- What type of travel does your job require?
- What are the most important personal and professional qualities for people in your career?
- Are you certified? How important is certification to career success? What are some of the most popular certifications?
- What's the best way to network in the health care industry?
- What's the best way today for people to land jobs in the industry?
- What advice would you give to job seekers in terms of applying to and interviewing for jobs?
- What's a typical job interview like in the health care industry?
- What is the future employment outlook for your career and the health care industry in general? How is the field changing?

Check Out Industry Best Lists

Several magazines publish lists that detail the best companies in the health care industry. These lists—which feature companies that earn the highest revenue, offer the best salaries and benefits, provide the best work environment for minorities, etc.—are a good way to identify major employers. But keep in mind that the health care industry is a massive field, and many great employers don't make these lists. You can learn about them through networking, social media, career fairs, and other methods.

Here are a few magazines that publish lists of the best health care companies:

- *Modern Healthcare* publishes a list of “The 100 Best Places to Work in Healthcare” at <https://www.bestplacetoworkhc.com/winners>.
- *Becker's Hospital Review* publishes an annual list of “100 Great Hospitals in America” at <https://www.beckershospitalreview.com/lists/100-great-hospitals-in-america-2020.html>.
- *Fortune* and Great Place to Work publish a list of the best companies to work for list at <http://fortune.com/best-companies>. *Fortune* also publishes a variety of industry best lists (such as the “100 Best

Workplaces for Millennials” and “World's Most Admired Companies”) at <http://fortune.com/rankings>.

- *Forbes* publishes an annual list of best employers (which includes many companies in the health care industry) and other “best company” lists at <https://www.forbes.com/best-employers>.
- DiversityInc publishes “The DiversityInc Top 50 Companies for Diversity” and other lists at <https://www.diversityinc.com/the-2020-top-50-diversityinc>.

Many local publications in large cities publish lists of the best places to work. For example, employers included on the *Chicago Tribune*’s 2019 list (<https://topworkplaces.com/publication/chicagotribune>) included Thresholds; DecisionOne Dental Partners; The Village at Victory Lakes; Residential Home Health, Hospice and Palliative; JourneyCare; Unity Hospice; Aspire Home Healthcare, LLC; Maestro Health; Strata Decision Technology; and Villa St. Benedict. Here are a few other “best company” lists:

- *The Atlanta Journal-Constitution*: <http://www.topworkplaces.com/frontend.php/regional-list/map/ajc>
- *Boston Business Journal*: <https://www.bizjournals.com/boston/best-places-to-work>
- *Crain’s New York Business*: <https://www.bestplacetoworknyc.com/Winners>
- *The Denver Post*: <https://topworkplaces.com/publication/denverpost>
- *Florida Trend*: <http://bestcompaniesfl.com>
- *Los Angeles Business Journal*: <http://www.bestplacetoworkla.com>
- *San Diego Business Journal*: <https://bestplacetoworksd.com>
- *Seattle Business*: <https://www.seattlebusinessmag.com/seattle-event/100-best-companies-work-2020>
- *StarTribune*(Minnesota): <https://www.startribune.com/top-workplaces/510737631>

Participate in an Internship

Many bachelor’s degree programs include an administrative internship at a health care facility. Internships under the guidance of a preceptor, an

experienced health care manager, provide practical experience and an opportunity to make contacts with health care professionals and learn more about a particular company. Internships last generally for one semester, for which the student receives college credits.

Internships and residencies are important in a number of ways. They provide students in health care management with real-world experience. They also provide an opportunity for the student to identify areas of interest that may help shape career choices. Equally important, these programs help the student make contacts with health care managers at different levels and in different organizations, the one in which they work and others that they interact with. It is common for interns or residents to get their first job in the organization in which they completed their training. These are entry-level jobs that are usually at the supervisor or department head level. Entry-level jobs can also be available in a staff capacity, such as a business analyst or performance improvement specialist. Preceptors are also an important resource to interns and residents, often referring them to jobs with colleagues in other organizations.

Each year, Vault.com surveys thousands of current and former interns about their internship experiences in a variety of industries, including health care. In 2020, interns ranked the following health care internships as the best. Visit <https://www.vault.com/best-internships-rankings-search/best-health-care-internships> for more information.

1. Abbott Internship Program
2. Baxter Healthcare Summer Intern Program
3. Softheon Summer Internship
4. Aetna Summer Associate Program (Note: Aetna merged with CVS Health in late 2018.)
5. CVS Health Corporate Intern Program

Use Industry Databases

Industry databases are helpful tools that will help you to identify and learn more about health care employers. Many databases can be accessed for free

via trial memberships or at large public and university libraries. Here are a few to check out:

- American Hospital Directory (a basic search feature is free): <https://www.ahd.com>
- Orbis: <https://www.bvdinfo.com/en-gb/our-products/data/international/orbis>
- D&B Hoovers: <https://www.dnb.com/products/marketing-sales/dnb-hoovers.html>
- Dun & Bradstreet: <http://www.dnb.com>
- Factiva: <https://professional.dowjones.com/factiva>

Making Connections

Networking

Networking is an important part of your job search. The expression, “it’s not what you know but who you know” is true. The majority of jobs are found through people who either refer you to a position, inform you of an opening, or actually recommend you. In any case, other people in the field are the most important source when seeking a job.

The objective of networking is to connect with as many people as possible until you are hired for a job. The best approach is to list all the contacts and connections you have, including friends, business associates, neighbors, and relatives who may be able to help you. Family and friends make a good starting point because these connections are already firmly established. Sixty-four percent of health care professionals surveyed by the American Hospital Association in fall 2017 reported that they used family/friend connections when conducting a job search.

Another approach to networking is to attend professional association meetings, educational programs and seminars, and other business (e.g., chamber of commerce) and community group (e.g., neighborhood associations) meetings. You never know who you will meet and how these individuals, although new acquaintances, may help you. Most people like helping someone else to find a position. Job leads and assistance in your search sometimes come from unexpected sources. When speaking to your contacts ask for recommendations and/or advice. Most people are more than willing to help others as far as providing information or offering advice. In addition, they are likely to refer you to other individuals who may be in a position to help you with your job search. Through this process, your network expands and you gain more and more exposure with different individuals and organizations. Eventually you will learn of job opportunities, apply for them, and secure interviews. Here are a few other suggestions:

Join Professional Associations

Joining a professional association or society was cited as the third most-popular networking strategy of health care professionals surveyed by the American Hospital Association in fall 2017. In addition to offering membership, many associations and societies host annual conferences, where you can network both in formal scheduled events and informally during luncheons and in continuing education classes. Here are some popular conferences to check out:

- American College of Health Care Administrators Annual Convocation & Exposition: <http://www.achca.org>
- American College of Healthcare Executives Congress on Healthcare Leadership: <https://www.ache.org/learning-center/education-and-events/congress-on-healthcare-leadership>
- American Hospital Association Annual Membership Meeting: <https://annualmeeting.aha.org>
- American Medical Association Annual Meeting: <https://www.ama-assn.org/events>
- National Association of Health Services Executives Conference: <https://www.nahse.org>

Some associations schedule formal networking events and other gatherings throughout the year where members can get together and network. Most health care management associations have discussion boards on Facebook, LinkedIn, or other social media sites, on which members can meet and discuss industry trends, employers, and job leads. The American College of Healthcare Executives (ACHE) is a good example of an organization that provides a wealth of networking activities to its members. In addition to having a strong presence on social media sites such as LinkedIn and Facebook, the ACHE provides the following networking resources:

- The Leadership Mentoring Network allows college-level and young members to be paired with senior-level executives who provide advice on career development and building one's network.
- The Career Advising Network is a group of ACHE member volunteers who provide information and advice about career transitions and names of key contacts in your chosen region or health care specialty.

- The Early Careerist Network is available to full members or fellows of ACHE who are under the age of 40. Resources include the *Early Careerist Newsletter*, educational programs, and networking and mentoring opportunities.

Check out the Web sites of other associations (including those at the state and local levels) to learn more about additional resources.

Volunteer

Volunteering is probably not the first thing that comes to mind when thinking about networking, but it's an effective networking tool. "By volunteering," advises the American Health Information Management Association, "you'll build your network from within, and will increase your chances of being notified about job vacancies." Try to volunteer with health care–related charities, nonprofit organizations, community groups, and professional associations (such as the American Organization for Nursing Leadership). Here are a few Web sites that will help you explore volunteer opportunities.

- Idealist: <http://www.idealists.org>
- VolunteerMatch: <http://www.volunteermatch.org>
- UN Volunteers: <http://www.onlinevolunteering.org>
- SCORE: <http://www.score.org/volunteer>
- Corporation for National and Community Service: <http://www.nationalservice.gov>

Use Social Media

Using social media/social networking sites was cited as the third most-popular networking strategy of health care professionals surveyed by the American Hospital Association (AHA) in fall 2017. "Social media is a hotbed of networking possibilities," advises the American Public Health Association. "If you're not using LinkedIn to make new connections, you should start now." There are many things you should do at LinkedIn to network, including setting up a profile, following health care companies,

and joining interest groups (LinkedIn has hundreds of interest groups for health care managers, including Health Care Executive U.S. Networking Group, Healthcare Executives Network, Healthcare Management and Strategy, and Innovation in Healthcare Information Management.) A list of group categories is available at <https://www.linkedin.com/search/results/groups>. It's free to join LinkedIn—unless you want an upgraded membership that allows you to send more InMails (LinkedIn's version of e-mail) to potential networking contacts, see more profiles when you search, and view expanded profiles.

MeetUp.com allows you to connect in-person with people in your area. Some of its groups include San Francisco Integrative Health Networking (San Francisco), Boston Young Healthcare Professionals (which also has its own Web site, <https://byhp.org>), and Healthcare Professionals Network in NYC (also online at <https://hlny.org>).

The 2017 AHA survey found that LinkedIn was the most-popular social media site for job searching. Here is how job-seekers used LinkedIn:

- 38 percent used it to search for job openings
- 33 percent used it to connect with individuals from desired organizations
- 25 percent used it to apply for jobs
- 23 percent used it to build their personal and social brands

Create an account on Twitter, and begin following industry leaders and recruiters. Participate in chats, share information, and otherwise interact to build relationships and expand your network.

Here are some tips for effective networking on social media:

- Make sure that your LinkedIn, Twitter, and other social media profiles are complete so as to provide the clearest picture of your educational and professional qualifications to recruiters and potential employers.
- Include industry-specific keywords at your sites to increase your professional brand and get noticed by employers.
- Be sure to connect with everyone you know (fellow students, colleagues, internship coordinators, former bosses, friends, and family)

to build your network. Whenever you make a new contact, be sure to add him or her to your network.

- Join groups in your field and be active on social media forums.
- Follow companies and other organizations where you'd like to work. Once you've done so, work on establishing relationships with specific employees—perhaps by requesting an information interview about working at the company.
- Post content at your site that will promote discussions, help you to make contacts, and raise your profile.

Cover Letters

“Well-written cover letters present an employer with a writing sample highlighting a candidate’s background, skills, and experience through well-articulated examples, and providing the reader with a natural introduction to the candidate’s resume,” advises the Stanford School of Medicine Career Center. “By demonstrating ‘fit’ between a candidate’s background and the employer’s goals, a cover letter’s objective is to motivate the reader to invite the candidate for an interview.”

Here are a few tips on creating a quality cover letter:

- The cover letter should be concise and to the point.
- In the hard copy form, it should be written in business letter format. The e-mail version may be shorter and less formal, but it should convey the same information. The business letter format includes the date, your name and address, and the recipient’s name, title, company and address.
- The cover letter should not be too long or too detailed, as it is a prelude to the resume, which provides more extensive information regarding your professional experience and accomplishments. But it should also provide information that you cannot include in the resume, as well as show a bit of your personality.
- The greeting should be the recipient’s name, not her title. The body of the letter includes two or three paragraphs.

Format

The *first paragraph* provides information regarding the position you are interested in and how you became aware of it. For example, “I am writing to express my interest in the assistant administrator position that I learned of through your May 22, 2021 advertisement in *Health Care Management Journal*.”

The *second paragraph* is a summary of your abilities and credentials that demonstrate your qualifications for the position. For example, “For the past

five years, I have held a management positions in a 200-bed community hospital and have supervised 100 full-time employees. In addition, I have a master's degree in health care administration and am a member of and certified by the American College of Healthcare Executives." You may also succinctly state key accomplishments that will be of interest to the employer. If the position you are seeking calls for a track record in performance improvement, a statement like, "My accomplishments include the development of a performance improvement program and the achievement of improved scores in all quality indicators" is appropriate. To list several accomplishments, use the bullet format. Ideally, you should include hard numbers that spotlight the amount of money you saved your employer, your strong record in census development, or other key statistics that show your value. If you won an award for your work, this is a good place to mention it.

The *third paragraph* states that your resume is enclosed or attached for the recipient's review. The closing sentence indicates that you will contact the hiring manager to arrange an interview. Your signature follows with a closing, like "sincerely."

E-Mail Cover Letters

Today, many candidates respond to job advertisements via e-mail. In this type of response, it is recommended that the subject line is your name, the word resume, and the position for which you're applying, for instance, "Mary Smith's resume for assistant administrator." This will help the recipient to easily locate and identify your resume in her e-mail listing initially and at a later time. The greeting should be the same as the hard copy letter, "Dear Mr. Jones," for example. The body of the message may be shorter than the hard copy letter, containing the information that is essential. This includes the position you are seeking and how you learned of it (if you referred by someone that the hiring manager knows, be sure to mention his or her name), a couple of sentences about your qualifications, reference to your resume as an attachment, and your intent to get in future contact regarding a job interview. Your name follows with a closing such as, "yours truly."

The cover letter is a first impression, and must be grammatically correct and free of spelling errors. In particular, be absolutely sure of the spelling of the recipient's name and the company name. Once again, brevity is key, as the hiring manager or screener is reviewing a large number of responses and will view a cover letter that is succinct and to the point favorably.

Health Care Management, High Experience, Response to Ad Cover Letter

Eric Larson
422 Largo Lane
Newtown, OH 45244

September 1, 2021

Martha Wells, Vice President of Operations
Unity Health Systems
36 East Lockwood Boulevard
Cincinnati, OH 45202

Dear Ms. Wells,

I am writing in response to your advertisement in the August 30 issue of *The Journal* for a nursing home administrator. If you are looking for an individual with compassion for seniors, strong business skills, and a successful track record of census development, then I am an excellent fit for this position. I have enclosed my resume, which details my qualifications and offers more information on how I might be an asset to Unity Health Systems.

I believe that my leadership experience in two large nursing homes facilities, including one that received the prestigious Gold-Excellence in Quality award from the Ohio Health Care Association (OHCA), has provided me with excellent preparation that will allow me to immediately contribute to Unity Health Systems. Additionally, I am certified by the American College of Healthcare Executives, American College of Health Care Administrators, and the OHCA, which also named me Administrator of the Year in 2020.

I welcome the opportunity to discuss this position with you. I will follow up with a call to your office to request an interview.

Sincerely,

Eric Larson

Response to Ad Cover Letter: Health Care Management

Resumes

“Your resume is your most powerful tool when marketing your experience and skills to potential employers,” advises the American Hospital Association. “The quality of your resume will cause employers to decide, in a matter of seconds, whether they will contact you for an interview or file your resume away in favor of another candidate. The content of the resume is extremely important and should be well thought out. In addition, your resume should be clear and concise, and communicate important information about you professionally.

Resume Formats

There are several formats for a resume. Some include a two-or three-sentence career summary, such as: “Senior manager with ability to lead people through organizational change. Proven abilities in operations, financial management, and strategic planning.” Two of the most popular formats are chronological and functional.

Chronological

The chronological format is a summary of your work experience starting with your most recent position first. List your years of employment, the employer’s name and location (city and state), and your position or positions held in the organization. Then summarize your most significant accomplishments in bullet format. In selecting which accomplishments to include, consider which demonstrate a transferable skill that new prospective employers desire. For example, “Cost reduction initiative eliminating duplicate services, improving productivity, and resulting in annual savings of \$200,000 in operating expenses” would be of interest to an employer that is experiencing financial problems. Similarly, “Development of a quality improvement program to achieve the 90th percentile for established benchmarks for quality indicators” will get the attention of an employer with

quality issues. It is recommended that four or five of these accomplishments be listed for each job.

The optimal way to describe accomplishments is with the use of action words, such as developed, implemented, established, or initiated. These words provide a sense of direct involvement in the achievement. It is also preferable to describe each accomplishment with terms that are quantifiable or measurable. For example, a new program that was initiated generated incremental revenue of \$150,000. Another example would be an employee retention program that reduced annual turnover to 8 percent in the organization. Each accomplishment listed must describe a transferable skill, the ability to bring what you have done in a previous organization to a new organization, and the intention to utilize that skill to achieve a similar outcome. The accomplishments listed will often be the starting point for a discussion during an interview. Therefore, you should feel comfortable and confident describing each accomplishment listed on the resume in greater detail.

Functional

The functional resume is another format that highlights strengths, skills, and accomplishments in specific functional areas. For example, skills in the areas of budgeting, financial planning, and analysis would be listed under the heading “Demonstrated Skills.” In the “Strengths” section, team building, decision making, and proactive leadership style could be listed. This format also includes a career profile that summarizes your work experience without listing specific employers. The absence of this information, detailed work history, makes this format less desirable to some prospective employers. For this reason the combination format that utilizes elements of the chronological format and the functional format is more practical.

What to Include

There are varying opinions on the length of the resume. As a general rule, however, the resume should not exceed two pages (one page if you’re a student or have just graduated). The rationale for this is that employers receive dozens if not hundreds of resumes, and those that summarize

professional experience and education succinctly may have an advantage in terms of the effective use of the employer's time. Other schools of thought place no recommended limit on the length of the resume, and essentially say the more information the better.

It is imperative to list all education on the resume, including degrees, certifications, and other relevant educational achievements (professional training courses and programs such as those in customer service or human resources). In addition, all professional licenses should be included (registered nurse, licensed nursing home administrator, etc.) and memberships in professional associations (American College of Health Care Administrators, for example). Publications related to your professional field should also be included.

There are several optional types of information to include on a resume, such as membership in community organizations, and volunteer or community activities. The general rule is that if these activities are directly related to your field you may include them. For example, if you are a member of a volunteer ambulance group and are applying for jobs as a manager in a hospital, the information would be relevant. Conversely membership in a civic organization or involvement in your local town or neighborhood government may not be relevant. This type of experience, however, could be used to demonstrate leadership experience.

What Not to Include

Never include personal information. Hobbies, interests, outside activities, and family information don't belong on your resume. These areas are a distraction, at best, from the relevant information regarding your experience and education. The worst-case scenario is that the interviewer may have a negative opinion of your outside interests. In any case, this type of information should be omitted.

Your resume is, in effect, your calling card. It is the document that will help you obtain interviews that can lead to a job offer. Those individuals who screen resumes, such as human resources professionals, other managers, and administrative assistants are looking for specific information. Most critical,

they are screening for individuals who can effectively perform the job they want to fill. The decision they make is based on the initial impression they receive from the resume in terms of prior work experience and education. In other words, this individual has performed these jobs; is she capable of performing this one? For this reason the resume must be carefully thought out and worded to convey a sense of the ability to perform in a new environment. It is a good idea, therefore, to have other professionals review your resume, and offer their comments and suggestions. While you may not follow every suggestion, some may help to craft your resume into a more effective vehicle for making the cut in the screening process and being invited to interview for the positions you are seeking. Remember, your resume in and of itself will not get you a job. It will, however, if well organized and written, get you interviews.

Additional Resources

The following Web sites provide more information on creating quality cover letters and resumes:

The Balance: Cover Letter Examples and Writing Tips

<https://www.thebalancecareers.com/free-cover-letter-examples-and-writing-tips-2060208>

The Balance: Write Interview Winning Cover Letters and Resumes

<https://www.thebalancecareers.com/how-to-write-interview-winning-cover-letters-and-resumes-2063186>

CareerCast: HealthCare Network: Healthcare Cover Letter Do's and Don'ts

<http://healthcare.careercast.com/article/healthcare-cover-letter-dos-and-donts>

CareerOneStop: Cover Letters

<https://www.careeronestop.org/JobSearch/Resumes/cover-letters.aspx>

Forty-Three Resume Tips That Will Help You Get Hired

<https://www.themuse.com/advice/43-resume-tips-that-will-help-you-get-hired>

Harvard Business Review: How to Write a Cover Letter

<https://hbr.org/2014/02/how-to-write-a-cover-letter>

LiveCareer: Healthcare Administrator Cover Letter Sample

<https://www.livecareer.com/cover-letter/examples/medical/healthcare-support-administrator>

Monster: Healthcare Cover Letter Dos and Don'ts

<https://www.monster.com/career-advice/article/healthcare-cover-letter-dos-donts>

Resumes and Cover Letters Templates

<https://templates.office.com/en-us/Resumes-and-Cover-Letters>

Resumes

<https://resources.depaul.edu/career-center/resumes-interviews/Pages/resumes.aspx>

Resume Examples By Industry

<https://www.monster.com/career-advice/article/resumes>

University of Pittsburgh Public Health: Writing Cover Letters

<https://www.publichealth.pitt.edu/careers/job-search-tool-kit/writing-cover-letters>

Vault.com: How to Write a Resume: Tips & Samples

<https://www.vault.com/resume-tips>

Vault.com: Sample Cover Letters: Different Types of Cover Letters

<http://www.vault.com/blog/resumes-cover-letters/sample-cover-letters-different-types-of-cover-letters>

Writing Resumes and Cover Letters

[https://careers.ucsc.edu/student/resources/resume cover letters/index.html](https://careers.ucsc.edu/student/resources/resume_cover_letters/index.html)

Health Care Management, High Experience, Combination Résumé

Eric Larson
422 Largo Lane
Newtown, OH 45244

(513) 555-5555
Elarson1999@anymail.com
[http://www.linkedin.com/\[yourLinkedInURL\]](http://www.linkedin.com/[yourLinkedInURL])

SUMMARY

- Long-term care administrator with more than 10 years of experience in progressively larger facilities and higher-level positions
- Expertise in marketing, census management, and new service development and proven record of excellent state survey results
- 2020 Administrator of the Year, Ohio Health Care Association

PROFESSIONAL EXPERIENCE

Administrator, Monroe Health Care Center, Newtown, OH, 2019 to Present

The 2020 recipient of the Ohio Health Care Association Gold-Excellence in Quality award, Monroe is a 350-bed nursing home with a 60-bed subacute unit and a medical model adult day care service.

- Increased occupancy to 95 percent through marketing, top physician recruitment, and the development of a wound care program
- Eliminated nurse agency use, resulting in an annual labor expense savings of \$100,000
- Achieved excellent state survey results three consecutive years
- Negotiated two managed care contracts, gaining three additional referrals/month on average

Assistant Administrator, Jefferson Nursing Center, Toledo, OH, 2014 to 2019

Jefferson Center is a 220-bed nursing facility including 50 subacute beds, a 40-bed dementia unit, and a 20-bed ventilator unit.

- Improved inventory monitoring and utilization system for an annual savings of \$65,000
- Developed a tracking process for resident and family complaints, identifying patterns and trends for reporting to quality assurance
- Initiated a checklist for environmental rounds to address concerns on a timely basis

Assistant Director, 2009 to 2014

- Increased census by 15 percent via marketing initiatives and improved referrals turnaround time
- Developed a public relations program with community organizations and health care providers
- Coordinated facility-sponsored events, including health fairs and continuing education programs

EDUCATION

Masters of Arts in Health Services Administration, University of Michigan, Ann Arbor, MI,

- Co-winner of student case competition held by the American College of Healthcare Executives
- President, Michigan Healthcare Executive Student Association

Bachelor of Arts in Health Services Administration, University of Michigan, Flint, MI

- Graduated *magna cum laude*; GPA: 3.75
- President, Student Leadership Council
- Member, Michigan Healthcare Executive Student Association

LICENSURE AND CERTIFICATIONS: Licensed Nursing Home Administrator, State of Ohio;
Fellow, American College of Healthcare Executives; Certified Nursing Home Administrator, American College of Health Care Administrators; Certified Executive for Assisted Living, Ohio Health Care Association

AFFILIATIONS: American College of Healthcare Executives, American College of Health Care Administrators, Ohio Health Care Association

Health Care Management, High Experience, Functional Résumé

Eric Larson
422 Largo Lane
Newtown, OH 45244

(513) 555-5555
Elarson1999@anyemail.com
[http://www.linkedin.com/\[yourLinkedInURL\]](http://www.linkedin.com/[yourLinkedInURL])

SUMMARY

Long-term care administrator with more than 7 years of experience in progressively larger facilities and higher-level positions with expertise in: Marketing, Census Management, and New Service Development

SKILLS

Census Management: Increased occupancy to 95 percent through marketing, top physician recruitment, and the development of a wound care program.

Cost Reduction: Eliminated nurse agency use, saving \$100,000 annually. Implemented an improved inventory and utilization monitoring system for supplies, resulting in an annual savings of \$65,000.

Regulatory Compliance/Quality Assurance: Achieved excellent state survey results three consecutive years. Developed a tracking process for resident and family complaints, identifying patterns and trends for reporting to quality assurance.

Negotiation: Negotiated two additional managed care contracts, resulting in an average of three additional referrals per month

Problem-Solving: Developed retention program that reduced annual allied health employee turnover from 17 percent to 6 percent.

AWARDS AND CREDENTIALS

Fellow (American College of Healthcare Executives)
Certified Nursing Home Administrator (American College of Health Care Administrators)
Certified Executive for Assisted Living (Ohio Health Care Association)
2020 Administrator of the Year, Ohio Health Care Association

EDUCATION

University of Michigan, Ann Arbor, MI, Masters of Arts in Health Services Administration

University of Michigan, Flint, MI, Bachelor of Arts in Health Services Administration

EMPLOYMENT HISTORY

Monroe Health Care Center, Newtown, OH, 2019 to Present

Administrator

Monroe is a 350-bed nursing home with a 60-bed subacute unit, outpatient rehabilitations services, and a medical model adult day care service. In 2019, it received the Gold-Excellence in Quality award from the Ohio Health Care Association.

Jefferson Nursing Center, Toledo, OH

Assistant Administrator, 2014 to 2019

Assistant Director, 2009 to 2014

Jefferson Center is a 220-bed nursing facility including 50 subacute beds, a 40-bed dementia unit, and a 20-bed ventilator unit.

Functional Résumé: Health Care Management

Interviewing

Interviewing in This Industry

A resume is a means to an interview and an interview is a means to a job offer. Interviews are a communication process through which the interviewer(s) and candidate obtain information. The interviewer learns about the candidate in terms of her education, experience, and personality. The candidate learns about the organization, position, and staff with which she would work. The interview is an interactive process during which impressions are formed and preliminary conclusions drawn.

Key Interviewing Skills

First impressions are extremely important during the interview process. Neatness and appropriate dress count. How you present yourself in terms of confidence, positive attitude, and enthusiasm are other major factors. Attentiveness to the interviewer, courtesy, and politeness are also key.

Listening skills are extremely important. A successful candidate listens carefully to what the interviewer says and the questions he asks. Responses should be geared to the information the interviewer seeks. For example, if you discern that the company has morale issues and the interviewer asks you how you promote teamwork, give a specific answer regarding a project you successfully led and overcame opposition among the team members. Answers should be well thought out, to the point, and brief.

Selling yourself during an interview is another important skill. To do this, you must demonstrate that your talents and skills are aligned with the organization's needs. If, for example, the interviewer speaks of a need to develop new programs and services, stress your planning and organizing skills, and your ability to execute new projects. An example of your success in this area should follow.

The interviewer or interviewers are not only looking for someone who is qualified by virtue of education and experience, but, equally as important, someone they would like to work with. This is often referred to as

chemistry. Remember that the resume is the tool utilized to select candidates who are qualified for the position, but the interview is the process through which a candidate who is an all-around good fit is selected. Good fit includes how the individual will work with other members of the organization and within the organization's culture. This process is a two-way street. As a candidate, the same determination needs to be made: "Will I fit with this group of people in this environment and will I like working here?"

What Interviewers Are Looking For

In today's environment, health care managers are required to have a broad knowledge base and diverse skill set. Financial management, quality improvement, human resources, strategic planning, physician relations, marketing, community relations, regulatory compliance, and customer service are all areas in which a health care manager needs to have at least a working knowledge and preferably some level of expertise. The vast majority of health care management positions are involved in these areas to some extent. In an interview, the broader and deeper your knowledge and experience in these areas, the stronger the applicant appears. While candidates for entry-level positions will have less experience to draw from, knowledge and understanding of issues and developments in these areas will make a positive impression. Individuals seeking middle management and executive-level positions are well served by a background and experience in which there was involvement in as many of these disciplines as possible.

Interview Preparation and Question Formats

You should always prepare for an interview. This includes conducting research about the organization through the Internet and via contacts who are familiar with it. The information gathered provides a sense of what the organization's main services are, how they are organized, who the key players are, and what the company's plans are for the future. This information, in turn, helps formulate what type of individual they may be looking for in terms of talent and skills.

A second component of preparation is question anticipation and planned responses. Certain questions are standard, such as “what are your strengths and weaknesses,” “what do you consider your greatest accomplishment,” and “where do you expect to be in terms of your career in five years?” Other typical questions are “what is your management style” and “what would people who work for you say about you?” Interviewers may also pose a question by describing a situation and asking how you would deal with it (this is called a situational interview question). For example, “a new admission process has been put in place but the staff is having difficulty following it; what would you do?” Or, “our costs are out of line with the rest of the industry; how would you approach reducing expenses?”

Once again, an effective way to respond is to draw on your previous experience in a similar situation, and describe how you addressed the issue and the results. Interviewers are looking for skill sets that are transferable; that is, they can be applied in a new organization in similar situations. If you successfully implemented a process change in processing and tracking work orders for maintenance, you may have the skill set to address changes in the admission process. Similarly, if you reduced labor expenses in one organization by eliminating duplicate tasks and substituting automated systems for manual ones, you may be able to accomplish this again in a different setting. Here are some additional situational interview questions:

- Can you provide some examples from your past work experience that detail your teamwork skills? Problem-solving? Decisiveness?
- What would you do if you established a goal (e.g., increased worker productivity, cost reduction, reduced emergency room waiting times), but failed. How would you handle the situation, learn from it, and attain the goal?
- Describe a work situation that was challenging. What did you do to solve the problem? Did your solution solve the problem?
- Can you describe a work situation in which you used technology to solve a problem or improve productivity?
- Can you describe a time at a past job when you had to defend an unpopular decision you made?
- How would you handle a situation with tight deadlines and inadequate resources?

- Can you tell me about a time in which you had to speak up and tell other people what you felt or thought?
- How many people have you fired? How do you go about it?
- Can you discuss your experience with creating employee recognition and rewards programs? Were they successful? Why or why not?
- Can you describe a time you had to compromise your ethics?
- Tell me about a time when you had to deal with an irate physician. What happened?
- Can you tell me about a situation in which your actions served to make a team you were a member of more effective?
- Can you provide an example of a time when you had to communicate information orally—perhaps to a group of colleagues at a medical conference or to someone in a higher position than yours?
- Can you tell me about a time that you had a major impact on a person, group, or your organization? How did your contribution to a team, organization, club, etc. make a difference?
- Can you give an example of when you had to multitask several ongoing projects? How did you prioritize your tasks, assign staff, and go about completing them to meet the project goals?

Here are a few tips to help you prepare for situational interviews:

- Read the questions above and determine how you respond to each one. When preparing your response, be sure to address the situation, what steps you took to address or solve the situation, and the outcome of your actions.
- Practice responding aloud until you are confident that you can perform well under pressure.
- Your answers should always be positive and upbeat even if there is a legitimate reason to blame others.
- Ask your friends and family to quiz you with situational questions—ideally with a few that aren't on the list above.

The following Web sites offer more information on situational interviews:

- The Balance: Situational Interview Questions and Answers:
<https://www.thebalance.com/situational-interviews-2061636>

- *Forbes*: 11 Ways to Prepare For (And Ace) Situational Interview Questions:
<https://www.forbes.com/sites/forbescoachescouncil/2017/04/25/11-ways-to-prepare-for-and-ace-situational-interview-questions/#5cc49c8c5de2>
- LiveCareer: Situational Job Interview Questions & Excellent Sample Responses:
<https://www.livecareer.com/resources/interviews/questions/situational>

Another type of question posed by interviewers is the behavior-based question. This line of questioning relates to the individual being a good fit for the position and within the organization. Examples of these are “how well do you work under pressure,” and “are you able to handle multiple assignments concurrently?” Others are “how did you overcome an obstacle in completing a project,” and “have you had to make decisions that were not popular?” Through these inquiries, the interviewer is assessing your overall management skills as well as interpersonal skills and abilities.

Here are some additional behavior-based interview questions:

- Have you ever been involved in a situation in which you and a boss/colleague had a disagreement over a strategy (such as how to improve productivity)? How did you resolve it?
- Can you give me an example of when you showed initiative and took the lead?
- Can you describe a situation in which you were able to use persuasion to successfully convince someone to see things your way?
- Can you provide me with a specific example of a time when you used good judgment and logic in solving a problem?
- Can you tell me about a time when you had to go above and beyond the call of duty in order to get a job done?
- Can you tell me about a time when you missed an obvious solution to a problem?
- Tell me about the highest-pressure situation that you have dealt with in the past year and how you handled it.
- Can you describe a situation in which you needed to brainstorm differing/conflicting ideas with others in order to help accomplish

work goals?

- Can you tell me about a time when you were the driving force behind a project?
- Can you tell me about a recent situation in which you had to deal with a very upset customer or coworker?

Here are some tips to help you prepare for and perform well during behavioral interviews:

- Practice your responses to the questions above and to others you find online. Study the job advertisement to see what skills the company seeks and focus on developing responses in these areas.
- One good strategy is to prepare responses in the form of short "stories" that present your actions in these situations in a positive light. This story could incorporate the SBO technique: Situation (briefly describe the situation), Behavior (what was asked of you in terms of aims/objectives/challenges, and what you did; spend the most time on this part of your response), and Outcome (how your actions improved the situation).
- If you don't have a lot of work experience, it is okay to use examples from your personal life, college, or an internship.
- Work especially hard to prepare responses to situations in which you had only partial success or no success. You don't want to be caught "flat footed" during the interviews. Create a narrative that touches on your failures or partial success, but, most importantly, that conveys that you learned from your mistake and how you become a better worker.
- During the interview, provide as much information and detail as possible so that the interviewer obtains a comprehensive understanding of your actions.
- When answering a behavioral interview question, it's okay to take a few moments before answering to prepare what you want to say. This shows that you are thoughtful and calm under pressure.
- Avoid being too polished in your responses. You want to appear authentic, and a too-polished/practiced response might send a message that the story is too good to be true.
- Be ready for follow-up questions to your story.

- Prepare back-up examples to commonly-asked questions in case the interviewer asks for a second example.

Check out the following Web sites to learn more about behavioral interviews:

- Behavioral Interview Questions and How to Answer Them: <https://www.roberthalf.com/blog/job-interview-tips/why-you-need-to-prepare-for-behavioral-interview-questions>
- Hospital Careers: Behavioral Interview Questions & Answers: <https://www.hospitalcareers.com/blog/behavioral-interview-questions-answers>
- The Job Network: Acing Your Behavioral Job Interview: <https://www.thejobnetwork.com/acing-your-behavioral-job-interview>
- Monster: Be Ready for the Healthcare Behavioral Interview: <https://www.monster.com/career-advice/article/behavioral-interviews-in-healthcare>

Different Disciplines: Interviews

The interview process and interview questions may vary according to your career track and discipline. Interviews for a middle manager position in a nursing home, an admissions director, for example, will differ from that for a vice president in a hospital. Although there are a number of core questions, interviewers tend to focus on talents and skills that are specific to the type of organization (consulting firm vs. ambulatory care center) and the discipline within which the position falls (nurse manager vs. human resources director). Here are some sample approaches and questions for health care manager interviews:

Supervisors and Middle Managers in Hospital, Nursing Home, and Ambulatory Care Settings

As these managers are responsible for the day-to-day operations of their specific area and the completion of specific tasks, interview questions will center on organizational skills, time management, multitasking and, perhaps most important, people skills. For example:

Tell me about a time when you were unable to complete a project on time.

Sample response from a candidate for a laboratory manager position in a hospital: I was assigned a project to replace the lab's chemistry analyzers with machines that had improved technology, which would save labor and supply costs. The time frame for the project was three months, but after two months there was an unannounced inspection of the lab. I had to concentrate on the inspection, and completion of the project was delayed one month. But we did well in the inspection and the surveyors were very impressed with the new equipment and systems we were installing.

Did you ever have to handle a difficult situation with two co-workers in your department?

Sample response from a candidate for a food service supervisor in a nursing home: There was a dietary aide and chef who did not get along and they were creating an uncomfortable situation for the rest of the staff. They were constantly arguing and trying to get other members of the staff involved. I first met with them individually and then together, and asked that they tell me their expectations of one another without rehashing past events or criticizing each other. At first they tried to blame each other for the problem but eventually told me and each other that they wanted to be respected and listened to when they spoke. They both agreed to make an effort to listen and be respectful, and with my reinforcement and monitoring, the situation improved.

Directors of Large Departments or Functional Areas (Quality Improvement) in a Hospital, Health Care Association, or Consulting Firm

These individuals have broad-based responsibility and need good planning skills, political savvy, and interpersonal skills. Sample questions are:

Have you ever worked effectively under pressure?

Sample response from a candidate for a director of long-term care services of a state hospital association: There was pending state

legislation that would have had a very negative financial impact on nursing homes throughout the state, and resulted in many homes reducing services and eliminating needed programs. My staff and I had to rally support from the member nursing homes through a letter writing campaign to our elected officials and we only had two weeks to accomplish it. We contacted the owners and executives of over 300 nursing homes and organized a letter writing campaign from residents, family members, and members of the community. More than 6,000 letters were sent to elected officials and the legislation was defeated.

Sample response from a candidate for a director of operational analysis for a consulting firm: I was assigned to a hospital project involving a 10 percent reduction in labor costs. The report was due in three weeks to be presented to the hospital's governing board. Our team developed a fast track model to review payroll reports with each hospital department head, and identify tasks and duties that could be eliminated as well as areas of duplication. We developed a proposal to phase out unnecessary functions and to immediately reduce overtime and the use of per diem (day-to-day, working on an as-needed basis) employees.

Executive-Level Managers in Hospital, Nursing Home, Ambulatory Care, Managed Care, Consulting, or Health Care Association Settings

The responsibilities of these individuals are more strategic in nature; that is they need to assess the strengths and weaknesses of an organization, analyze the competitive market, identify opportunities for growth, and develop and execute plans to achieve results in terms of increased market share and profit. Interview questions posed to managers at this level will reflect the organization's need for strong leadership, and the talent and skills needed to adapt the organization to change both internally and in the external environment. Sample questions for a candidate for a chief operating officer position of a hospital, ambulatory care organization, managed care organization, or virtually any other health care organization are:

Describe a situation in which you had difficulty building consensus for an important strategic initiative.

Sample response from a chief operating officer candidate for a hospital position: The hospital's ability to compete with other hospitals in the area was weakened due to high labor costs, leaving very limited funds for new program development and improvement.

The directive from the chief executive officer was to reduce the number of employees by 20 percent without adversely effecting service or quality of care. The physicians on the hospital staff were opposed to the project and believed that reducing staff would compromise patient care. Through regular monthly meetings with each department of the medical staff and individual conversations with the department chairs, I was able to effectively demonstrate that the reductions would be in non-patient care areas and that we would be able to adjust to fewer staff in these areas through improved technology, systems, and procedures.

Sample response from a chief operating officer of an ambulatory care organization: One of our specialty services consistently lost money due to low volume and high operating costs. We identified a business partner who could help increase the number of patients by adding new physicians to our group and gaining entrance into additional insurance networks. Our physicians were resistant, as they did not want a new group joining the center that they had initially started and expanded. Individual and group meetings with our physicians and the proposed business partner, and the creation of an advisory board composed of our physicians, helped to facilitate their buy-in.

Video and Telephone Interviews

In recent years, health care employers have expanded the use of video and telephone interviews in order to save time and money. Additionally, the COVID-19 pandemic prompted many companies and government agencies to move their hiring process online to reduce the risk the transmission of the virus. Trinity Health, the 5th-largest hospital chain in the United States, offers the following tips at its Web site on preparing for video interviews:

- **Test your technology.** Make sure that your Internet connection, camera, and microphone work correctly.
- **Practice beforehand.** This will help you to build your confidence and improve your communication skills, body language, and overall presentation.
- **Set the scene and minimize distractions.** The room you interview in should be well-lit, but do not setup in a spot in which you will experience a strong glare from the sun. Avoid busy backgrounds (e.g., concert posters, rooms with nontraditional paint jobs). On the day of the interview, turn off your cell phone, close windows to reduce outside noise, and make sure that your dog and kids (if you have any) are placed in an area where they cannot be heard.
- **Dress for success.** Trinity Health's advice: "Business casual is recommended but your attire should mirror what you would wear to an in-person interview (from head to toe)."
- **Be prepared.** Learn as much as you can about the employer and review the job description before the interview. Have a backup plan ready if you lose power or your Internet connection. If you have a web interview scheduled, it's a good idea to provide the interviewer with your phone number at the start of the interview just in case you lose your Internet connection and have to switch over to the telephone on the fly.
- **Monitor your body language.** Trinity Health's advice: "Sit up straight, smile, and keep the camera at eye level. Keep your focus on the camera when talking, not on the image of the hiring manager. Speak clearly and slowly. Take your time when speaking and enunciate your words. This will make sure that your interviewer can hear and understand you."
- **Follow up.** Thank the interviewer first via e-mail on the same day as the interview, and then send a handwritten thank-you note within 24 hours of the interview. Hiring managers remember applicants who took the extra time to send a thank you-note.

Here are some additional resources to help you ace your telephone or video interview:

The Complete Guide to Video Interviewing (for Hospital Hiring Managers)

<https://www.hospitaljobs.com/the-complete-guide-to-video-interviewing-for-hospital-hiring-managers>

8 Tips For Acing Your Next Virtual Interview

<https://www.northeastern.edu/graduate/blog/virtual-interview-tips>

Top Video Job Interview Tips

<https://www.roberthalf.com/blog/job-interview-tips/screen-time-how-to-nail-your-next-video-interview>

22 Phone Interview Tips to Help You Nail the Call (and Move to the Next Round)

<https://www.themuse.com/advice/phone-interview-tips-preparation>

20 Video Interview Tips to Help You Dazzle the Hiring Manager and Get the Job

<https://www.themuse.com/advice/video-interview-tips>

Video Interview Guide: Tips for a Successful Interview

<https://www.indeed.com/career-advice/interviewing/video-interview-guide>

Questions to Ask

It is strongly recommended that prior to the interview you prepare a set of questions to ask the interviewer. Examples of these are:

- Have there been any recent changes in the organization that effect this department position?
- Who are your major competitors, and what has the organization done to become more competitive
- Does your organization have a strategic plan, and how was it developed?
- What are the greatest challenges facing your organization today?
- What are the major projects currently being worked on, and what are the plans for the future?

- How is morale, and what has been done to increase employee satisfaction?
- How has the company responded to recent regulatory changes?
- What are the most important skills for workers in this position?
- Can you tell me about the company culture?
- Is travel required for this position? If so, how much and to where?
- Do you offer management training or mentoring programs for young workers?
- How would you describe your organization's style of management?
- How will industry trends affect this organization within the next three to five years?
- How does the organization define a successful individual?

The interactive nature of the interview process may lead to additional questions. For example, if during the course of the conversation, the shortage of nurses or other personnel arises, a good follow-up question is, “What is the organization’s plan for recruitment and retention, and how effective has it been?” Similarly, if recently cited quality issues come up, a question related to the organization’s performance improvement program and the involvement of management and staff in quality improvement initiatives would be appropriate. As with responses, questions should be direct and to the point.

After the Interview

What you do after the interview is almost as important as your performance during the interview. Once the interview is finished, do the following:

Summarize the interview. Write down the main points that were covered during the interview, so you’ll have a record of what was discussed and notes to refer to if you advance to the next interview round. Main points include job duties, salary (if discussed), and the name of the hiring manager or anyone else you met during the interview process. If you had trouble answering any of the questions, write that down as well, and work on improving your responses for future interviews.

Contact your references. Let them know that you are interviewing, and that they might be contacted by the hiring manager. Provide them with the hiring manager's name and title, as well as the company name. Choose three to five skills (leadership, organizational skills, etc.) that the hiring manager paid special attention to during the interview and let your reference know that he or she might be asked about them. It's important to give your reference as much information as possible so that they are prepared to provide a positive reference and detailed information about your background and achievements if they are contacted by the hiring manager. Don't forget to thank your references by sending them a handwritten thank-you note.

Send thank-you notes. On the same day that you are interviewed, send handwritten thank-you notes to the hiring manager and anyone else who was involved in the interview process. Some people think that sending a thank-you note is old fashioned, but it's still very important. Sending a thank-you note may help you stand out from other interviewees. Eighty percent of human resources managers who were surveyed by the staffing firm Accountemps in 2017 said that they took thank you messages into account when deciding whom to hire. While this survey focused on the accounting industry, there is no reason to think that human resources managers' opinions of the importance of cover letters are any different. Despite the importance of thank-you notes, the same survey found that only 24 percent of job applicants sent a thank you note—a 27 percent decrease from 2007.

Be patient. Response times vary by employer. Some companies get back to job candidates in a few days. For others, it may take weeks. Also, if you were the first person interviewed for the position, it may take weeks for the hiring manager to interview all of the candidates. If you haven't heard from the hiring manager after several weeks, check in regarding the status of the interviewing process. Perhaps the hiring manager can provide a timeline for the interview process. During this time, continue to interview at other companies. If you're still waiting for a response after six weeks, contact the hiring manager one more time for an update. If you don't receive a response, move on and continue your job search.

Additional Resources

The following Web sites provide more information on acing job interviews:

Allhealthcare: 15 Toughest Interview Questions (and Answers!)

<http://www.allhealthcare.monster.com/careers/articles/3483-15-toughest-interview-questions-and-answers>

The Balance: Top 50 Job Interview Questions

<https://www.thebalance.com/top-job-interview-questions-2061228>

CareerOneStop: Interview and Negotiate

<https://www.careeronestop.org/JobSearch/Interview/interview-and-negotiate.aspx>

HealthcareIT Today: 8 Tips for Acing the Interview

<https://healthcareittoday.com/2016/05/31/8-tips-for-acing-the-interview>

Hospital Jobs Online: Interview Tips-Tough Interview Questions

<https://www.hospitaljobsonline.com/career-center/interviewing/interview-tips-tough-interview-questions.html>

Interview Success Formula: Interview Questions: What Are the Major Tasks in Health Care Management?

<https://www.interviewsuccessformula.com/interview-questions-and-answers/interview-questions-what-are-the-major-tasks-in-health-care-management.php>

Penn State Career Resource Center: Interviewing

<http://studentaffairs.psu.edu/career/students/interviewing.shtml>

Loyola University Chicago: Sample Interview Questions for Managerial Positions

https://www.luc.edu/hr/recruitmentguide_managerinterviewq's.shtml

Monster: 5 of the Toughest Health Care Interview Questions—and How to Answer Them

<https://www.monster.com/career-advice/article/toughest-health-care-interview-questions>

Monster: 10 Interviewing Rules

<https://www.monster.com/career-advice/article/ten-interviewing-rules>

Tal Healthcare: 8 Secrets to Acing the Interview

<https://www.talhealthcare.com/2017/04/8-secrets-to-acing-the-interview>

University of Pittsburgh Public Health: Preparing for your Interview

<https://www.publichealth.pitt.edu/careers/job-search-tool-kit/preparing-for-your-interview>

Yale School of Public Health: Standard Interview Questions

<https://publichealth.yale.edu/career/toolkit/interviews/questions.aspx>

Final Thoughts

Although the focus of interview questions for different disciplines and management levels differs to some extent, there are common threads. The ability to effectively problem solve and communicate with different constituencies (staff members, physicians, other managers, and individuals outside the organization) are required at all levels and in all disciplines. Interviewers will pose questions that are behavioral in nature, such as those above, to ascertain a candidate's experience and capabilities. Responses to these questions are a good indication of how a candidate will perform when faced with the challenges of a health care management job.

Successful interviewing leading to health care management job offers is dependent upon good preparation, and presenting yourself and your talents and skills effectively. If you do this well, you'll leave the interviewer with a positive impression of you as a potential asset and good fit for the organization.

Careers in This Industry

Lifestyle Issues

If you ask several health care managers what life is like in the industry, you'll get a variety of responses based on their job titles, the size and type of their companies, and other factors. For example, a nursing department manager at a nursing home will have considerably more interaction with patients than a hospital CEO will. A chief financial officer of a large hospital chain may travel to several hospitals in the course of his or her day, while an administrator at an assisted-living facility will be very busy, but may never leave the building during his or her shift. Some jobs are extremely stressful and require work on nights and weekends, while others involve a typical, Monday-Friday, 9-5 schedule with little stress. Before you take a job in the health care industry, it's important to learn about the company's work environment so that you won't be surprised once you're hired.

Work Settings

Health care managers typically work in comfortable, climate-controlled offices with the latest office technology that helps them to do their jobs more effectively. Many managers have office support staff (secretaries, clerks, etc.) to help them handle correspondence, manage information, etc. At top companies, the offices are typically larger, the technological bells and whistles are more impressive, and the office support staff is bigger. At smaller facilities, managers usually have to make do with less.

Hours

Many health care executives work a standard Monday through Friday schedule, while others—typically lower-level managers—average about 55 to 60 hours a week (including at night and on weekends). Hours can be irregular because hospitals, nursing homes, and other health care facilities operate around the clock; emergencies may require the manager's supervision any time of the day or night.

Salary and Benefits

Health care professionals often rank “competitive compensation” and “great benefits” among the most important criteria when considering a job offer. The health care industry delivers on both these criterion—offering salaries that are much higher than the national average and competitive benefits. Salaries ranged from less than \$58,820 to more than 189,000 in May 2019, according to the U.S. Department of Labor. Median annual earnings of medical and health services managers were \$100,980. Managers earned the following mean salaries by facility type:

- specialty hospitals (except psychiatric and substance abuse): \$127,990
- general medical and surgical hospitals: \$124,180
- medical and diagnostic laboratories: \$122,300
- offices of physicians: \$108,750
- outpatient care centers: \$110,530
- home health care services: \$97,560
- other ambulatory health care services : \$97,490
- nursing care facilities: \$97,300

Managers also often receive incentive bonuses based on job performance ranging from \$25,000 to \$225,000.

Benefits are also good in the health care industry—especially at large hospital chains. For example, LifePoint Health (one of the largest for-profit hospital operators in the United States) offers full medical, dental, and prescription drug coverage; life and disability insurance, a 401(k) plan, paid time off, flexible spending account programs, employee discounts, an adoption assistance program, educational and home loans, free mental health and substance abuse counseling, and free or greatly discounted access to health coaches, weight loss programs, and tobacco cessation services. Trinity Health, the 5th-largest hospital chain in the United States, offers health and dental coverage; short-term and long-term disability coverage; paid time-off, plus paid holidays; employee and dependent life insurance; flexible spending accounts; a retirement saving program, including 403(b)/401(k) plans with employer matching and core

contributions; tuition reimbursement and professional education; and adoption assistance.

Benefits vary greatly by employer, with national or regional companies offering more and a wider variety of benefits than mid-size and small companies do.

Workplace Stress

Health care managers are the “big kahunas” of the health care industry. They make the big bucks, have large offices, and are often looked up to by employees and the general public. But the job also features some negative aspects. Hospital boards and shareholders (at for-profit companies) want results—whether it’s higher profits, better efficiency in the emergency department, a higher patient census, or improved patient satisfaction scores. Problems can arise on any given day. A regulatory agency may show up unannounced. Equipment or mechanical systems may fail. Work-related conflicts can arise between staff members or entire departments. These situations can create a lot of stress for managers. As a result, health care managers need to be calm under pressure, good problem solvers, strong communicators, and at times, quick thinkers. Despite these challenges, most health care managers love their jobs and enjoy leading health care facilities or departments that help patients face health challenges and live better lives.

Talk Like a Pro

Glossary

ability to pay

Criterion used to determine the source of payment in which the provider of care or a third party like an insurance company identifies available resources of patient or family.

academic medical center

A medical complex consisting of a medical school, university, and teaching hospitals.

accreditation of health care facilities

The process by which an organization recognizes a provider, a program of study, or an institution as meeting predetermined standards. Examples of accreditation organizations are the National Committee for Quality Assurance, The Joint Commission, and CARF International.

acute care hospital

A hospital with an average length of stay of less than 30 days.

administration

The management and direction of the affairs of health care organizations and professional practices. The words “administration” and “management” are used interchangeably.

admission certification

A form of medical review involving an assessment of the medical need of admitting a patient to a hospital or other program or institution, usually for insurance and health maintenance organization purposes.

affiliated hospital

One that is affiliated with another health-related institution, such as a school of dentistry, medicine, nursing, and so forth.

allied health personnel

Health care workers other than physicians, dentists, and nurses. These individuals have technical or other postsecondary training. Allied health workers include nutritionists, surgical technologists, respiratory care technicians, nursing aides, physician assistants, and so forth.

any-willing-provider laws

These laws allow any physician to have access to a health plan's enrollees at the negotiated price. In other words, an HMO or insurance company cannot restrict their access to patients if they meet the plan's guidelines. Any-willing-provider laws lessen price competition among physicians because they cannot be assured of having a greater number of enrollees and thus have no incentive to compete on price.

artificial intelligence

Technology that can be programmed to make decisions which normally require human thought and act independently of humans.

assisted living facility

A medical facility that is generally used to treat elderly residents unable to live on their own and who require supervision and assistance with activities of daily living; these facilities provide a lower level of care than nursing homes.

biometrics

Biological measurements—such as fingerprint mapping and retina scans—that can be used to identify individuals.

blockchain technology

A distributed ledger database that maintain a continuously-growing list of records that cannot be altered, except after agreement by all parties in the chain.

budget

Financial plans that commit resources to activities, projects, or programs during a prescribed length of time, depending on the accounting system used by the institution.

capital budgeting

The process of selecting long-term assets—such as new equipment, replacement equipment, new plants, new products, and research development projects—whose useful life is greater than one year.

collective bargaining

The process of negotiating, administering, and interpreting labor contracts that involves union member and company management.

continuity of care

Uninterrupted care provided from the initial contact with a physician or clinic through all instances of a patient's medical needs.

convalescence care

Care furnished to restore an individual's ability to function at normal levels after an illness or injury.

coordination of benefits

The contract provision that prevents a claimant from profiting by collecting from two different group plans such that the total is greater than actual expenses.

copayment

A type of cost sharing in which insured persons or organizations pay a specific amount per health service rendered.

corporations of health care

Where hospitals restructure themselves into new corporate forms and become active in non-health related areas of business.

cost

In health care delivery, this is the total economic investment in the delivery of health care within the particular institutional environment.

cost containment

A group of strategies used to control the cost of health care services that can include cost-sharing approaches, benefit designs, provider contracts, and discount of set charges.

covered charge

A billed charge for an item, service, or procedure defined in a health insurance plan as a benefit.

COVID-19

A novel (new) type of human coronavirus that first emerged in late 2019 in China and that caused tens of millions of people throughout the world to get sick and more than 800,000 others to die. COVID-19 spreads mainly from person to person, most commonly through respiratory droplets produced when an infected person coughs or sneezes. Vaccines are currently in development to protect people from COVID-19 infection.

credentialing

In health care management, a process whereby certification can be achieved through a variety of methods—writing papers, passing an exam, and amassing experience and education. Certification demonstrates that the individual has taken extra steps to achieve a professional designation and show commitment to the field. Examples of certification credentials are the Certified Medical Practice Executive and Fellow of the American College of Healthcare Executives. Those who are certified may also be referred to as board certified.

cybersecurity

Taking measures to protect digital information that is contained in databases

and other storage mediums, as well as digital devices, from hackers, an essential concern for patient privacy and electronic medical records.

data analytics

The acquisition, organization, and analysis of data to meet a variety of goals.

data set

An aggregation of items of information that describe an element, episode, or aspect of health care, such as hospital admission.

day, inpatient bed count

The number of inpatient beds available for use in one 24-hour period.

deductible

This is the amount that an insured party must pay before the benefits of a health plan begin.

defensive medicine

When health care practitioners use excessive tests and measures for the purpose of avoiding a malpractice suit.

diagnostic test

A test conducted to determine what is wrong (e.g. broken bone, heart issues, etc.) with a person.

direct patient-care support services

Such services as housekeeping and chaplaincy services fall within this designation because they do not involve direct clinical application.

distributed ledger technology

A database of records that is consensually shared and synchronized among multiple entities. It is used to improve data security, provide a fact-based record of transactions for regulatory purposes, and for other reasons.

durable medical equipment

Equipment and supplies (such as wheelchairs, oxygen equipment, etc.) that are used every day or over a period of time.

economies of scale

The relationship between cost per unit and size of organization.

electronic medical record systems

Through computerized information, electronic medical record systems provides caregivers with immediate access to patient information through connectivity to the Internet, e-mail, and other real-time tools.

ERISA (Employment Retirement Income Security Act of 1974)

The basis of most employee benefits legislation. Even new laws and changes are normally designed as amendments to ERISA. This federal legislation allows for and sets guidelines regarding a group's ability to self-fund their benefits.

Family Medical and Leave Act

Passed in 1993, the Family Medical and Leave Act permits employees to take up to 12 weeks of unpaid leave each year for family or medical reasons without the risk or fear of losing their jobs.

fee-for-service

A method of payment for medical care services in which payment is made for each unit of service provided.

fixed costs

Costs that do not vary with output.

gatekeeper

In many health maintenance organizations, this is the primary care physician who administers the patient's treatment and who coordinates all medical services.

health care network

A variety of medical services that come together to provide comprehensive health care.

health insurance

A formal agreement between a health insurer and an individual that requires the individual to pay money (known as a premium) to the health insurer in exchange for the insurer paying all or some of the individual's health care costs. Many plans require co-pays by the insured or include a deductible that must be met before coverage begins. Also known as a *health insurance policy* or *health insurance plan*.

health insurance exchanges

Online marketplaces that were created through the Affordable Care Act for insurance companies to sell health care insurance plans to individuals and small businesses.

Health Insurance Portability and Accountability Act

Passed in 2003, the Health Insurance Portability and Accountability Act protects employees from access to personal health information and limits employers' ability to use employee health information.

health maintenance organization

A type of managed care plan that contracts directly with or directly employs participating health providers to offer a comprehensive plan to the consumer. Originally HMOs were distinct from other insurance firms because providers were not paid on a fee-for-service basis and because enrollees faced no cost-sharing requirements. These distinctions no longer hold.

health savings account

Enacted as part of the Medicare Modernization Act, people are permitted to have a high-deductible insurance plan along with a savings account to use toward health care expenses.

health systems

Also called integrated systems, these are multihospital systems with a range of outpatient services that allow for more coordinated patient care. Group practices, laboratories, and ambulatory care facilities are typically included. Individual hospitals, physicians, and other medical facilities form a network

to share quality standards, information, expertise, and technology that is difficult to provide alone. This not only helps to reduce the cost of care, but also helps to save lives. A successfully integrated system provides the best care for patients because all parts of the patient's needs are coordinated, including needs that come up between hospitalizations or other health services.

home health care

Medically-focused services that are provided to patients in their homes.

hospice services

Medical, support, and comfort services provided to a person who is in the last stages of a terminal illness. These services are provided in a person's home or in a hospice medical facility.

human resource management

The role and responsibility of human resource managers in attracting, developing, and maintaining a suitable workforce to support the organization's goals.

independent practice association

A contracting organization for physicians made up of solo and small groups that enables them to contract with payers on a unified basis.

individual mandate

A provision under a state or national health insurance plan in which individuals are required to buy a specified minimum level of health

insurance or be financially penalized. Congress repealed the individual mandate in the Affordable Care Act in 2017.

integrated delivery system

A health care delivery system that includes or contracts with all of the health care providers for coordinated medical services to the patient.

Internet of things

The creation of everyday objects with sensors that allow them to connect to the Internet and communicate with one another, which can have many uses in health care. One medical example is a monitor attached to a newborn that sends real-time information about a baby's breathing, skin temperature, and body position.

The Joint Commission

Begun in the 1950s to standardize the quality of care in hospitals, The Joint Commission (which was formerly known as the Joint Commission on Accreditation of Healthcare Organizations) accredits and certifies more than 22,000 health care organizations and programs that include hospitals, long-term care facilities, psychiatric facilities, substance abuse programs, community mental health programs, ambulatory facilities, and hospices. Joint Commission accreditation and certification is recognized nationwide as a symbol of quality that reflects an organization's commitment to meeting certain performance standards.

labor unions

These organizations, which represent workers in many industries, engage in collective bargaining over wages, benefits, and working conditions for their membership and represent their members if management attempts to violate contract provisions. Many hospital workers are members of unions.

machine learning

A method of data analysis that incorporates artificial intelligence to help computers study data, identify patterns or other strategic goals, and make decisions with minimal or no intervention from humans.

malpractice

Negligence or carelessness by a professional that results in injury or loss to a patient or client.

managed care organization

An organization that controls medical care costs and quality through provider price discounts, utilization management, drug formularies, and profiling participating providers.

Medicaid

A health insurance program financed by federal and state governments and administered by states for low-income people.

medical coding

The process of transforming descriptions of medical diagnoses and procedures into universal medical code numbers. The diagnoses and procedures are usually taken from a variety of sources within the medical record, such as the transcription of the doctor's notes, laboratory results, radiologic results, and other sources.

Medicare

A federally sponsored health insurance plan for the elderly and disabled run

by the Centers for Medicare & Medicaid Services.

Medicare Advantage plans

Enacted as part of the Medicare Modernization Act, private health plans receive a monthly capitation payment from Medicare and accept full financial risk for the cost of benefits.

multihospital system

When a corporation owns, leases, or manages two or more acute care hospitals.

National Practitioner Data Bank

A system whereby state licensing boards and other health care regulatory bodies can identify, discipline, and report those who engage in unprofessional behavior. The intent is to prevent incompetent health care professionals from moving from state to state without disclosure of past malpractice or adverse action history being known.

nonmaleficence

Not increasing patients' difficulties by the actions or inactions of health care administrators and managers. The minimization of risk to patients is of primary importance, and health care managers are charged with protecting against intentional harm.

nonprice hospital competition

Hospitals compete on the basis of their facilities, services, and technology rather than on price.

nursing home

A facility that provides care to the elderly, disabled, and others requiring long-term care.

Occupational Safety and Health Act

Passed in 1970, the Occupational Safety and Health Act requires employers to maintain a safe workplace and adhere to standards specific to health care employees.

open-enrollment period

A period of time, which can be a few months to a year, during which employees are given the option of enrolling in one or more health care insurance plans.

patient days

Total number of inpatient days of care given in a specified time period.

patient dumping

When a health care facility refuses to admit or prematurely discharges patients without resources or patients who require high-cost procedures.

Patient Protection and Affordable Care Act

A major law passed in 2010 that required all people to purchase health care insurance individually or through their employer, created federal and state health care exchanges for this purpose, and implemented government subsidies for low-income people. The law also regulated health care insurance by setting standards of coverage, prohibiting insurers from excluding customers with pre-existing conditions, and other requirements.

Also known as the *Affordable Care Act*. Certain provisions of the Act, such as the individual mandate, have been repealed by Congress.

pay for performance

Higher payments made to providers who demonstrate that they provide higher-quality services.

peer review organization

A watchdog group formed by members of the same profession to guard against improper treatment or charges. Sometimes peer review organizations are used to review questionable claims.

pharmacy benefit manager

A firm that processes outpatient prescription drug claims for a health insurer's drug plans.

physician hospital organization

An organization that allows hospitals and their medical staffs to develop group practice arrangements that facilitate negotiation of contracts.

play or pay

A form of national health insurance in which employers are required to provide a basic level of medical insurance to employees.

preferred provider organization

An arrangement between a panel of health care providers and purchasers of

health care services in which the providers agree to supply services to a defined group at a discount.

primary care physician

One who coordinates all of the routine medical care of an individual.

professional standards review organizations

Formed to protect Medicare funds from fraud and abuse, professional standards review organizations are physician-run organizations that have the authority to grant or deny payments for Medicare and Medicaid services.

prospective payment system

A method of payment in which health care providers are paid a predetermined rate for the services rendered regardless of actual costs incurred.

providers

A generic term for doctors, hospitals, nurses, dentists, therapists, and other who provide health care services.

rate review

A review by a government or private agency of a hospital's budget and financial data, performed for the purpose of determining the reasonableness of the hospital rates and evaluating proposed rate increases.

rehabilitation center

A facility that uses therapy, education, and emotional support to help patients regain good health and lead useful lives.

rehabilitation services

Medical services such as physical therapy, speech-language pathology, and occupational therapy that help a patient regain or improve physical or mental issues that were caused by an illness, injury, or disability.

self-insurance

The method of providing employee benefits in which the group eligible for insurance purchases no insurance at all, thereby assuming full responsibility for the claims.

single payer

When a third party, usually the government, pays health care providers and the population has a choice of doctors, hospitals, and other providers. It is usually funded by taxation. Medicare and Medicaid are single-payer systems.

skilled nursing facility

A long-term care facility that provides inpatient skilled care and rehabilitation services.

specialty health maintenance organization

An organization that uses an HMO model to provide health care services in a subset or single specialty of medical care.

staff-model health maintenance organization

A health maintenance organization that directly employs staff physicians to provide services.

stakeholders

People or organizations who are interested in the health care facility, in this case, in terms of its operations and success. A stakeholder would be members of the boards of hospitals, community organizations that support clinics, and so forth.

supply chain management

Sometimes called *materials management*, it is the process of managing the clinical and non-clinical goods and inventory purchased and used by the personnel of health care organizations.

telemedicine

The use of telecommunications, usually from a distant site, to facilitate medical diagnoses, patient care, patient education, and/or medical learning. The communication is between someone with the information—physician, technician, or nurse—to the person who is in need of it like a physician, emergency medical technician, patient, and so forth. Modes of telecommunication include Internet, radio, optical, or electromagnetic channels transmitting text, X-rays, photographic images, medical records, voice transmission, data, or video. Many rural areas are finding uses for telemedicine in providing basic medical diagnoses and care, as well as oncology, radiology, and psychiatric services.

tertiary care

Includes the most complex services in hospital settings, such as transplants and open-heart surgery.

third-party administrator

An organization such as a health maintenance organization, insurance company, or government agency that pays for all or part of the insured medical services.

unbundling

When a provider charges separately for services previously provided together as part of treatment.

uncompensated care

Services rendered by the provider without reimbursement.

universal coverage

When medical services are provided for an entire population through government services, health care insurance, or other means.

utilization management

The process of evaluating the necessity, appropriateness, and efficiency of health care services against established guidelines and criteria. Utilization management usually includes new actions or decisions based on the overall analysis of the utilization.

vertical integration

A delivery system that provides an entire range of services that includes inpatient care, ambulatory care clinics, outpatient surgery, and home care.

volume performance standards

A mechanism to adjust updates to fee-for-service payment rates based on actual aggregates.

Learn More

Case Study: Working with Recruiters

Landing a health care management job can be challenging—especially with a large hospital system or other health care provider. There are many people just like you trying to enter this rewarding and lucrative career. In fact, the American Hospital Association reports that there is an average of 30 candidates per every health care opening.

To increase your chances of landing a job, consider working with a recruiter. B.E. Smith, a leading health care industry recruiter, says that executive search firms can “provide you with a distinct advantage, as the recruiters know the job market and will notify you when a position opens that fits your profile.” Search firms are very helpful in job searches. They have contacts with large numbers of organizations, are constantly receiving new search requests, and have professional staff with a wealth of information about the job market and organizations. In terms of position levels, they fill supervisory, middle management, and executive-level jobs. Some firms have a specific niche and will recruit mainly executive-level positions or middle management level.

There are two types of recruiters. *Contingency recruiters* are paid by the company only if the candidate they recommend is hired. *Retained recruiters* are paid by the firm whether the candidate is hired or not. Be sure to clarify the compensation format before agreeing to work with a recruiter. Another tip: ask for everything in writing so that there are no surprises. The most important thing to remember as a candidate is that the search firm works for the client and not you. The recruiter’s job is to identify as many viable candidates as possible and to be able to produce these candidates if the need arises. In other words, search firms will contact potential candidates to assess their interest and utilize them as backup candidates when required.

So once you decide to work with a recruiter, what happens next? You will be asked to provide your resume and to participate in a preliminary

screening session (via a telephone interview or online videoconferencing or a face-to-face meeting). The recruiter will ask you a series of questions concerning your background, experience, and personal characteristics. During this phase, in an attempt to identify candidates who are a good match for the position, the interviewer may also ask you behavioral-type questions. Examples of these are “how well do you work under pressure and give me an example,” and “did you ever effectively convince other team members to agree to your plan?” During the screening phase, the recruiter may also ask questions about your interests, leisure activities, and career plans. As positions may be located in a different part of the country, the recruiter will also ask you about your willingness to relocate and to which areas or regions. Be sure to tell the truth on your resume and in your responses to the interviewer. “Firms conduct extensive background checks as well as searching the Internet and social media,” cautions B.E. Smith in a tip sheet on working with recruiters at its Web site. “Any discrepancies will result in eliminating you as a candidate for a position.”

Once the screening interview is completed, the recruiter presents your and other candidates’ credentials to an organization seeking a manager or executive at a group meeting of key members of the organization, such as members of the board of directors, executives, and managers, or with the decision maker, the person who will hire the individual for the position. About five candidates are normally presented with as many as four alternate candidates. The alternate candidates are reviewed if the initial candidates are not well received by the client. Following the presentation, the client decides which of the candidates presented will be interviewed.

Candidates not selected for an interview during a search process and those who are interviewed and not selected for the position are generally retained in the recruiter’s database. The recruiter may ask the candidate if she is interested in another current search they are conducting or in one they may pursue in the near future. Candidates may also be contacted at a later date when the recruiter is identifying individuals for a new search. At this point, the firm will request an updated resume and the screening process will start again.

The downside of working with a search firm is the length of time the search process takes and the uncertainty of where one stands during this process. The upside is the large number of positions these firms recruit for and the information that can be obtained regarding organizations in the field you're looking to enter. Search firms generally provide a salary range for the position they are seeking to fill at the front end of the process. This is an advantage, as in the case of the salary for the position not being what the candidate is seeking—it will not be pursued. Search firms fill approximately half of executive-level health care management positions and a significant percentage of other positions, so they are a job search option worth considering.

Here are some major health care executive recruiters and general recruiters that have strong health care recruiting departments:

- B.E. Smith: <https://www.besmith.com>
- WittKieffer: <https://www.wittkieffer.com/practices/healthcare>
- Korn Ferry: <https://www.kornferry.com/industries/healthcare>
- Cejka Search: <https://www.cejkasearch.com/healthcare-executive>
- The HealthCare Initiative: <http://www.thehealthcareinitiative.com>
- Spencer Stuart: <https://www.spencerstuart.com/what-we-do/industries-we-serve/healthcare>
- Heidrick & Struggles International: <http://www.heidrick.com>
- Solomon Page Group: <https://solomonpage.com/healthcare-lifesciences>

Additionally, you can use the company search feature at LinkedIn.com to find and follow recruiters, as well as join groups for health care recruiters and professionals. Some health care recruiters are members of the Association of Executive Search and Leadership Consultants (AESC, <https://www.aesc.org>). To join the association, firms must go through a stringent vetting process and commit to the AESC Code of Professional Practice. More firms can be found at <https://www.modernhealthcare.com/article/20130715/INFO/307159919/2017-executive-search-firms-respondents>.

Finally, check out these resources for additional information:

- Three Things Candidates Should Know About Executive Recruiters:
<https://www.forbes.com/sites/forbescoachescouncil/2017/07/27/three-things-candidates-should-know-about-executive-recruiters/#44c6cf7f1d2b>
- Four Facts You Should Know About Working with Executive Recruiters:
<http://www.carterbaldwin.com/four-facts-you-should-know-about-working-with-executive-recruiters>
- How to Work With Executive Recruiters:
<https://guides.wsj.com/careers/how-to-work-with-executive-recruiters/how-to-work-with-executive-recruiters>

Lloyd Dean, CEO, CommonSpirit Health

Lloyd Dean is the chief executive officer of CommonSpirit Health, the third-largest health system in the nation. CommonSpirit Health was formed by a merger of Dignity Health and Catholic Health Initiatives. In 2019, Dean was named as the 39th-most influential person in the health care industry by *Modern Healthcare*. *Fortune* says that he has “come to stand out as an unconventional leader in a staid, grave industry.” Dean’s been known to don a disguise and check up on customer service in the lobbies of his hospitals, as well as send out “Just Thinking” memos to other Dignity executives to shake things up, receive feedback on his ideas, and establish clear expectations for employee and company success.

Dean’s path to the top echelons of the health care industry is interesting and nontraditional. He grew up in poverty in Muskegon, Michigan, and didn’t even see a doctor until he was a high school junior. Through hard work, strong academic performance, and a scholarship, Dean was able to attend Western Michigan University, where he earned a bachelor’s degree in sociology and a master’s degree in education. “I grew up in a difficult financial situation,” Dean recalled in a 2013 interview with The Advisory Board, “[and] education became a highway out of it. So once I graduated from college, I gravitated toward those kinds of opportunities.” For several years, Dean worked as a junior high school teacher, and even as an early-morning news anchor for WOTV in Battle Creek, Michigan. But through networking connections Dean met a top executive at pharmaceutical giant The Upjohn Company. The executive thought Dean had natural leadership skills and offered him a position as assistant region manager in Upjohn’s health care services division. Dean eventually accepted and spent 14 years rising through the ranks at Upjohn to become executive vice president of sales for the entire company.

In 1992, Upjohn closed its health care services division, and Dean transitioned to the health care industry, running the home health care

division of Evangelical Health Systems (now known as Advocate Health Care). In 2000, Catholic Healthcare West (CHW), one of the country's largest nonprofit health care systems, offered him the CEO position. CHW faced dire financial conditions (it was losing \$1 million a day), and Dean welcomed the challenge. He saved CHW (which was renamed Dignity Health) \$100 million by laying off 300 middle managers, created a plan that linked the company's hospitals more closely to reduce costs and create a unified mission, and mandated goals for each hospital that improved customer service and increased operational efficiency.

Dean loves his job and, although he's received job offers from competitors and was even considered for a position in then-President Obama's cabinet, he plans to continue to remain in his current position. "I love health care," he told The Advisory Board. "What greater opportunity do you have to impact large numbers of people? To help people really sustain life, or change the path that they're on in a positive way."

Sources: Fortune, The Advisory Board, Modern Healthcare, Forbes

Hospitals by the Numbers

- In 2020, there were 6,146 registered hospitals in the United States. These hospitals had a total of 924,107 beds. (Registered hospitals are those that meet the American Hospital Association's criteria for registration as a hospital facility.)
- In 2018, there were 36,353,946 admissions to U.S. registered hospitals—up from 35,158,934 admissions in 2016.
- In 2017, hospital emergency departments (EDs) treated 139 million people.
- Hospital EDs work 24/7. Sixty-two percent of emergency department patients arrive outside normal business hours.
- Hospitals must be prepared to treat more than 1,600 unique medical conditions.
- In 2018, the United States had the largest per capita healthcare expenditures in the world at \$11,172 per person.
- Approximately 8.5 percent of Americans—or 27.5 million people—did not have health insurance in 2018.

Sources: 2020 AHA Hospital Statistics; National Center for Health Statistics; Henry J. Kaiser Family Foundation; National Institutes of Health; Organization for Economic Co-operation and Development; Statista.com

Career Insight for Health Care Management

Books

Aldrich, Jim. *Climbing the Healthcare Management Ladder: Career Advice from the Top on How to Succeed*. Baltimore, Md.: Health Professions Press, 2015. This interesting book features advice from 29 well-known health care CEOs who collectively represent 700 years of experience in the industry. Advice includes how to develop the skills, attitudes, and qualifications that promote success in the field; using the power of networking and mentorship, and cultivating the right relationships inside and outside of one's organization.

Buchbinder, Sharon B., Nancy H. Shanks, and Bobbie J. Kite. *Introduction to Health Care Management*. 4th ed. Burlington, Mass.: Jones & Bartlett Learning, 2019. This book discusses a variety of issues and topics that are of interest to health care managers, including information technology, ethics, cost management, strategic planning and marketing, and human resources. Chapters include An Overview of Health Care Management; Organizational Behavior and Management Thinking; Quality and Performance Improvement Basics; Managing Health Care Professionals; Addressing Health Disparities: Cultural Proficiency; Law and Ethics; Health Care Regulation and Compliance; Special Topics and Emerging Issues in Health Care Management; and Health Care Management Case Studies and Guidelines.

Colbert, Bruce J., and Elizabeth Katrancha. *Career Success in Health Care: Professionalism in Action*, 3rd ed. Clifton Park, N.Y.: Delmar Cengage Learning, 2015. This guide aims to help health care students and job seekers sharpen their interpersonal skills to become attractive to potential employers. Each chapter features exercises and tests that help readers gauge and develop their oral and written communication skills.

Friedman, Leonard, and Anthony R. Kovner. *101 Careers in Healthcare Management*. 2nd ed. New York: Springer Publishing Company, 2017. This useful resource describes managerial career paths in acute and long-term care, pharmaceuticals and biotechnology, medical devices, public health organizations, physician practices, international and government organizations, commercial insurance, consulting firms, executive search firms, information technology and informatics, and regulatory agencies. It also features dozens of interviews with health care managers at all levels.

White, Kenneth R., and J. Stephen Lindsey. *Take Charge of Your Healthcare Management Career: 50 Lessons That Drive Success*. Chicago: Health Administration Press, 2015. This book for new graduates of master's in health care management programs and young professionals covers three major areas: managing yourself, managing your job, and taking charge of your career. Topics include developing a personal brand, managing the first 90 days of your career, mastering presentations through writing and speaking tips, and building and supporting strong teams.

Journals

Healthcare Executive

<https://healthcareexecutive.org>

This magazine covers issues of importance to those working on the business end of the health care industry. It includes articles written by experts in the field as well as interviews with hospital administrators. Articles cover such topics as career development, ethics, technology trends, facility management, and diversity in the workplace.

Journal of Healthcare Management

<https://www.ache.org/learning-center/publications/journals>

This is the official journal of the American College of Healthcare Executives (ACHE). It covers management-related topics and industry trends and features interviews with movers and shakers in the industry. The ACHE also publishes *Frontiers of Health Services Management* (<https://www.ache.org/learning-center/publications/journals>).

Modern Healthcare

<http://www.modernhealthcare.com>

This publication provides up-to-date, breaking business news about the health care industry, including information about career trends. It also publishes a variety of “best” lists such as the 100 Most Influential People in Healthcare, Top 25 Emerging Leaders, 100 Top Hospitals, Best Places to Work in Healthcare, Top 25 Minority Leaders in Healthcare, and Top 25 Women Leaders.

Changing Careers

Much of the career change in health care management occurs within different settings in the field. It is fairly common, for example, for hospital administrators to move into long-term care administration, physician practice management, or ambulatory care management. Although there are differences in these settings, the skills and knowledge base acquired as a hospital manager is generally transferable. Movement in the opposite direction, from other settings to hospitals, is less common due to the complexity of hospitals as compared to other health care organizations.

Managers in all areas of health care may become consultants. The knowledge, expertise, and contacts gained as a health care manager facilitate a transition to the consulting field. As such, consultants who were formerly managers have an in-depth understanding of the operations of health care organizations, as well as the problems and issues they face. Consultants may also move into health care management positions. This usually happens when a consultant completes an engagement with a health care client and the client identifies a need for the consultant within the organization.

Career change outside of the field occurs to some extent. Often the move is to a related field, such as the biopharmaceutical industry (sales management) or insurance (sales or consulting). The transition to management positions in other industries is less likely, as the health care manager tends to be a specialist with limited knowledge of other sectors. People in certain disciplines, however, such as finance, marketing, and information technology, move more frequently to other industries, as these skill sets tend to be easier to transfer.

Health care managers may also transition to education. Although most programs in health care administration prefer an individual with a doctorate in a health field, some health care managers become instructors on a part-time basis, teaching courses in the evening or on weekends. Health care managers who go this route may then pursue their doctorate degree and

eventually teach full time. These individuals bring their expertise and experience to the classroom, which is extremely valuable in the process of preparing and educating future health care managers.

The Health Care Support System

Organizations that support the provision of care may be classified into the following categories:

- Managed care organizations and insurance companies: companies such as Aetna and Horizon Blue Cross Blue Shield
- Management services organizations: provide billing and administrative services to physician groups
- Consulting firms: including those that assist with improving productivity, survey preparation, and billing and collection, as well as compliance with the regulations of the Affordable Care Act and other health care laws
- Public health and community health organizations: state-operated family health centers, Centers for Disease Control and Prevention facilities
- Related companies: biopharmaceutical companies, vendors of medical supplies and equipment
- Research and health information organizations and associations: The Advisory Board and National Committee for Quality Assurance (research); American Hospital Association; state hospital associations; and the American College of Healthcare Executives
- Regulatory and government agencies: state and local health departments, federal Centers for Medicare and Medicaid Services

Each of these entities plays a role in the delivery, financing, and regulation of health care services. Managers in these organizations may previously have worked for a direct care provider or in a management capacity in another field entirely.

Health Care: Economics, Management, and Organization

Baedke, Laurie K., and Natalie D. Lamberton. *The Emerging Healthcare Leader: A Field Guide*. 2nd ed. Chicago: Health Administration Press, 2018.

Buchbinder, Sharon B., Nancy H. Shanks, and Bobbie J. Kite. *Introduction to Health Care Management*. 4th ed. Burlington, Mass.: Jones & Bartlett Learning, 2019.

Burnham, John C. *Health Care in America: A History*. Baltimore, Md.: Johns Hopkins University Press, 2015.

Colbert, Bruce J., and Elizabeth Katrancha. *Career Success in Health Care: Professionalism in Action*. 3rd ed. Clifton Park, N.Y.: Delmar Cengage Learning, 2015.

Emanuel, Ezekiel. *Prescription for the Future: The Twelve Transformational Practices of Highly Effective Medical Organizations*. New York: PublicAffairs, 2017.

Friedman, Leonard, and Anthony R. Kovner. *101 Careers in Healthcare Management*. 2nd ed. New York: Springer Publishing Company, 2017.

Knickman, James R., and Brian Elbel (eds.) *Jonas and Kovner's Health Care Delivery in the United States*. 12th ed. New York: Springer Publishing Company, 2018.

McConnell, Charles R. *Umiker's Management Skills for the New Health Care Supervisor*. 7th ed. Burlington, Mass.: Jones & Bartlett Learning, 2016.

McLaughlin, Daniel B., and John R. Olson. *Healthcare Operations Management*. 3rd ed. Chicago: Health Administration Press, 2017.

Nowicki, Michael. *Introduction to the Financial Management of Healthcare Organizations*. 7th ed. Chicago: Health Administration Press, 2017.

Olden, Peter C. *Management of Healthcare Organizations: An Introduction*. 3rd ed. Chicago: Health Administration Press, 2019.

Pozgar, George D. *Legal Aspects of Health Care Administration*. 13th ed. Burlington, Mass.: Jones & Bartlett Learning, 2018.

Rosen, George. *A History of Public Health*. Baltimore, Md.: Johns Hopkins University Press, 2015.

Rosenthal, Elisabeth. *An American Sickness: How Healthcare Became Big Business and How You Can Take It Back*. New York: Penguin Books, 2018.

Schneider, Mary-Jane. *Introduction to Public Health*. 6th ed. Burlington, Mass.: Jones & Bartlett Learning, 2020.

Song, Paula H., and George H. Pink. *Gapenski's Understanding Healthcare Financial Management*. 8th ed. Chicago: Health Administration Press, 2019.

Wager, Karen A., Frances W. Lee, and John P. Glaser. *Health Care Information Systems: A Practical Approach for Health Care Management*. 4th ed. Hoboken, N.J.: Jossey-Bass, 2017.

Ward, Adam. *Lean Design in Healthcare: A Journey to Improve Quality and Process of Care*. New York: Productivity Press, 2018.

Wendel, Jeanne, Teresa D. Serratt, and William O'Donohue. *Understanding Healthcare Economics: Managing Your Career in an Evolving Healthcare System*. 2nd ed. New York: Productivity Press, 2017.

Young, Kristina M., and Philip J. Kroth. *Sultz & Young's Health Care USA: Understanding Its Organization and Delivery*, 9th ed. Burlington, Mass.: Jones & Bartlett Learning, 2017.

Career Exploration and Professional Development

ExploreHealthCareers.org

<https://explorehealthcareers.org/career/health-administration-management/health-administrator>

This introductory career Web site provides an overview of the career of health administrator, and includes information on academic requirements, working conditions, and sources of additional exploration. The site features profiles of more than 100 health care careers.

Frequently Asked Career Management Questions

<https://www.ache.org/career-resource-center/advance-your-career/faqs>

This ACHE Web page answers the following questions:

- Early-Careerist Question: How should I manage the transition from being a student to being a professional if my goal is to become an administrator?
- Mid-Careerist Question: What personal characteristics and professional background are needed to make a successful transition from managing in a health services organization to becoming a management consultant?
- Senior Executive Question: What can I expect from an executive recruiter?

Healthcare Executive Competencies Assessment Tool

https://www.ache.org/-/media/ache/career-resource-center/competencies_booklet.pdf

This useful resource from the ACHE will help both health care management students and current professionals assess their expertise in critical areas of health care management, including communication and relationship

management, leadership, professionalism, knowledge of the health care environment, and business skills and knowledge. It will help them identify their strengths and weaknesses, and develop a personal development plan to eliminate their deficiencies.

Make a Difference: Discover a Career in Healthcare Management

<http://healthmanagementcareers.org>

This great resource from the ACHE provides an overview of career paths in the industry, information on salaries, a summary of educational requirements, and videos of successful health care executives discussing their careers at hospitals and other health care organizations.

Modern Healthcare

<http://www.modernhealthcare.com>

This publication offers breaking news about the health care industry, including information about career trends. It also publishes a variety of “best” lists such as the 100 Most Influential People in Healthcare, Top 25 Emerging Leaders, 100 Top Hospitals, Best Places to Work in Healthcare, Top 25 Minority Leaders in Healthcare, and Top 25 Women Leaders.

Occupational Outlook Handbook Medical and Health Services Managers

<http://www.bls.gov/ooh/management/medical-and-health-services-managers.htm>

This article provides an overview of job duties, educational requirements, work environment, salaries, and the employment outlook (including job growth predictions by health care sector) for health care managers. Sources of additional information are also provided.

U.S. Bureau of Labor Statistics: Occupational Employment and Wages, May 2016-Medical and Health Services Managers

<http://www.bls.gov/oes/current/oes119111.htm>

This site provides comprehensive information on earnings for health care managers. Mean earnings are provided for managers employed by general medical and surgical hospitals, offices of physicians, nursing care facilities,

outpatient care centers, and other employers. Information on the best-paying states and metropolitan areas is also available.

What Can I Do with a Healthcare Management Degree?

<https://www.herzing.edu/blog/what-can-i-do-healthcare-management-degree>

This resource from Herzing University provides an overview of the different types of managerial jobs you can obtain based on your degree level and answers to frequently asked questions about education and careers.

Mastering Applicant Tracking Systems

“The use of resume scanning software is the norm in healthcare recruiting today as organizations seek to expand their views of candidates and reduce interview selection risk,” according to the interim leadership and executive search recruiting firm B.E. Smith. This software, which is a component of applicant tracking systems, is used to scan cover letters and resumes for keywords related to the open position (skills, job titles, etc.) or to identify candidates who have experience at a well-known past employer (e.g., HCA Holdings, Tenet Healthcare, etc.) or who attended a prestigious college. Applicant tracking systems, which are also known as *talent management systems*, are also used to track the applicant from the time he or she applies for a job, through the interview process, and to the end of the application process. It’s important to prepare your cover letter and resume for ATSs so that you will be selected to advance to the next round in the hiring process. Here are some tips to follow:

- **Use keywords that match the most important skills, experience, etc. listed in the job ad, but don’t overdo it.** The latest ATS systems can spot keyword stuffing (i.e., including as many keywords as possible just to get noticed).
- **Cover your bases.** You should include keywords that match those in the job ad, but you should also add those that succinctly summarize every relevant job skill, experience, certification, language in which you are fluent, and other credentials you possess because the ATS system may be programmed to search for a variety of secondary skills/experiences/abilities that the employer may need, but did not put in the ad.
- **Tell the truth about your skills and experience.** Beating the ATS system is great, but you’re still going to have to talk a real person in the next interview round. It will be embarrassing if you cited experience as a project manager and fluency in Spanish, but you can’t demonstrate experience or proficiency in either.

- **Steer clear of overly formatted resumes that contain photos, graphics, logos, headers, and footers.** Their presence can cause the ATS to incorrectly read your application materials.
- **Use your social media pages to improve your chances of landing a job.** Some companies incorporate information from your social media pages into their ATS systems. Some even track your activity at their Web sites, blogs, social media pages, and other online destinations (unless you hide your identity). So, your strategy should be to present yourself professionally on social media, avoid posting anything negative online, and tout your interest in working at a particular company or in a specific career on your pages. Visiting the job page of a company that you've applied to and frequently commentating on (or simply "liking") articles that are posted at one of their blogs could increase your chances of landing a job.

Acing Video Interviews

Many large health care employers now conduct interviews by using Skype, Apple FaceTime, Google Hangouts, Viber, or other software to speed up the interview process, to interview candidates who live in other areas of the United States or in other countries, and for other reasons. These interviews are conducted in real-time, although some employers use an online recorded interview system that asks job-seekers to record their responses to a list of interview questions. The video interview process is different in many ways than a traditional face-to-face interview, so it's important that you prepare for this special type of interview. Here are some tips that will help you master this interview format:

- **Set up and troubleshoot the technology.** Before the interview, become familiar with the video conferencing software so that you can test the quality of the video and sound; adjust the lighting; and adjust the webcam and experiment with different angles and camera distances so that you present yourself professionally during the interview.
- **Conduct a trial run.** It's a good idea to participate in a mock interview to assess your performance. Doing so will help you to identify poor lighting and shadows on your face, unwanted background noise, messy backgrounds (distracting art, etc.), and technical issues.
- **Dress professionally.** When you conduct your mock interview, wear the clothing you intend to wear during the real interview to make sure it is video interview friendly. Some clothing designs (stripes or small dots) or colors (white, red, magenta) may not be video interview friendly. Various shades of blue (royal, sky blue, navy) often look attractive on video. Ask a friend or family member to assess your clothing choices.
- **Demonstrate good body language.** During the interview, look directly at the camera, not the video image of yourself (which might make you appear disinterested or unfocused). Resist the urge to look away from the camera; it can send a message that you're bored or even untrustworthy. Good body language and posture, as well as frequent

smiles, are just as important in a video interview as they are in a face-to-face interview.

- **Eliminate potential sound issues.** During the interview, your phone should be on mute, your dog should be taken for a long walk, your kids enjoying some time at grandma's or daycare. Keep in mind that the sound of **tapping pencils and** shuffled papers may be picked up by the microphone.
- **Prepare for tech disruptions.** At the beginning of the interview, ask the interviewer for his or her phone number so that you can continue the interview should your Internet fail. Have your phone ready to use as a wireless Internet connection if you lose your Internet connection. Being prepared for such disruptions will show the hiring manager that you're organized and perform well under pressure.

Resources

For information on state licensing, certification, and student resources, contact

American College of Health Care Administrators

1101 Connecticut Avenue, NW, Suite 450

Washington, D.C. 20036-4359

Tel: (800) 561-3148

E-mail: info@achca.org

<http://www.achca.org>

For general information on health care management, contact

American College of Healthcare Executives

300 South Riverside Plaza, Suite 1900

Chicago, IL 60606-6698

Tel: (312) 424-2800

E-mail: contact@ache.org

<http://www.ache.org>

For information on earnings, careers in health information management, and accredited programs, visit

American Health Information Management Association

233 North Michigan Avenue, 21st Floor

Chicago, IL 60601-5809

Tel: (800) 335-5535

E-mail: engage@ahima.org

<http://www.ahima.org>

For information on certification and job listings, contact

American Hospital Association

800 10th Street, NW, Two CityCenter, Suite 400

Washington, D.C. 20001-4956

Tel: (800) 424-4301

<http://www.aha.org>

For information about medical directors who work in long-term-care services, contact

AMDA—The Society for Post-Acute and Long-Term Care Medicine

10500 Little Patuxent Parkway, Suite 210

Columbia, MD 21044-3596

Tel: (800) 876-2632

<https://paltc.org>

For information on education and careers, contact

American Medical Association

330 North Wabash Avenue, Suite 39300

Chicago, IL 60611-5885

Tel: (800) 621-8335

<http://www.ama-assn.org>

For information on careers, certification, and volunteer opportunities, contact

American Organization of Nursing Leadership

155 North Wacker Drive, Suite 400

Chicago, IL 60606-1719

Tel: (312) 422-2800

E-mail: aone@aha.org

<http://www.aone.org>

For information on careers and the field of public health, contact

American Public Health Association

800 I Street, NW

Washington, D.C. 20001-3710

Tel: (202) 777-2742

<https://www.apha.org>

For information on health care administration careers, scholarships, and accredited programs, contact

Association of University Programs in Health Administration

1730 M Street, NW, Suite 407

Washington, D.C. 20036-4565

Tel: (202) 763-7283

E-mail: aupha@aupha.org
<http://www.aupha.org>

For information on careers in Canada, contact

Canadian College of Health Leaders

150 Isabella, Suite 1102
Ottawa, ON K1S 1V7 Canada
Tel: (800) 363-9056
E-mail: info@cchl-ccls.ca
<http://www.cchl-ccls.ca>

For information on careers, contact

Clinical Laboratory Management Association

330 North Wabash Avenue, Suite 2000
Chicago, IL 60611-7621
Tel: (312) 321-5111
E-mail: info@clma.org
<http://www.clma.org>

Discover Health Admin is an educational resource for people looking to begin or advance a career in the field of health care administration. It offers state-by-state guides on salary, career prospects, and top employers as well as comprehensive guides to every degree in healthcare administration and information about scholarships and graduate schools.

Discover Health Admin

<https://discoverhealthadmin.org>

For information on careers, contact

Healthcare Financial Management Association

3 Westbrook Corporate Center, Suite 600
Westchester, IL 60154-5732
Tel: (800) 252-4362
<http://www.hfma.org>

For career information, contact

Healthcare Information and Management Systems Society

33 West Monroe Street, Suite 1700

Chicago, IL 60603-5616

Tel: (312) 664-4467

<http://www.himss.org>

The IDHE is "committed to expanding health care leadership opportunities for ethnically, culturally, and racially diverse individuals, and increasing the number of these individuals entering and advancing in the field."

Institute for Diversity and Health Equity

155 North Wacker Drive, Suite 400

Chicago, IL 60606-1719

Tel: (312) 422-2630

<http://www.diversityconnection.org>

For comprehensive information about the career of health care manager, visit

Make a Difference: Discover a Career in Healthcare Management

<http://healthmanagementcareers.org>

For information about employment opportunities in ambulatory care management and medical group practices, contact

Medical Group Management Association

104 Inverness Terrace East

Englewood, CO 80112-5306

Tel: (877) 275-6462

E-mail: service@mgma.com

<http://www.mgma.com>

This organization for African-American health care executives offers job listings and information on careers, student case competitions, and scholarships.

National Association of Health Services Executives

1050 Connecticut Avenue, NW, 5th Floor

Washington, D.C. 20036-5303

Tel: (202) 772-1030

<https://www.nahse.org>

For job listings and information on its Summer Enrichment Program, "an

internship designed to promote racial and ethnic diversity in healthcare management," visit the association's Web site.

National Association of Hispanic Health Care Executives

153 West 78th Street, Suite 1

New York, NY 10024-6741

Tel: (917) 974-8164

E-mail: info@ahhe.org

<https://www.ahhe.org>

For information on licensure, contact

National Association of Long Term Care Administrator Boards

1120 20th Street, NW, Suite 750

Washington, D.C. 20036-3441

Tel: (202) 712-9040

<http://www.nabweb.org>

For publications, news releases, and information from recent health care conferences, contact

National Health Council

1730 M Street, NW, Suite 500

Washington, D.C. 20036-4561

Tel: (202) 785-3910

<http://www.nationalhealthcouncil.org>

For information about careers in health care office management, contact

Professional Association of Health Care Office Management

1576 Bella Cruz Drive, Suite 360

Lady Lake, FL 32159-8969

Tel: (800) 451-9311

<https://my.pahcom.com>