

CMO or VPMA—Is There a Difference?

By Lois Dister

In this article...

A new survey looks at the similarities and differences between CMOs and VPMA.

The demand for physician leadership is increasing as organizations seek to effectively align the medical staff, manage advanced medical and information technology, and remain fiscally healthy.

When an organization looks to recruit a top physician leader, two questions arise:

1. Which position should we create: a vice president of medical affairs (VPMA) or a chief medical officer (CMO)?
2. What is the difference?

Partly to blame for the confusion is the proliferation of C-Suite titles that has brought us many new titles with similar meanings, such as chief executive officer versus president, or chief nursing officer versus vice president, clinical services.

Organizations redefine their organizational structures and titles to address the growing complexity of health care, due to consolidation, changes in governance and the systemization of health care.

How is the health care marketplace defining the roles of CMO and VPMA? What attributes delineate the differences between them? Approximately 90 physician executives contributed their viewpoints about the differences and similarities between these two leadership positions through a recent survey, an online discussion group at acpe.org and personal interviews as conducted by Cejka Search in partnership with the American College of Physician Executives (ACPE).

When asked if the role of CMO or VPMA exists in their organizations, 66 percent of respondents cite having a CMO, 43 percent cite having a VPMA and more than a quarter (26 percent) confirm that both roles are present in their organization.

Survey respondents indicate that the majority of CMOs (79 percent) report to the CEO, followed by 18 percent reporting to the COO or other executive, and 3 percent reporting to the system or corporate CMO.

In comparison, a smaller percentage of VPMA report to the CEO (63 percent), while 17 percent report to the CMO, 6 percent report to the COO or the system/corporate CMO and 14 percent report to another executive within the organization.

Survey findings show that the CMO and VPMA are relatively similar with regard to whether they are promoted from within or recruited from outside of the organization. Additionally, both are mostly considered full-time roles (85 percent of CMOs and 83 percent of VPMA).

Fewer CMOs than VPMA continue to see patients (27 percent and 34 percent, respectively). Many physicians express the importance of continuing to practice medicine on a part-time basis to maintain credibility with the medical staff, but agree it can be challenging to manage their administrative and clinical responsibilities effectively.

More than half (55 percent) of all CMOs report they have a post-graduate business management degree including MMM (23 percent), MBA (18 percent), MPH (7 percent) and MHA (7 percent).

More than one-third (34 percent) report having no post-graduate business management degree and 11 percent are either in process of pursuing some type of advanced degree or taking continuing education.

Forty-four percent (44 percent) of VPMA have advanced business degrees: MMM (18 percent), MBA (16 percent), MPH (8 percent), MHA (2 percent). Forty-two percent (42 percent) have no post-graduate business management degree and 14 percent are either in process of pursuing an advanced degree or taking continuing education.

Comments

The survey results provide a baseline for comparing the objective attributes of a CMO and VPMA. However, the commentary in the survey, as well as the online discussion group



Table 1 Cejka Search/ACPE Survey Response Highlights

	CMO		VPMA	
Does your organization have a CMO and/or a VPMA? (multiple answers possible)	66%	report their organization has CMO title	43%	report their organization has VPMA title
26% have both a CMO and a VPMA in their organization				
To whom does the CMO or VPMA report?	79%	report to CEO	63%	report to CEO
	18%	report to COO/other executive	17%	report to CMO
	3%	report to system or corporate CMO	14%	report to other
			6%	report to COO or system/corporate CMO
Primary care and specialty medical training?	55%	have primary care training	46%	have primary care training
	45%	have specialty medical training	54%	have specialty medical training
Post-graduate business management degrees?	55%	have post-graduate degrees:	44%	have post-graduate degrees
	23%	Master of Medical Management	18%	Master of Business Administration
	18%	Master of Business Administration	16%	Master of Medical Management
	7%	Master of Public Health	8%	Master of Public Health
	7%	Master of Health Administration	2%	Master of Health Administration
Recruited from outside the organization?	53%	are from outside the organization	46%	are from outside the organization
Is the position full-time or part-time?	85%	cite full-time	83%	cite full-time
Does your CMO or VPMA continue to see patients?	27%	continue to see patients	34%	continue to see patients

The survey was conducted electronically in early 2009 and the findings represent input from 91 participants who represent a relatively even mix of CMOs (34%), VPMAs (29%) and other physician or clinical leaders (37%). Survey respondents work in hospital systems or integrated delivery networks (IDN) (40%), hospitals (34%), managed care (16%), and group practice (10%)



and interviews with physician leaders, reveal a range of opinions about the differences and similarities between CMOs and VPMA.

Viewpoints diverge widely, with some responding that they believe there is little to no difference: “semantics, no difference, the same jobs, synonymous, interchangeable.”

Others believe there is clear differentiation, citing the CMO role as “more strategic, externally focused and closer to the executive office,” while describing the VPMA as “more operationally focused, involving management of the medical staff office.”

A number of respondents point out that the roles are often performed by the same person: “In organizations where there is only one top physician executive, he or she ends up performing both roles.”

The common themes heard among the participants include the recognition that the definitions of CMO and VPMA are likely influenced by the respondents’ organizational experiences, and the expression of a sincere interest in better defining the CMO and VPMA roles.

David DiLoreto, MD, MBA, FACS, who is senior partner with Grace & Associates and former chief medical officer at Baptist Health Care, Pensacola, Florida, offers his insight about the core challenge in defining these roles.

“The decision about titles for leadership roles in medical management should be rooted in the context of the organization,” says DiLoreto. “Clearly defining the responsibilities of a position can help the organization identify an appropriate job title. Ultimately what is important is to create a medical management system that works for a particular organization.”

Fifty-two percent say the CMO and VPMA jobs are different based on key responsibilities.

Choosing from a list of responsibilities presented in the survey, only quality management is identified

CMO	VPMA
A part of the C-Suite structure, closer to the CEO	A part of the organization’s VP structure
Strategic	Hands-on and tactical
Reports to CEO	Reports to CMO
Larger organization	Smaller organization
Broader responsibility: business and service line development	Traditional responsibility: UR, PI, quality, medical staff issues and physician review
Executive and strategic functions	Day-to-day operational and medical staff office functions
System or group practice clinical oversight	Single hospital medical staff oversight
Operational accountability	Ambassadorial
Career physician executive	Physician liaison between management and medical staff
Quality management and service line development	Credentialing and physician review and development
Many direct reports including medical executives	Limited or no direct reports



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in the top three for both positions. Each has three responsibilities that are unique in their list of top seven responsibilities.

The top seven CMO responsibilities ranked by frequency of selection:

1. Chief clinical spokesperson (81 percent)
2. Quality management (79 percent)
3. Performance improvement (70 percent)
4. Credentialing, re-credentialing, privileging (57 percent)
5. Utilization and case management (57 percent)
6. Clinical program development (53 percent)
7. Physician executive development (49 percent)

In the free text area of the survey, respondents also cite the following additional responsibilities of the CMO:

- Strategic planning
- System-wide coordination of medical activities
- Clinical policy oversight

- Physician relations and outreach
- Serving as an officer or board member in some organizations

The top seven VPMA responsibilities ranked by frequency of selection:

1. Credentialing, re-credentialing and privileging (85 percent)
2. Medical staff office (75 percent)
3. Quality management (71 percent)
4. Utilization and case management (71 percent)
5. Joint Commission readiness (67 percent)
6. Performance improvement (60 percent)
7. Physician recruitment (58 percent)

In the free text area of the survey, respondents also cite the following additional responsibilities of the VPMA:

- Budgeting
- Contract review
- Space planning

- Physician management/relations and mid-level oversight
- Infection control
- Participating in or providing input to the executive team

When asked to explain the differences between a CMO and a VPMA, approximately 52 percent identify one or more key differentiators.

According to DiLoreto, the core distinction between the two positions is the level of strategic input the physician leader provides to their organization.

“While both the VPMA and CMO are considered an integral part of the administrative team at the facility, it is the CMO who is responsible for corporate system strategy design and strategy implementation,” he states.

“The CMO is responsible for bringing significant business expertise to the leadership team, typically including a business graduate degree with additional clinical business experience in the health care services and the hospital industry.”

Same job, different title

The balance (approximately 40 percent) of the survey respondents said clearly that the difference is based on semantics or the structure of the organization, and not on the job within it.

Compensation for CMOs and VP			
2007 Cejka Search/ACPE Compensation Survey	Median	High	Low
CMO	\$292,000	\$356,000	\$280,000
VPMA	\$275,000	\$300,000	\$266,000

Advanced business degrees are becoming increasingly important requirements for physician leadership positions. “CMOs generally have advanced business management degrees and training beyond their clinical education,” explains Robert Pryor, MD, who is CMO and chief operating officer of Scott & White HealthCare, Temple, Texas.

“For example, we are recruiting a CMO for one of our hospitals and an MBA is a requirement. It’s important for the CMO to generate a creative tension in the negotiation between the financial model and the medical model...not swinging too far one way or the other.”

According to Pryor, a CMO should be a CEO in training, developing a strong clinical background in conjunction with a business background, and being active at the senior leadership table on top line issues such as redefining health care delivery.

Approximately 8 percent do not clearly declare an opinion.

Key themes explaining the opinion that there is no difference include:

- Small- and medium-sized organizations have one person serving all the responsibilities, under one of the titles or a combination.
- Moving to a new organization—or undergoing reorganization—brings a new title, not different responsibilities.
- The titles are interchangeable based on an array of job descriptions.
- It has to do with how flat or vertical the hierarchy is. There’s no real difference in the functions.
- The culture, not responsibilities, dictate the title.

Charles Schauburger, MD, chief medical officer at St. Luke’s Hospital, a member of the Iowa Health System in Cedar Rapids, Iowa, echoes this finding.

“As for the difference between a CMO and a VPMA, I don’t really know

that there is a big difference. In my health system, most of my counterparts are listed as VPMA’s. When we sat down and looked at each other’s list of goals and duties, it is apparent that there are significant differences based on location and individual hospital priorities, more than there are differences based on the title.”

Conversely, the same title can be carried by individuals with vastly different levels of responsibility. “Is there a difference in leadership required for a 40-bed rural hospital and a hospital system with eight hospitals and ultimate oversight of 2000 beds?” asks DiLoreto. “Both can be lead by a CMO—but the responsibilities and requirements of the two roles are very different.”

Differences between the two roles can depend on the specific sector of the health care industry, the size of the organization and the specific organizational context in which the leaders find themselves. According to DiLoreto, large- and medium-sized hospital systems might have both CMO and VPMA positions. Smaller systems and single hospital facilities

may have a sole individual in a position with both titles.

A number of survey respondents state that it really is just about the title. Success should be measured by the value the physician executive provides in improving a health care organization.

But, perception is reality. As one respondent said, “Titles do matter—both internally and externally—whether from the C-suite, staff, patients or shareholders.” In publicly held organizations, having a CMO position makes strategic sense so that shareholders can see this type of management structure in place.

So, what is the difference between a CMO and a VPMA? The survey findings do not offer a definite answer to this question. Health care organizations and physician leaders widely vary in their readiness to put a stake in the ground on this subject. While some of the survey participants denote clear differences between the two roles, others in essence say “Tom-A-to/To-MAH-to” and it’s a matter of semantics.

The information gathered through interviews, discussion groups, data and anecdotal responses from the survey reflects a cross-section of experience and opinions. It certainly constitutes fuel for further discussion.

Organizations seeking to establish and develop a top physician leadership role should clearly define their clinical and business objectives, honestly assess the culture and relationships within their organization, and define a role that will attract and leverage the talents of the best physician executives available.



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