

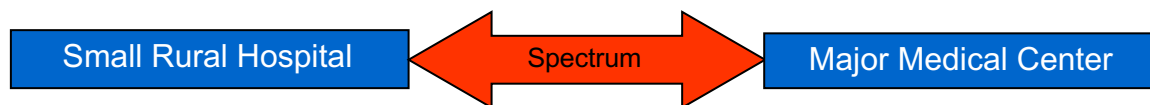
# The Organizational Structure of a Hospital

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When the Governing Board of the organization selects the CEO and delegates to him/her the responsibilities of day-to-day management, the CEO accepts the responsibility of staffing it to fulfill the mission and vision (including the budget) that the Board has delegated. The "structure" that the CEO selects is more "art" than science, i.e. there is no single organizational template that must be followed.

In a small, rural hospital such as the Lost Rivers Medical Center in Arco, Idaho, (14 acute care beds plus 25 long-term care residential beds) it is not uncommon for the CEO to wear several hats, including that of janitor, ambulance driver, business office manager, etc. Only as the facility grows in size and complexity does it make business sense to hire additional administrative staff. On the other end of the organizational spectrum, Peter Drucker believes that a full-service hospital or medical center is one of the most complex organizations in the world.

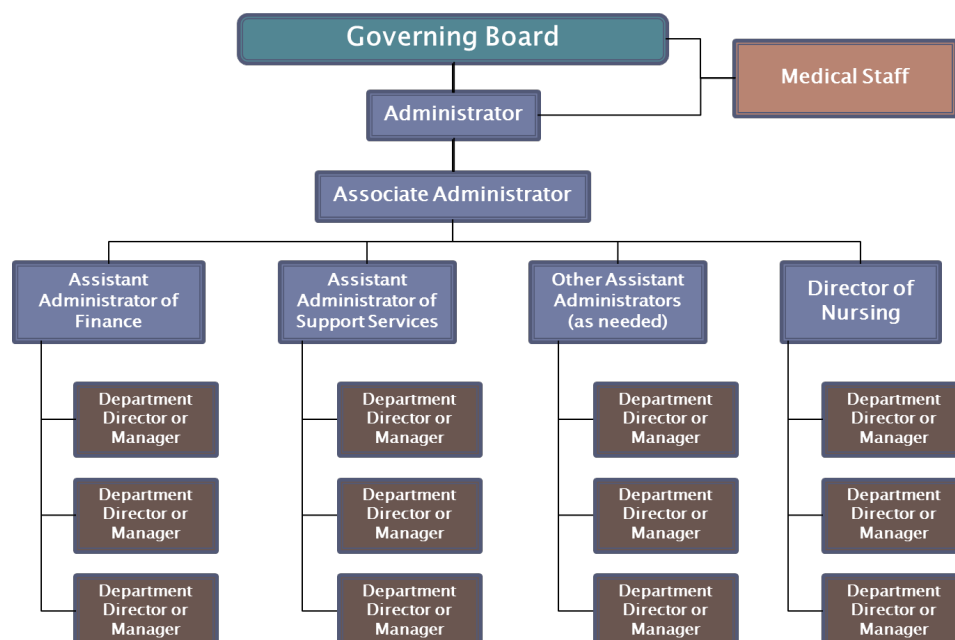


## Organization of Hospital Staff

The following are examples of how hospital staff may be organized when viewed through the lens of an organizational chart.

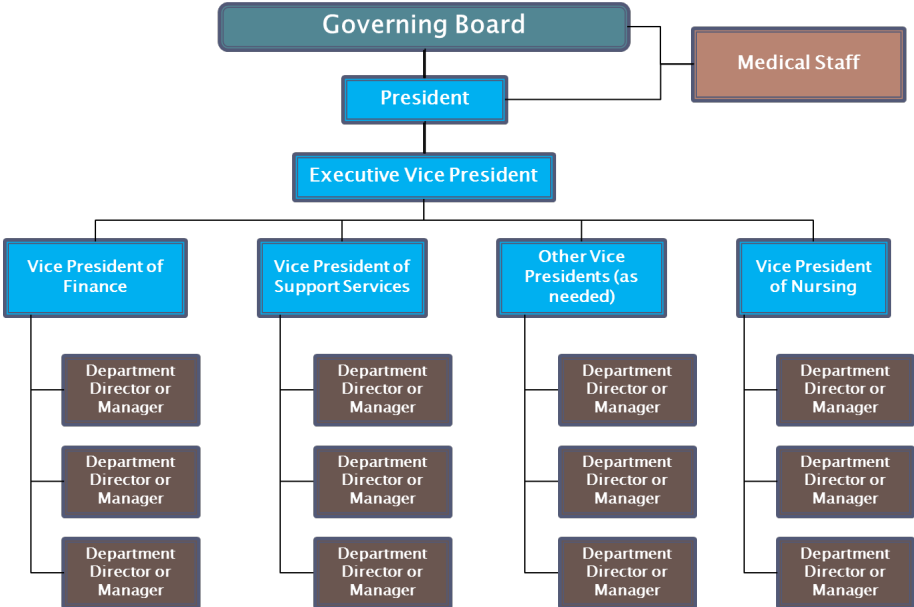
### Traditional Model

Traditionally, the Chief Executive Officer of a facility has been known as "Administrator." In this model, the Chief Operating Officer is known as "Associate Administrator." The next in command are "Assistant Administrators." It is common for the Chief Nursing Officer to carry the title of "Vice President of Nursing" or "Director of Nursing." That position is considered one of the "assistant administrators" in the traditional model.



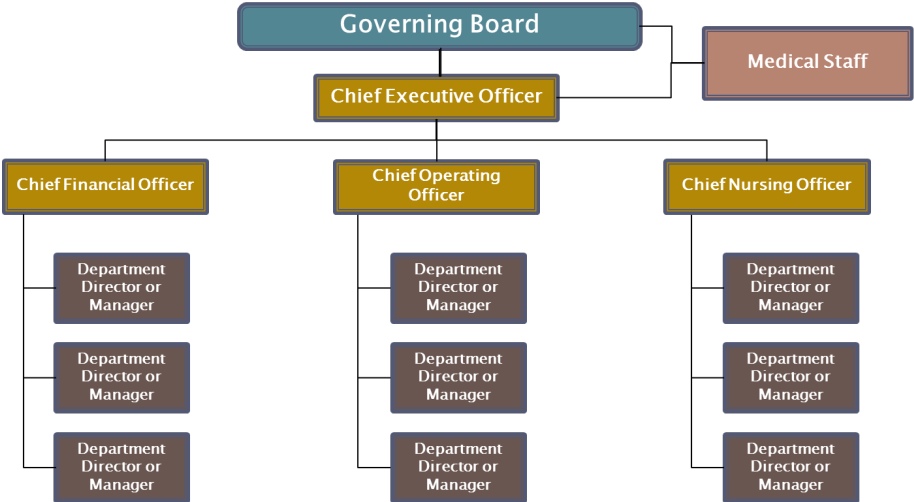
**Corporate Model**

In the Corporate Model, the term/title “President” is used for the Chief Executive Officer. The Chief Operating Officer, in this model, is known as “Executive Vice President,” and the third echelon in the executive suite are called “Vice Presidents.”



**The “C-Suite” Model**

The term “C-Suite” reflects a naming device in which “Chief” is the consistent element. The number one position is “Chief Executive Officer.” The number two position is “Chief Operating Officer.” “Chief Financial Officer” is a term that is used consistently in all naming devices. “Chief Nursing Officer,” “Chief Information Officer.” You should note that there is no “chief” position for the Vice Presidents/Assistant Administrators, because the term “chief” implies singularity, while the VP position is, by definition, multiple in nature.

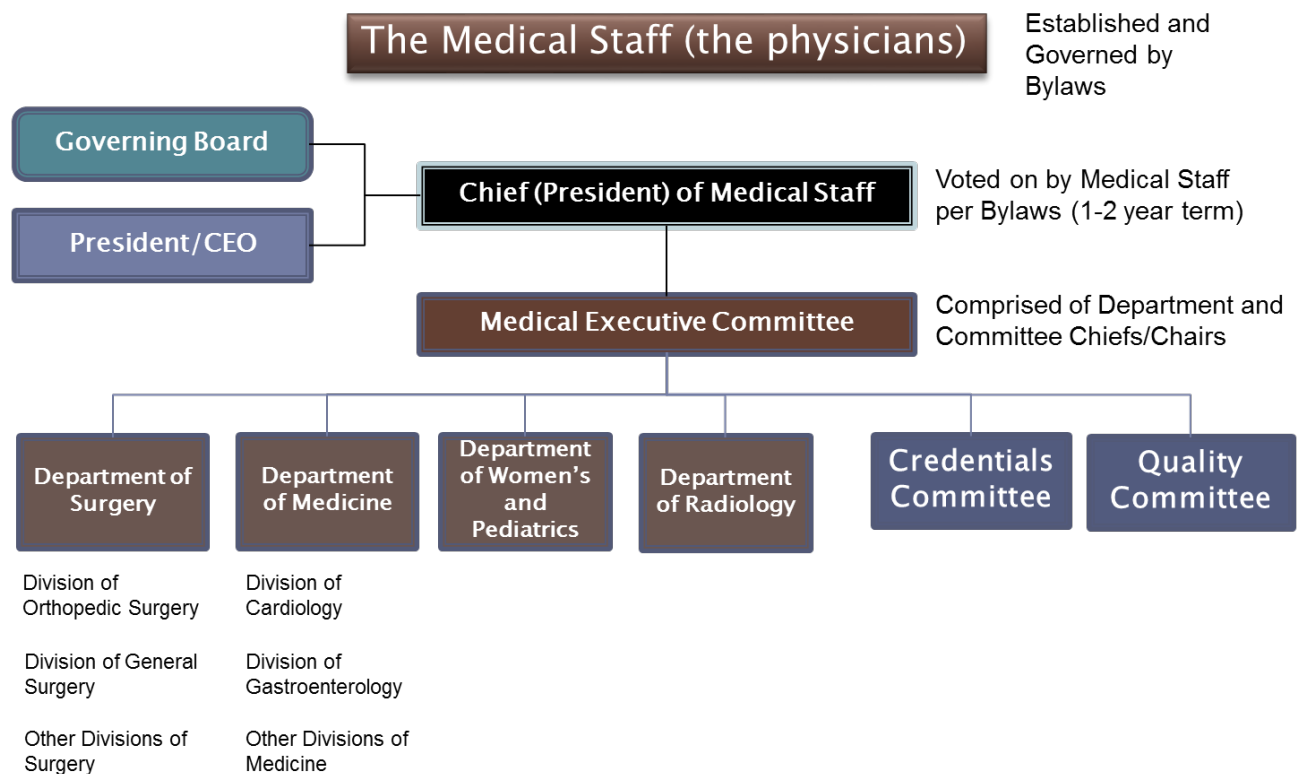


\* Depending on size of the hospital, Assistant Administrators can be a “layer” of management between the “Chiefs” and the Department Directors/Managers

The organizational structure of a hospital is reflected in its license. A facility is licensed for the services that it provides, the number of inpatient beds, the number and types of Operating Rooms, and the number and types of ICUs. An Ambulatory Surgery Center is not licensed for inpatient beds. It is licensed only for the number of Operating Rooms and/or Special Procedure Rooms that it operates.

### Organization of the Medical Staff

A hospital’s medical staff consists of all physicians who have been credentialed and privileged by the hospital’s Governing Board to practice at the hospital. In order for the physicians to carry out their responsibilities to provide patient care, they, too, have an organizational structure intended to provide needed order and leadership. The following is an example of an organizational structure of a hospital’s medical staff.



### Important Acronyms

- C-Suite: A slang term for the “Executive” Suite (Where the “Chiefs” work)
- CEO: Chief Executive Officer
- CFO: Chief Financial Officer
- CIO: Chief Information Officer
- CNO: Chief Nursing Officer
- COO: Chief Operating Officer