



# TRENDWATCH CHARTBOOK 2014

Trends Affecting Hospitals and Health Systems



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American Hospital  
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# TRENDWATCH CHARTBOOK 2014

Trends Affecting Hospitals and Health Systems

2014

Prepared by Avalere Health  
for the American Hospital Association

TrendWatch, produced by the American Hospital Association, highlights important trends in the hospital and health care field. Avalere Health supplies research and analytic support. TrendWatch products include a series of reports and this Chartbook, released each year, that provide up-to-date information on health and hospital trends.

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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. Close to 5,000 institutional, 600 associate, and 40,000 personal members come together to form the AHA.

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**GLOSSARY**

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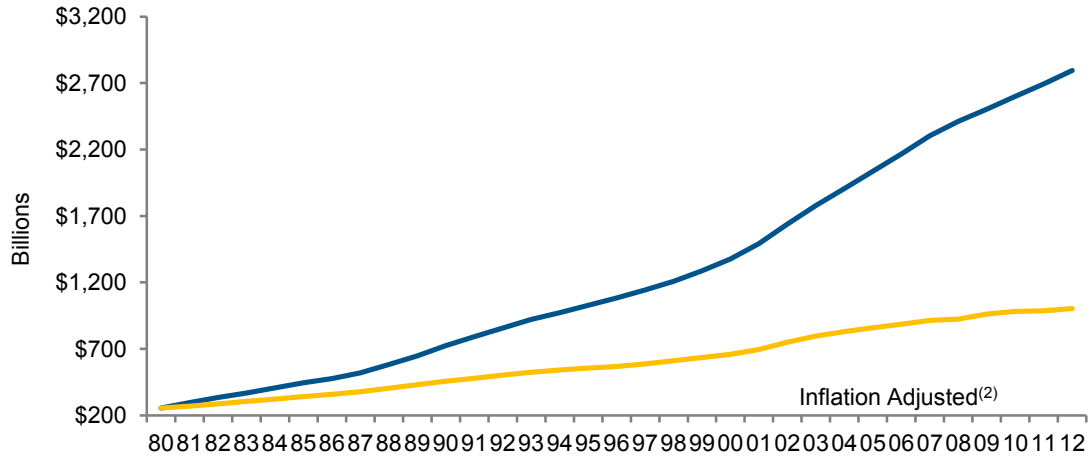


# CHAPTER 1

Trends in the Overall  
Health Care Market



Chart 1.1: Total National Health Expenditures, 1980 – 2012<sup>(1)</sup>

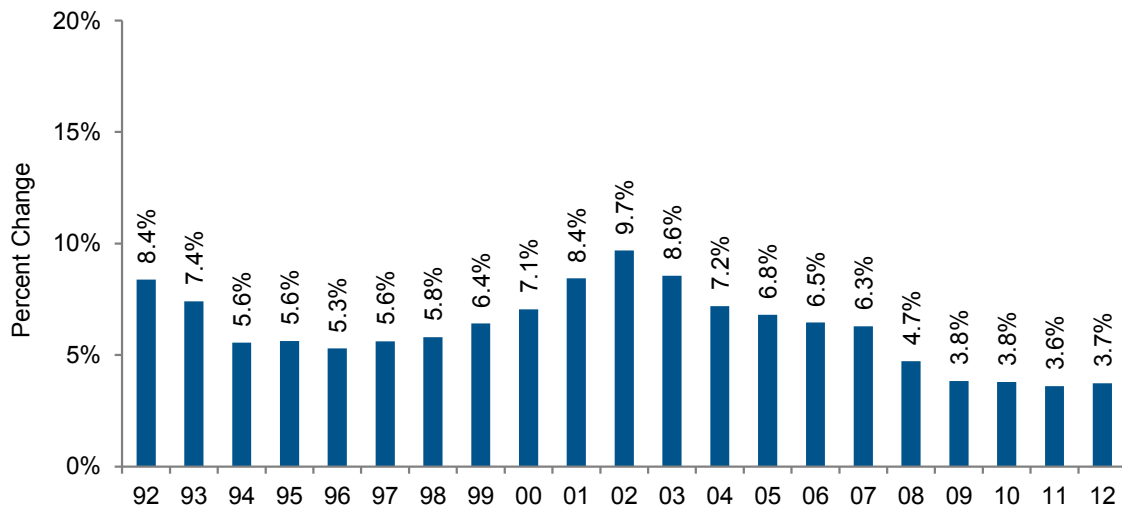


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

<sup>(2)</sup> Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for Urban Consumers.

Chart 1.2: Percent Change in Total National Health Expenditures, 1992 – 2012<sup>(1)</sup>

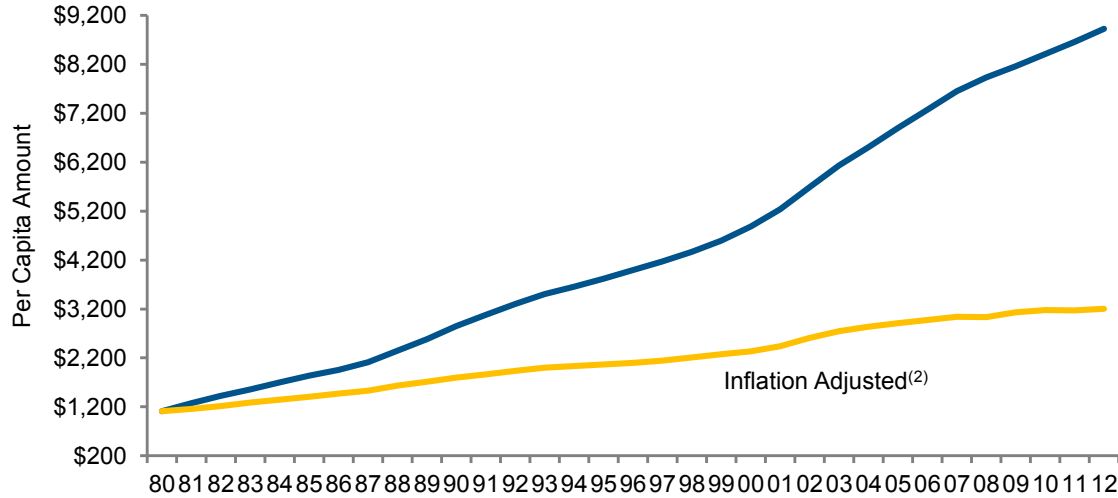


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

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Chart 1.3: Per Capita National Health Expenditures, 1980 – 2012<sup>(1)</sup>

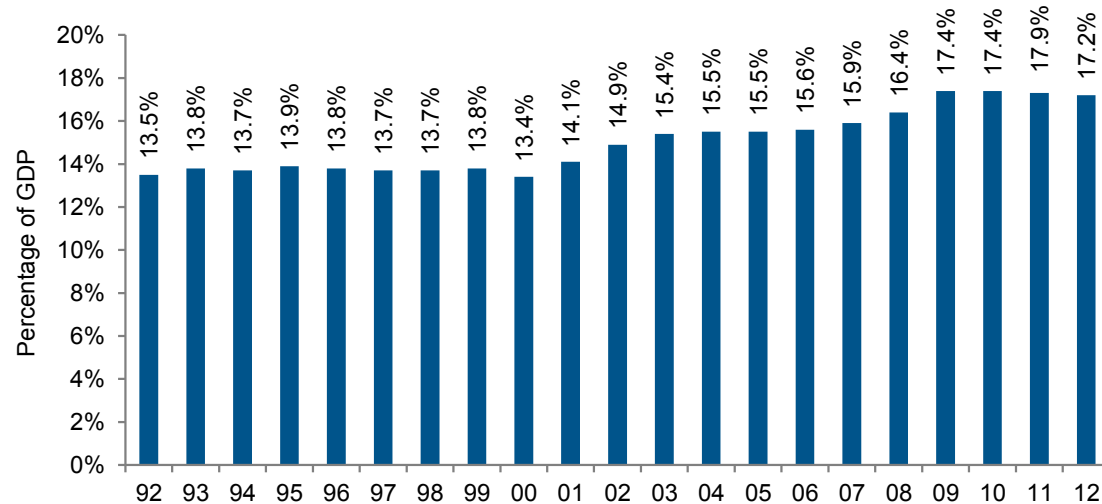


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

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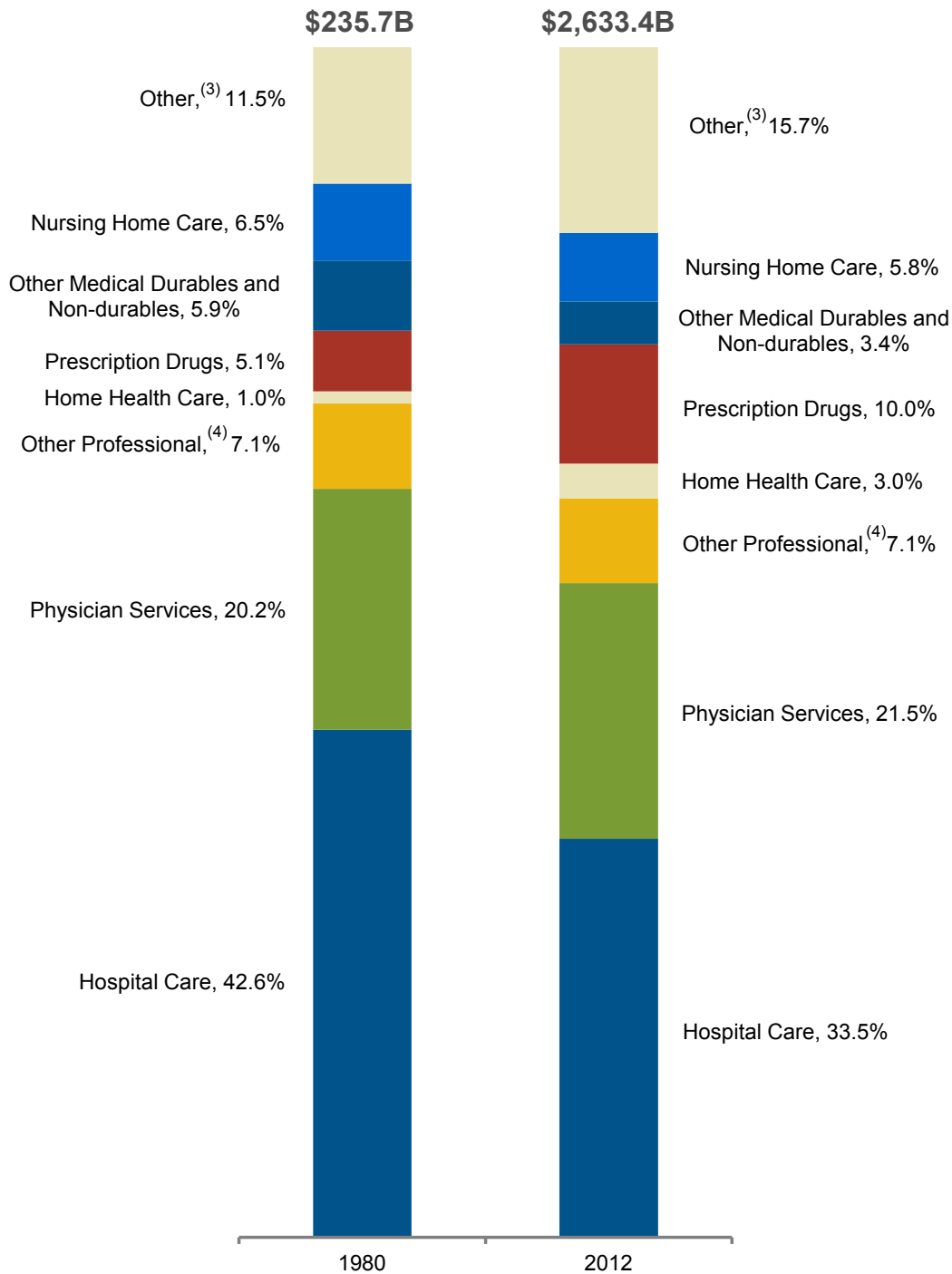
Chart 1.4: National Health Expenditures as a Percentage of Gross Domestic Product, 1992 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Chart 1.5: National Expenditures for Health Services and Supplies<sup>(1)</sup> by Category, 1980 and 2012<sup>(2)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

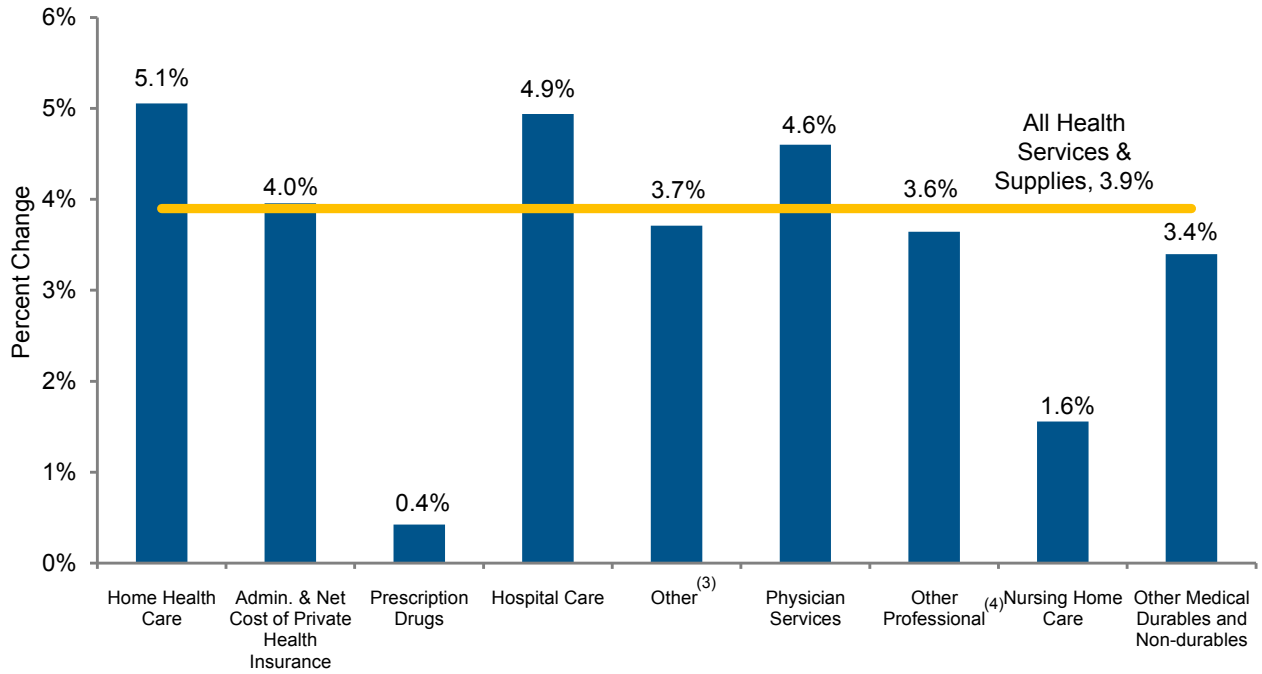
<sup>(1)</sup> Excludes medical research and medical facilities construction.

<sup>(2)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

<sup>(3)</sup> "Other" includes net cost of insurance and administration, government public health activities, and other personal health care.

<sup>(4)</sup> "Other professional" includes dental and other non-physician professional services.

Chart 1.6: Percent Change in National Expenditures for Health Services and Supplies<sup>(1)</sup> by Category, 2011 – 2012<sup>(2)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

(1) Excludes medical research and medical facilities construction.

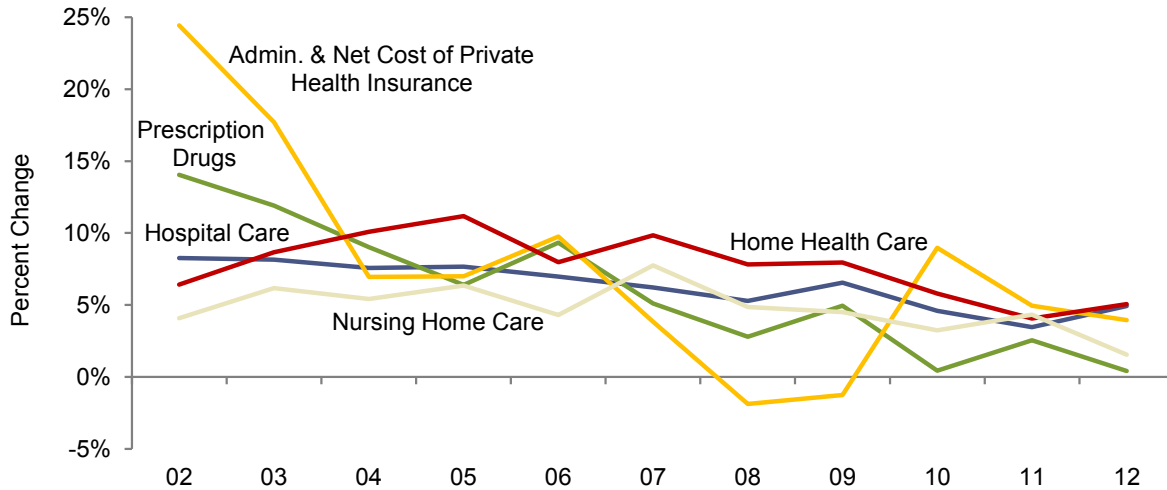
(2) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

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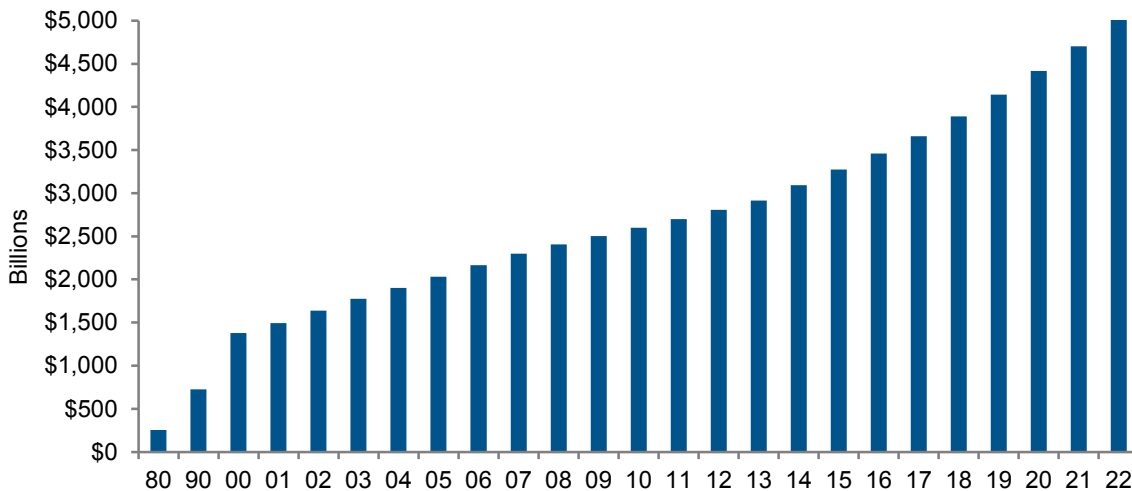
Chart 1.7: Percent Change in National Expenditures for Selected Health Services and Supplies, 2002 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Chart 1.8: National Health Expenditures,<sup>(1)</sup> 1980 – 2022<sup>(2)</sup>



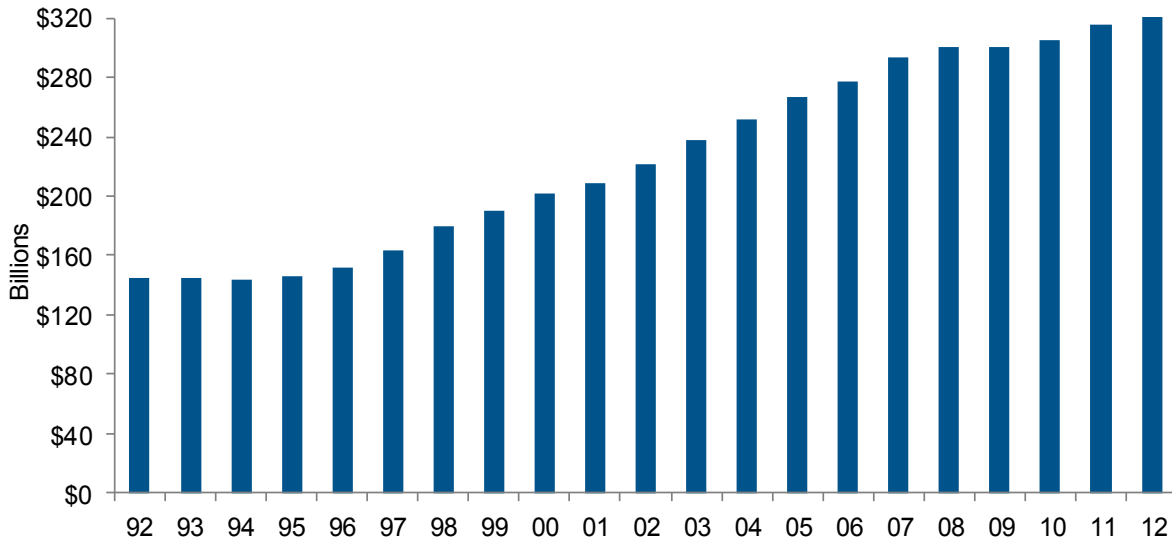
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released September 2013.

<sup>(1)</sup> Years 2012 – 2022 are projections.

<sup>(2)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.



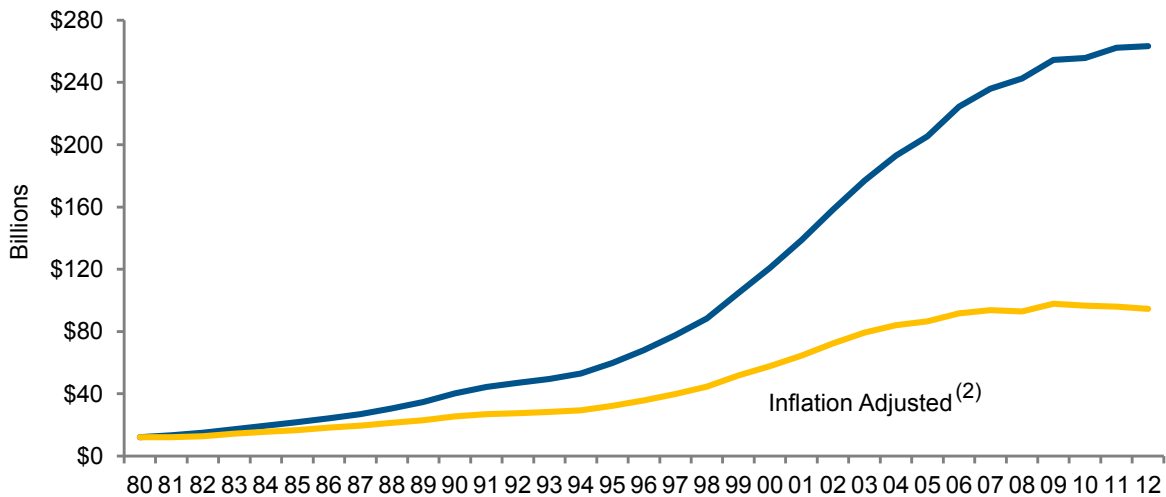
Chart 1.9: Consumer Out-of-pocket Payments for National Health Expenditures, 1992 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Chart 1.10: Total Prescription Drug Spending, 1980 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

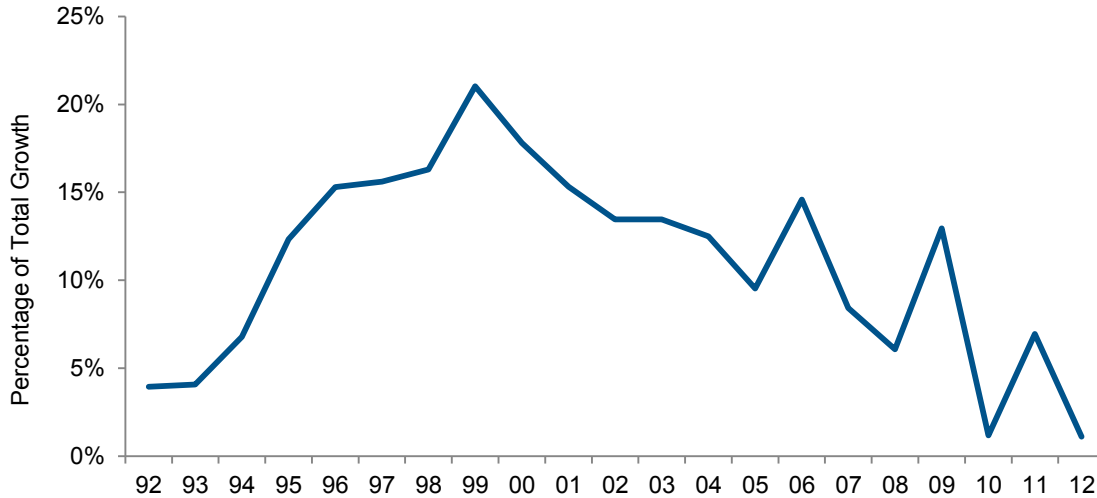
<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

<sup>(2)</sup> Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for All Urban Consumers.





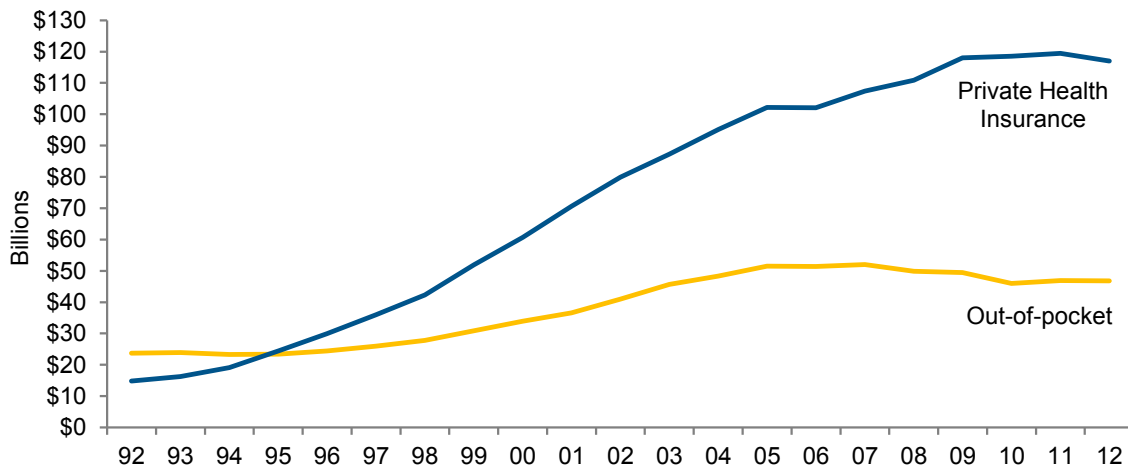
Chart 1.11: Growth in Total Prescription Drug Spending as a Percentage of Total Growth in National Health Expenditures, 1992 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

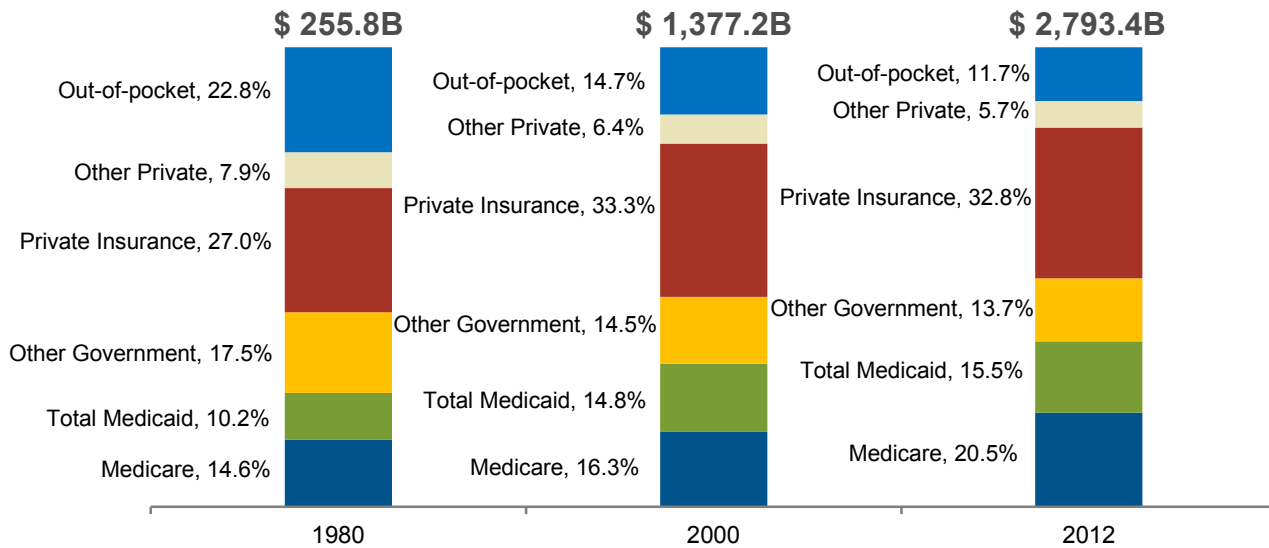
Chart 1.12: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1992 – 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

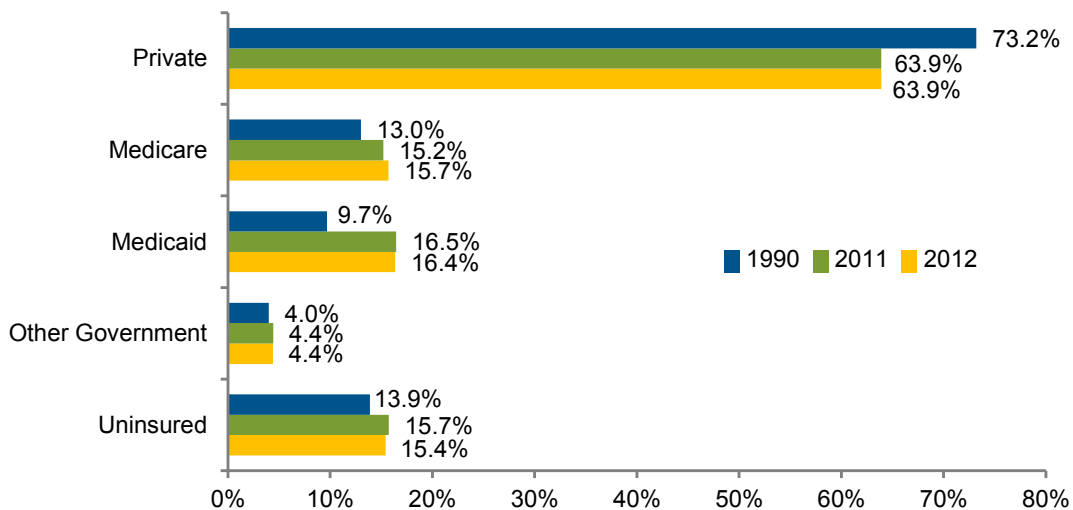
Chart 1.13: Distribution of National Health Expenditures by Source of Payment, 1980, 2000 and 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

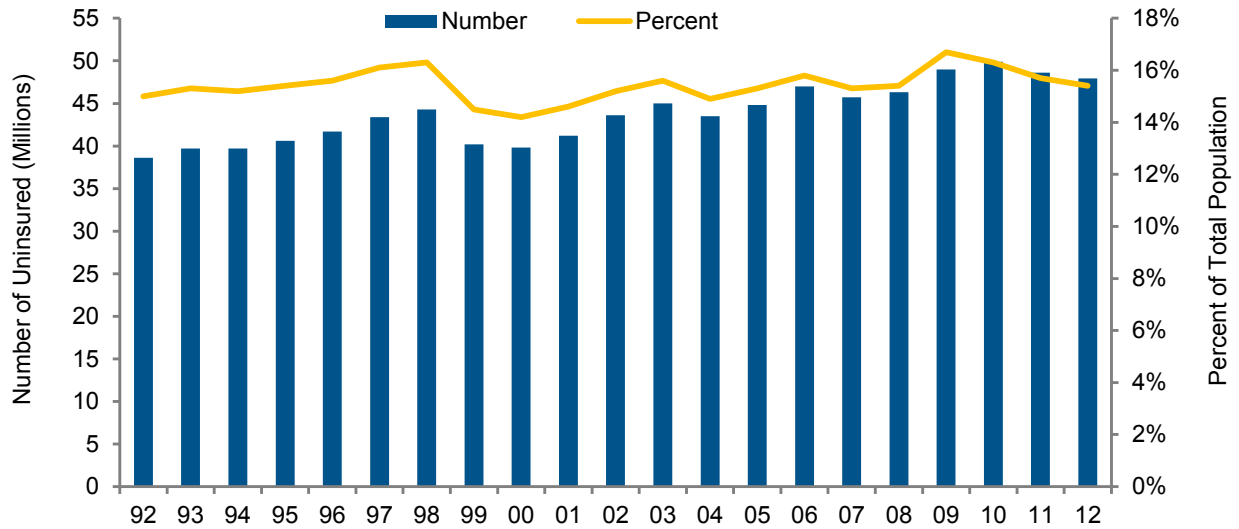
Chart 1.14: Distribution of Health Insurance Coverage, Percentage of Population Covered by Payer, 1990, 2011 and 2012



Source: US Census Bureau, Current Population Survey, 2012 Annual and Social Economic Supplement. Data released September 2013. Table HIB-4. Health Insurance Coverage Status and Type of Coverage by State All People: 1999 to 2012.

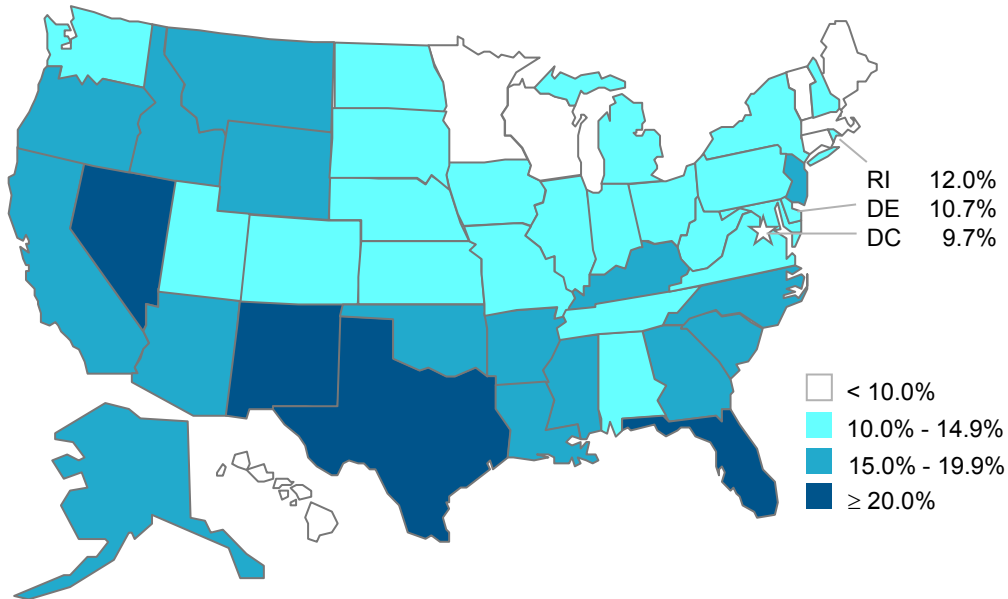
Link: <http://www.census.gov/hhes/www/hlthins/data/historical/files/hihist4B.xls>.

Chart 1.15: Number and Percent Uninsured, 1992 – 2012



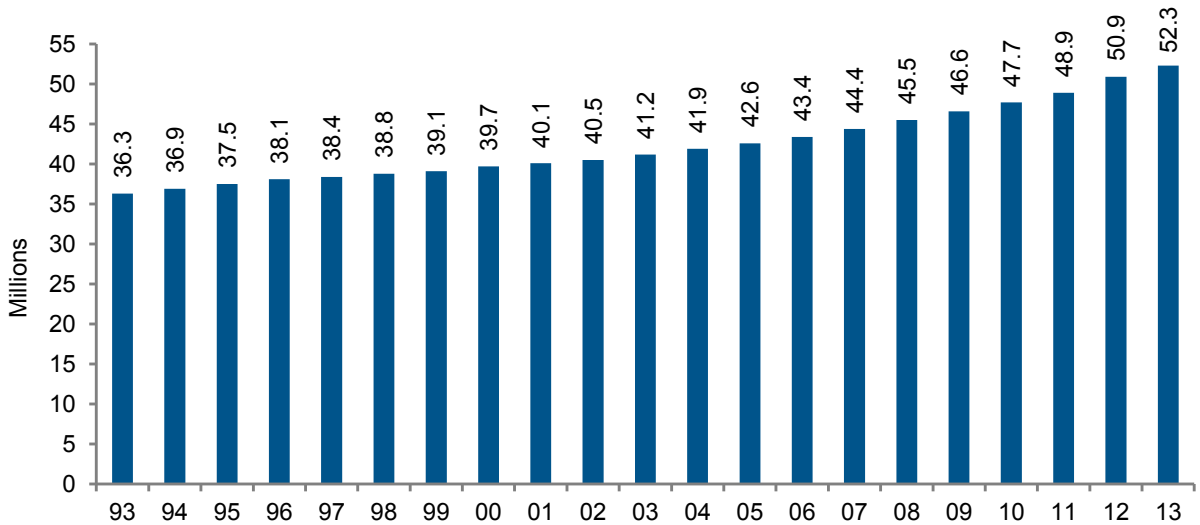
Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2012. Data released September 2013. Table 7. People Without Health Insurance Coverage by Selected Characteristics: 2011 and 2012. Link: <http://www.census.gov/prod/2013pubs/p60-245.pdf>.

Chart 1.16: Average Percent Uninsured by State, 2010 – 2012



Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2012. Data released September 2013. Link: <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2012/state.xls>.

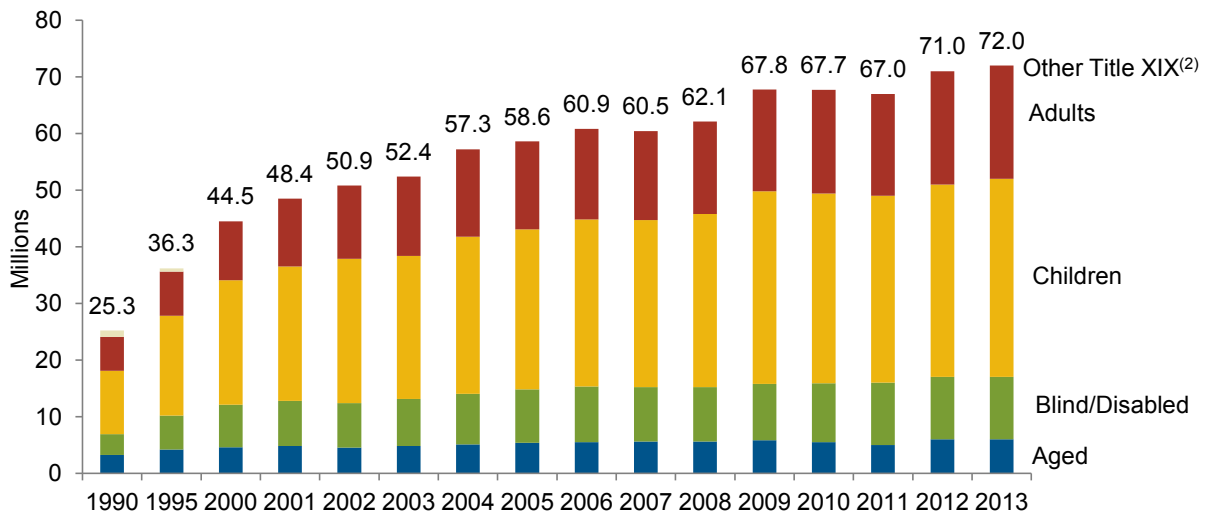
Chart 1.17: Medicare Enrollees,<sup>(1)</sup> 1993 – 2013



Source: Centers for Medicare & Medicaid Services. Medicare Enrollment: National Trends, 1966 – 2005; Medicare Aged and Disabled Enrollees by Type of Coverage. CMS, Office of the Actuary. Email correspondence with CMS staff (for years 2001 – 2013).

<sup>(1)</sup> Hospital insurance (Part A) enrollees and/or Supplementary Medical Insurance (Part B) enrollees, including enrollees with Medicare Advantage; includes all persons (aged and disabled).

Chart 1.18: Medicaid Enrollees,<sup>(1)</sup> 1990, 1995, 2000 – 2013

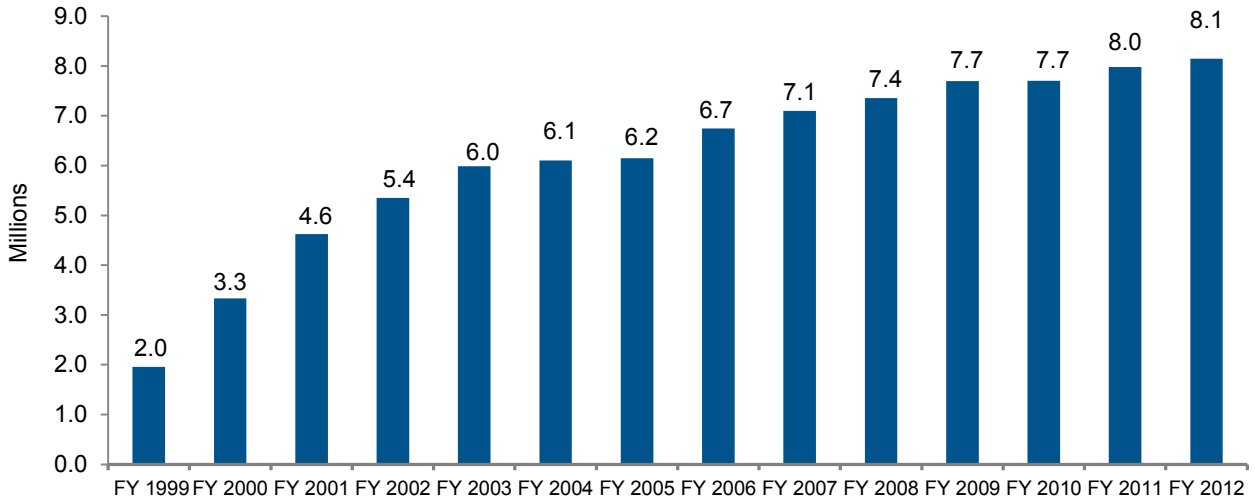


Source: Congressional Budget Office. Data released May 2013. Spending and Enrollment Detail for CBO's May 2013 Baseline: Medicaid. Link: <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44204-2013-05-Medicaid.pdf>.

<sup>(1)</sup> Does not include CHIP enrollees.

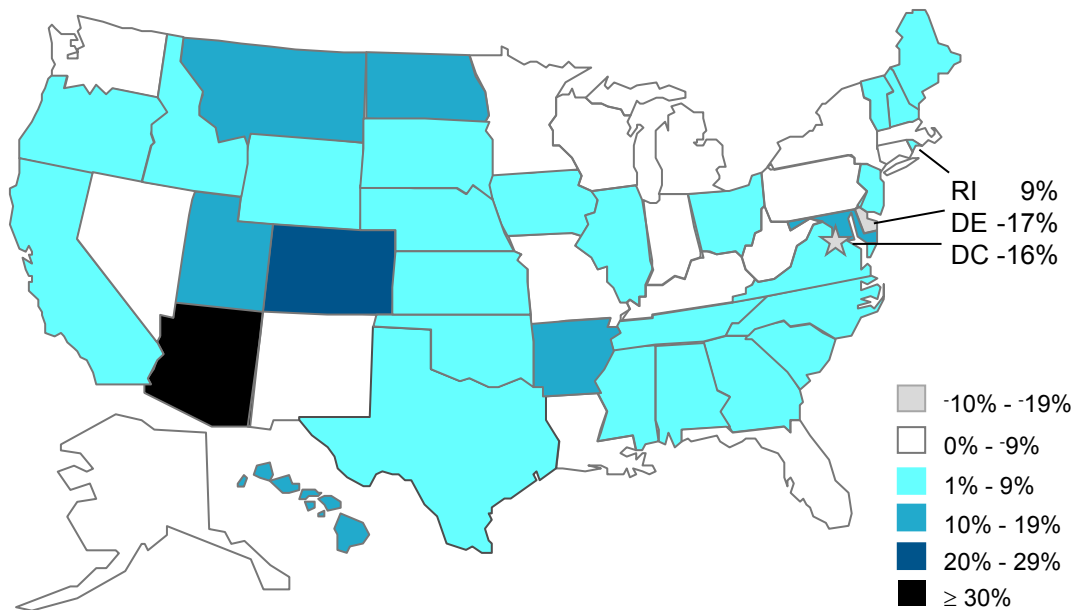
<sup>(2)</sup> In 1997, the Other Title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. Other Title XIX enrollees referred to others who received Medicaid benefits..

Chart 1.19: National CHIP Enrollment,<sup>(1,2)</sup> FY 1999 – FY 2012



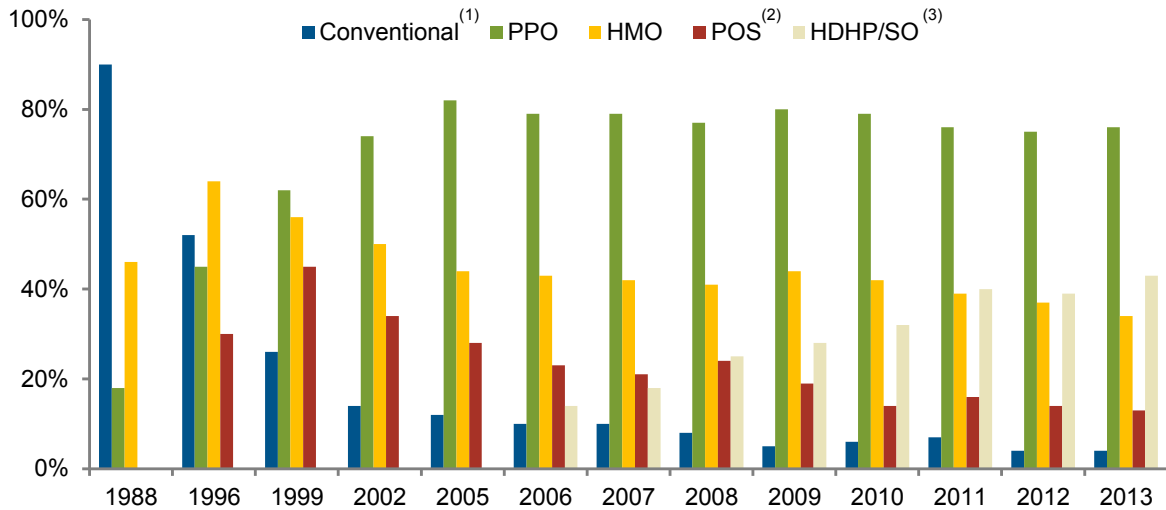
Source: Centers for Medicare & Medicaid Services. Data released April 2013. Number of Children Ever Enrolled by Program Type. Link: [http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04\\_09\\_13.pdf](http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04_09_13.pdf).  
<sup>(1)</sup> Number of children enrolled at any point in the year.  
<sup>(2)</sup> 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.

Chart 1.20: Percent Change in CHIP Enrollment by State, FY 2011 – FY 2012<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services. Data released April 2013. Number of Children Ever Enrolled by Program Type. Link: [http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04\\_09\\_13.pdf](http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04_09_13.pdf).

Chart 1.21: Percentage of Employees with Employer-based Coverage Who Can Choose Conventional, PPO, HMO, POS and HDHP/SO Plans, 1988 – 2013



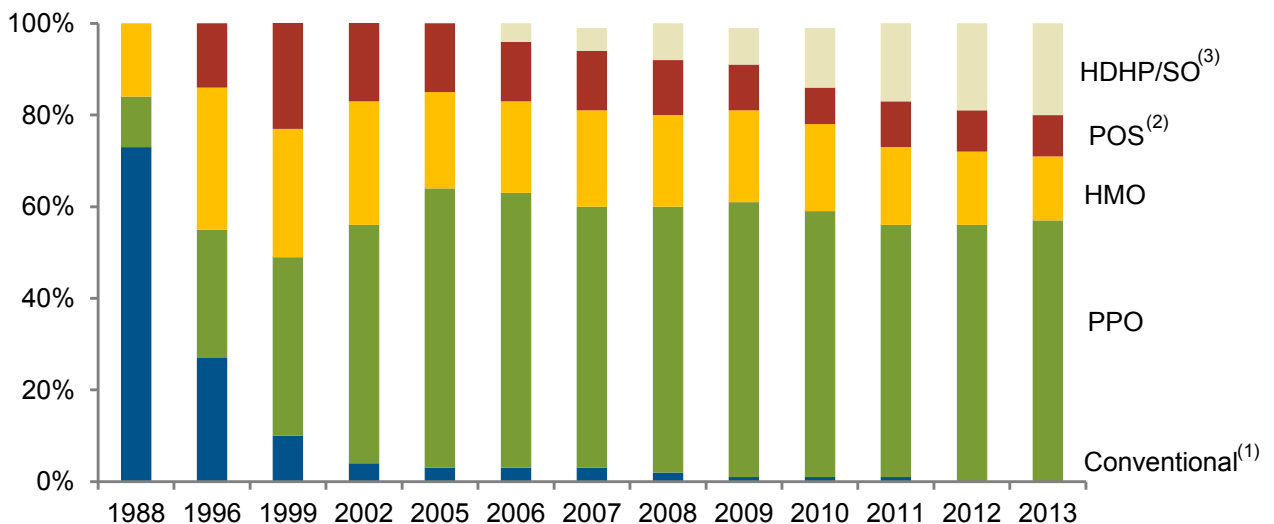
Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2013. Employer Health Benefits: 1999, 2002, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013. Link: <http://ehbs.kff.org/pdf/2013/8345.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

(1) Conventional plans refer to traditional indemnity plans.

(2) Point-of-service plans not separately identified in 1988.

(3) In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.

Chart 1.22: Distribution of Employer-sponsored Health Insurance Enrollment by Type of Plan, 1988 – 2013



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2013. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013. Link: <http://ehbs.kff.org/pdf/2013/8345.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

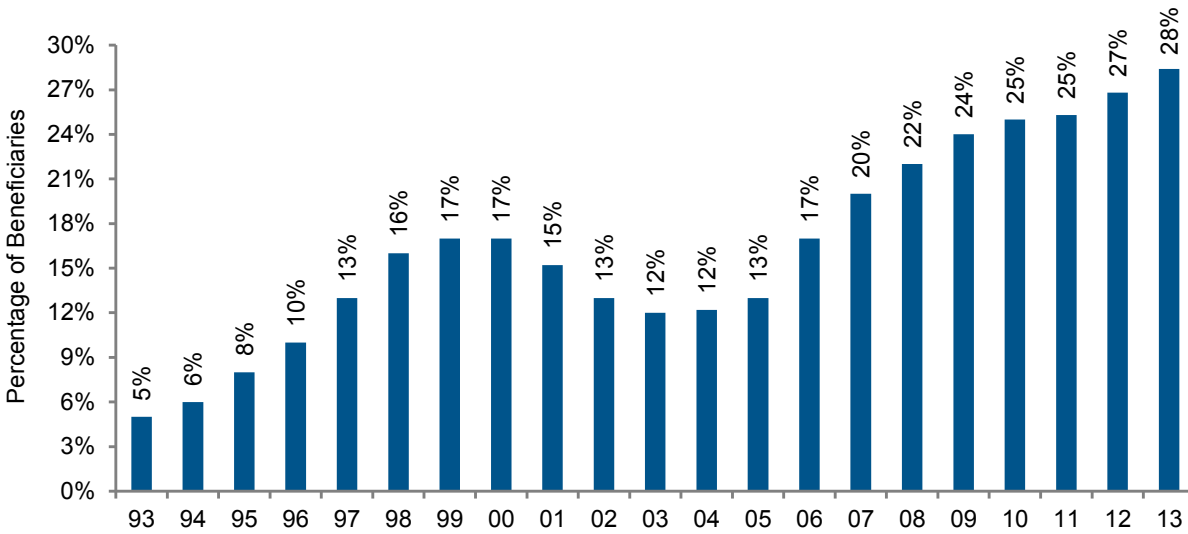
(1) Conventional plans refer to traditional indemnity plans.

(2) Point-of-service plans not separately identified in 1988.

(3) In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.

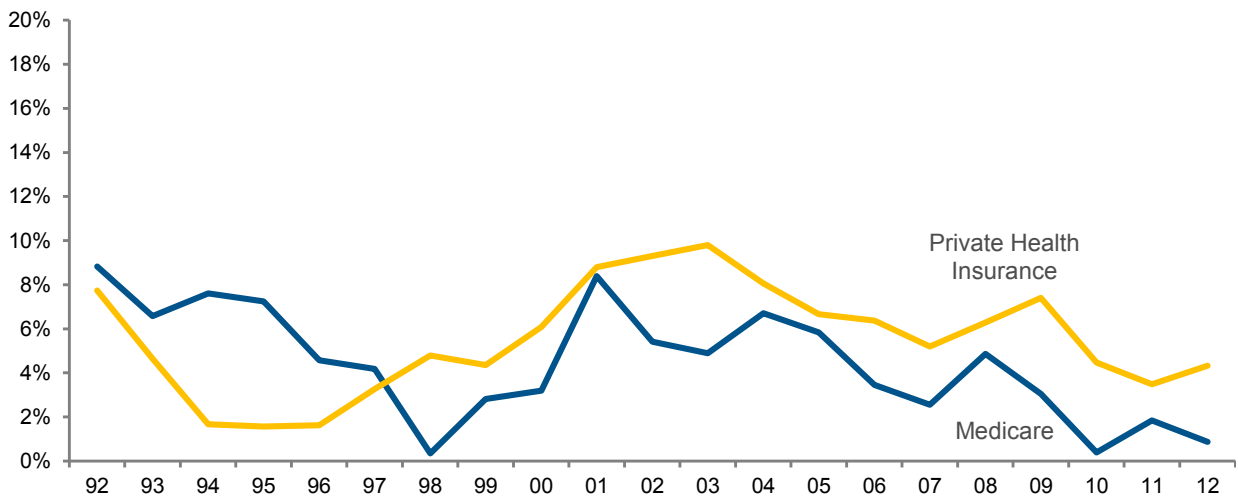


Chart 1.23: Percentage of Medicare Beneficiaries Enrolled in Medicare Managed Care, 1993 – 2013



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Email correspondence with CMS staff in January 2014.

Chart 1.24: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1992 – 2012<sup>(1,2)</sup>

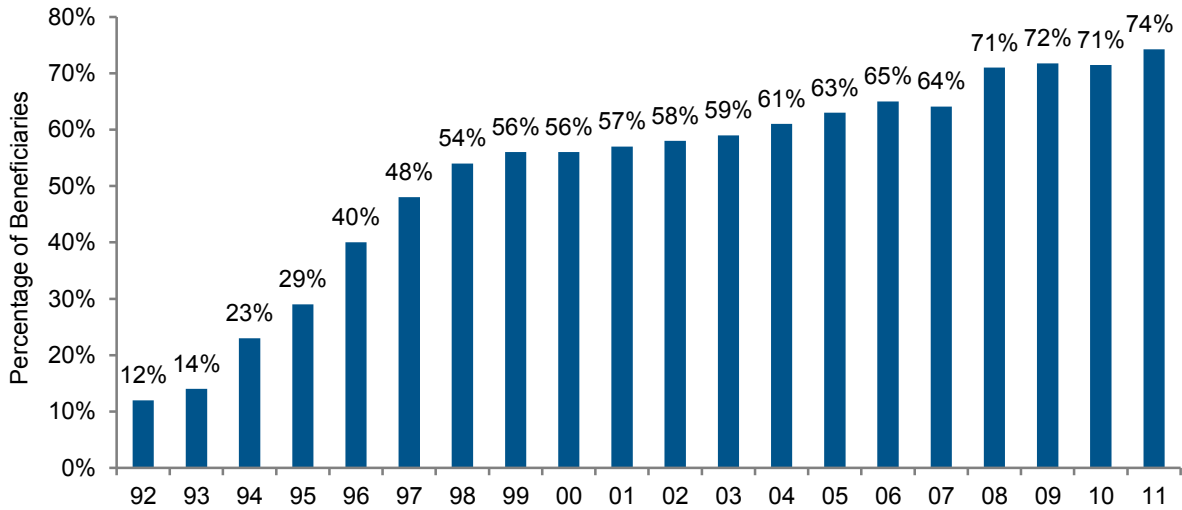


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/tables.pdf>.

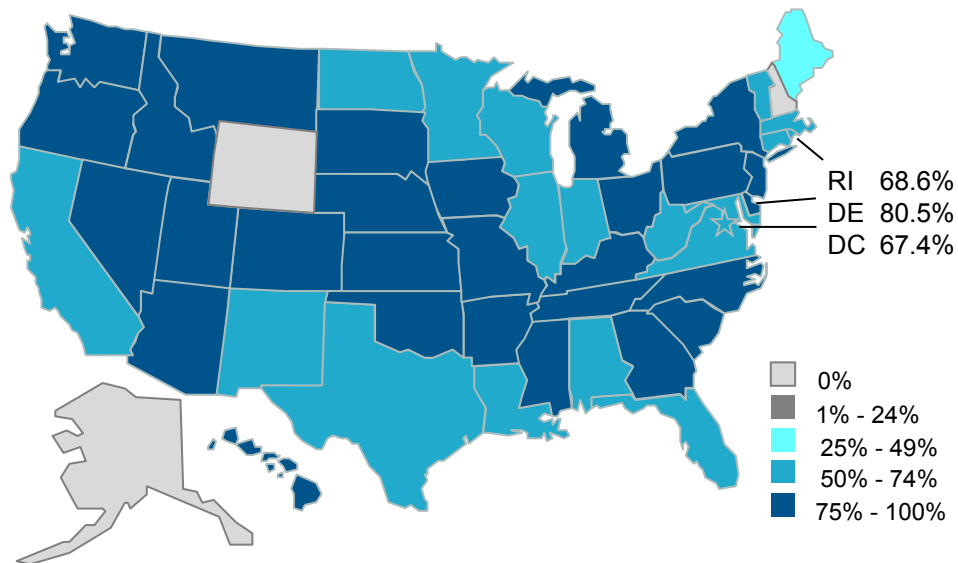
(2) Data reflects spending on benefits commonly covered by Medicare and Private Health Insurance.

Chart 1.25: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1992 – 2011



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of July 1, 2011.

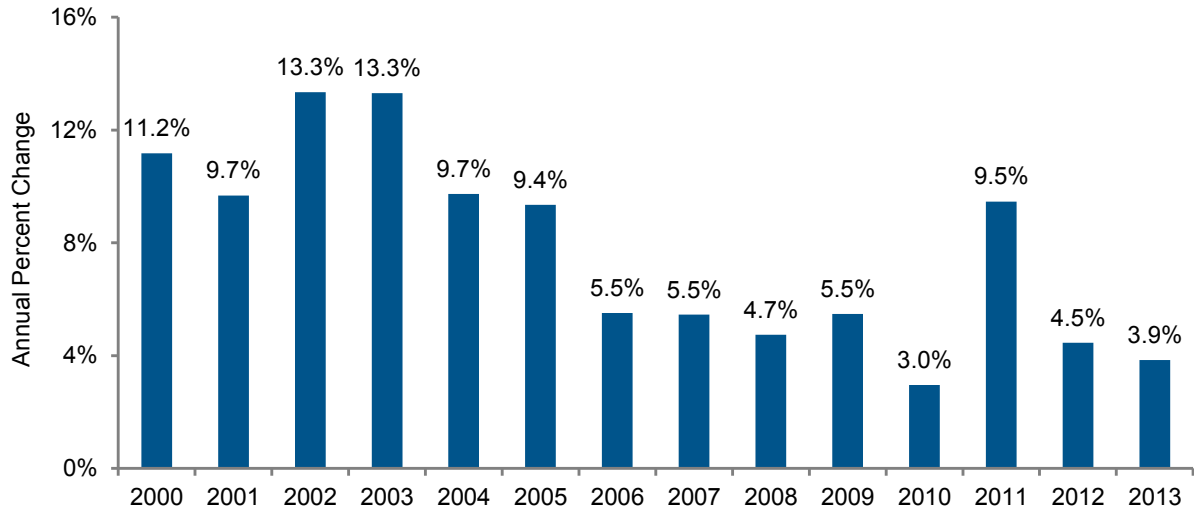
Chart 1.26: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2011



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of July 1, 2011.

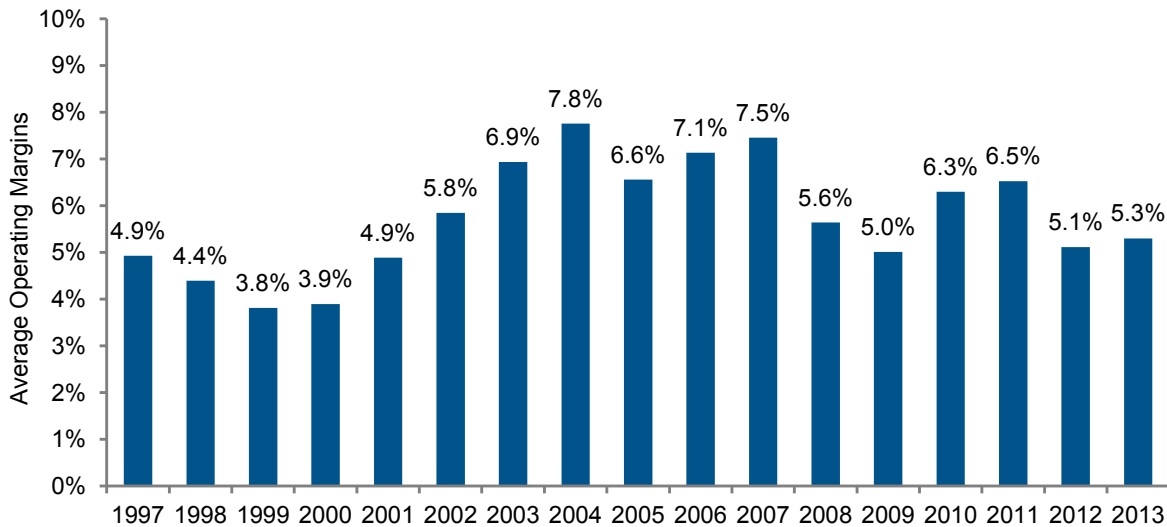


Chart 1.27: Annual Change in Health Insurance Premiums, 2000 – 2013



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2013.  
Link: <http://ehbs.kff.org/pdf/2013/8345.pdf>.

Chart 1.28: Managed Care Plan Average Operating Margins,<sup>(1)</sup> 1997 – 2013

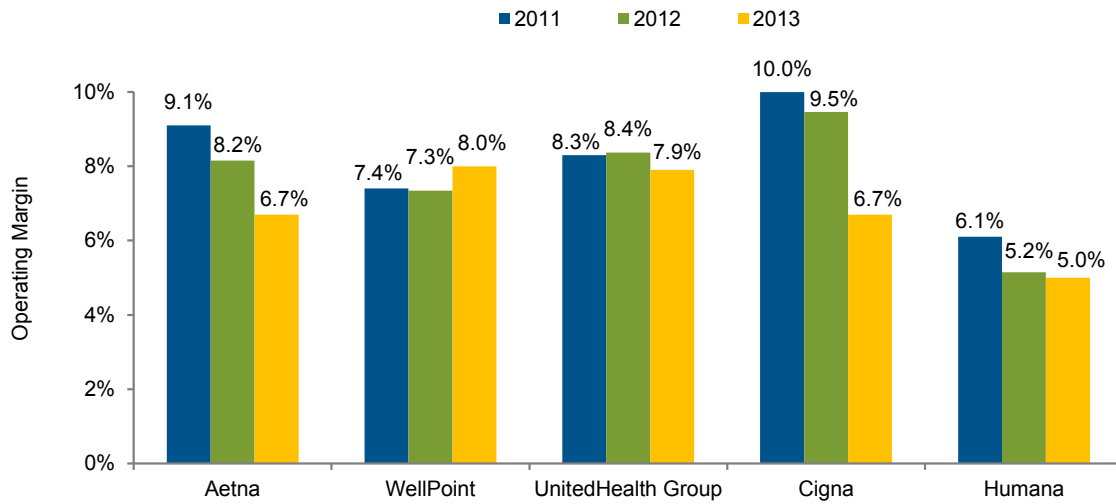


Source: Company documents of publicly traded managed care plans.

<sup>(1)</sup> Represents earnings before interest and taxes over net revenues for the total service lines of the 11 largest publicly traded managed care plans.



Chart 1.29: Operating Margins of the Top Insurers, 2011 – 2013



Source: FactSet Research Systems Inc. Data for all years updated as of March 2014.  
Data from Hoovers used in 2011 and earlier years' Chartbooks.

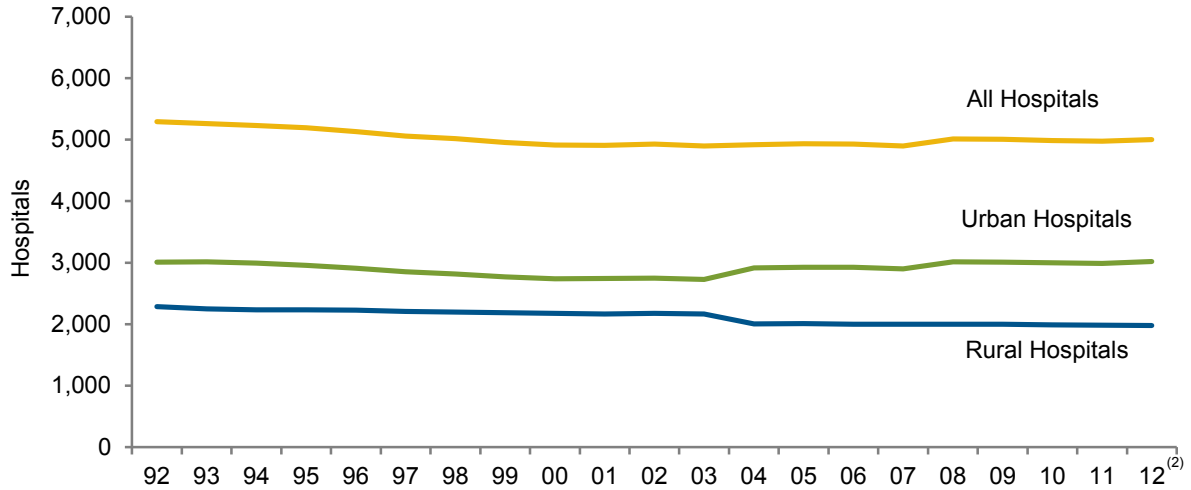


# CHAPTER 2

Organizational Trends

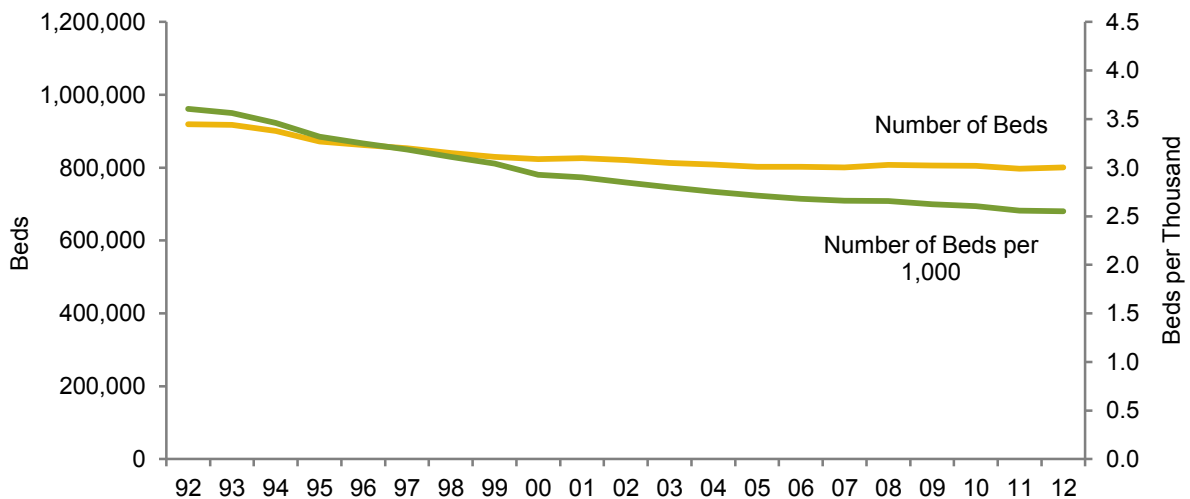


Chart 2.1: Number of Community Hospitals,<sup>(1)</sup> 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
 (1) All nonfederal, short-term general and specialty hospitals whose facilities and services are available to the public.  
 (2) Data on the number of urban and rural hospitals in 2004 and beyond were collected using coding different from previous years to reflect new Centers for Medicare & Medicaid Services wage area designations.

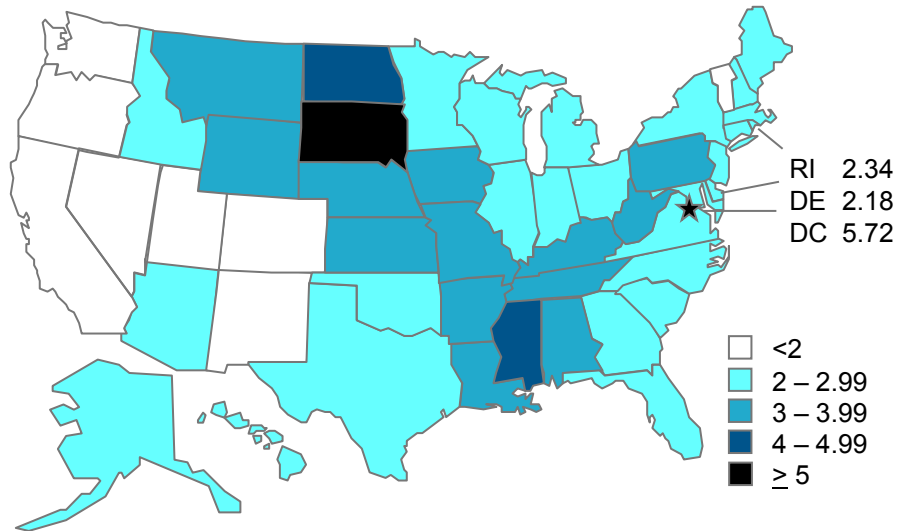
Chart 2.2: Number of Beds and Number of Beds per 1,000 Persons, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

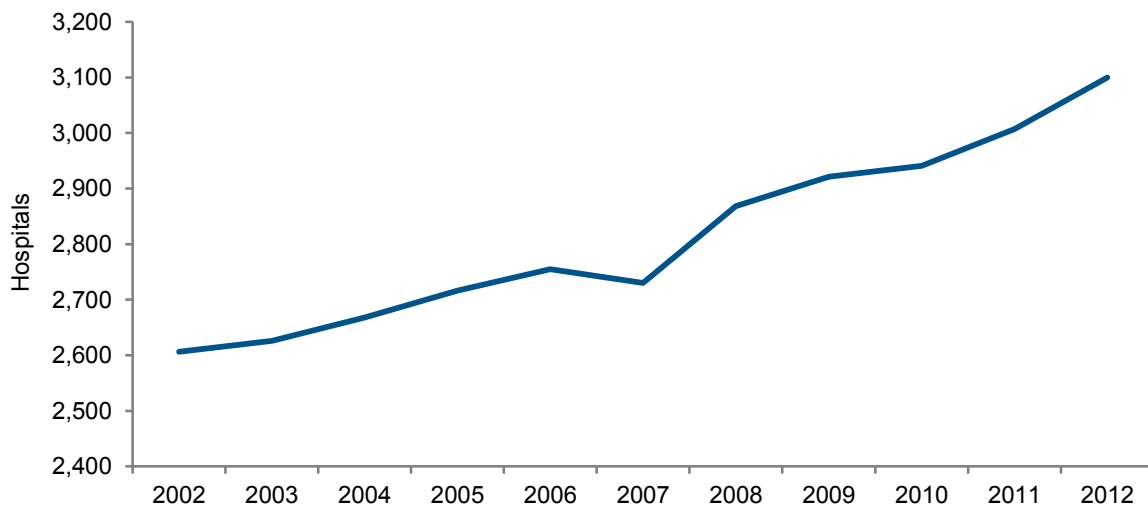


Chart 2.3: Beds per 1,000 Persons by State, 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.  
Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

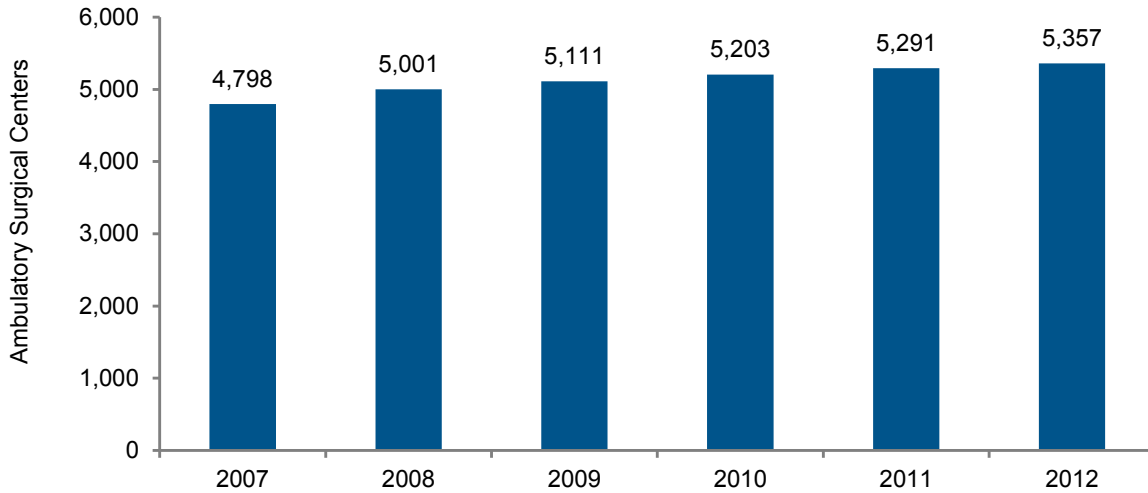
Chart 2.4: Number of Hospitals in Health Systems,<sup>(1)</sup> 2002 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

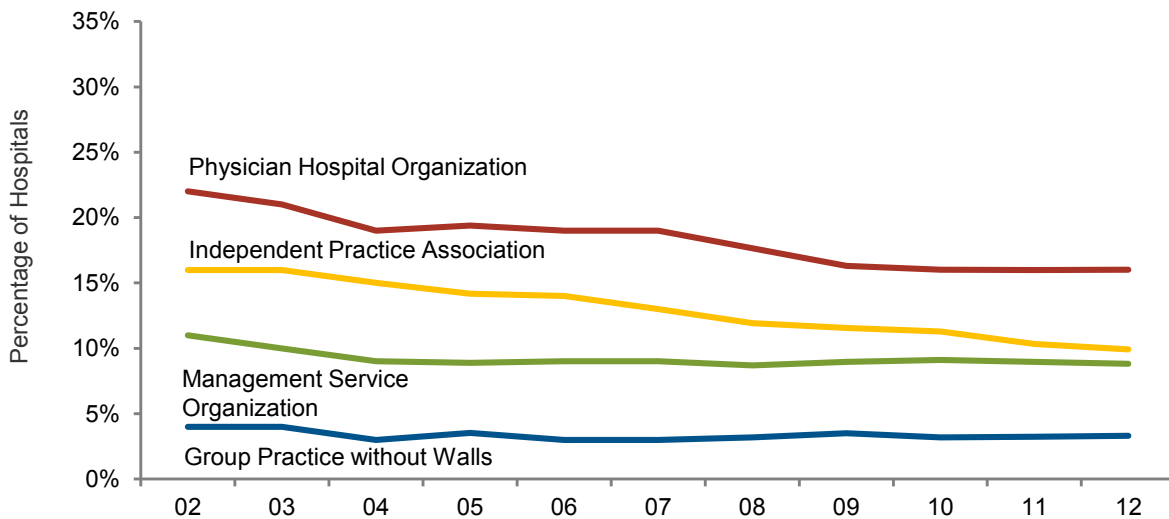
<sup>(1)</sup> Hospitals that are part of a corporate body that may own and/or manage health provider facilities or health-related subsidiaries, as well as non-health-related facilities including freestanding and/or subsidiary corporations.

Chart 2.5: Number of Medicare-certified Ambulatory Surgical Centers, 2007 – 2012



Source: Medicare Payment Advisory Commission. (March 2014). *Report to Congress: Medicare Payment Policy*.  
Link: [http://medpac.gov/documents/Mar14\\_EntireReport.pdf](http://medpac.gov/documents/Mar14_EntireReport.pdf).

Chart 2.6: Percentage of Hospitals with Physician Affiliates<sup>(1)</sup> by Type of Relationship, 2002 – 2012

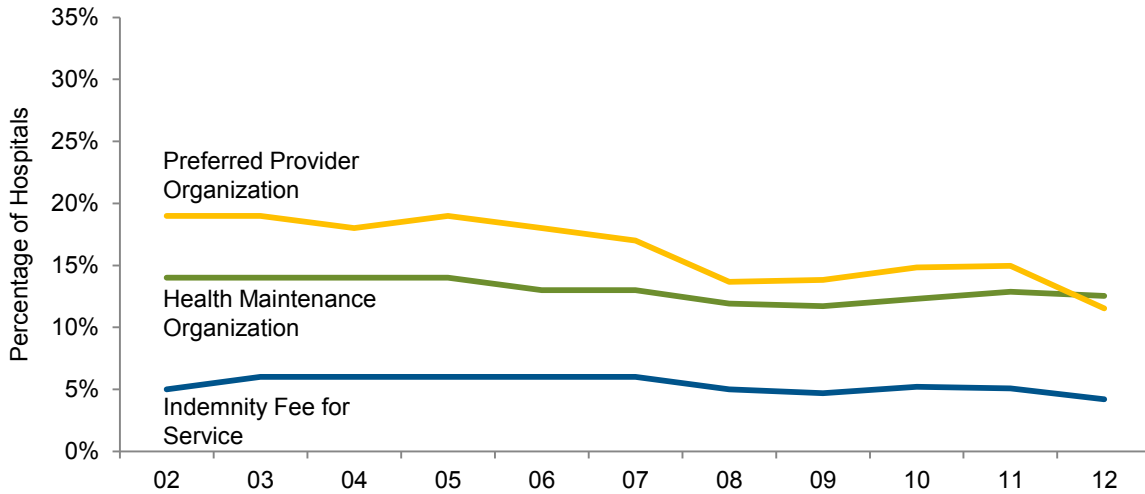


Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> A hospital is considered to have a physician relationship if the relationship exists as part of the hospital or a system or network of which the hospital is a part.

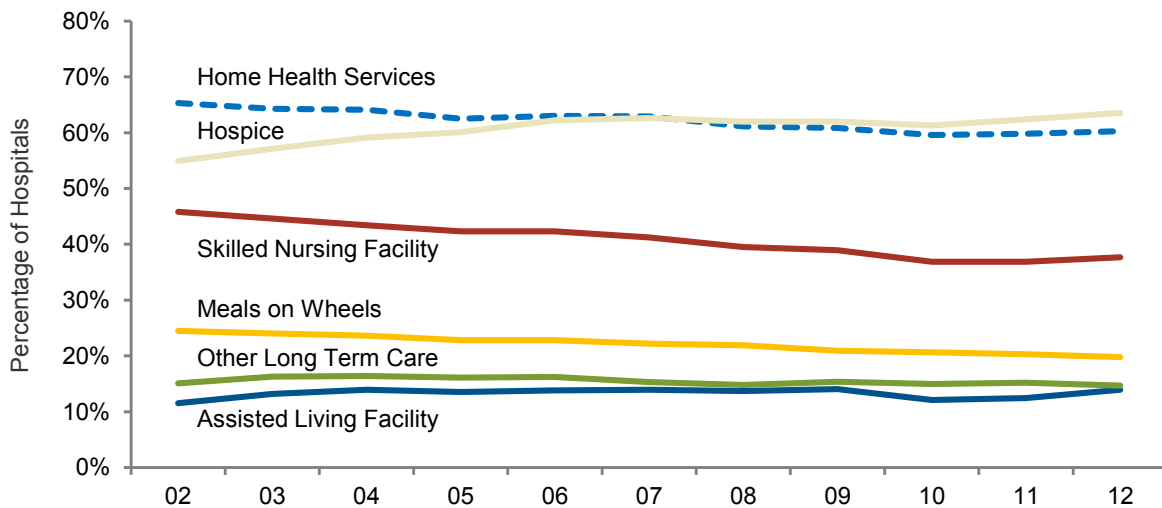
Previously Chart 2.7 in 2009 and earlier years' Chartbooks.

Chart 2.7: Percentage of Hospitals with Insurance Products by Type of Insurance, 2002 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. Previously Chart 2.8 in 2009 and earlier years' Chartbooks.

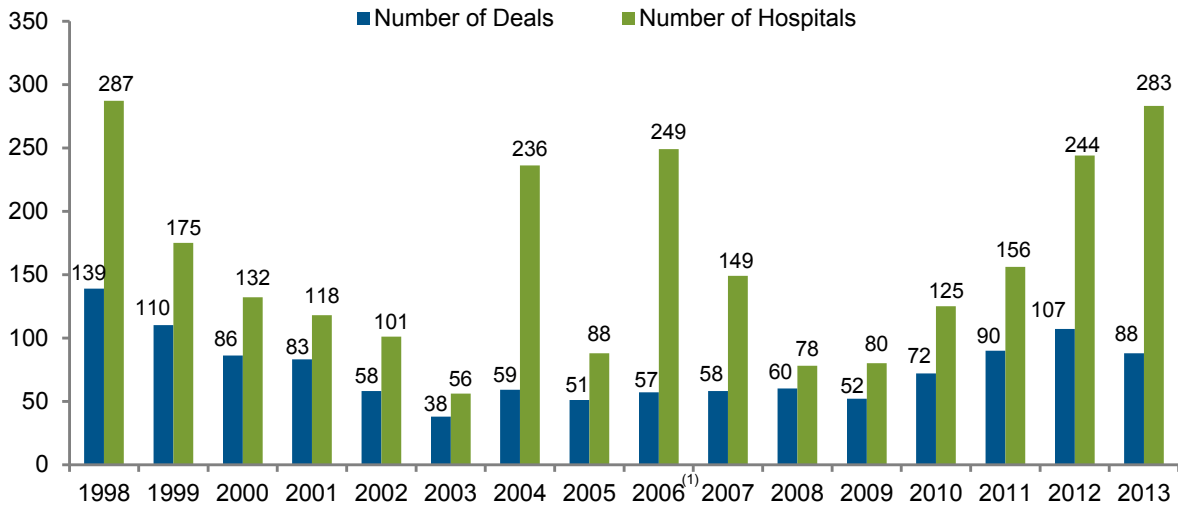
Chart 2.8: Percentage of Hospitals Offering “Non-hospital” Services,<sup>(1)</sup> 2002 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
<sup>(1)</sup> Includes services offered in hospital, health system, network or joint venture.  
 Previously Chart 2.9 in 2009 and earlier years' Chartbooks.



Chart 2.9: Announced Hospital Mergers and Acquisitions, 1998 – 2013



Source: Irving Levin Associates, Inc., *The Health Care Acquisition Report*, Twentieth Edition, 2014.

<sup>(1)</sup> In 2006, the privatization of HCA, Inc. affected 176 acute-care hospitals. The acquisition was the largest health care transaction ever announced.





# CHAPTER 3

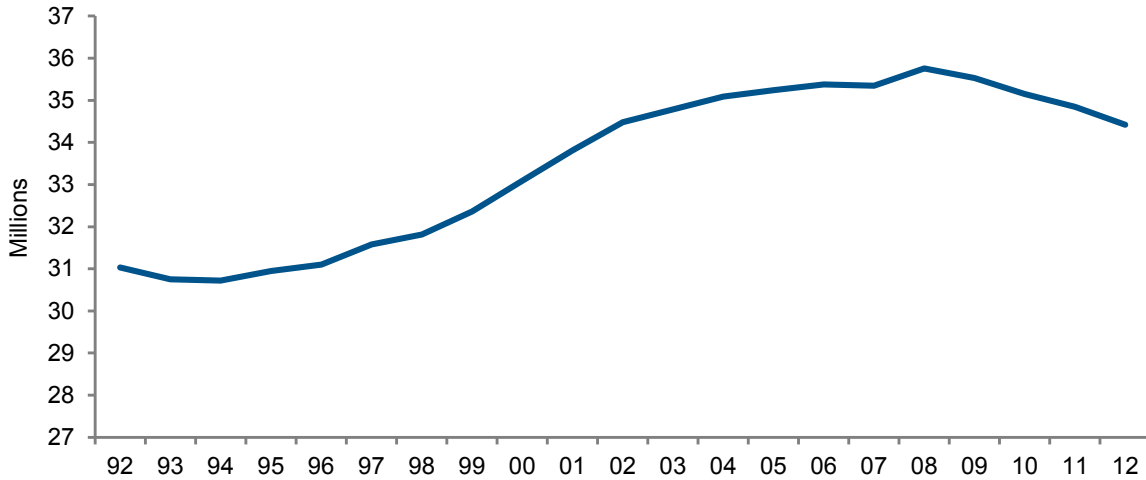
Utilization and Volume





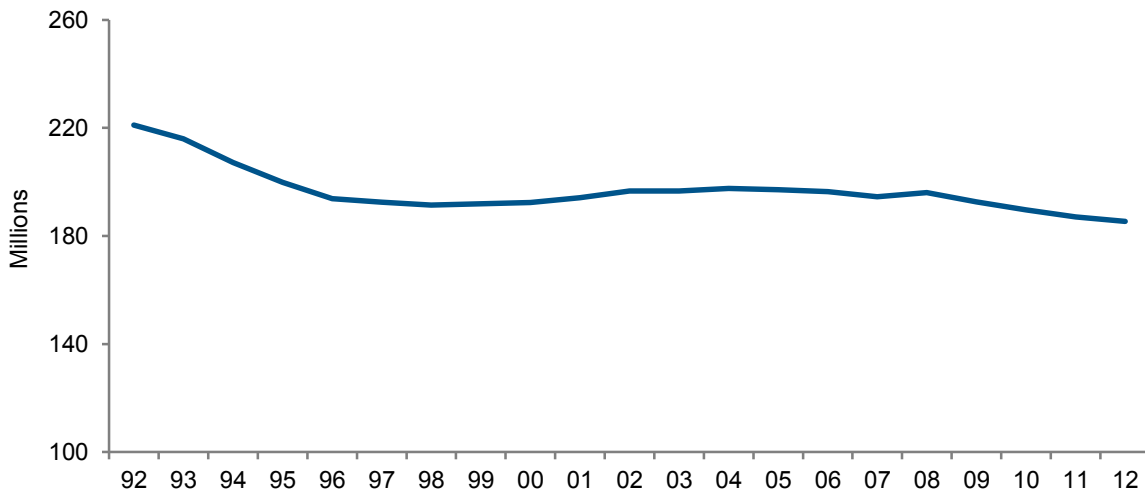


Chart 3.1: Inpatient Admissions in Community Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

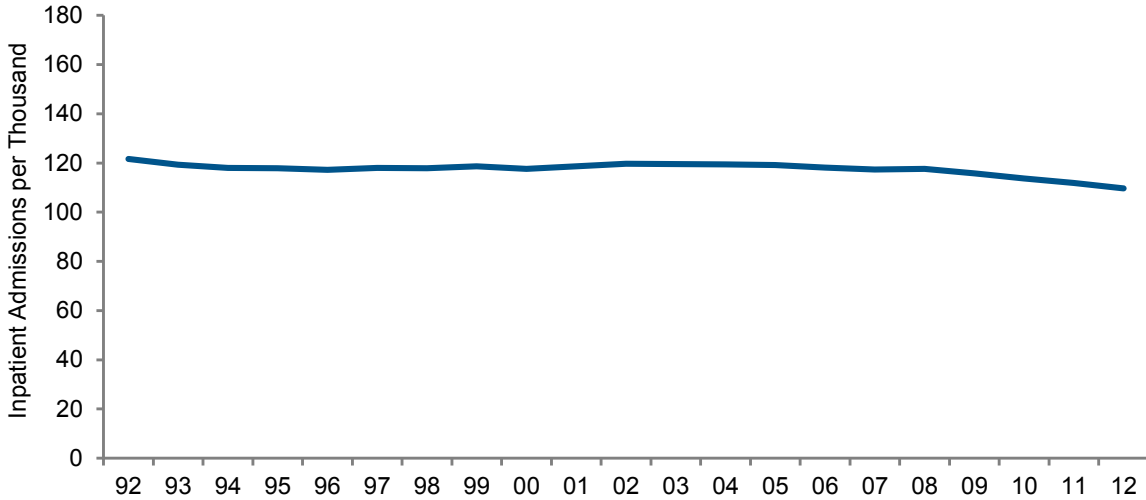
Chart 3.2: Total Inpatient Days in Community Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

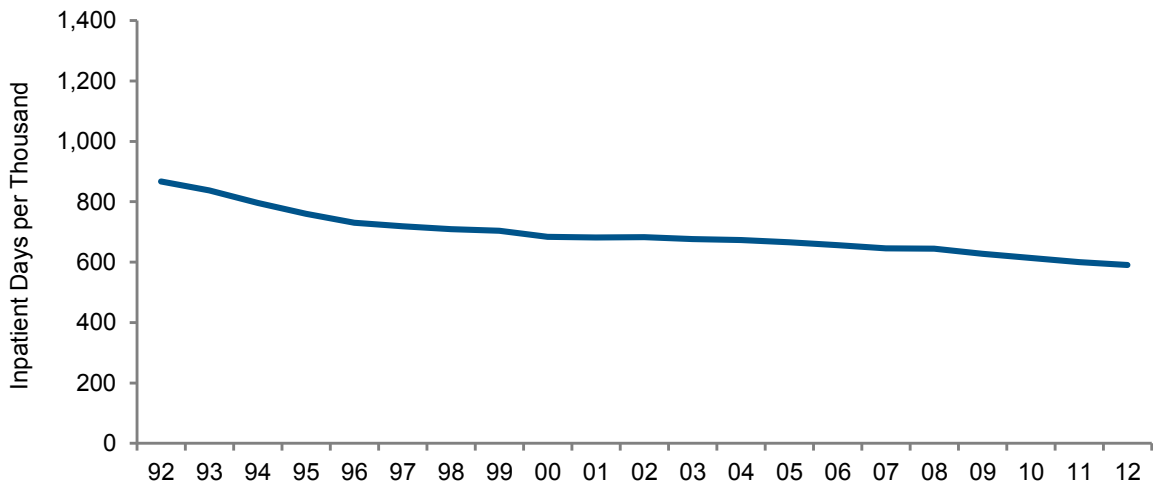


Chart 3.3: Inpatient Admissions per 1,000 Persons, 1992 – 2012



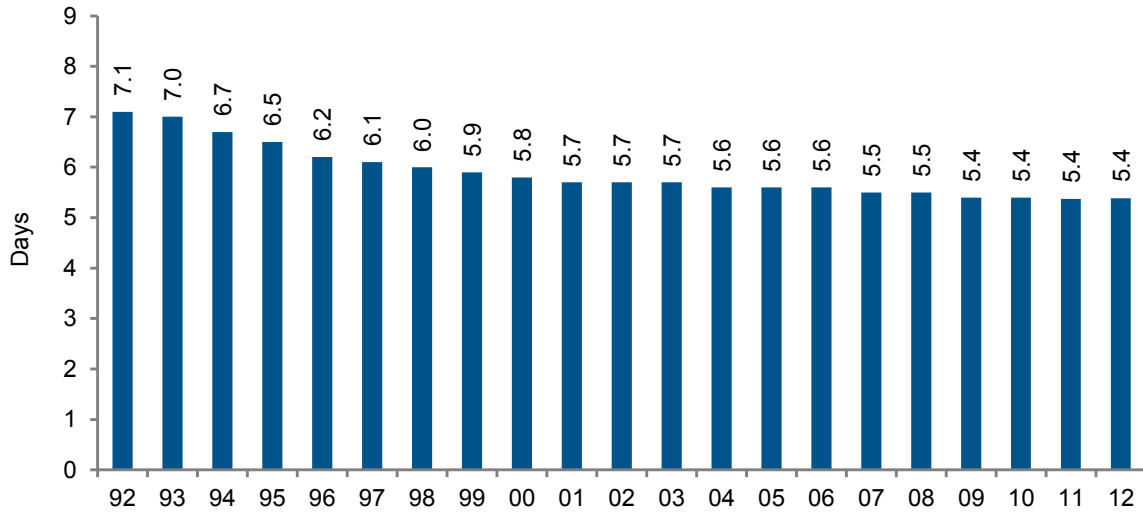
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.  
Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

Chart 3.4: Inpatient Days per 1,000 Persons, 1992 – 2012



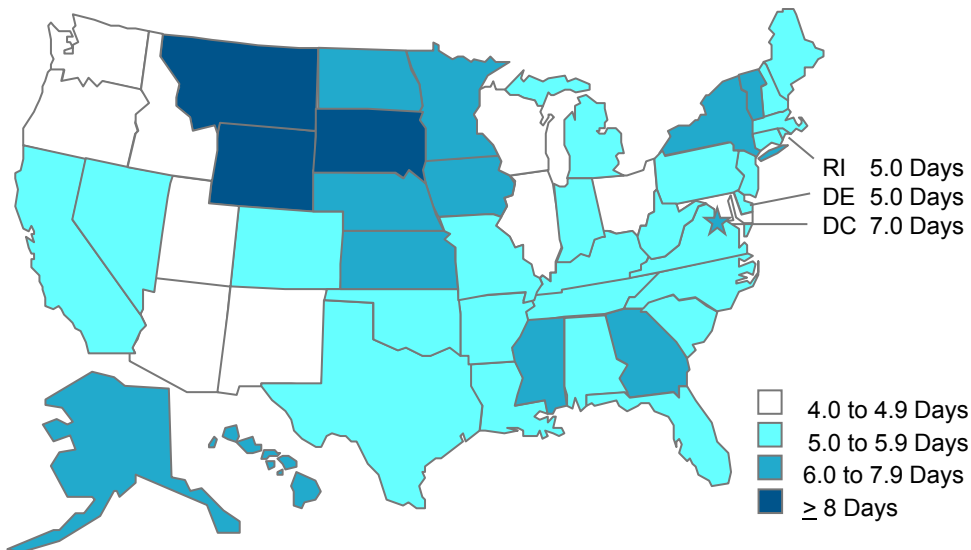
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.  
Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

Chart 3.5: Average Length of Stay in Community Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

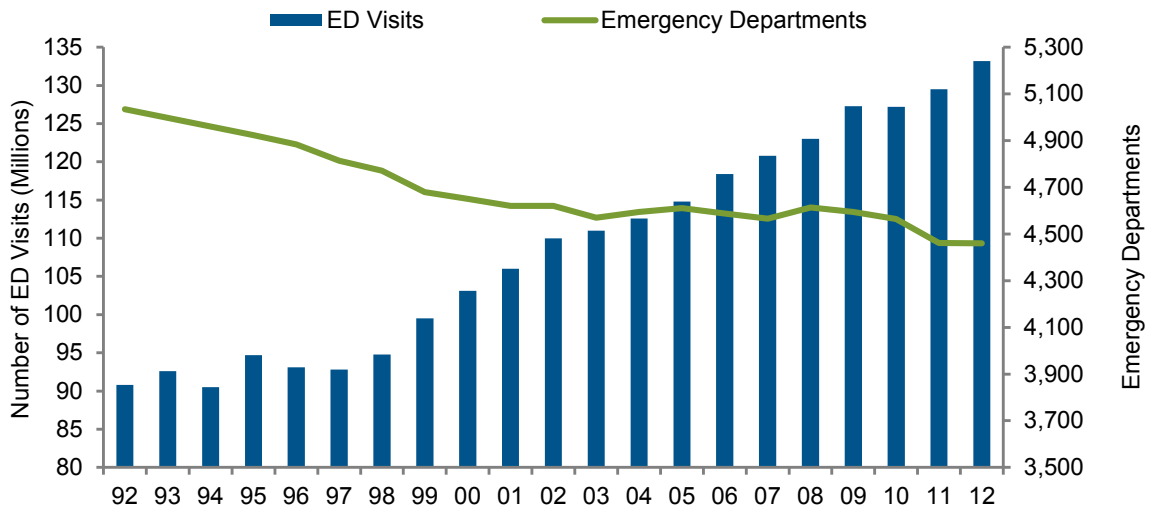
Chart 3.6: Average Length of Stay in Community Hospitals by State, 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

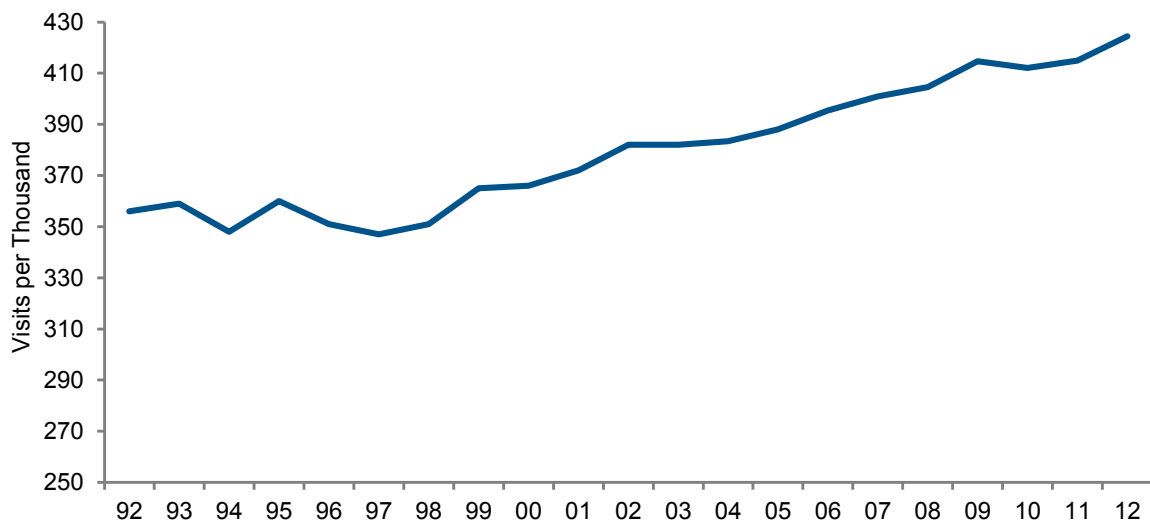


Chart 3.7: Emergency Department Visits and Emergency Departments<sup>(1)</sup> in Community Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
(1) Defined as hospitals reporting ED visits in the AHA Annual Survey.

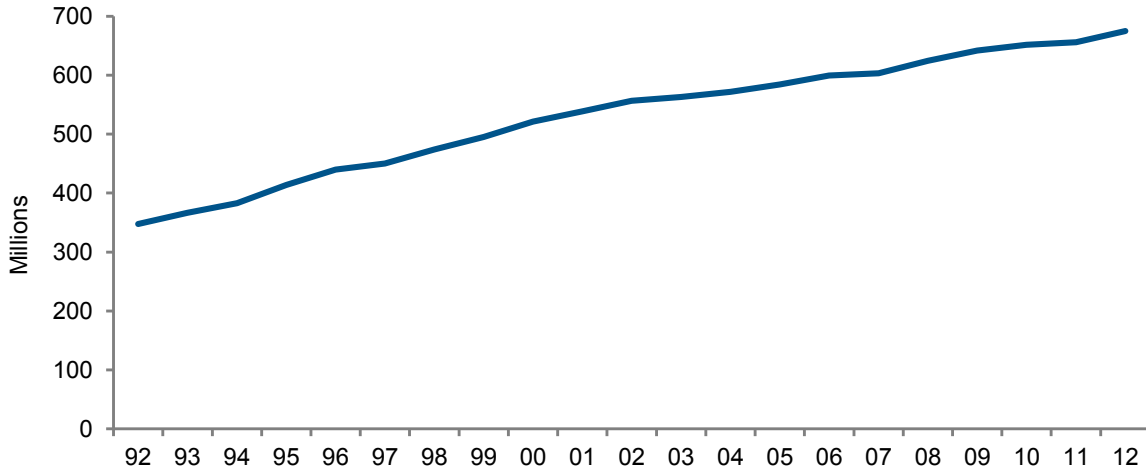
Chart 3.8: Hospital Emergency Department Visits per 1,000 Persons, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.  
Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

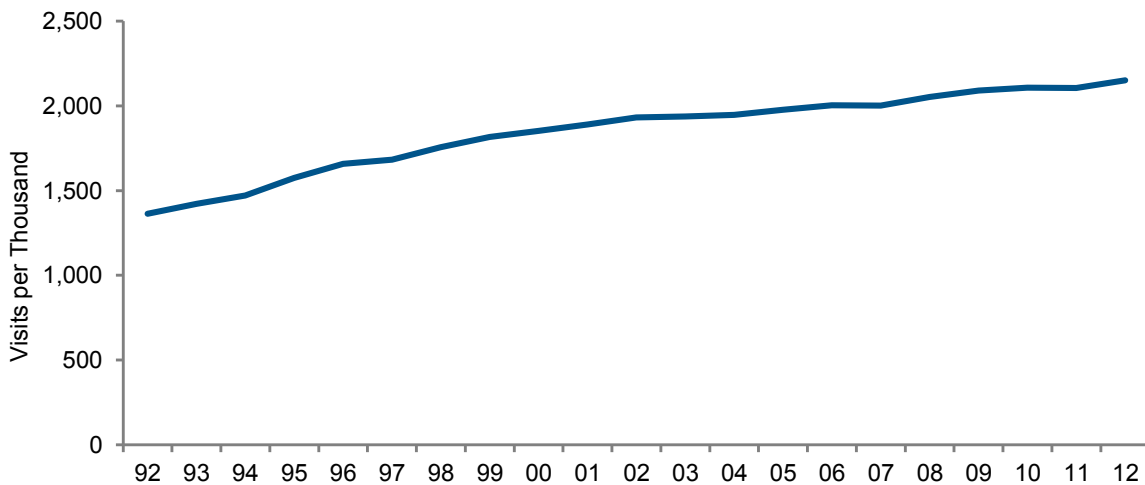


Chart 3.9: Total Hospital Outpatient Visits in Community Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. Previously Chart 3.12 in 2013 and earlier years' Chartbooks.

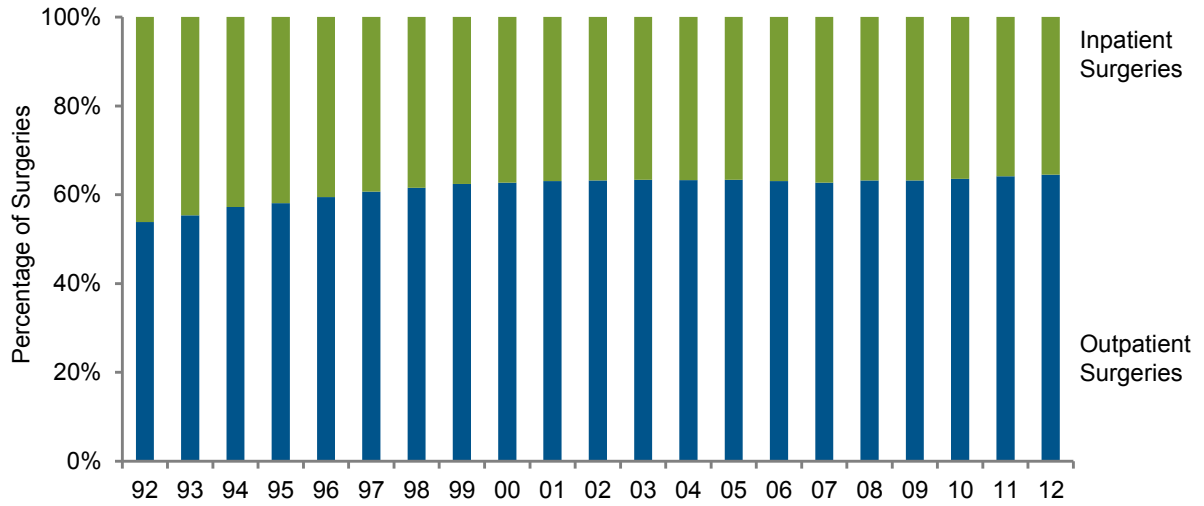
Chart 3.10: Hospital Outpatient Visits per 1,000 Persons, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012. Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>. Previously Chart 3.13 in 2013 and earlier years' Chartbooks.



Chart 3.11: Percentage Share of Inpatient vs. Outpatient Surgeries, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. Previously Chart 3.14 in 2013 and earlier years' Chartbooks.



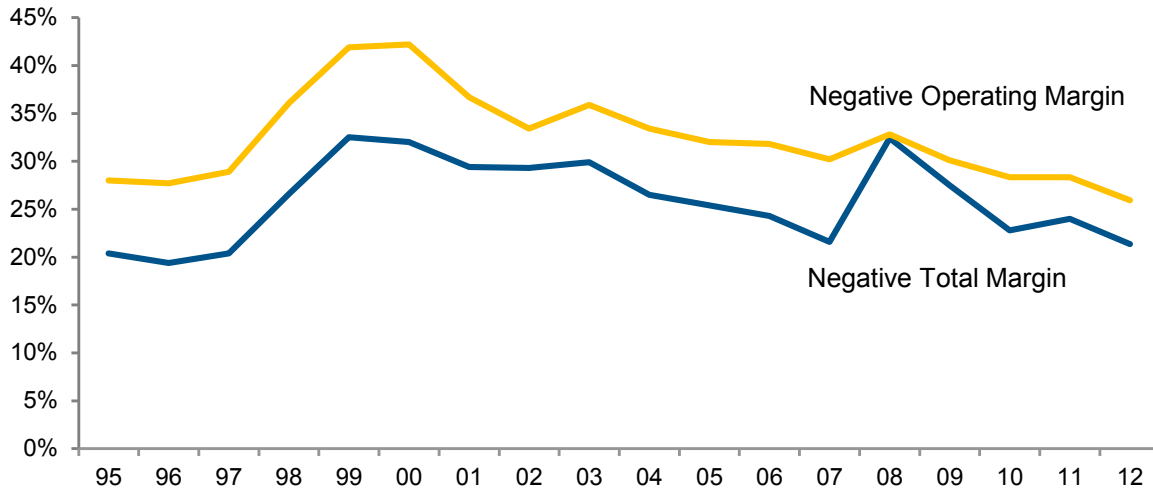
# CHAPTER 4

Trends in Hospital  
Financing



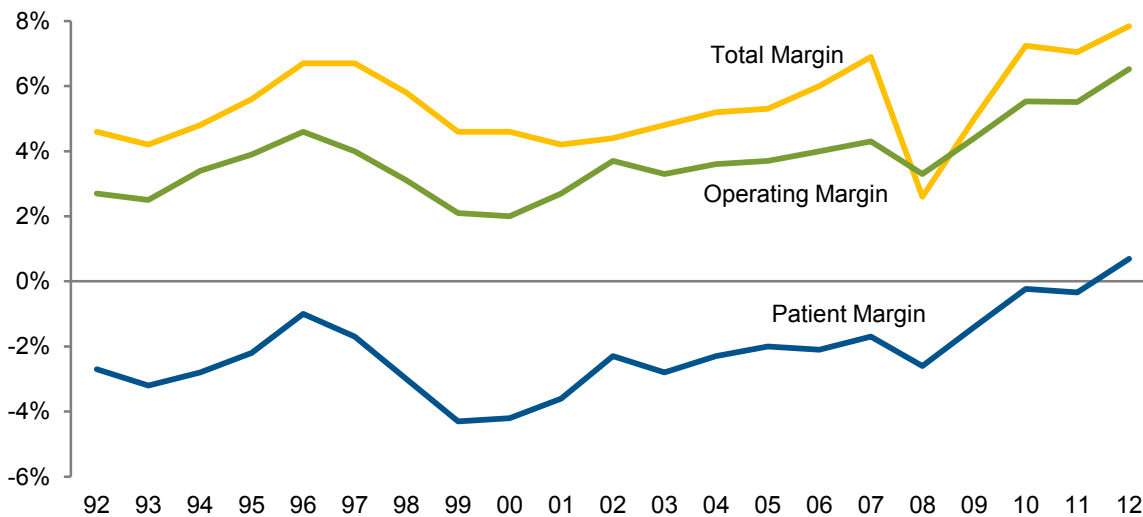


Chart 4.1: Percentage of Hospitals with Negative Total and Operating Margins, 1995 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Chart 4.2: Aggregate Total Hospital Margins,<sup>(1)</sup> Operating Margins<sup>(2)</sup> and Patient Margins,<sup>(3)</sup> 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

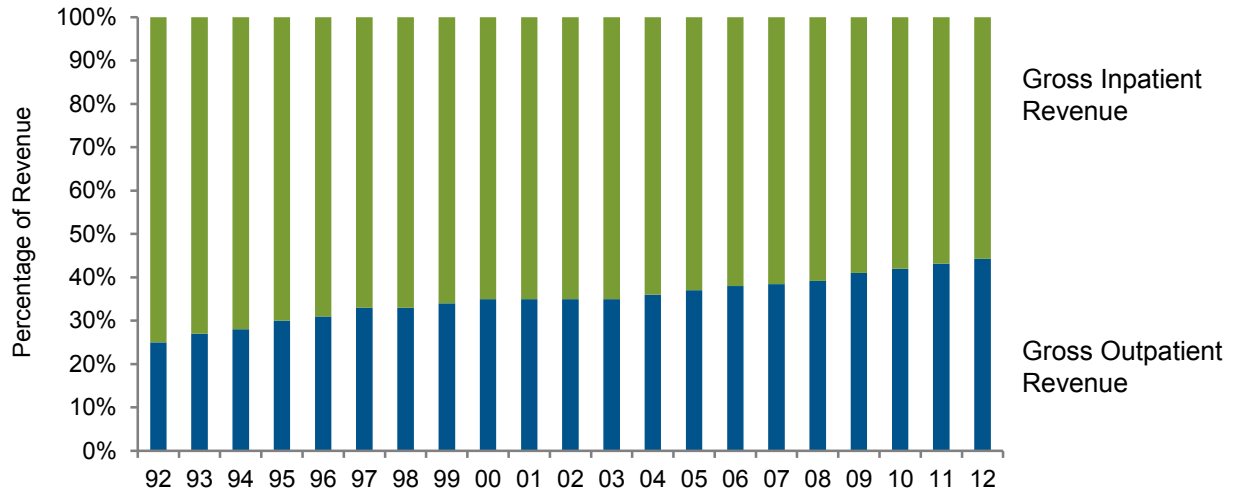
<sup>(1)</sup> Total Hospital Margin is calculated as the difference between total net revenue and total expenses divided by total net revenue.

<sup>(2)</sup> Operating Margin is calculated as the difference between operating revenue and total expenses divided by operating revenue.

<sup>(3)</sup> Patient Margin is calculated as the difference between net patient revenue and total expenses divided by net patient revenue.

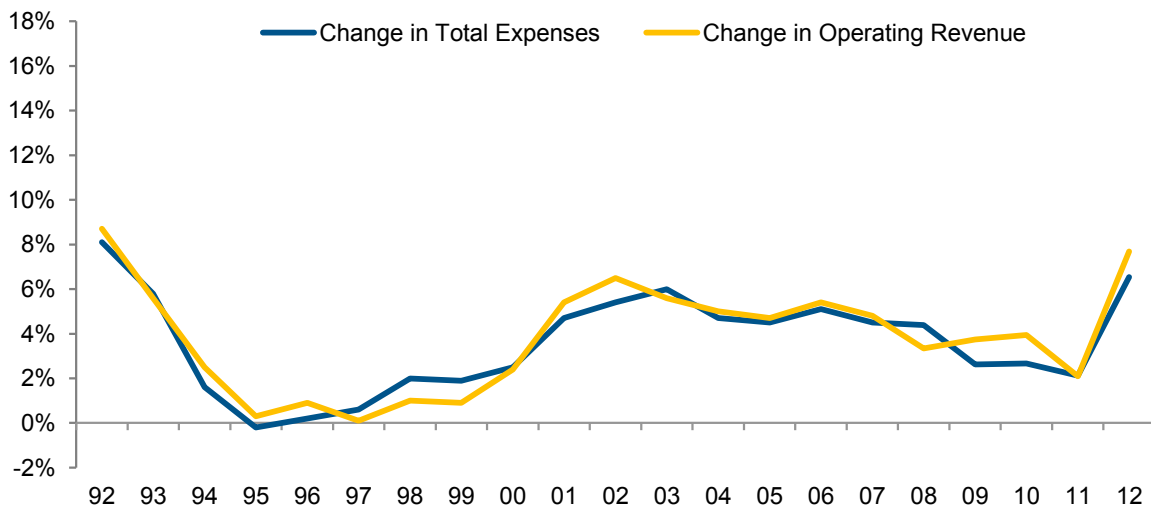


Chart 4.3: Distribution of Outpatient vs. Inpatient Revenues, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

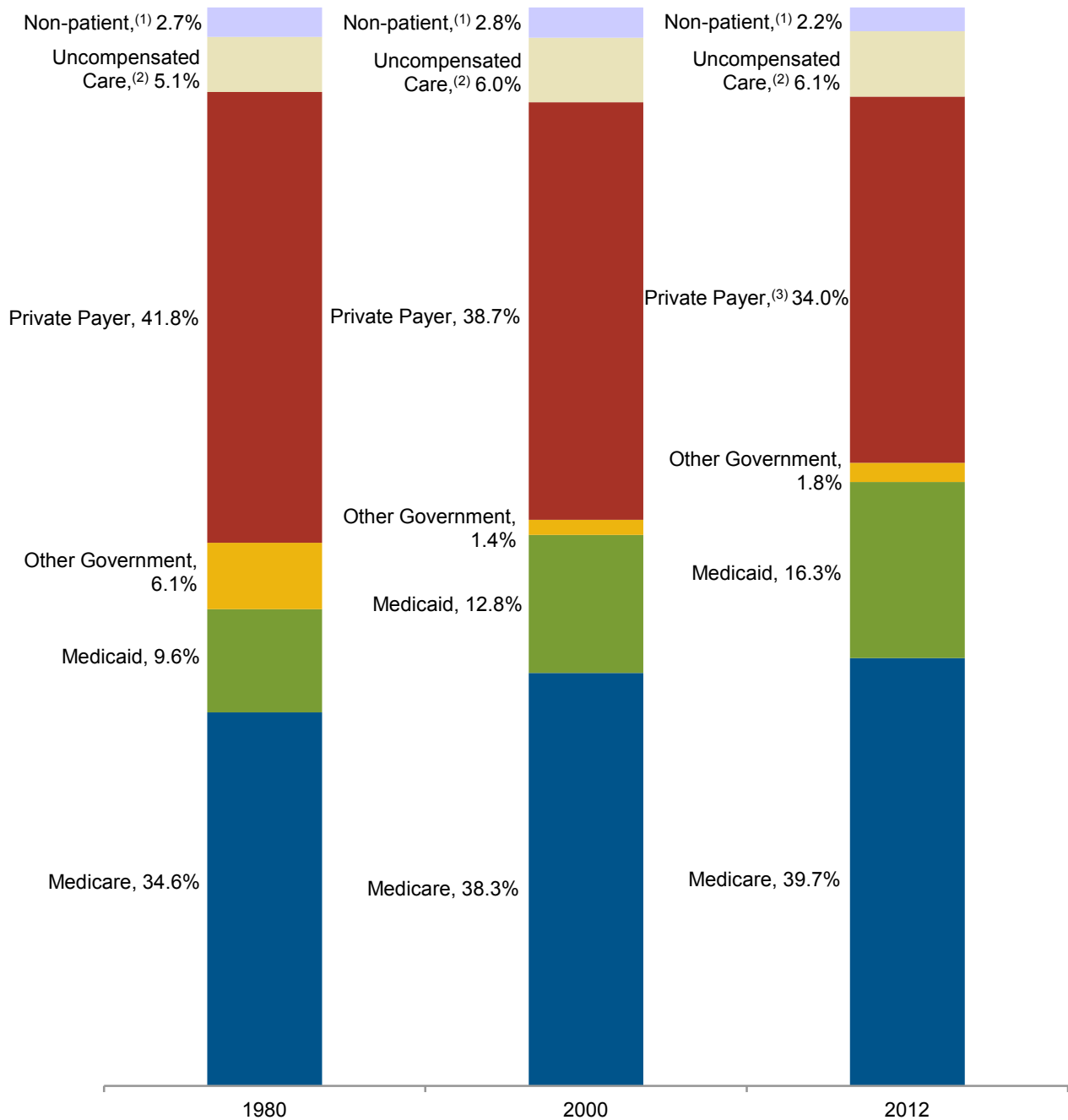
Chart 4.4: Annual Change in Hospital Operating Revenue and Expenses per Adjusted Admission,<sup>(1)</sup> 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> An aggregate measure of workload reflecting the number of inpatient admissions, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient admission in terms of level of effort.

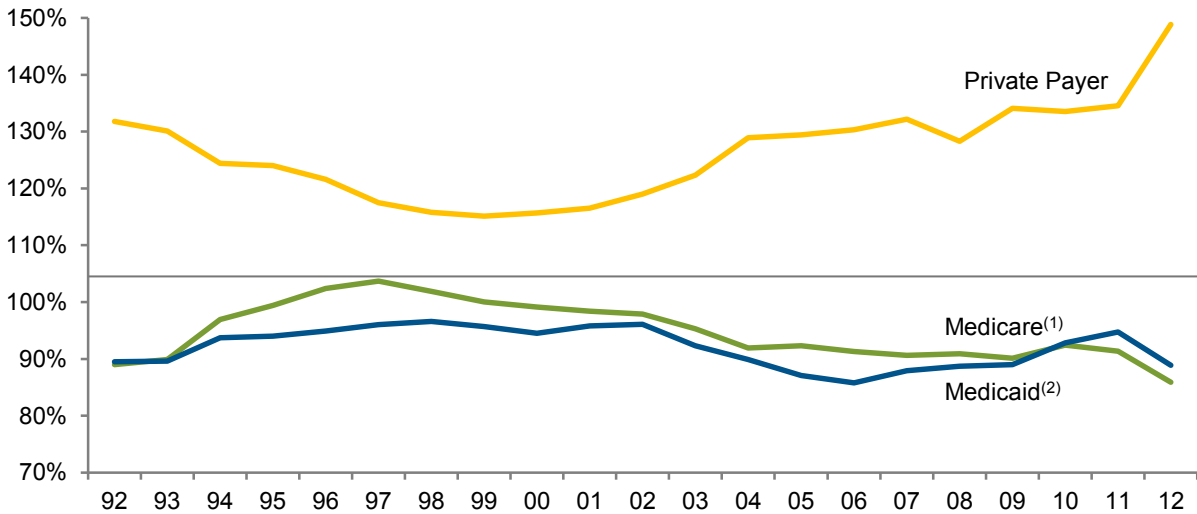
Chart 4.5: Distribution of Hospital Cost by Payer Type, 1980, 2000 and 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2011, for community hospitals.

- (1) Non-patient represents costs for cafeterias, parking lots, gift shops and other non-patient care operating services and are not attributed to any one payer.
- (2) Uncompensated care represents bad debt expense and charity care, at cost.
- (3) Private payer formulas were updated in 2014 to account for the change in bad debt calculations, which is now reported as a deduction from revenue rather than a expense.
- (4) Percentages were rounded, so they do not add to 100 percent in all years.

Chart 4.6: Aggregate Hospital Payment-to-cost Ratios for Private Payers, Medicare and Medicaid, 1992 – 2012

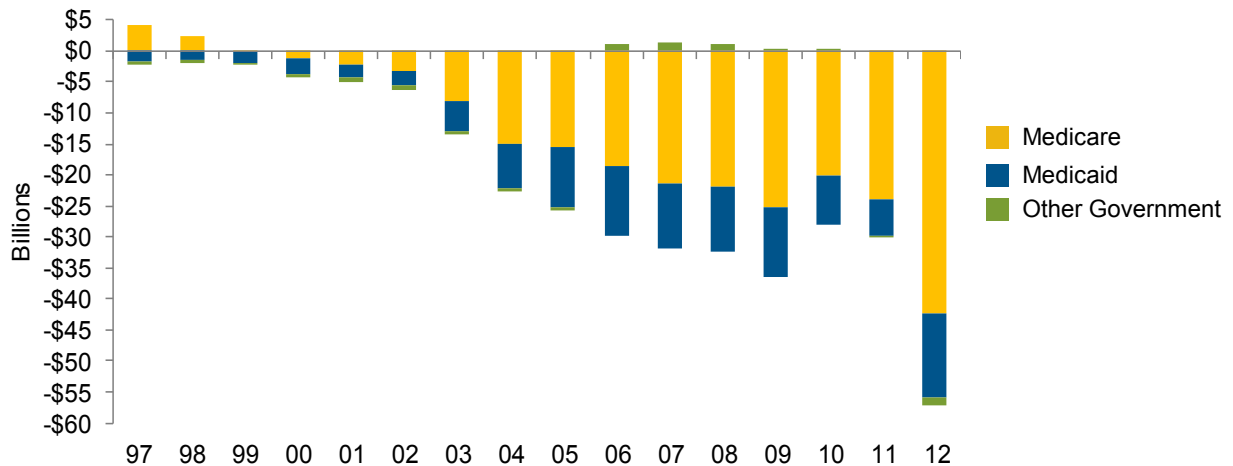


Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

(1) Includes Medicare Disproportionate Share payments.

(2) Includes Medicaid Disproportionate Share payments.

Chart 4.7: Hospital Payment Shortfall Relative to Costs for Medicare, Medicaid and Other Government, 1997 – 2012<sup>(1)</sup>

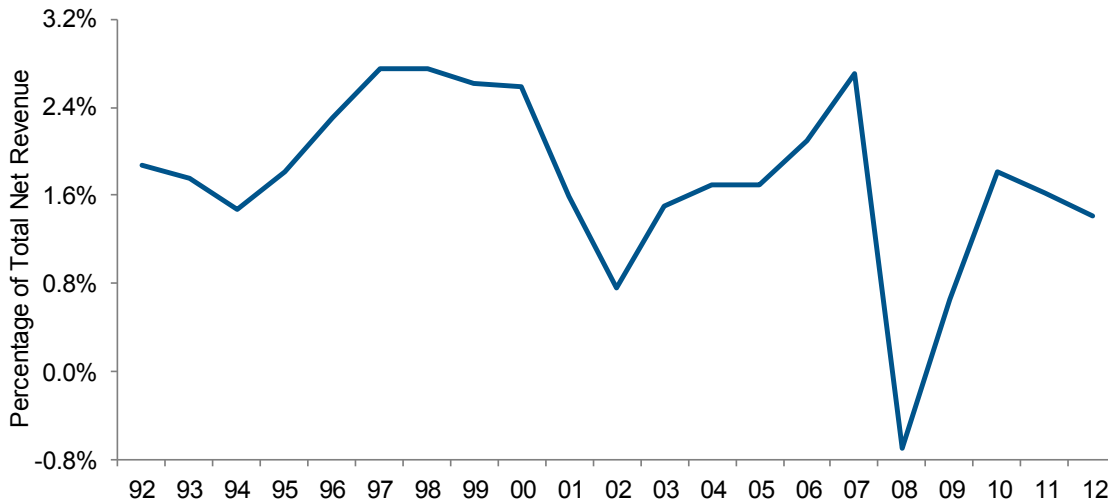


Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

(1) Costs reflect a cap of 1.0 on the cost-to-charge ratio.



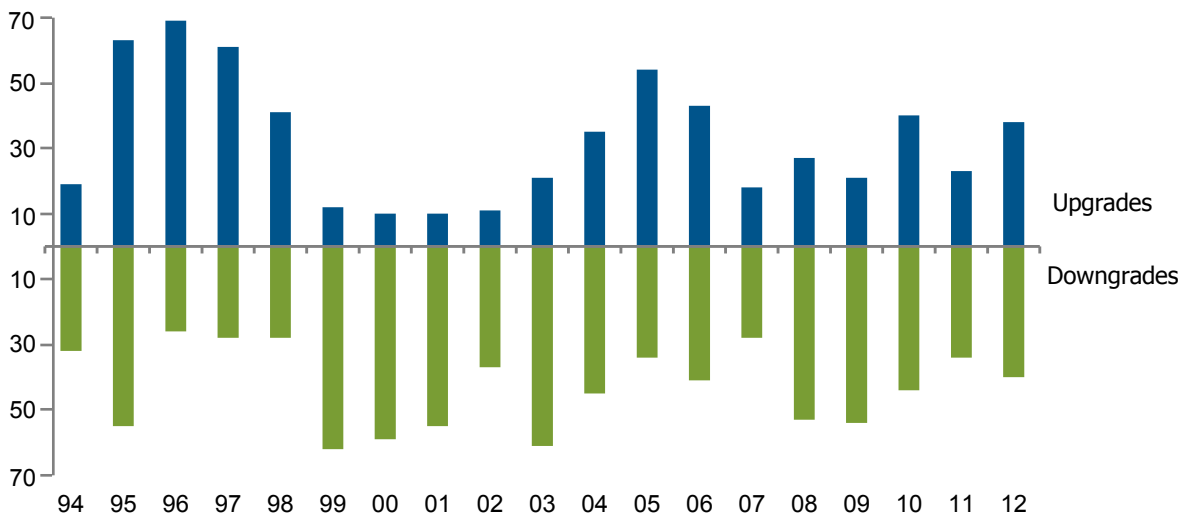
Chart 4.8: Income from Investments and Other Non-operating Gains<sup>(1)</sup> as a Percentage of Total Net Revenue, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> Non-operating gains include income from non-operating activities, including investments, endowments and extraordinary gains, as well as the value of non-realized gains from investments.

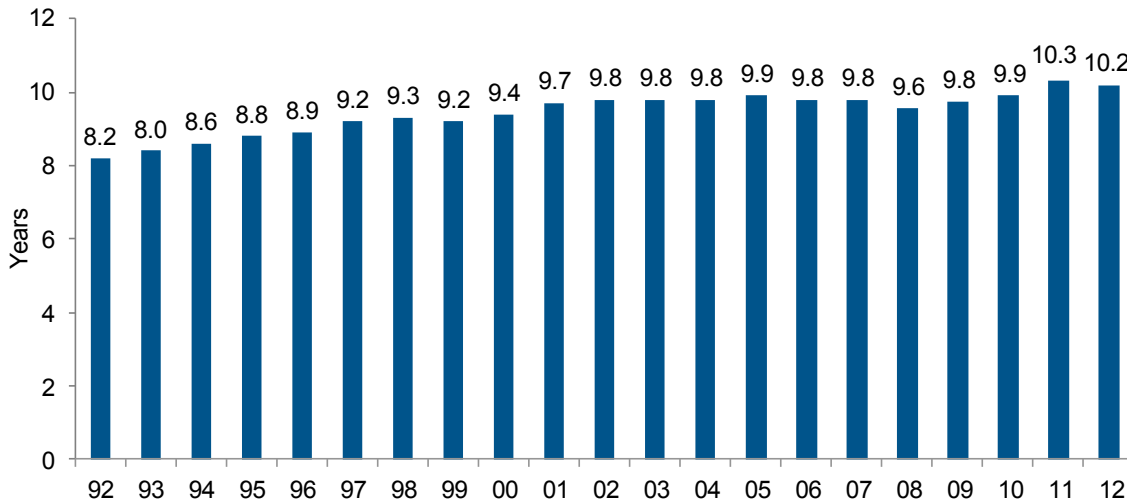
Chart 4.9: Number of Bond Rating Upgrades and Downgrades, Not-for-profit Health Care, 1994 – 2012



Source: Moody's Investors Services. *Moody's: 2012 Not-for-Profit Healthcare Sets New Record in Downgraded Debt.* February 12, 2013.

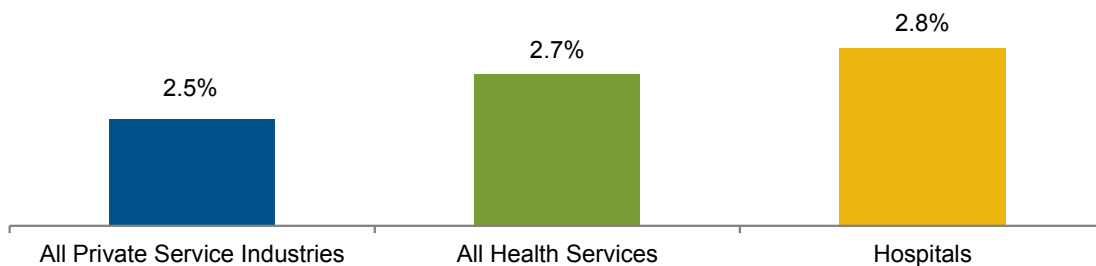


Chart 4.10: Median Average Age of Plant, 1992 – 2012



Source: Optum, *Almanac of Hospital Financial and Operating Indicators*, 2005, 2008, 2009, 2010, 2011, 2013 and 2014 and CHIPS, *The Almanac of Hospital and Financial Operating Indicators*, 1994 and 1996-7.

Chart 4.11: Percent Change in Employment Cost Index<sup>(1)</sup>, All Private Service Industries, All Health Services and Hospitals, 2004 – 2013<sup>(2)</sup>



Source: Bureau of Labor Statistics, Employment Cost Index, 12 months ending December 2013. Link: [www.bls.gov](http://www.bls.gov).

<sup>(1)</sup> Total compensation.

<sup>(2)</sup> Data represent ten-year average.



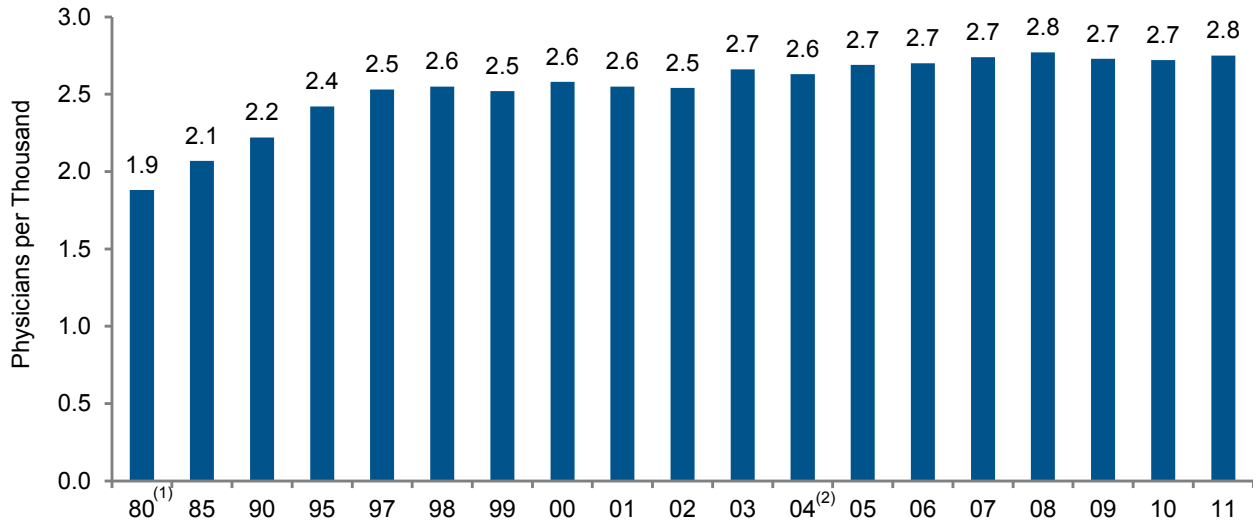
# CHAPTER 5

Workforce





Chart 5.1: Total Number of Active Physicians per 1,000 Persons, 1980 – 2011

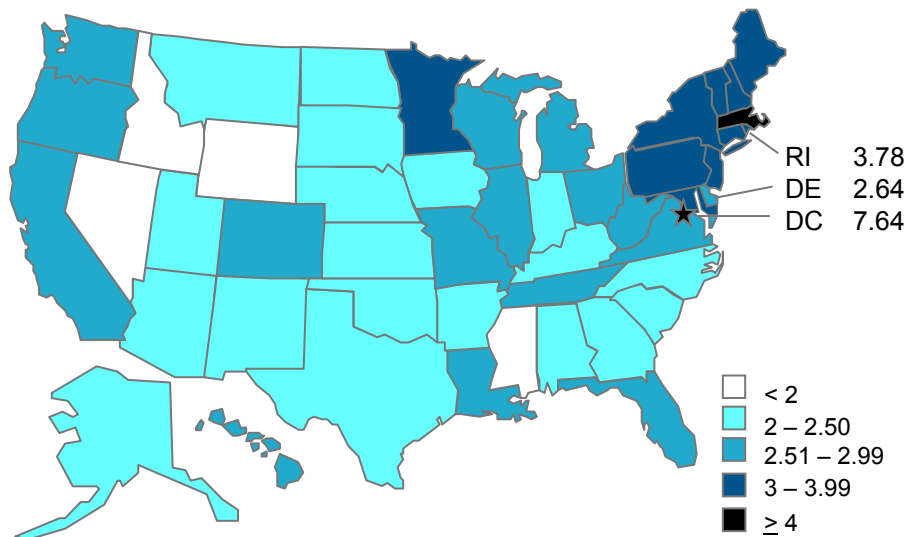


Source: National Center for Health Statistics. *Health, United States, 1982, 1996-97, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013*. Hyattsville, MD.

(1) 1980 does not include doctors of osteopathy.

(2) 2004 and later years include both federal and non-federal physicians. Prior to 2003, data included non-federal physicians only.

Chart 5.2: Total Number of Active Physicians<sup>(1)</sup> per 1,000 Persons by State, 2011

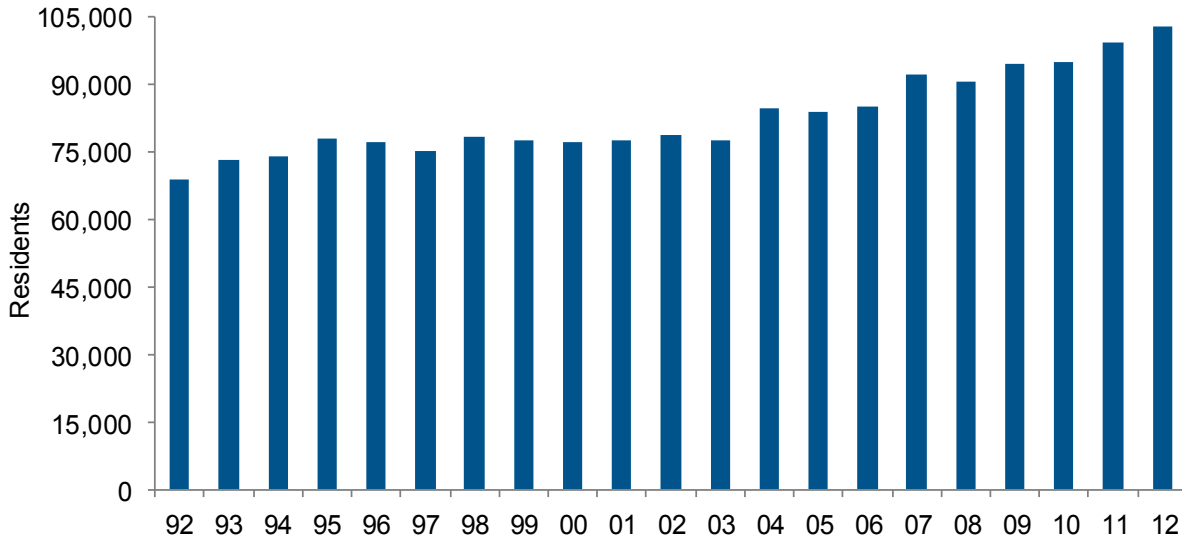


Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) Includes active federal and non-federal doctors of medicine and active doctors of osteopathy.

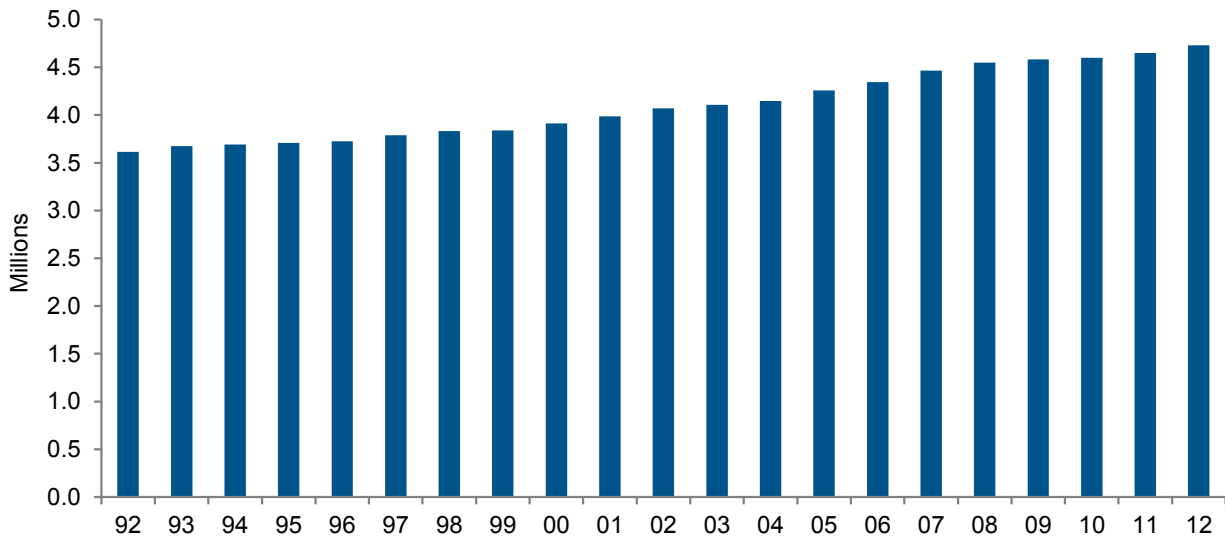


Chart 5.3: Medical and Dental Residents<sup>(1)</sup> in Training in Community Hospitals, 1992 – 2012



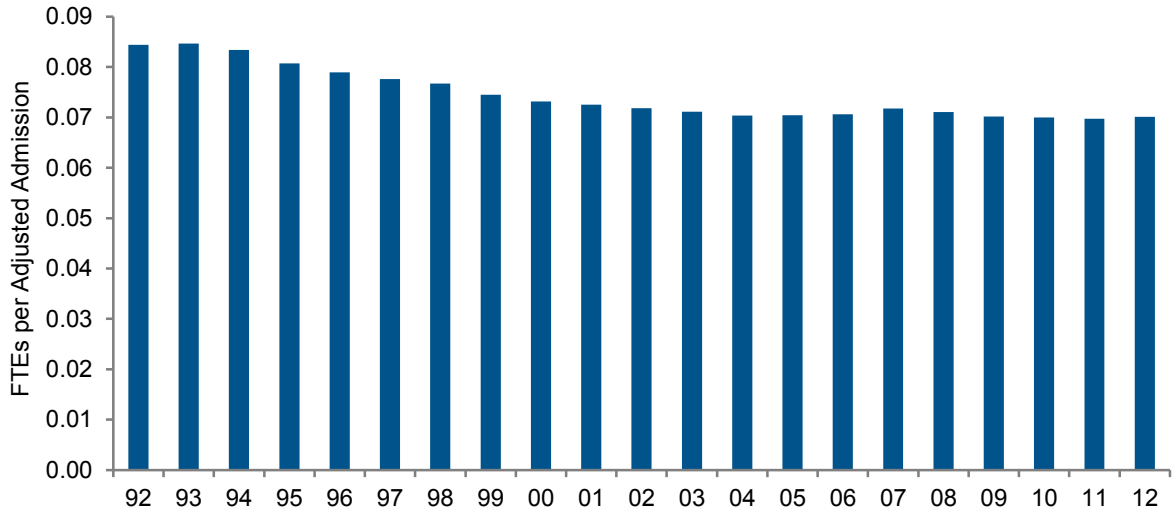
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
(1) Includes full-time equivalent interns and residents.

Chart 5.4: Total Full-time Equivalent Employees Working in Hospitals, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

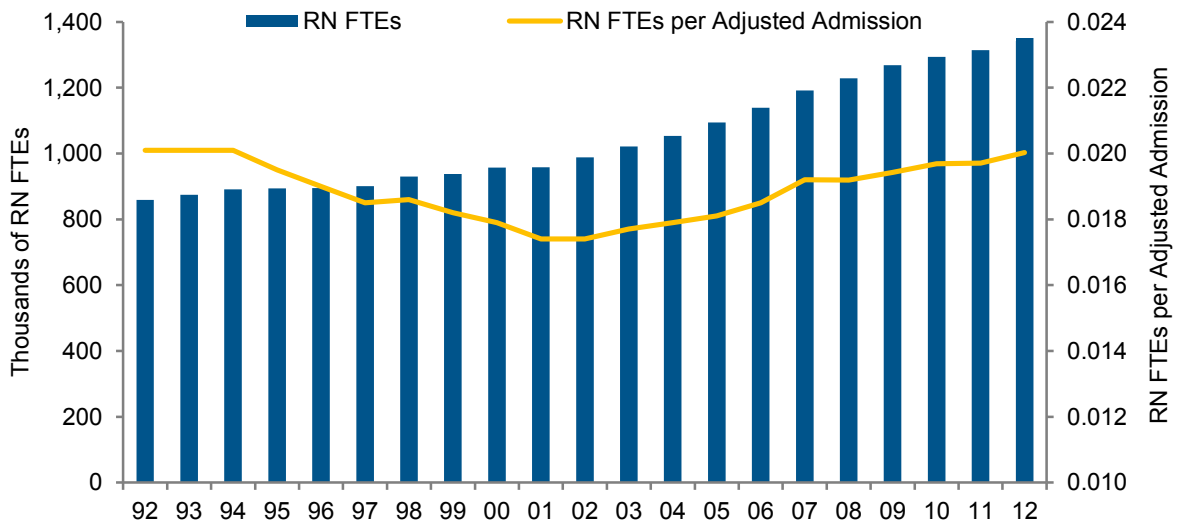
Chart 5.5: Full-time Equivalent Employees per Adjusted Admission,<sup>(1)</sup> 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> An aggregate measure of workload reflecting the number of inpatient admissions, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient admission in terms of level of effort.

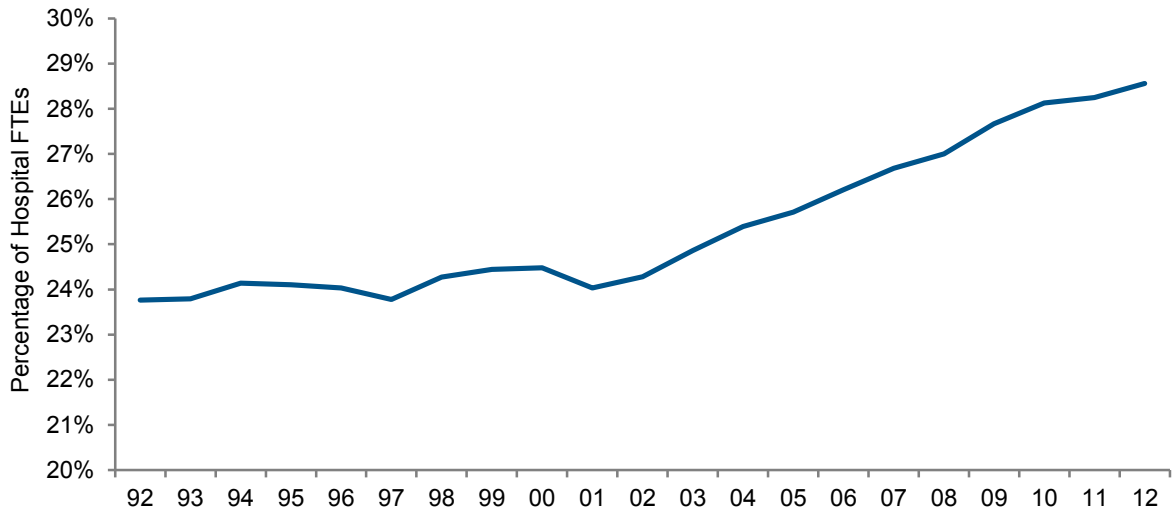
Chart 5.6: Number of RN Full-time Equivalent Employees and RN FTEs per Adjusted Admission, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

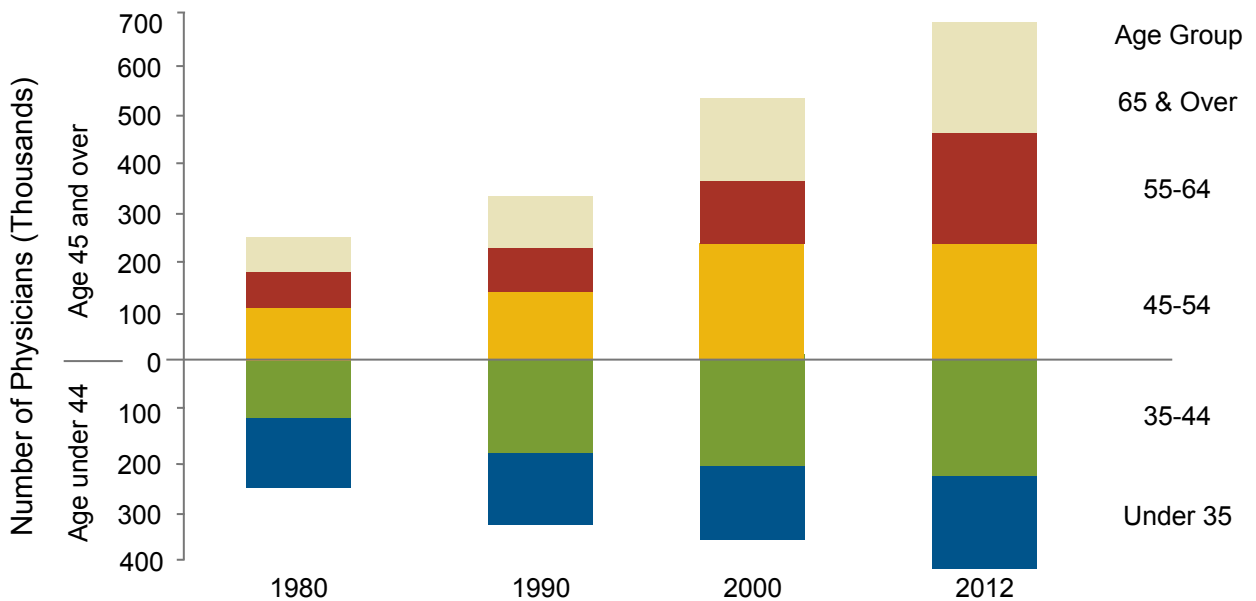


Chart 5.7: RN Full-time Equivalents as a Percentage of Total Hospital Full-time Equivalents, 1992 – 2012



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

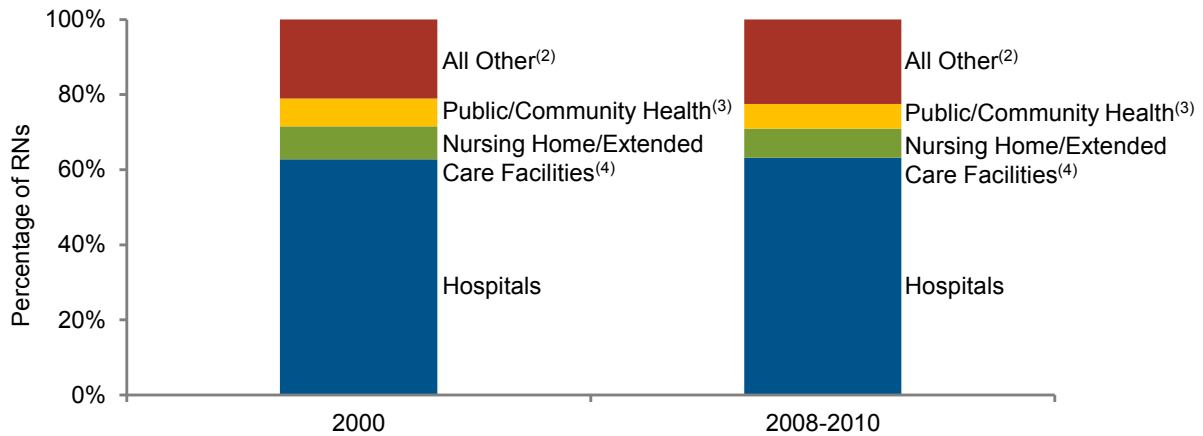
Chart 5.8: Number of Physicians<sup>(1)</sup> by Age, 1980, 1990, 2000 and 2012



Source: American Medical Association. (2014 Edition). *Physician Characteristics and Distribution in the U.S.*

(1) Includes inactive physicians and residents.

Chart 5.9: RN Employment by Type of Provider, 2000 and 2008 – 2010<sup>(1)</sup>

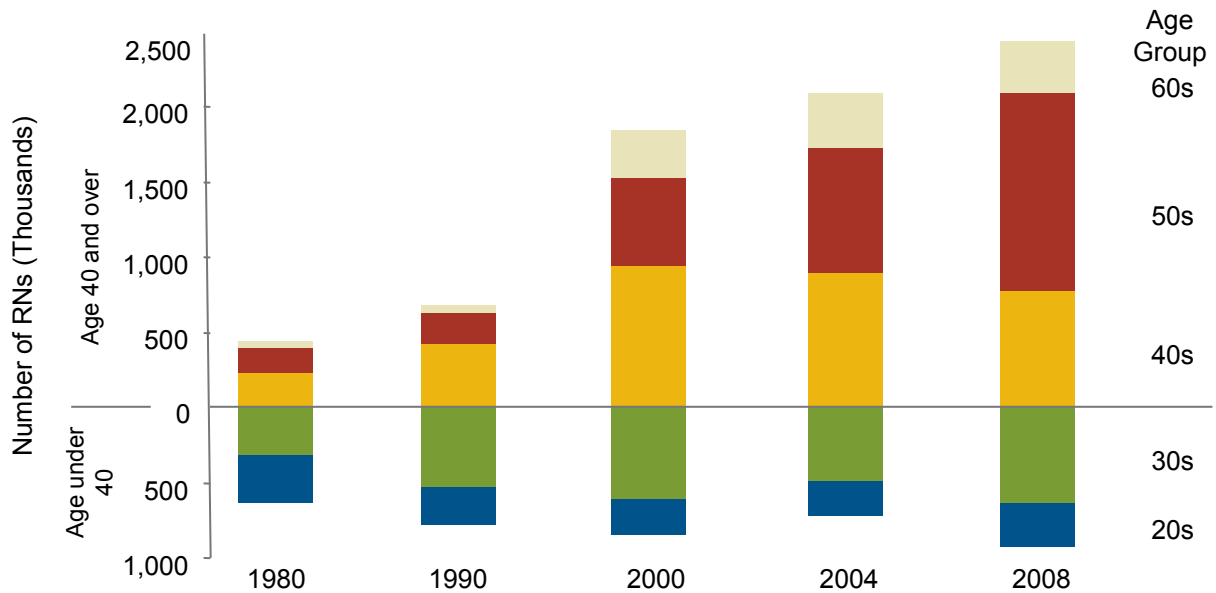


Source: Bureau of Health Professions, Health Resources and Services Administration. (2013). *The U.S. Nursing Workforce: Trends in Supply and Education*.

Link: <http://bhpr.hrsa.gov/healthworkforce/supplydemand/nursing/nursingworkforce/nursingworkforcefullreport.pdf>.

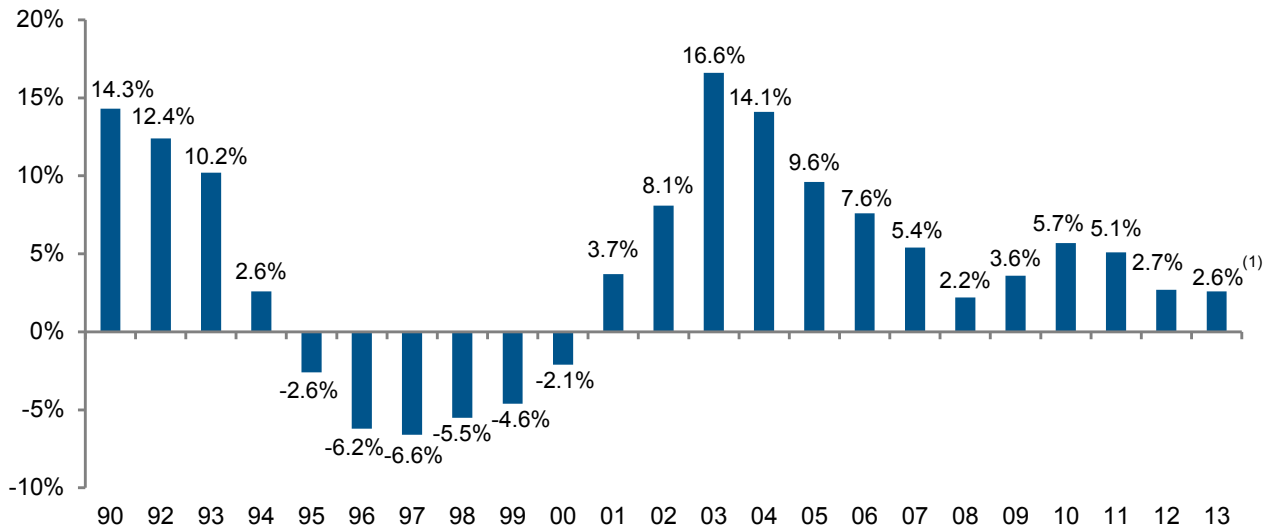
- (1) Total percent by setting may not equal the estimated total of all registered nurses due to incomplete information provided by respondents and the effect of rounding.
- (2) Category includes offices of physicians, outpatient care centers, other healthcare services, employment services, insurance carriers and related activities, administration of human resource programs, offices of other health practitioners, colleges and universities (including junior colleges) and all other settings.
- (3) Category includes home healthcare services, elementary and secondary schools and justice, public order and safety activities.
- (4) Category includes nursing care facilities and residential care facilities, without nursing.

Chart 5.10: Distribution of RN Workforce by Age Group, 1980 – 2008



Source: Bureau of Health Professions, Health Resources and Services Administration. (1980-2004). *Findings from the National Survey of Registered Nurses*. Link: <http://bhpr.hrsa.gov/healthworkforce/rnsurvey04/2.htm#age>. Bureau of Health Professions, Health Resources and Services Administration. (2010). *Findings from the 2008 National Sample Survey of Registered Nurses*. Link: <http://bhpr.hrsa.gov/healthworkforce/rnsurvey/2008/nssrn2008.pdf>.

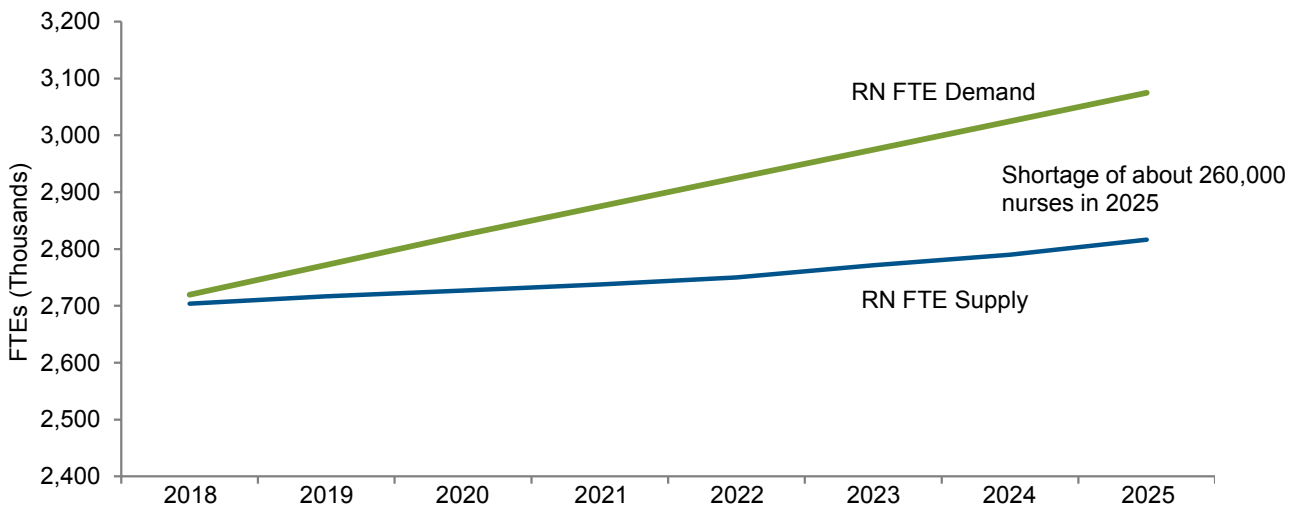
Chart 5.11: Annual Percentage Change in Entry Level Baccalaureate Nursing Enrollment, 1990 – 2013



Source: American Association of Colleges of Nursing. (1994-2013). *Percent Change in Enrollments in Entry-Level Baccalaureate Nursing Programs: 1994-2013*. Link: <http://www.aacn.nche.edu/Media/EnrollChanges.pdf>, and Berlin, L.E. et al. *Enrollment and Graduations in Baccalaureate and Graduate Programs in Nursing*. Washington, DC: AACN.

<sup>(1)</sup> Based on 2013 preliminary survey data.

Chart 5.12: National Supply and Demand Projections for FTE RNs, 2018 – 2025



Source: Copyrighted and published by Project HOPE/Health Affairs as Buerhaus PI, Auerbach DI, Staiger DO. *The Recent Surge In Nurse Employment: Causes and Implications*. *Health Affairs*, 2009; 28(4):w657-68. The published article is archived and available online at [www.healthaffairs.org](http://www.healthaffairs.org).





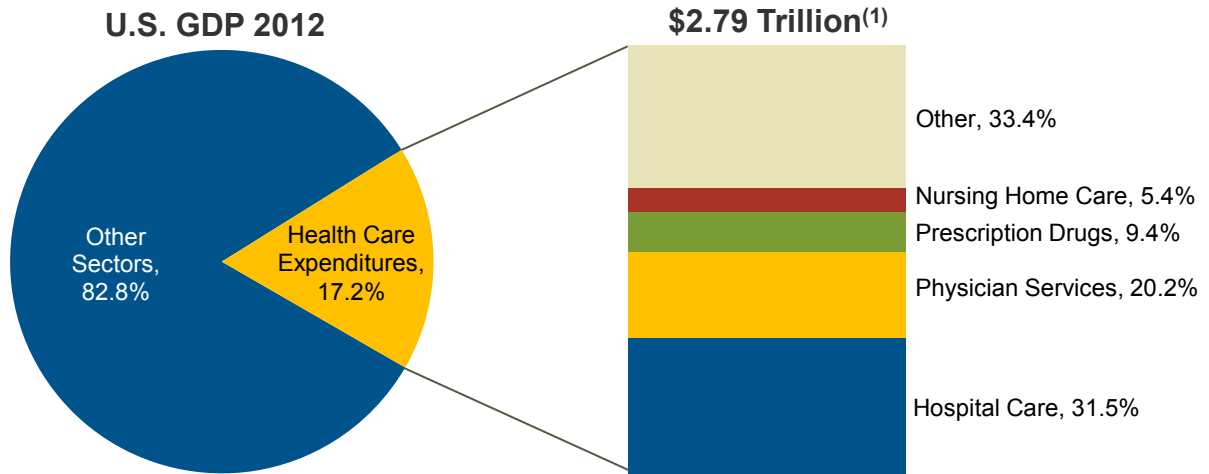
# CHAPTER 6

The Economic Contribution  
of Hospitals





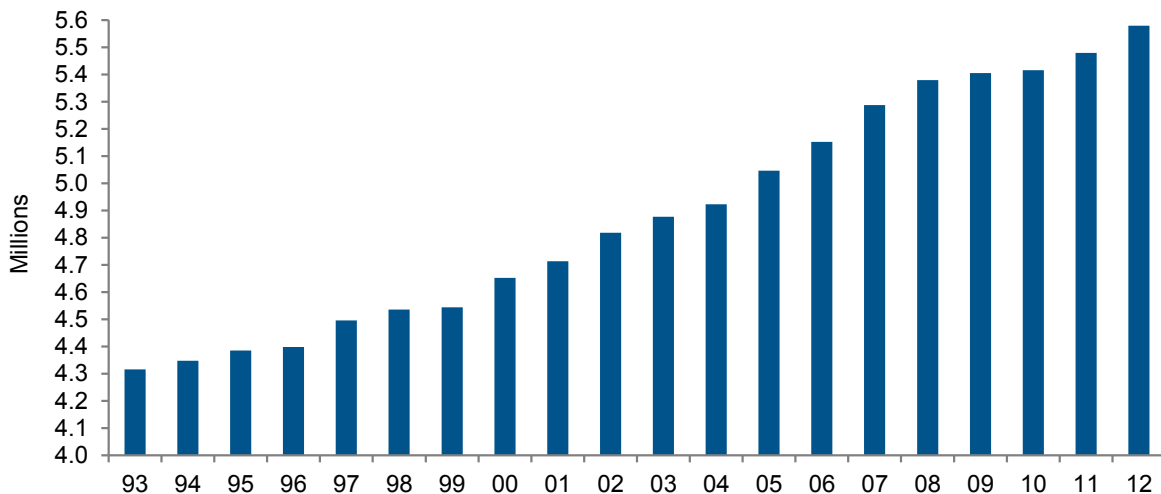
Chart 6.1: National Health Expenditures as a Percentage of Gross Domestic Product and Breakdown of National Health Expenditures, 2012



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

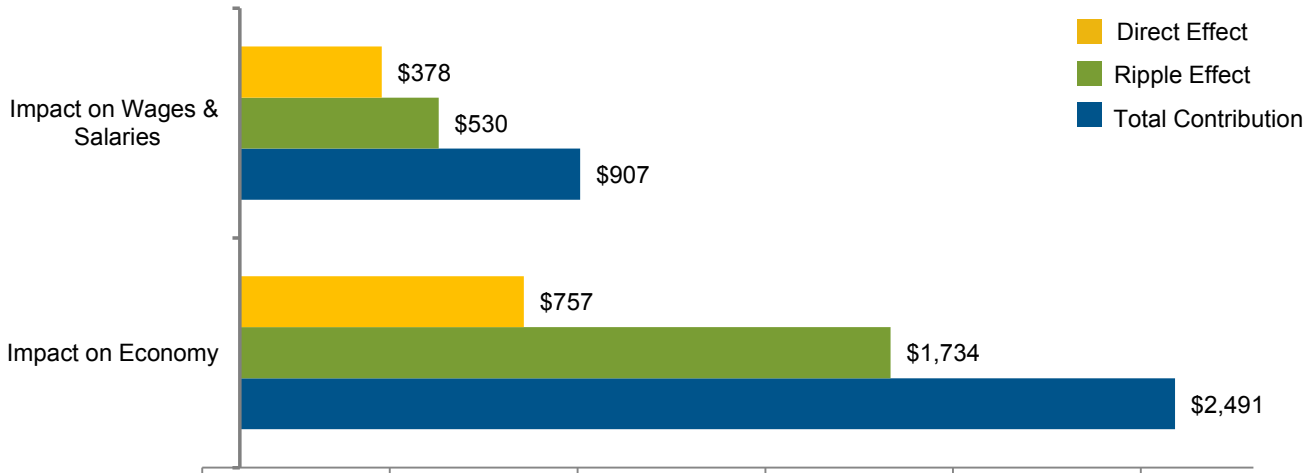
<sup>(1)</sup> Percentages were rounded, so they do not add to 100 percent.

Chart 6.2: Number of Full-time and Part-time Hospital Employees, 1993 – 2012



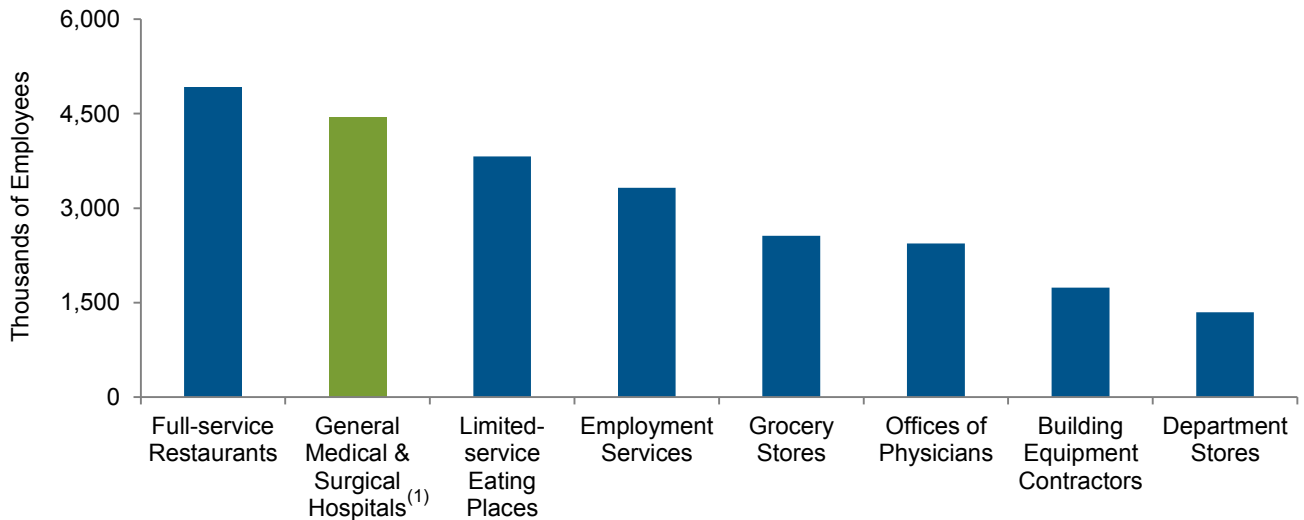
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Chart 6.3: Impact of Community Hospitals on U.S. Economy (in \$ billions), 2012



Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2012 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart. The sum of the direct and ripple effects may be less than or greater than the total contribution due to rounding.

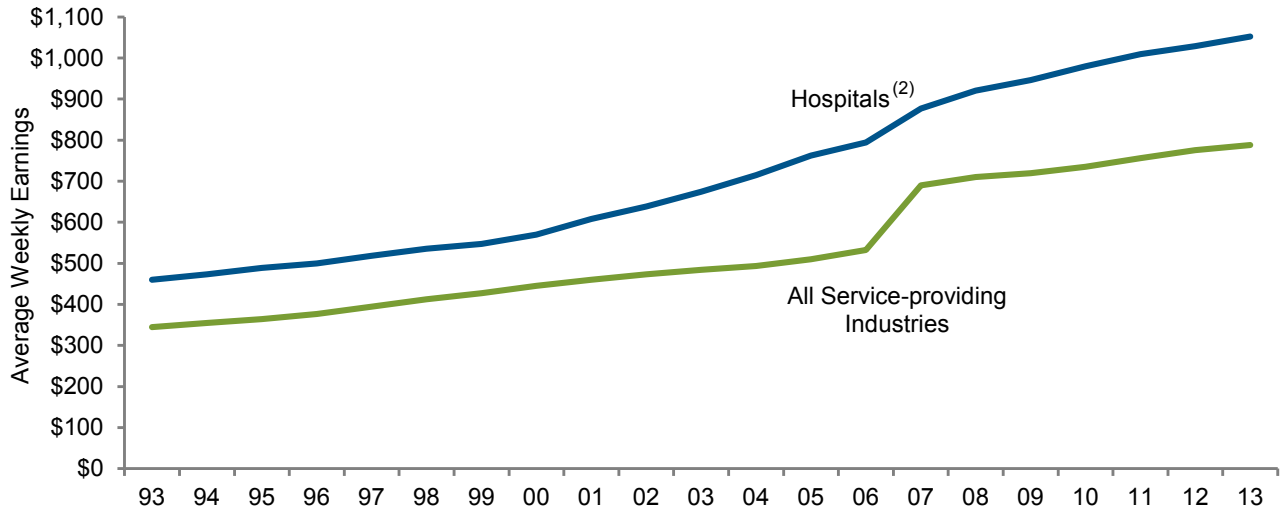
Chart 6.4: Hospital Employment vs. Employment in Other Industries, 2013



Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2014. Link: <http://www.bls.gov/ces>.

<sup>(1)</sup> Does not include public hospitals.

Chart 6.5: Average Weekly Earnings of Workers, Hospitals<sup>(1)</sup> vs. All Service-providing Industries, 1993 – 2013



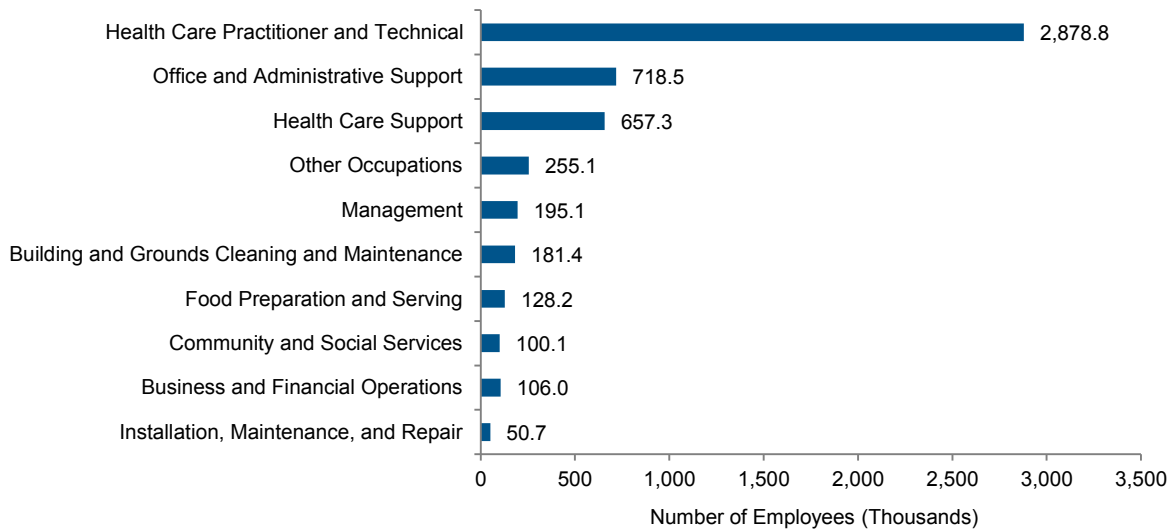
Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables.

Data released 2014. Link: <http://www.bls.gov/ces>.

(1) Includes physicians employed by hospitals.

(2) Does not include public hospitals.

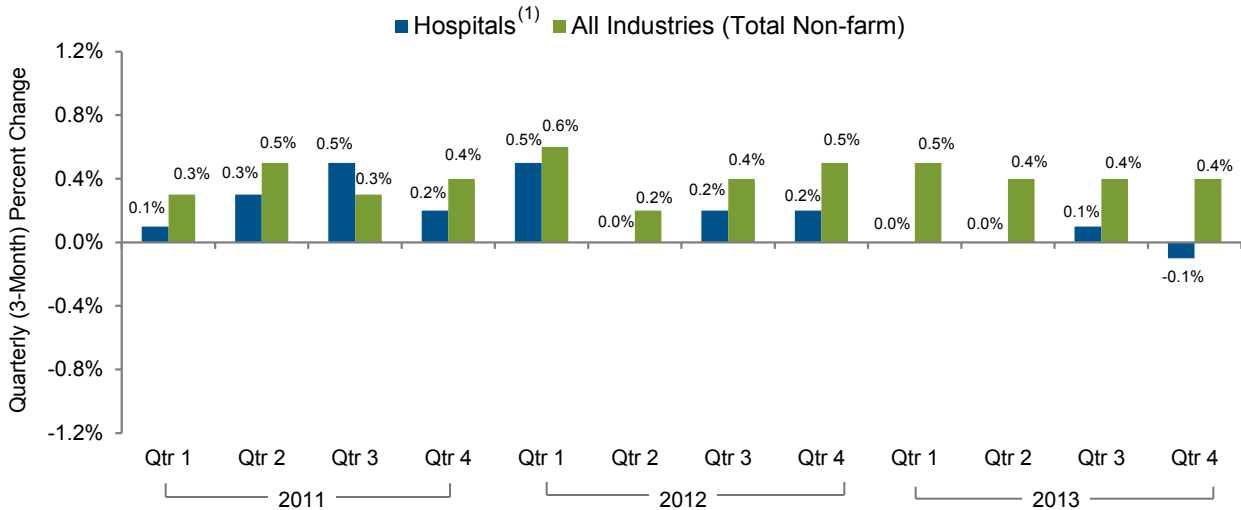
Chart 6.6: Hospital Employment by Occupation Type, 2013<sup>(1)</sup>



Source: Department of Labor, Bureau of Labor Statistics, May 2013 National Industry-Specific Occupational Employment and Wage Estimates. Data released May 2014. Link: [http://www.bls.gov/oes/2013/may/naics4\\_622100.htm](http://www.bls.gov/oes/2013/may/naics4_622100.htm).

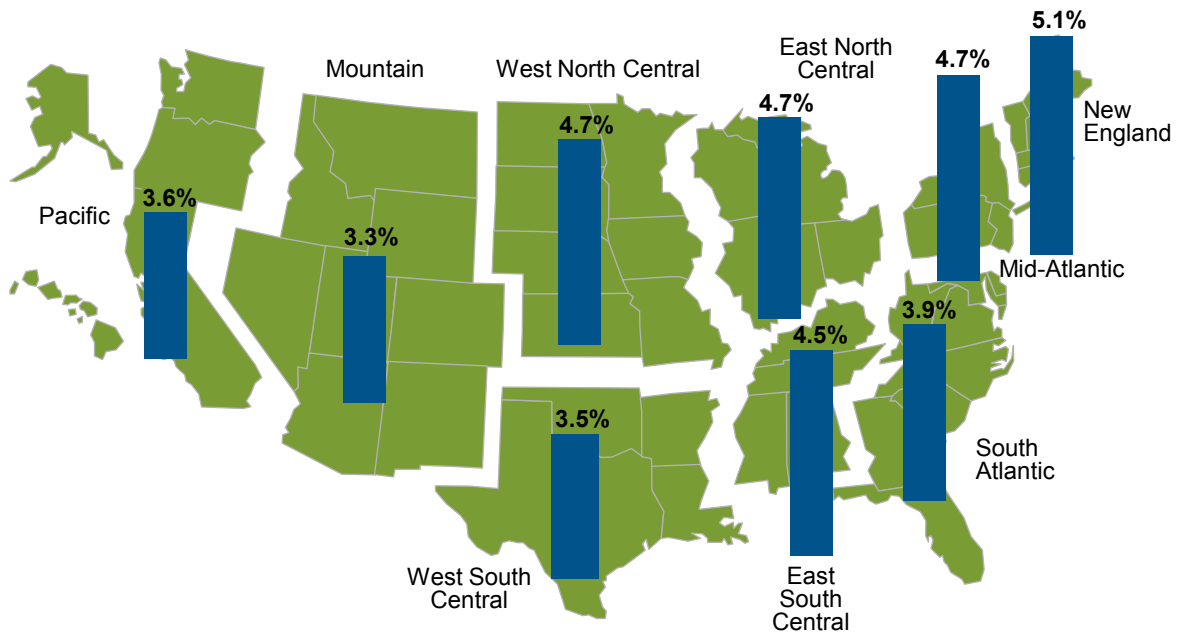
(1) Does not include public hospitals.

Chart 6.7: Percent Change in Employment, Seasonally-adjusted: Hospital vs. All Industries (Total Non-farm), 2011 – 2013



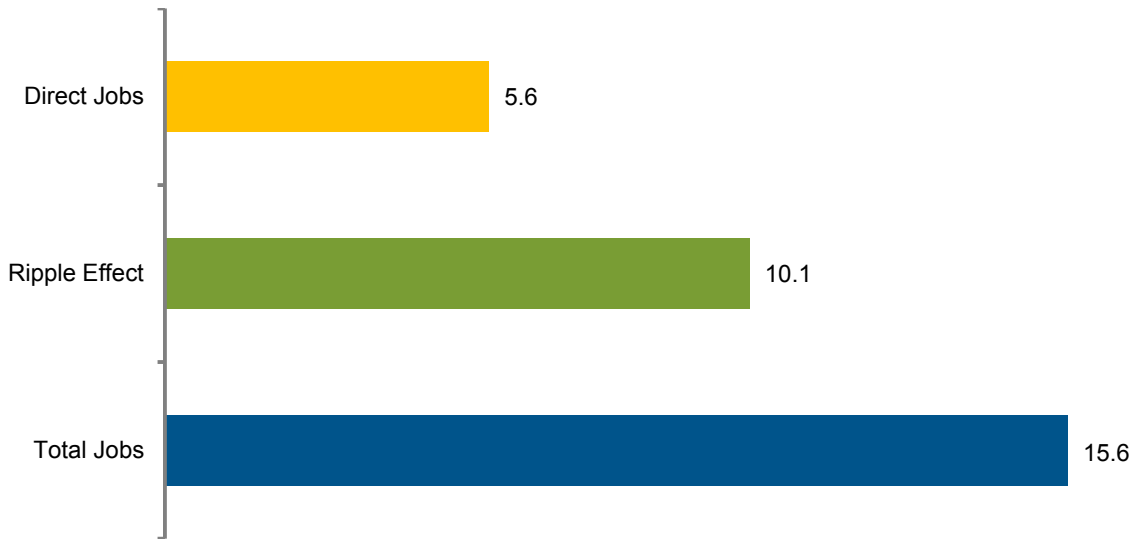
Source: Department of Labor, Bureau of Labor Statistics. Data released March 2014. Link: <http://www.bls.gov/bls/employment.htm>.  
(1) Does not include public hospitals.

Chart 6.8: Percent of Total Regional Employment<sup>(1)</sup> by Hospitals, 2012



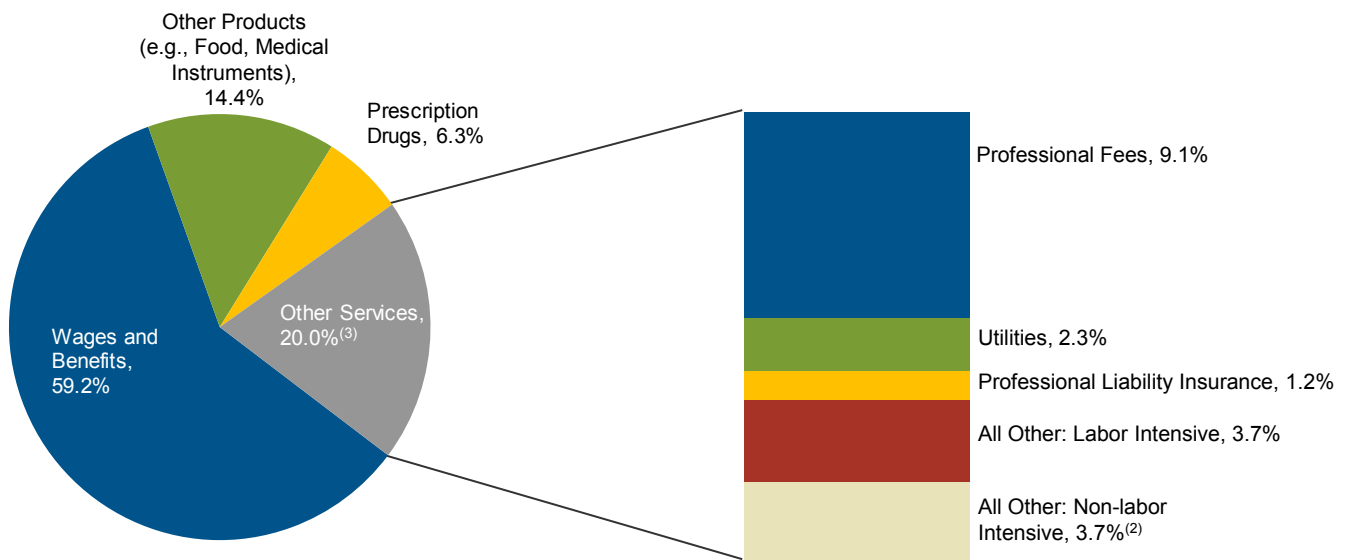
Source: Avalere Health analysis of American Hospital Association 2012 Annual Survey data and 2012 total non-farm employment data from the Bureau of Labor Statistics.  
(1) Does not include farm employment.

Chart 6.9: Impact of Community Hospitals on U.S. Jobs (in millions), 2012



Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2012 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart. The sum of the direct and ripple effect may be less than or greater than the total contribution due to rounding.

Chart 6.10: Percent of Hospital Costs<sup>(1)</sup> by Type of Expense, 2013



Source: AHA analysis of Centers for Medicare and Medicaid Services data, using base year 2010 weights.

<sup>(1)</sup> Does not include capital.

<sup>(2)</sup> Includes postage and telephone expenses.

<sup>(3)</sup> Percentages were rounded, so they do not add to 20 percent.



Chart 6.11: Hospital Impact on Sectors of the U.S. Economy  
(in \$ billions), 2012

| Industry  | Economic Impact  |
|---|------------------|
| Health care and social assistance               | \$876.2          |
| Manufacturing                                   | 373.1            |
| Real estate and rental and leasing              | 235.9            |
| Finance and insurance                           | 159.2            |
| Professional, scientific and technical services | 103.5            |
| Retail trade                                    | 101.8            |
| Wholesale trade                                 | 81.6             |
| Information                                     | 81.5             |
| Transportation and warehousing                  | 77.5             |
| Administrative and waste management services    | 77.2             |
| Accommodation and food services                 | 64.0             |
| Other services                                  | 62.4             |
| Management of companies and enterprises         | 50.1             |
| Utilities                                       | 44.3             |
| Agriculture, forestry, fishing and hunting      | 36.6             |
| Educational services                            | 20.1             |
| Arts, entertainment, and recreation             | 17.8             |
| Mining  | 15.7             |
| Construction                                    | 12.3             |
| <b>Total</b>                                    | <b>\$2,490.7</b> |

Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2012 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart.

Chart 6.12: Impact of Community Hospitals on U.S. Economy; All States, DC, and Total U.S., 2012

| State Name            | Number of Hospital Jobs (FT and PT) | Multiplier for Employment | Effect of Hospital Jobs on Total Jobs in State Economy | Percent of Total Employment Supported by Hospital Employment | Hospital Payroll and Benefits (\$ millions) | Multiplier for Earnings | Effect of Hospital Payroll and Benefits on Total Labor Income (\$ millions) | Hospital Expenditures (\$ millions) | Multiplier for Output | Effect of Hospital Expenditures on Total State Economic Output (\$ millions) |
|-----------------------|-------------------------------------|---------------------------|--|--|---|-------------------------|---|-------------------------------------|-----------------------|--|
| Alabama               | 81,104                              | 2.0293                    | 164,584  | 8.82%  | \$4,407                                     | 1.6538                  | \$7,288   | \$9,010                             | 1.9782                | \$17,823   |
| Alaska                | 11,190                              | 1.8145                    | 20,304   | 6.18%  | \$925                                       | 1.4829                  | \$1,372   | \$1,766                             | 1.7423                | \$3,076  |
| Arizona               | 82,960                              | 2.3261                    | 192,973  | 8.02%  | \$5,750                                     | 1.7473                  | \$10,047  | \$12,113                            | 2.0921                | \$25,341   |
| Arkansas              | 50,683                              | 1.8577                    | 94,154   | 8.12%  | \$2,657                                     | 1.5592                  | \$4,143   | \$5,759                             | 1.8417                | \$10,607   |
| California            | 520,641                             | 2.3233                    | 1,209,605  | 8.60%  | \$43,638                                    | 1.8782                  | \$81,961  | \$83,357                            | 2.3155                | \$193,013  |
| Colorado              | 72,055                              | 2.3607                    | 170,100  | 7.54%  | \$5,209                                     | 1.8929                  | \$9,860   | \$10,942                            | 2.3212                | \$25,398   |
| Connecticut           | 67,078                              | 2.1168                    | 141,991  | 8.75%  | \$5,166                                     | 1.7191                  | \$8,881   | \$9,795                             | 2.0802                | \$20,376   |
| Delaware              | 21,339                              | 2.0789                    | 44,362   | 10.63%   | \$1,495                                     | 1.5948                  | \$2,384   | \$2,662                             | 1.8967                | \$5,050  |
| District of Columbia  | 26,285                              | 1.6374                    | 43,039   | 5.91%  | \$2,059                                     | 1.3241                  | \$2,726   | \$3,938                             | 1.3378                | \$5,268  |
| Florida               | 294,524                             | 2.2413                    | 660,117  | 9.08%  | \$19,033                                    | 1.7906                  | \$34,081  | \$40,816                            | 2.1546                | \$87,943   |
| Georgia               | 138,334                             | 2.3002                    | 318,196  | 8.20%  | \$8,646                                     | 1.8813                  | \$16,265  | \$17,664                            | 2.3035                | \$40,689   |
| Hawaii                | 18,151                              | 2.1635                    | 39,270   | 6.63%  | \$1,508                                     | 1.6503                  | \$2,489   | \$2,856                             | 1.9679                | \$5,620  |
| Idaho                 | 28,532                              | 1.886                     | 53,811   | 8.87%  | \$1,580                                     | 1.5086                  | \$2,384   | \$3,128                             | 1.7539                | \$5,486  |
| Illinois              | 241,429                             | 2.2589                    | 545,364  | 9.63%  | \$15,533                                    | 1.9129                  | \$29,713  | \$31,915                            | 2.3704                | \$75,651   |
| Indiana               | 129,882                             | 2.0612                    | 267,713  | 9.46%  | \$8,390                                     | 1.7103                  | \$14,350  | \$17,927                            | 2.0808                | \$37,302   |
| Iowa                  | 68,257                              | 1.7103                    | 116,740  | 7.90%  | \$3,871                                     | 1.4704                  | \$5,692   | \$7,710                             | 1.7231                | \$13,284   |
| Kansas                | 54,967                              | 1.7657                    | 97,055   | 7.27%  | \$3,347                                     | 1.5244                  | \$5,102   | \$6,514                             | 1.8186                | \$11,846   |
| Kentucky              | 81,522                              | 2.0314                    | 165,604  | 9.25%  | \$4,831                                     | 1.6948                  | \$8,187   | \$10,401                            | 2.0341                | \$21,156   |
| Louisiana             | 88,300                              | 1.9489                    | 172,088  | 9.03%  | \$4,860                                     | 1.6285                  | \$7,915   | \$10,147                            | 1.8985                | \$19,264   |
| Maine                 | 35,789                              | 2.1174                    | 75,780   | 12.77%   | \$2,400                                     | 1.6767                  | \$4,024   | \$4,422                             | 1.9987                | \$8,838  |
| Maryland              | 103,627                             | 2.0626                    | 213,741  | 8.39%  | \$6,630                                     | 1.7266                  | \$11,448  | \$13,808                            | 2.0773                | \$28,684   |
| Massachusetts         | 182,811                             | 2.1805                    | 398,619  | 12.42%   | \$11,758                                    | 1.8188                  | \$21,386  | \$24,081                            | 2.2142                | \$53,319   |
| Michigan              | 210,019                             | 2.2037                    | 462,819  | 11.76%   | \$13,312                                    | 1.7709                  | \$23,574  | \$27,293                            | 2.139                 | \$58,380   |
| Minnesota             | 120,905                             | 2.235                     | 270,223  | 10.10%   | \$8,369                                     | 1.8076                  | \$15,128  | \$15,069                            | 2.2165                | \$33,401   |
| Mississippi           | 58,450                              | 1.8678                    | 109,173  | 10.02%   | \$3,511                                     | 1.5474                  | \$5,433   | \$6,983                             | 1.8228                | \$12,728   |
| Missouri              | 140,819                             | 2.1876                    | 308,056  | 11.62%   | \$8,506                                     | 1.8001                  | \$15,311  | \$17,024                            | 2.1788                | \$37,092   |
| Montana               | 23,463                              | 1.8443                    | 43,273   | 10.12%   | \$1,390                                     | 1.474                   | \$2,049   | \$2,661                             | 1.7012                | \$4,527  |
| Nebraska              | 42,828                              | 1.7205                    | 73,686   | 7.81%  | \$2,394                                     | 1.4993                  | \$3,589   | \$4,972                             | 1.7508                | \$8,705  |
| Nevada                | 26,196                              | 2.2397                    | 58,671   | 5.21%  | \$2,018                                     | 1.6295                  | \$3,289   | \$4,200                             | 1.9298                | \$8,105  |
| New Hampshire         | 31,965                              | 2.0467                    | 65,423   | 10.44%   | \$2,237                                     | 1.7353                  | \$3,882   | \$4,025                             | 2.007                 | \$8,078  |
| New Jersey            | 143,927                             | 2.2526                    | 324,210  | 8.41%  | \$10,390                                    | 1.8654                  | \$19,382  | \$19,791                            | 2.3092                | \$45,701   |
| New Mexico            | 28,198                              | 2.0145                    | 56,805   | 7.06%  | \$1,958                                     | 1.5475                  | \$3,030   | \$4,003                             | 1.7898                | \$7,165  |
| New York              | 439,222                             | 1.9938                    | 875,721  | 10.08%   | \$35,532                                    | 1.6732                  | \$59,453  | \$62,123                            | 2.0617                | \$128,079  |
| North Carolina        | 175,654                             | 2.2429                    | 393,974  | 10.04%   | \$11,044                                    | 1.8107                  | \$19,998  | \$22,660                            | 2.212                 | \$50,123   |
| North Dakota          | 25,478                              | 1.6142                    | 41,127   | 10.43%   | \$1,290                                     | 1.4083                  | \$1,816   | \$2,666                             | 1.6154                | \$4,307  |
| Ohio                  | 282,039                             | 2.2008                    | 620,711  | 12.21%   | \$18,228                                    | 1.8469                  | \$33,665  | \$35,772                            | 2.2541                | \$80,634   |
| Oklahoma              | 60,049                              | 1.9603                    | 117,714  | 7.59%  | \$3,393                                     | 1.6445                  | \$5,579   | \$7,463                             | 1.9496                | \$14,549   |
| Oregon                | 58,244                              | 2.3049                    | 134,247  | 8.30%  | \$4,667                                     | 1.7395                  | \$8,118   | \$9,103                             | 2.082                 | \$18,952   |
| Pennsylvania          | 285,487                             | 2.2071                    | 630,098  | 11.08%   | \$17,494                                    | 1.8641                  | \$32,611  | \$37,279                            | 2.2768                | \$84,878   |
| Rhode Island          | 20,718                              | 2.1003                    | 43,514   | 9.46%  | \$1,682                                     | 1.7022                  | \$2,863   | \$3,068                             | 2.0206                | \$6,199  |
| South Carolina        | 73,990                              | 2.2139                    | 163,806  | 8.94%  | \$4,434                                     | 1.7258                  | \$7,652   | \$9,730                             | 2.1104                | \$20,533   |
| South Dakota          | 23,350                              | 1.5601                    | 36,428   | 8.97%  | \$1,395                                     | 1.3914                  | \$1,941   | \$2,495                             | 1.6058                | \$4,006  |
| Tennessee             | 117,026                             | 2.164                     | 253,244  | 9.53%  | \$6,769                                     | 1.8163                  | \$12,295  | \$14,708                            | 2.2215                | \$32,674   |
| Texas                 | 343,203                             | 2.2946                    | 787,514  | 7.46%  | \$23,728                                    | 1.8783                  | \$44,568  | \$51,154                            | 2.3343                | \$119,409  |
| Utah                  | 41,007                              | 2.3204                    | 95,153   | 7.88%  | \$2,346                                     | 1.847                   | \$4,332   | \$5,117                             | 2.2759                | \$11,647   |
| Vermont               | 14,557                              | 1.9799                    | 28,821   | 9.62%  | \$1,113                                     | 1.551                   | \$1,726   | \$1,931                             | 1.7831                | \$3,444  |
| Virginia              | 113,880                             | 2.0564                    | 234,183  | 6.36%  | \$7,756                                     | 1.7199                  | \$13,340  | \$16,505                            | 2.1081                | \$34,795   |
| Washington            | 113,054                             | 2.2617                    | 255,694  | 9.07%  | \$8,590                                     | 1.7321                  | \$14,879  | \$16,740                            | 2.1029                | \$35,202   |
| West Virginia         | 44,397                              | 1.8046                    | 80,119   | 10.63%   | \$2,465                                     | 1.5245                  | \$3,758   | \$5,151                             | 1.7444                | \$8,986  |
| Wisconsin             | 112,110                             | 2.0695                    | 232,012  | 8.47%  | \$7,278                                     | 1.7308                  | \$12,598  | \$15,602                            | 2.0677                | \$32,260   |
| Wyoming               | 9,712                               | 1.6148                    | 15,683   | 5.49%  | \$649                                       | 1.3738                  | \$891   | \$1,182                             | 1.5703                | \$1,856  |
| <b>United States*</b> | <b>5,579,407</b>                    | <b>2.8048</b>             | <b>15,649,121</b>                                      | <b>11.70%</b>  | <b>\$377,633</b>                            | <b>2.4031</b>           | <b>\$907,489</b>  | <b>\$757,200</b>                    | <b>3.2896</b>         | <b>\$2,490,884</b>   |

Source: Avalere Health, using BEA RIMS-II (2002/2010) multipliers for hospital NAICS Code 622, released 2012, applied to American Hospital Association Annual Survey data for 2012. Hospital jobs are total part time and full time jobs. Hospital labor income is defined as payroll plus benefits. The percent of total employment supported by direct and indirect hospital employment is based on 2012 BLS data. Expenditures are defined as total expenditures minus bad debt. In previous years, expenditures were defined as net patient revenue plus other operating revenue.

\*Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for the U.S. summary row. BEA RIMS-II (1997/2006) multipliers released in 2008 and applied to 2012 AHA annual survey data were used instead.





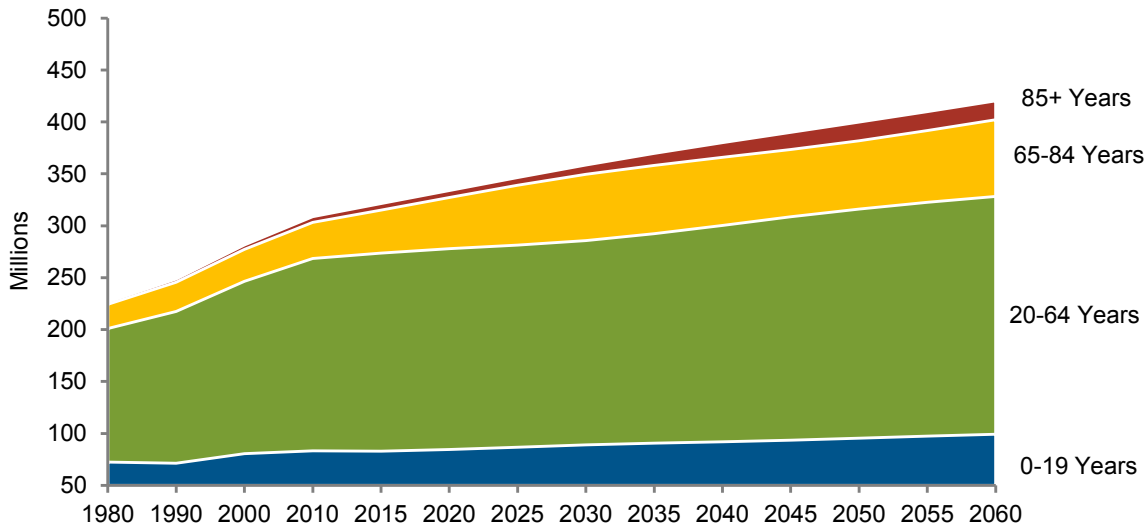


# CHAPTER 7

Community Health  
Indicators



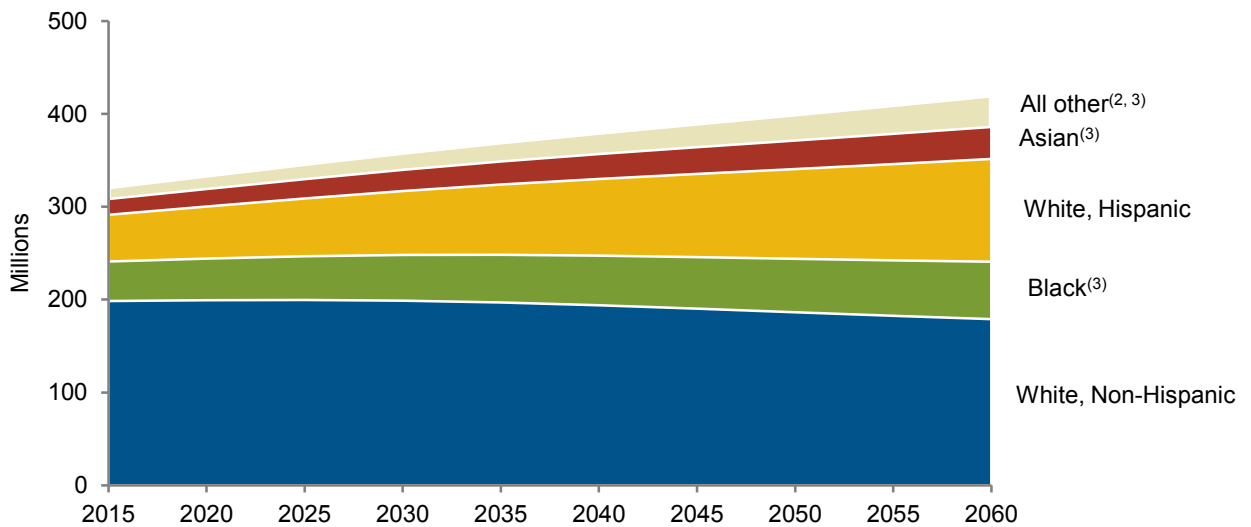
Chart 7.1: U.S. Population Trends and Projections by Age, 1980 – 2060<sup>(1)</sup>



Source: U.S. Department of Commerce, Bureau of the Census. *Projections of the Population by Age and Sex for the United States: 2010-2050*.

<sup>(1)</sup> Years 2010 through 2050 are projections.

Chart 7.2: U.S. Population Trends and Projections by Race, 2015 – 2060<sup>(1)</sup>



Source: U.S. Department of Commerce, Bureau of the Census. *Projections of the Population by Sex, Race, and Hispanic Origin for the United States: 2015-2060*.

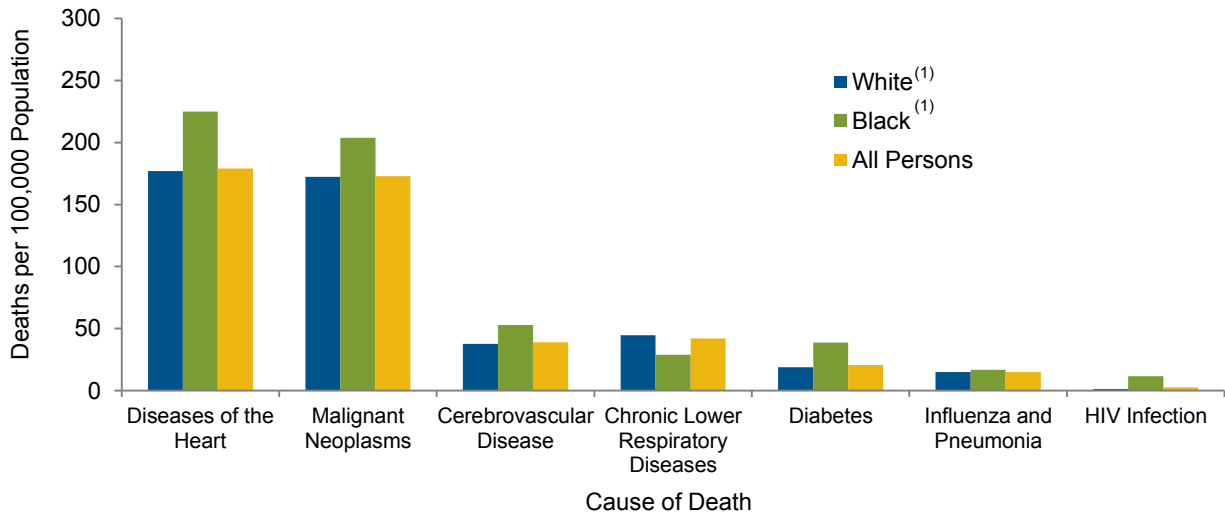
<sup>(1)</sup> Years 2015 through 2060 are projections.

<sup>(2)</sup> All other includes American Indian, Native Alaskan, Native Hawaiian, other Pacific Islander and two or more races.

<sup>(3)</sup> Black, Asian, and all other categories include Hispanic and non-Hispanic individuals.



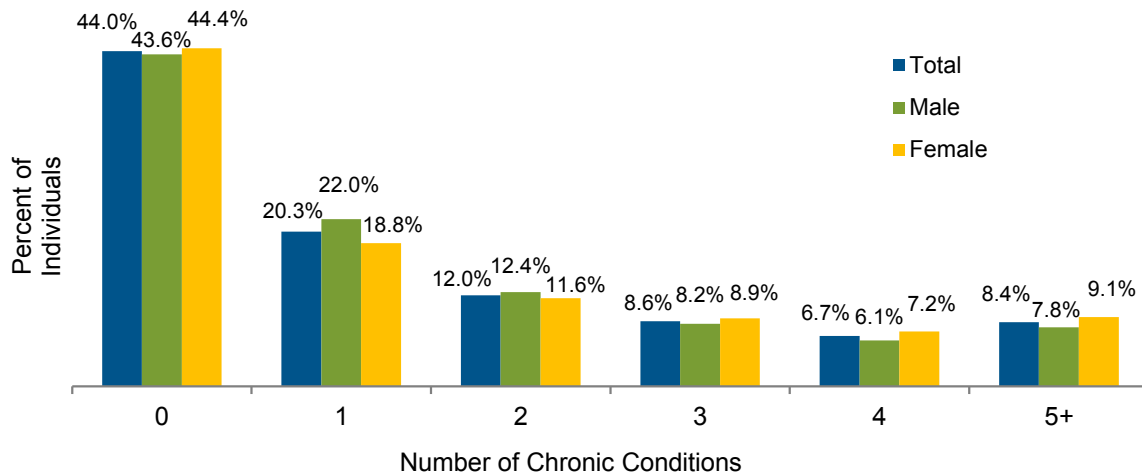
Chart 7.3: Age-adjusted Death Rates, Selected Causes, by Race, 2010



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> Racial categories include individuals of both Hispanic and non-Hispanic origin.

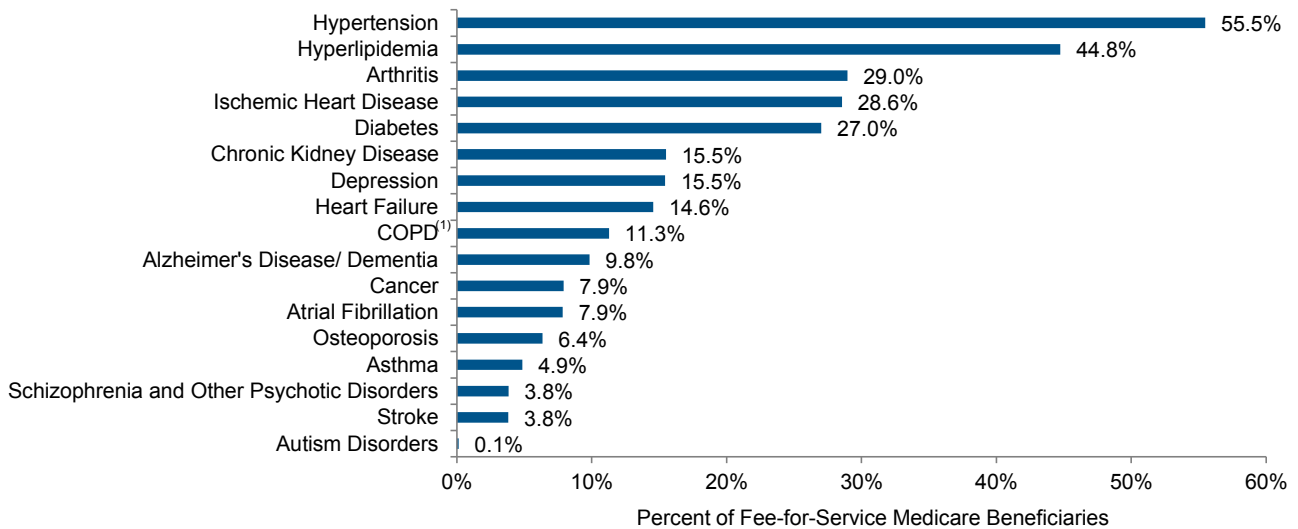
Chart 7.4: Percent of People with Chronic Conditions by Number and Sex,<sup>(1)</sup> 2011



Source: Avalere Health analysis of 2011 Medical Expenditure Panel Survey data.

<sup>(1)</sup> The analysis was based on the following study: Anderson, G. (2010). *Chronic Care: Making the Case for Ongoing Care*. Johns Hopkins University and the Robert Wood Johnson Foundation. There were two distinct differences between Avalere's analysis and the study's methodologies. First, Avalere used the Chronic Conditions as defined by the Agency for Healthcare Research and Quality Medical Expenditure Panel Survey (MEPS) documentation. Second, Avalere solely relied on MEPS 2011 data and did not use the two additional data sources that were referenced in the Anderson 2010 study (i.e., three opinion telephone surveys commissioned by the Partnership for Solutions and designed by Johns Hopkins and the 1996 Survey of Income and Program Participation data for characteristics of family caregivers).

Chart 7.5: Percent of Fee-for-Service Medicare Beneficiaries with Chronic Conditions, 2012

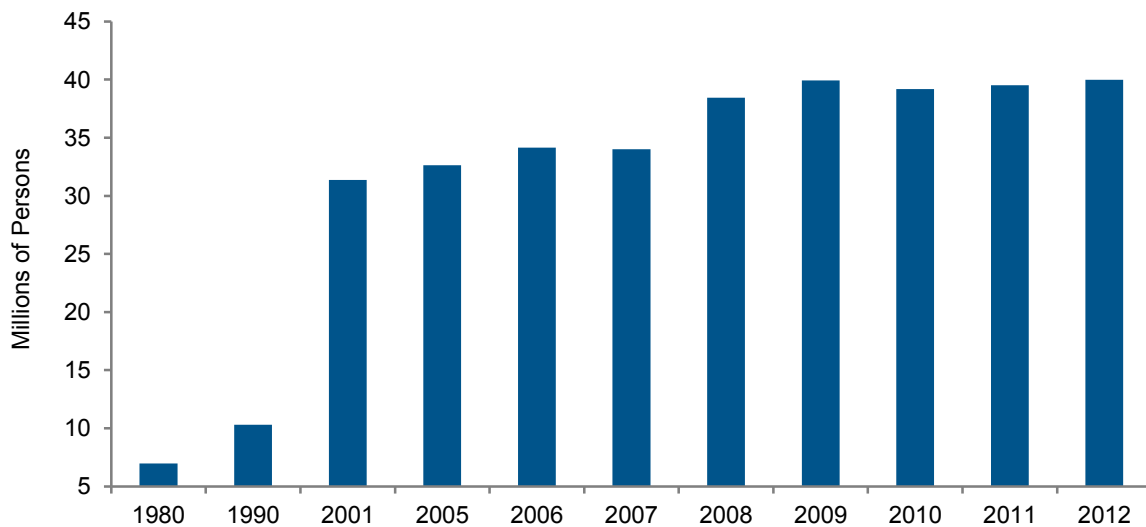


Source: Centers for Medicare & Medicaid Services. Medicare Chronic Condition Dashboard. Data released June 2, 2014. Available at: <https://www.ccwdata.org/web/guest/interactive-data/chronic-conditions-dashboard>.

<sup>(1)</sup> Chronic obstructive pulmonary disease.

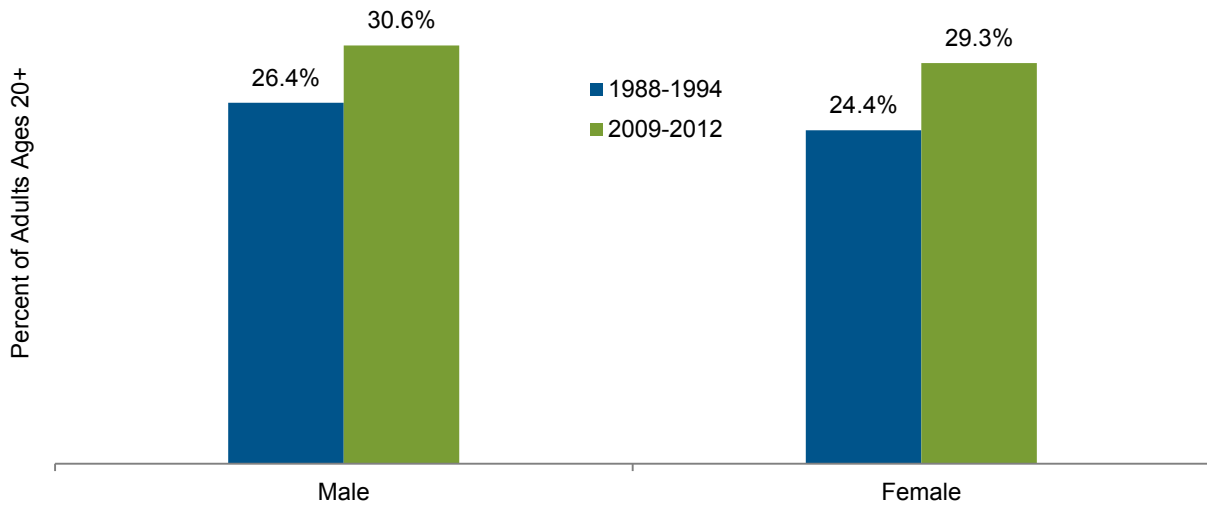
Previously Percent of People with Chronic Conditions by Type, 2006. Source: Anderson, G. (2010). *Chronic Care: Making the Case for Ongoing Care*. Johns Hopkins University and the Robert Wood Johnson Foundation.

Chart 7.6: Number of Persons with Asthma, 1980 – 2012



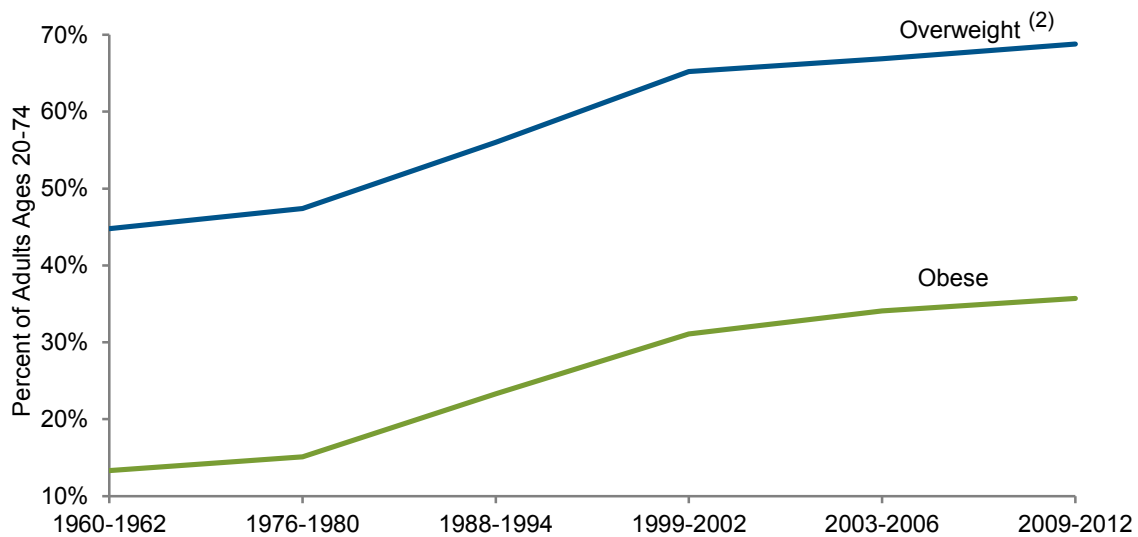
Source: Centers for Disease Control and Prevention (2002). "Asthma Surveillance – United States, 1980-1999." National Center for Health Statistics. National Health Interview Survey 2001, 2005, 2006, 2007, 2008, 2009, 2010, 2011 and 2012.

Chart 7.7: Percent of Adults with Hypertension by Sex,<sup>(1)</sup> 1988 – 1994 and 2009 – 2012



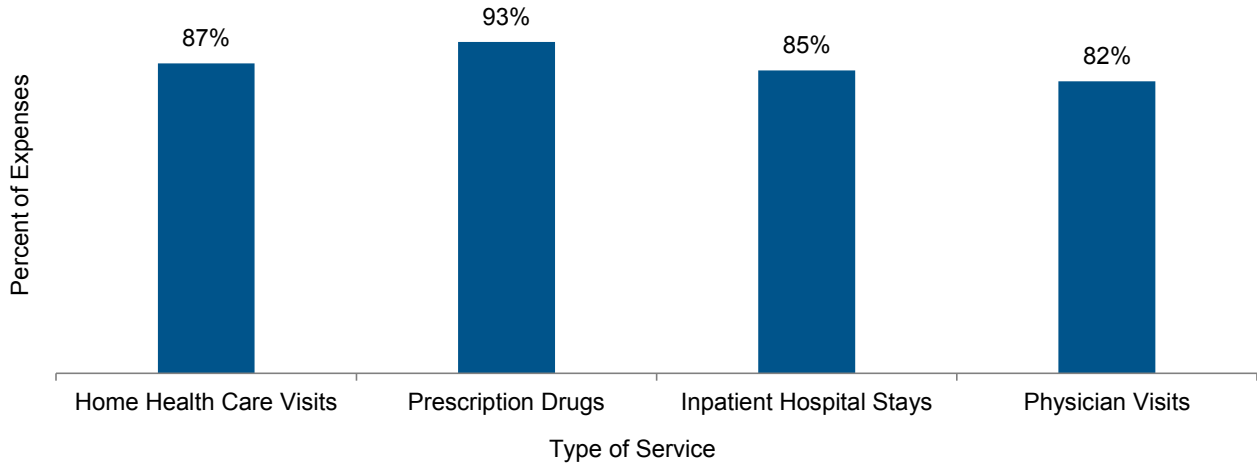
Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.  
(1) Data are age-adjusted to 2000 standard population.

Chart 7.8: Percent of Adults Who Are Overweight and Obese,<sup>(1)</sup> 1960 – 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.  
(1) Data are age-adjusted to 2000 standard population.  
(2) Overweight includes obese.

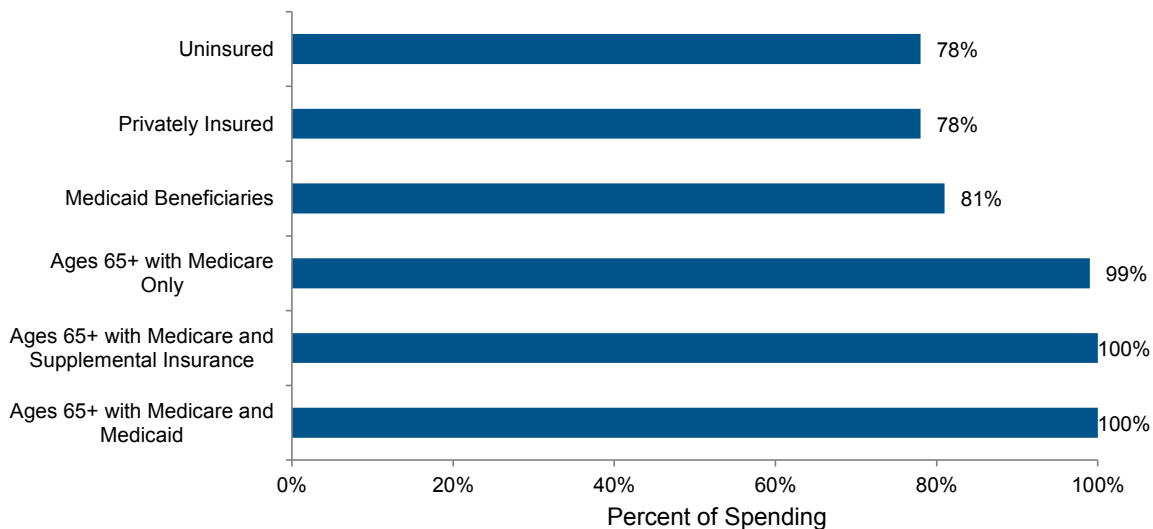
Chart 7.9: Percent of Expenses Used by People with Chronic Conditions by Service Type,<sup>(1)</sup> 2011



Source: Avalere Health analysis of 2011 Medical Expenditure Panel Survey data.

<sup>(1)</sup> The analysis was based on the following study: Anderson, G. (2010). *Chronic Care: Making the Case for Ongoing Care*. Johns Hopkins University and the Robert Wood Johnson Foundation. There were two distinct differences between Avalere's analysis and the study's methodologies. First, Avalere used the Chronic Conditions as defined by the Agency for Healthcare Research and Quality Medical Expenditure Panel Survey (MEPS) documentation. Second, Avalere solely relied on MEPS 2011 data and did not use the two additional data sources that were referenced in the Anderson 2010 study (i.e., three opinion telephone surveys commissioned by the Partnership for Solutions and designed by Johns Hopkins and the 1996 Survey of Income and Program Participation data for characteristics of family caregivers).

Chart 7.10: Percent of Spending for Individuals with Chronic Conditions by Insurance Status,<sup>(1)</sup> 2011

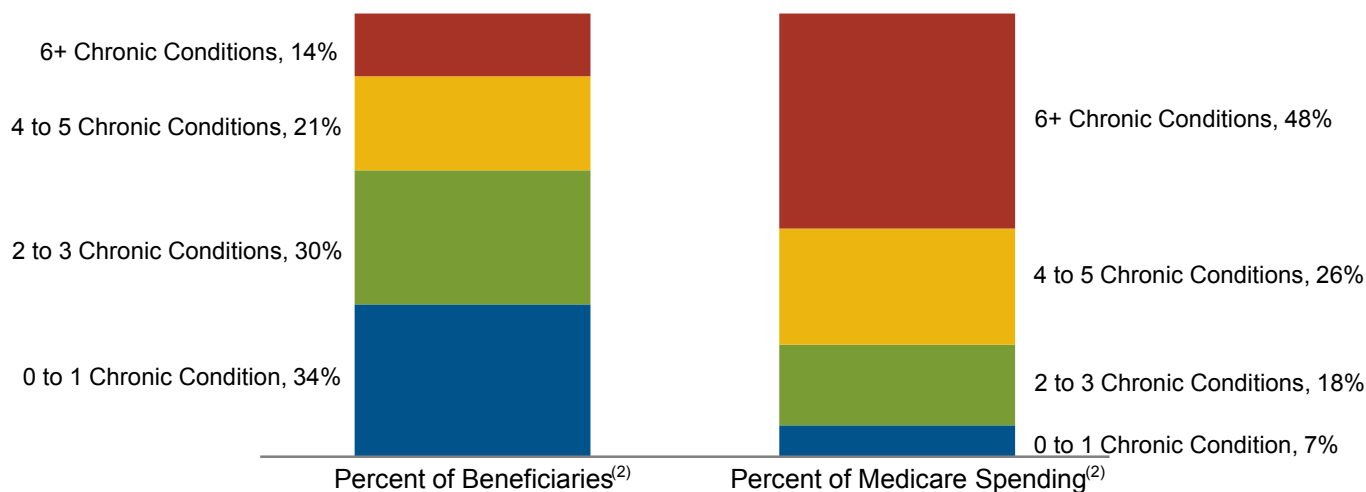


Source: Avalere Health analysis of 2011 Medical Expenditure Panel Survey data.

<sup>(1)</sup> The analysis was based on the following study: Anderson, G. (2010). *Chronic Care: Making the Case for Ongoing Care*. Johns Hopkins University and the Robert Wood Johnson Foundation. There were two distinct differences between Avalere's analysis and the study's methodologies. First, Avalere used the Chronic Conditions as defined by the Agency for Healthcare Research and Quality Medical Expenditure Panel Survey (MEPS) documentation. Second, Avalere solely relied on MEPS 2011 data and did not use the two additional data sources that were referenced in the Anderson 2010 study (i.e., three opinion telephone surveys commissioned by the Partnership for Solutions and designed by Johns Hopkins and the 1996 Survey of Income and Program Participation data for characteristics of family caregivers)..



Chart 7.11: Percent of Medicare Fee-for-Service Beneficiaries vs. Percent of Medicare Spending, by Number of Chronic Conditions,<sup>(1)</sup> 2012



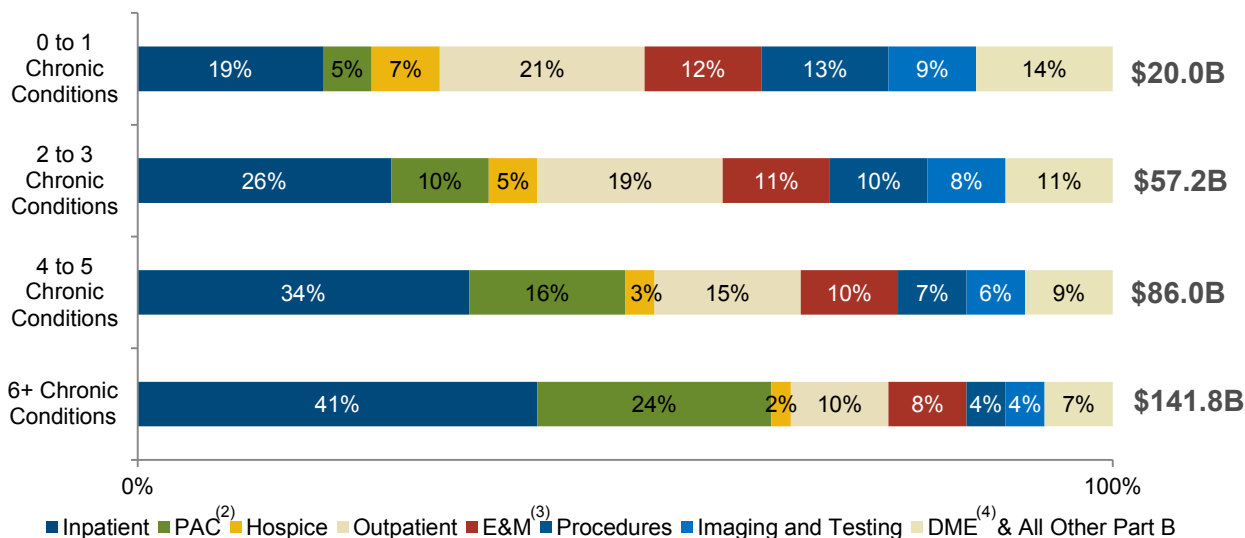
Source: Centers for Medicare & Medicaid Services. Medicare Chronic Condition Dashboard. Data released June 2, 2014. Available at: <https://www.ccwdata.org/web/guest/interactive-data/chronic-conditions-dashboard>.

(1) Includes 15 CMS identified chronic conditions.

(2) Percentages were rounded, so they do not add to 100 percent.

Previously *Percent of Population vs. Percent of Spending, by Number of Chronic Conditions, 2006*. Source: Anderson, G. (2010). *Chronic Care: Making the Case for Ongoing Care*. Johns Hopkins University and the Robert Wood Johnson Foundation.

Chart 7.12: Percent of Medicare Fee-for-Service Spending on Chronic Conditions by Type of Service,<sup>(1)</sup> 2010



Source: Centers for Medicare & Medicaid Services. *Chronic Conditions Among Medicare Beneficiaries Chartbook 2012*.

Available at: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Chronic-Conditions/Downloads/2012Chartbook.pdf>.

(1) Includes 15 CMS identified chronic conditions.

(2) PAC = Post-acute care.

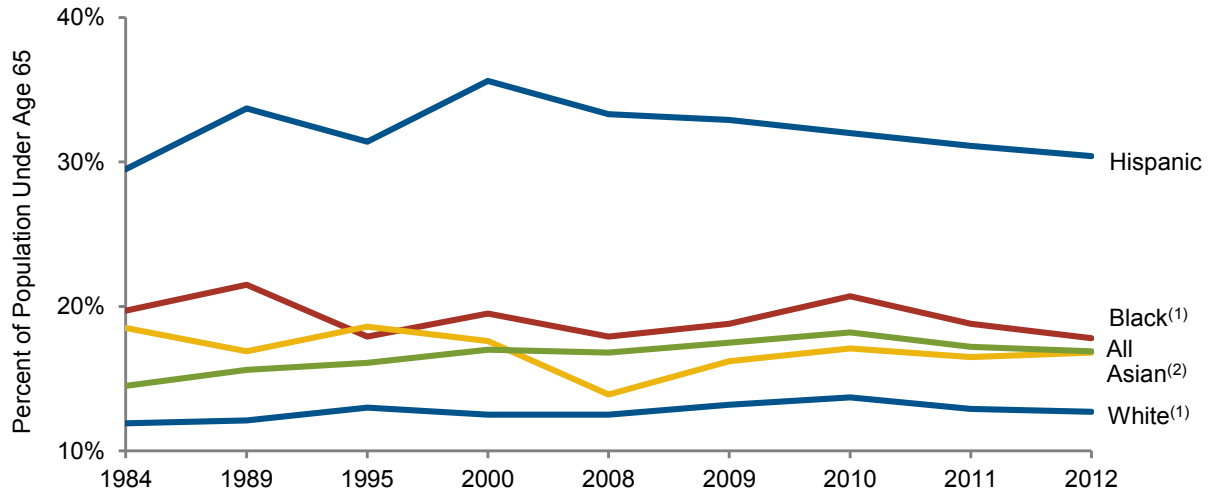
(3) E&M = Evaluation & Management.

(4) DME = Durable Medical Equipment.

Chart added in *Chartbook 2013*. Replaced: *Working Age Adults with Activity Limitations Due to Chronic Conditions, by Condition and Age, 2006=2007*. Source: National Center for Health Statistics. (2010). *Health, United States, 2009*. Hyattsville, MD.



Chart 7.13: Percent Uninsured by Race, 1984 – 2012

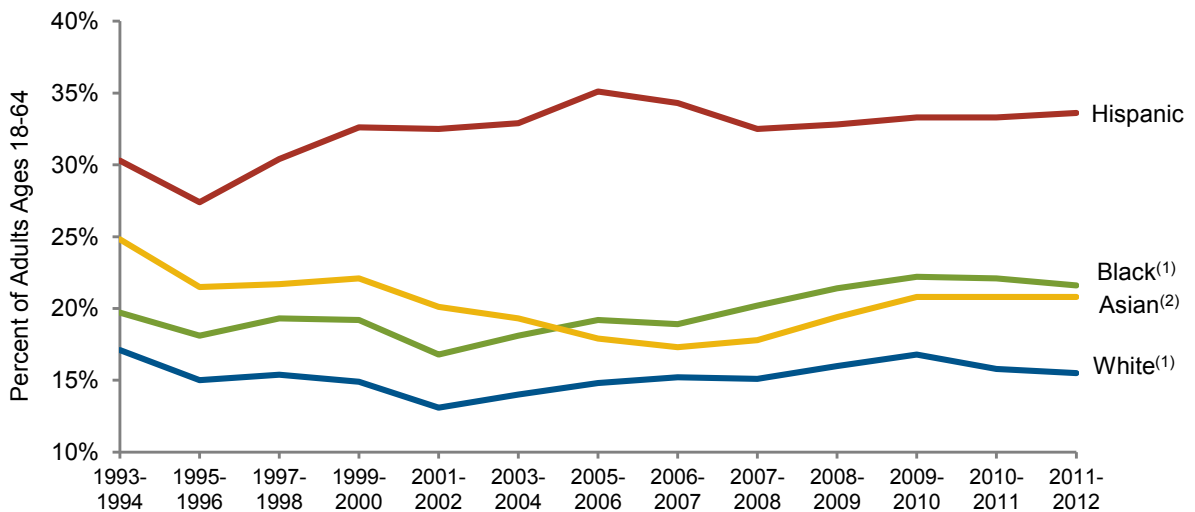


Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) Includes individuals of Hispanic and non-Hispanic origin.

(2) Includes individuals of non-Hispanic origin only.

Chart 7.14: Percent of Adults with No Usual Source of Care by Race, 1993 – 2012

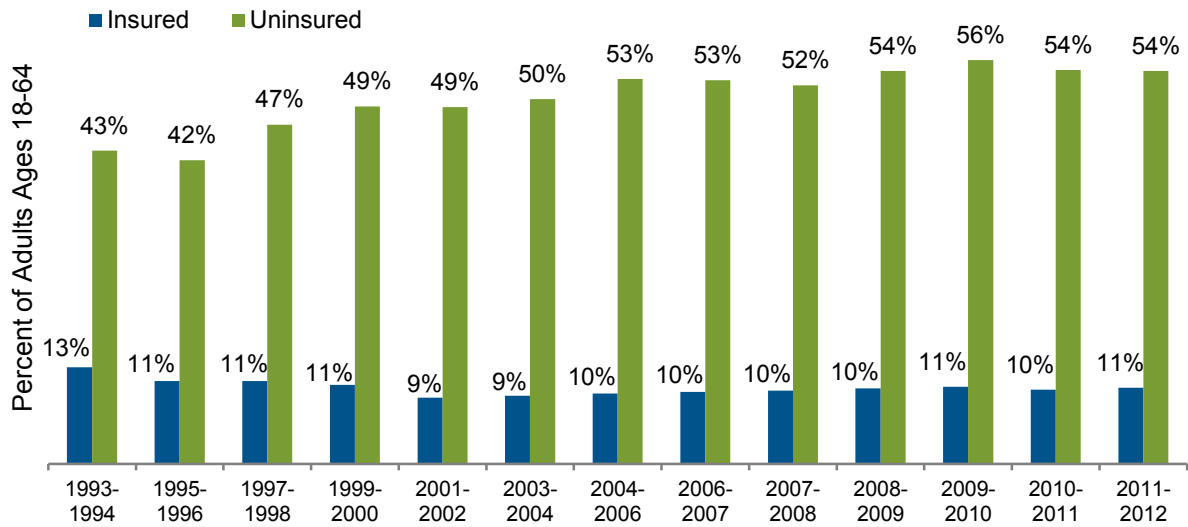


Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) Includes individuals of Hispanic and non-Hispanic origin.

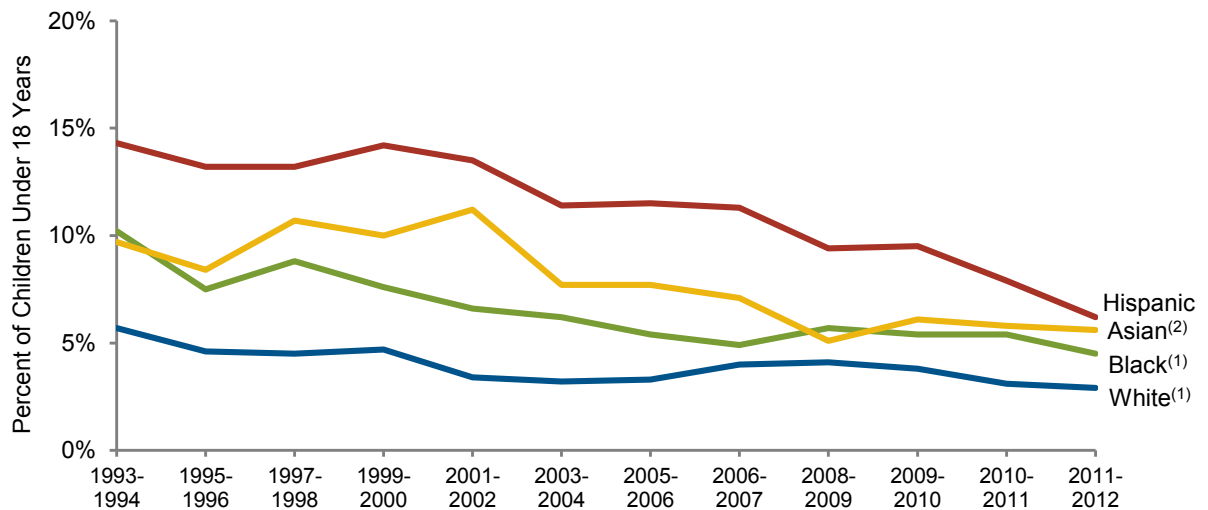
(2) Includes individuals of non-Hispanic origin only.

Chart 7.15: Percent of Adults with No Usual Source of Care by Insurance Status, 1993 – 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

Chart 7.16: Percent of Children with No Usual Source of Care by Race, 1993 – 2012

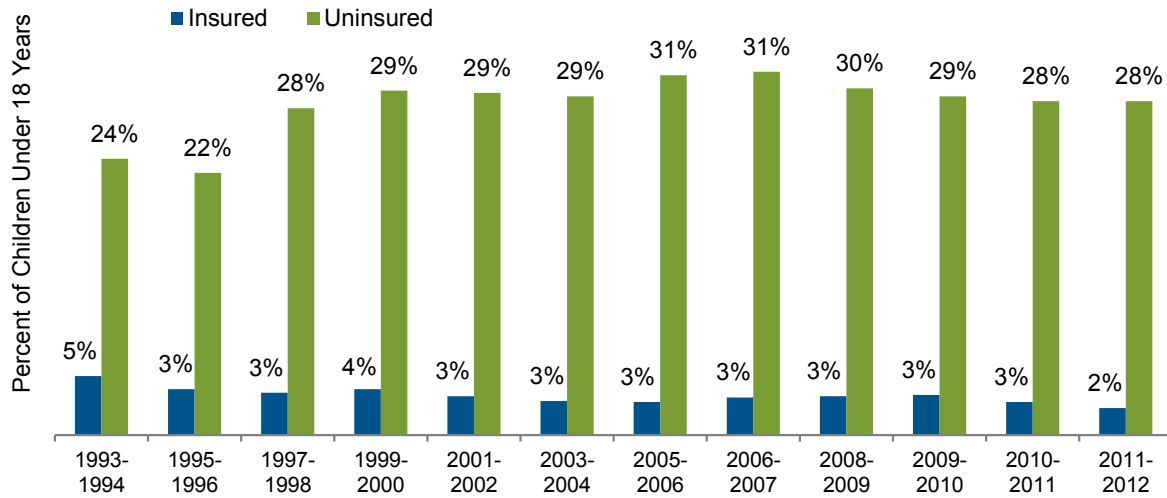


Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> Includes individuals of Hispanic and non-Hispanic origin.

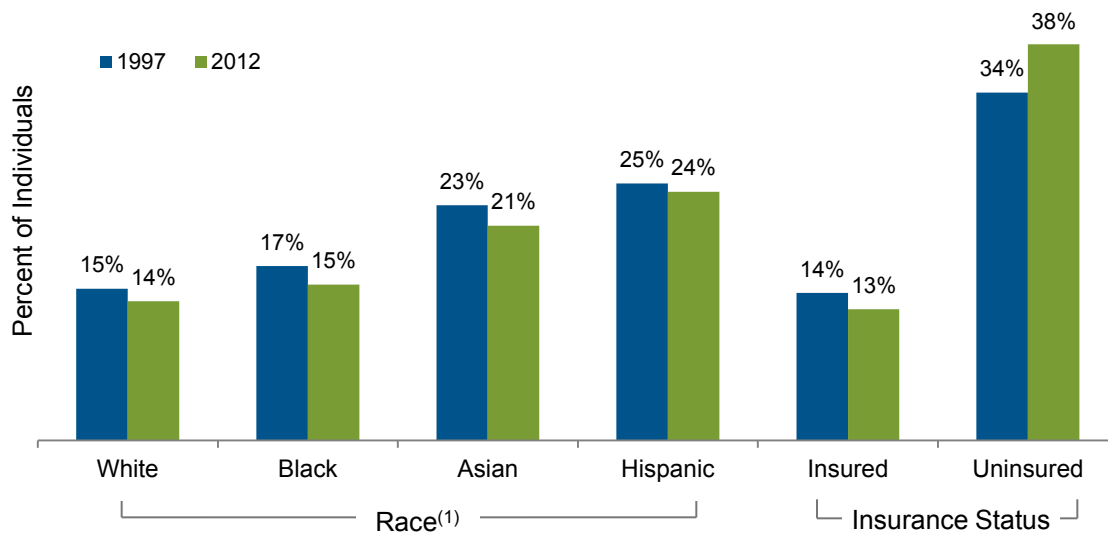
<sup>(2)</sup> Includes individuals of non-Hispanic origin only.

Chart 7.17: Percent of Children with No Usual Source of Care by Insurance Status, 1993 – 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

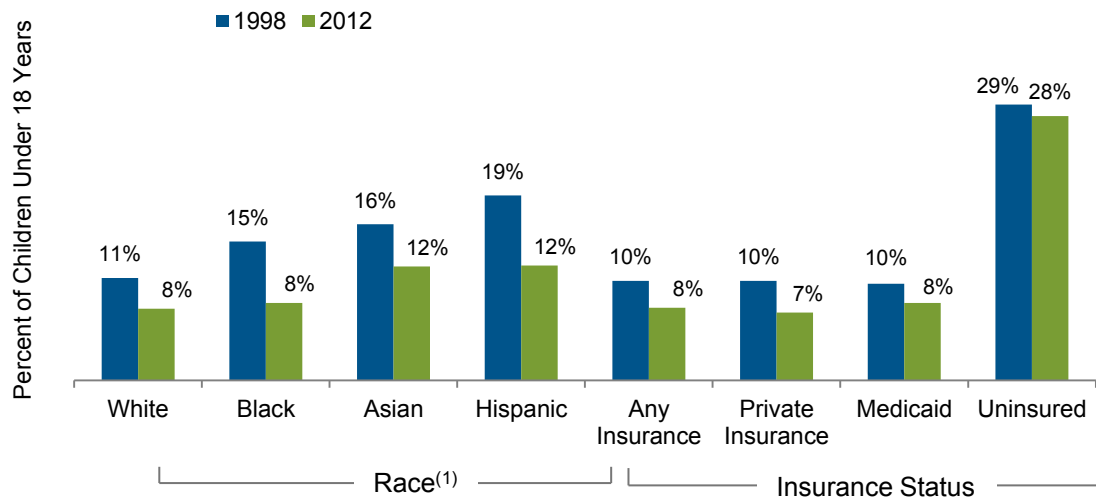
Chart 7.18: Percent of Individuals with No Health Care Visits by Race, Insurance Status, 1997 and 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) White and Black include individuals of non-Hispanic origin only. Asian includes individuals of Hispanic and non-Hispanic origin.

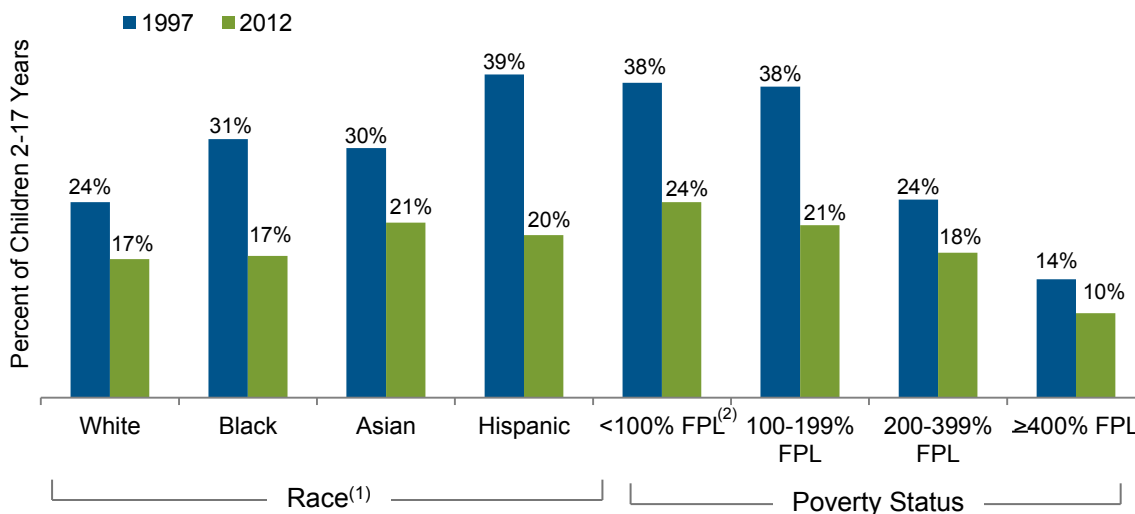
Chart 7.19: Percent of Children with No Health Care Visits by Race, Insurance Status, 1998 and 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) White and Black include individuals of non-Hispanic origin only. Asian includes individuals of Hispanic and non-Hispanic origin.

Chart 7.20: Percent of Children with No Dental Visits by Race, Poverty Status, 1997 and 2012

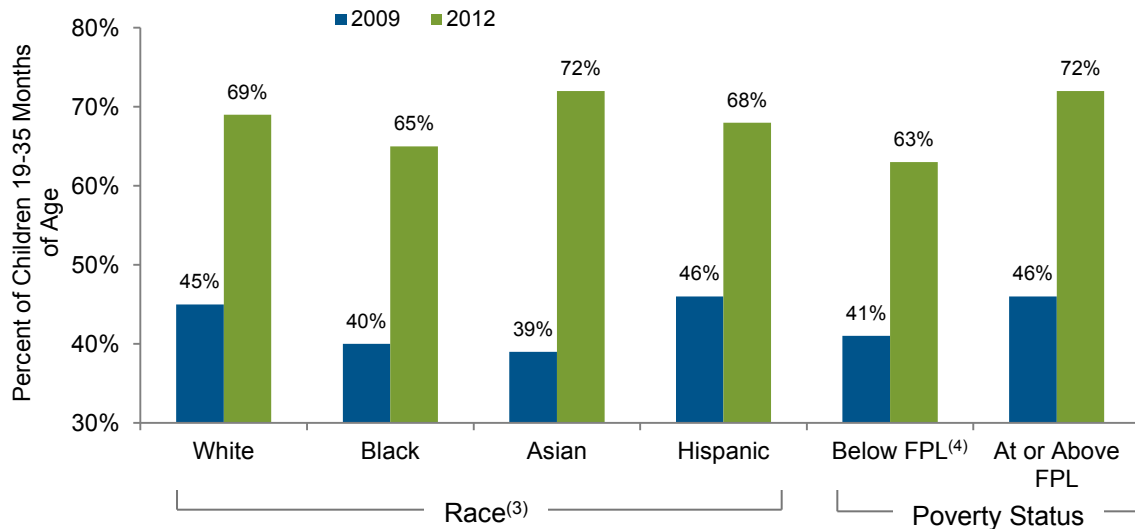


Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

(1) White and Black include individuals of non-Hispanic origin only. Asian includes individuals of Hispanic and non-Hispanic origin.

(2) FPL = federal poverty limit.

Chart 7.21: Percent of Children Vaccinated<sup>(1)</sup> by Race, Poverty Status, 2009<sup>(2)</sup> and 2012



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

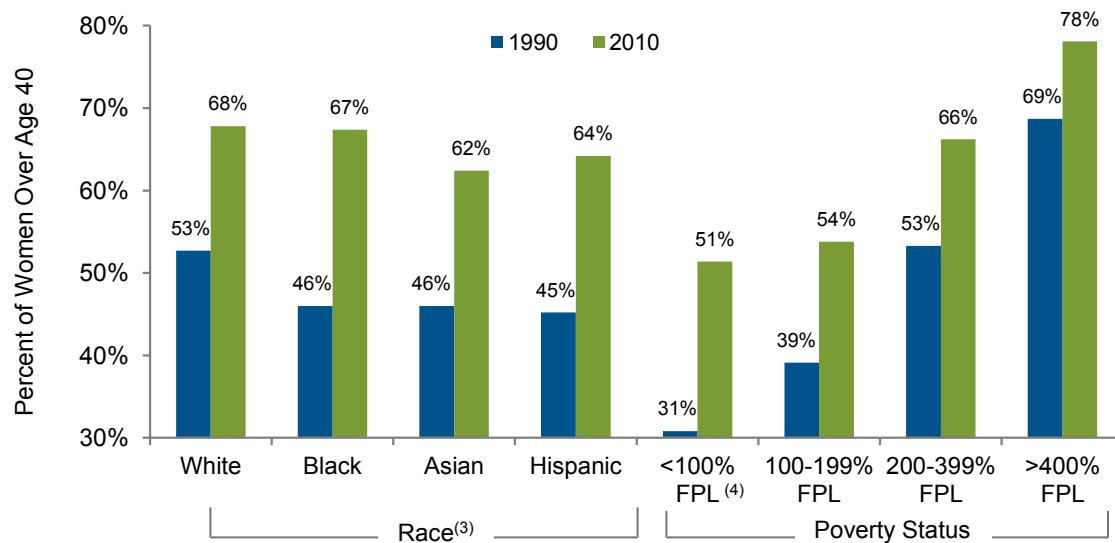
(1) Vaccinations include DTP, Polio, MMR, Hib, Hepatitis B, Varicella and PCV.

(2) Classification methodology changed for the Influenza Type B vaccine—before January 2009, NIS did not distinguish between Hib vaccine product types, so children who received three doses of the vaccine that required four doses were misclassified as fully vaccinated.

(3) White, Black and Asian include individuals of non-Hispanic origin only.

(4) FPL = federal poverty limit.

Chart 7.22: Percent of Women<sup>(1)</sup> Receiving Mammography<sup>(2)</sup> by Race, Poverty Status, 1990 and 2010



Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

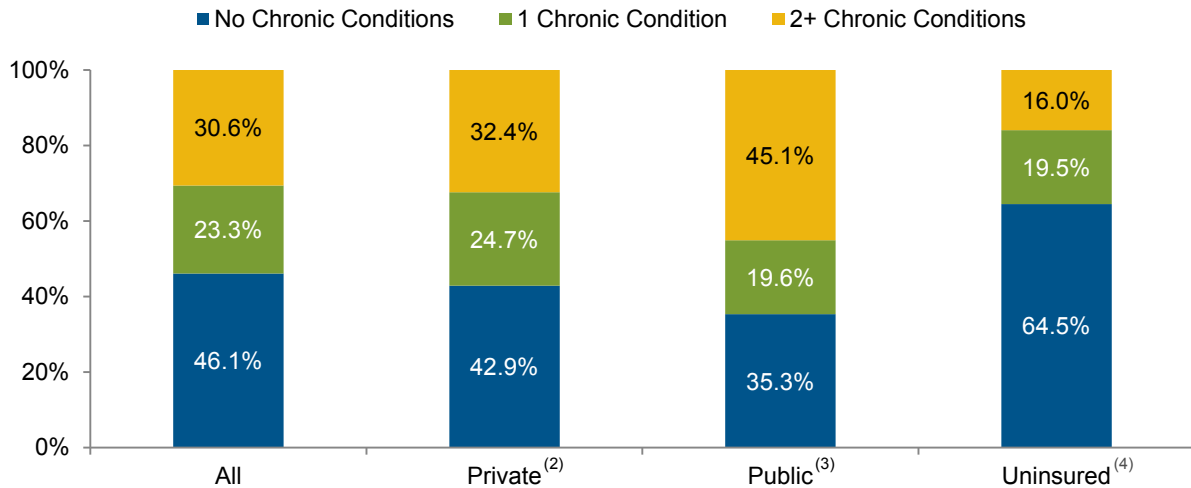
(1) Women over 40 years of age.

(2) Indicates use of mammography in two years prior to 1990 and 2010.

(3) White and Black include individuals of non-Hispanic origin only. Asian includes individuals of Hispanic and non-Hispanic origin.

(4) FPL = federal poverty limit.

Chart 7.23: Percent of Adults<sup>(1)</sup> with Chronic Conditions by Insurance Type, 2007 – 2008



Source: Agency for Healthcare Research and Quality. Center for Financing, Access, and Cost Trends. Household Component of the Medical Expenditure Panel Survey, 2007-2008. Available at: [http://meps.ahrq.gov/data\\_files/publications/st320/stat320.shtml](http://meps.ahrq.gov/data_files/publications/st320/stat320.shtml).

(1) Includes individuals 18-64 years of age.

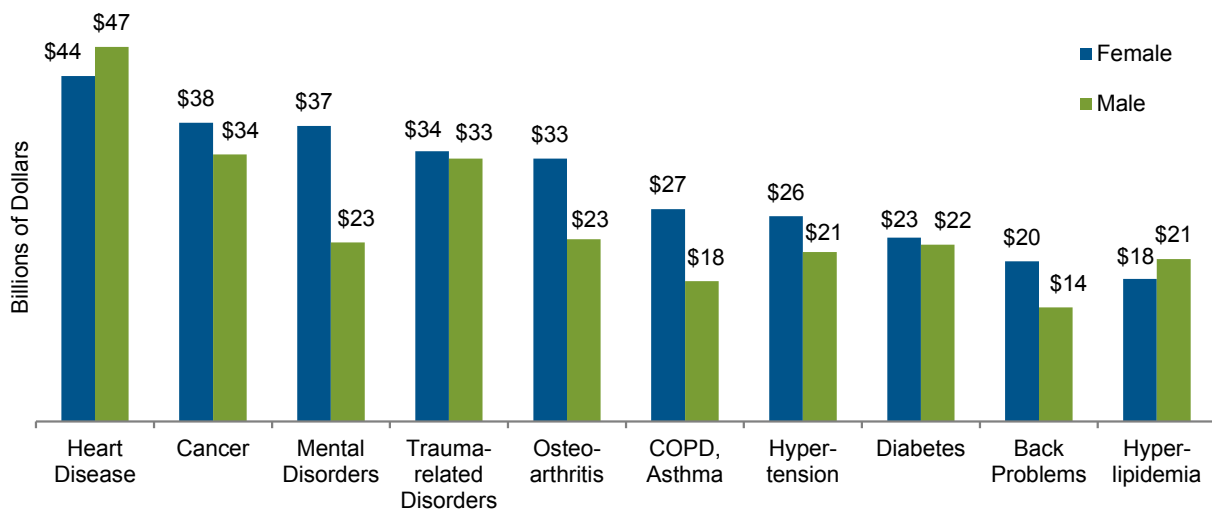
(2) Includes individuals who had any private insurance coverage (including TRICARE) anytime between 2007 to 2008.

(3) Includes individuals who had only public insurance coverage for all or part of the year between 2007 to 2008.

(4) Includes individuals who were uninsured all of the year between 2007 to 2008.

Chart added in Chartbook 2013.

Chart 7.24: Total Expenditures on Top 10 Most Costly Conditions Among Adults<sup>(1)</sup> by Sex, 2008



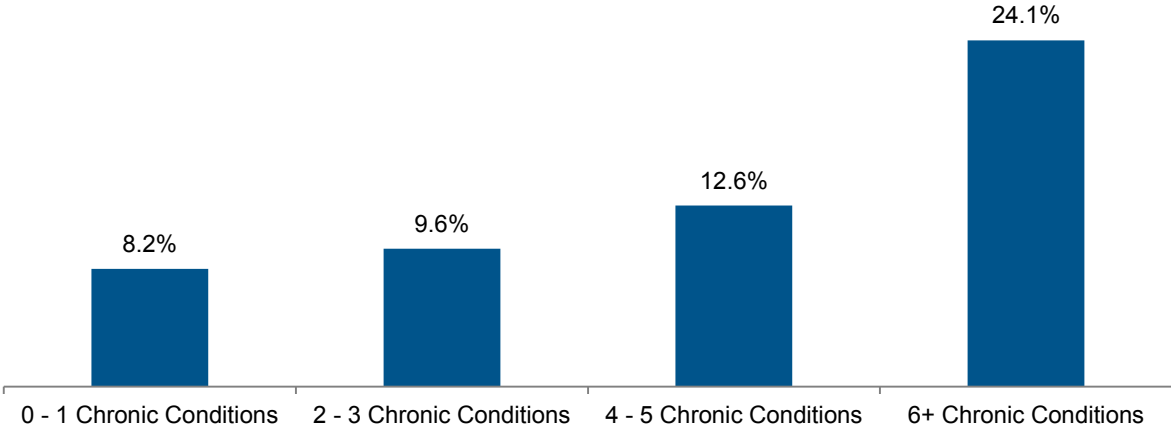
Source: Agency for Healthcare Research and Quality. Center for Financing, Access, and Cost Trends. Household Component of the Medical Expenditure Panel Survey, 2008. Available at: [http://meps.ahrq.gov/mepsweb/data\\_files/publications/st331/stat331.shtml](http://meps.ahrq.gov/mepsweb/data_files/publications/st331/stat331.shtml).

(1) Only includes adults ages 18 and older.

Chart added in Chartbook 2013.



Chart 7.25: 30-Day Readmission Rate for Medicare Fee-for-Service Beneficiaries by Number of Chronic Conditions,<sup>(1)</sup> 2012



Source: Centers for Medicare & Medicaid Services. Medicare Chronic Condition Dashboard. Data released June 2, 2014. Available at: <https://www.ccwdata.org/web/guest/interactive-data/chronic-conditions-dashboard>.

<sup>(1)</sup> Includes 15 CMS identified chronic conditions.

Chart added in Chartbook 2013.







# APPENDICES





# APPENDIX 1

Supplementary Data Tables  
Trends in the Overall  
Health Care Market



Table 1.1: Total National Health Expenditures, 1980 – 2012<sup>(1)</sup>

| Year | Total National Health Expenditures |  |                 |                             | Prescription Drugs Total   |  |
|------|------------------------------------|--|-----------------|-----------------------------|----------------------------|--|
|      | Total                              |  | Per Capita      |                             | Nominal Dollars (billions) | Real Dollars <sup>(2)</sup> (billions) |
|      | Nominal Dollars (billions)         | Real Dollars <sup>(2)</sup> (billions) | Nominal Dollars | Real Dollars <sup>(2)</sup> |                            |  |
| 1980 | \$255.8                            | \$255.8                                | \$1,112         | \$1,112                     | \$12.0                     | \$12.0                                 |
| 1981 | \$296.7                            | \$269.0                                | \$1,274         | \$1,155                     | \$13.4                     | \$12.1                                 |
| 1982 | \$334.7                            | \$285.8                                | \$1,424         | \$1,216                     | \$15.0                     | \$12.8                                 |
| 1983 | \$369.0                            | \$305.3                                | \$1,557         | \$1,288                     | \$17.3                     | \$14.3                                 |
| 1984 | \$406.5                            | \$322.4                                | \$1,701         | \$1,349                     | \$19.6                     | \$15.6                                 |
| 1985 | \$444.6                            | \$340.5                                | \$1,837         | \$1,407                     | \$21.8                     | \$16.7                                 |
| 1986 | \$476.9                            | \$358.5                                | \$1,954         | \$1,469                     | \$24.3                     | \$18.3                                 |
| 1987 | \$519.1                            | \$376.5                                | \$2,110         | \$1,531                     | \$26.9                     | \$19.5                                 |
| 1988 | \$581.7                            | \$405.2                                | \$2,346         | \$1,634                     | \$30.6                     | \$21.3                                 |
| 1989 | \$647.5                            | \$430.3                                | \$2,580         | \$1,714                     | \$34.8                     | \$23.1                                 |
| 1990 | \$724.3                            | \$456.6                                | \$2,851         | \$1,798                     | \$40.3                     | \$25.4                                 |
| 1991 | \$791.5                            | \$478.9                                | \$3,080         | \$1,863                     | \$44.4                     | \$26.9                                 |
| 1992 | \$857.9                            | \$503.9                                | \$3,300         | \$1,938                     | \$47.0                     | \$27.6                                 |
| 1993 | \$921.5                            | \$525.5                                | \$3,504         | \$1,998                     | \$49.6                     | \$28.3                                 |
| 1994 | \$972.7                            | \$540.8                                | \$3,657         | \$2,033                     | \$53.1                     | \$29.5                                 |
| 1995 | \$1,027.4                          | \$555.5                                | \$3,819         | \$2,065                     | \$59.8                     | \$32.3                                 |
| 1996 | \$1,081.8                          | \$568.2                                | \$3,992         | \$2,097                     | \$68.1                     | \$35.8                                 |
| 1997 | \$1,142.6                          | \$586.6                                | \$4,170         | \$2,141                     | \$77.6                     | \$39.9                                 |
| 1998 | \$1,208.9                          | \$611.1                                | \$4,364         | \$2,206                     | \$88.4                     | \$44.7                                 |
| 1999 | \$1,286.5                          | \$636.3                                | \$4,595         | \$2,272                     | \$104.7                    | \$51.8                                 |
| 2000 | \$1,377.2                          | \$659.0                                | \$4,884         | \$2,337                     | \$120.9                    | \$57.8                                 |
| 2001 | \$1,493.4                          | \$694.8                                | \$5,240         | \$2,438                     | \$138.7                    | \$64.5                                 |
| 2002 | \$1,638.0                          | \$750.2                                | \$5,687         | \$2,605                     | \$158.2                    | \$72.4                                 |
| 2003 | \$1,778.0                          | \$796.2                                | \$6,131         | \$2,746                     | \$177.0                    | \$79.3                                 |
| 2004 | \$1,905.7                          | \$831.3                                | \$6,504         | \$2,837                     | \$193.0                    | \$84.2                                 |
| 2005 | \$2,035.4                          | \$858.8                                | \$6,900         | \$2,911                     | \$205.3                    | \$86.6                                 |
| 2006 | \$2,166.7                          | \$885.6                                | \$7,271         | \$2,972                     | \$224.5                    | \$91.7                                 |
| 2007 | \$2,302.9                          | \$915.2                                | \$7,651         | \$3,041                     | \$235.9                    | \$93.8                                 |
| 2008 | \$2,411.7                          | \$923.0                                | \$7,933         | \$3,036                     | \$242.6                    | \$92.8                                 |
| 2009 | \$2,504.2                          | \$961.8                                | \$8,157         | \$3,133                     | \$254.5                    | \$97.8                                 |
| 2010 | \$2,599.0                          | \$982.1                                | \$8,411         | \$3,178                     | \$255.7                    | \$96.6                                 |
| 2011 | \$2,692.8                          | \$986.4                                | \$8,658         | \$3,172                     | \$262.2                    | \$96.0                                 |
| 2012 | \$2,793.4                          | \$1002.5                               | \$8,925         | \$3,203                     | \$263.3                    | \$94.5                                 |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

<sup>(2)</sup> Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for Urban Consumers.

Data for Charts 1.1, 1.3, and 1.10

Table 1.2: Percent Change in National Expenditures for Selected Health Services and Supplies, 2002 – 2012<sup>(1)</sup>

| Year | Hospital Care | Prescription Drugs | Admin. & Net Cost of Private Health Insurance | Home Health Care | Nursing Home Care |
|------|---------------|--------------------|---|------------------|-------------------|
| 2002 | 8.3%          | 14.0%              | 24.4%   | 6.4%             | 4.1%              |
| 2003 | 8.2%          | 11.9%              | 17.7%   | 8.7%             | 6.2%              |
| 2004 | 7.6%          | 9.0%               | 7.0%  | 10.1%            | 5.4%              |
| 2005 | 7.7%          | 6.4%               | 7.0%  | 11.2%            | 6.3%              |
| 2006 | 7.0%          | 9.3%               | 9.8%  | 8.0%             | 4.3%              |
| 2007 | 6.2%          | 5.1%               | 3.8%  | 9.9%             | 7.8%              |
| 2008 | 5.3%          | 2.8%               | -1.9%   | 7.8%             | 4.9%              |
| 2009 | 6.6%          | 4.9%               | -1.3%   | 8.0%             | 4.5%              |
| 2010 | 4.6%          | 0.4%               | 9.0%  | 5.8%             | 3.2%              |
| 2011 | 3.5%          | 2.5%               | 5.0%  | 4.1%             | 4.3%              |
| 2012 | 4.9%          | 0.4%               | 4.0%  | 5.1%             | 1.6%              |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Data for Chart 1.7

Table 1.3: National Health Expenditures,<sup>(1)</sup> 1980 – 2022<sup>(2)</sup>

| Year | Expenditures (billions) |
|------|-------------------------|
| 1980 | \$255.8                 |
| 1990 | \$724.3                 |
| 2000 | \$1,377.2               |
| 2001 | \$1,493.4               |
| 2002 | \$1,638.0               |
| 2003 | \$1,775.4               |
| 2004 | \$1,901.6               |
| 2005 | \$2,030.5               |
| 2006 | \$2,163.3               |
| 2007 | \$2,298.3               |
| 2008 | \$2,406.6               |
| 2009 | \$2,501.2               |
| 2010 | \$2,600.0               |
| 2011 | \$2,700.7               |
| 2012 | \$2,806.6               |
| 2013 | \$2,914.7               |
| 2014 | \$3,093.2               |
| 2015 | \$3,273.4               |
| 2016 | \$3,458.3               |
| 2017 | \$3,660.4               |
| 2018 | \$3,889.1               |
| 2019 | \$4,142.4               |
| 2020 | \$4,416.2               |
| 2021 | \$4,702.0               |
| 2022 | \$5,008.8               |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released September 2013.

<sup>(1)</sup> Years 2012 – 2022 are projections.

<sup>(2)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Data for Chart 1.8

Table 1.4: Consumer Out-of-pocket Payments for National Health Expenditures, 1992–2012<sup>(1)</sup>

| Year | Payment (billions) |
|------|--------------------|
| 1992 | \$144.2            |
| 1993 | \$145.3            |
| 1994 | \$143.5            |
| 1995 | \$146.4            |
| 1996 | \$152.2            |
| 1997 | \$163.8            |
| 1998 | \$179.4            |
| 1999 | \$190.4            |
| 2000 | \$201.7            |
| 2001 | \$209.0            |
| 2002 | \$221.9            |
| 2003 | \$238.2            |
| 2004 | \$251.7            |
| 2005 | \$267.3            |
| 2006 | \$277.3            |
| 2007 | \$293.6            |
| 2008 | \$300.7            |
| 2009 | \$300.7            |
| 2010 | \$305.6            |
| 2011 | \$316.1            |
| 2012 | \$328.2            |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Data for Chart 1.9



Table 1.5: Growth in Total Prescription Drug Spending as a Percentage of Total Growth in National Health Expenditures, 1992 – 2012<sup>(1)</sup>

| Year | Percentage |
|------|------------|
| 1992 | 3.95%      |
| 1993 | 4.07%      |
| 1994 | 6.78%      |
| 1995 | 12.33%     |
| 1996 | 15.31%     |
| 1997 | 15.61%     |
| 1998 | 16.30%     |
| 1999 | 21.04%     |
| 2000 | 17.81%     |
| 2001 | 15.32%     |
| 2002 | 13.47%     |
| 2003 | 13.45%     |
| 2004 | 12.50%     |
| 2005 | 9.52%      |
| 2006 | 14.59%     |
| 2007 | 8.42%      |
| 2008 | 6.07%      |
| 2009 | 12.96%     |
| 2010 | 1.18%      |
| 2011 | 6.95%      |
| 2012 | 1.11%      |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Data for Chart 1.11

Table 1.6: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1992 – 2012<sup>(1)</sup>

| Year | Out-of-pocket Payment<br>(billions) | Private Health Insurance<br>(billions) |
|------|-------------------------------------|--|
| 1992 | \$23.663                            | \$14.786                               |
| 1993 | \$23.891                            | \$16.214                               |
| 1994 | \$23.282                            | \$19.146                               |
| 1995 | \$23.351                            | \$24.376                               |
| 1996 | \$24.468                            | \$29.942                               |
| 1997 | \$25.986                            | \$35.922                               |
| 1998 | \$27.782                            | \$42.335                               |
| 1999 | \$30.852                            | \$51.913                               |
| 2000 | \$33.934                            | \$60.702                               |
| 2001 | \$36.625                            | \$70.634                               |
| 2002 | \$40.947                            | \$79.924                               |
| 2003 | \$45.644                            | \$87.239                               |
| 2004 | \$48.304                            | \$95.158                               |
| 2005 | \$51.509                            | \$102.207                              |
| 2006 | \$51.363                            | \$102.061                              |
| 2007 | \$52.052                            | \$107.421                              |
| 2008 | \$49.830                            | \$110.896                              |
| 2009 | \$49.450                            | \$117.985                              |
| 2010 | \$45.993                            | \$118.528                              |
| 2011 | \$46.926                            | \$119.488                              |
| 2012 | \$46.834                            | \$117.027                              |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Data for Chart 1.12

Table 1.7: Number and Percent Uninsured, 1992 – 2012

| Year | Number (millions) | Percent |
|------|-------------------|---------|
| 1992 | 38.6              | 15.0%   |
| 1993 | 39.7              | 15.3%   |
| 1994 | 39.7              | 15.2%   |
| 1995 | 40.6              | 15.4%   |
| 1996 | 41.7              | 15.6%   |
| 1997 | 43.4              | 16.1%   |
| 1998 | 44.3              | 16.3%   |
| 1999 | 40.2              | 14.5%   |
| 2000 | 39.8              | 14.2%   |
| 2001 | 41.2              | 14.6%   |
| 2002 | 43.6              | 15.2%   |
| 2003 | 45.0              | 15.6%   |
| 2004 | 43.5              | 14.9%   |
| 2005 | 44.8              | 15.3%   |
| 2006 | 47.0              | 15.8%   |
| 2007 | 45.7              | 15.3%   |
| 2008 | 46.3              | 15.4%   |
| 2009 | 49.0              | 16.7%   |
| 2010 | 49.9              | 16.3%   |
| 2011 | 48.6              | 15.7%   |
| 2012 | 48.0              | 15.4%   |

Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2012. Data released September 2013. Table 7. People Without Health Insurance Coverage by Selected Characteristics: 2011 and 2012.  
Link: <http://www.census.gov/prod/2013pubs/p60-245.pdf>.

Data for Chart 1.15

Table 1.8: Average Percent Uninsured by State, 2010 – 2012

| State                | Average Percent Uninsured | State          | Average Percent Uninsured |
|----------------------|---------------------------|----------------|---------------------------|
| Alabama              | 14.4                      | Montana        | 18.2                      |
| Alaska               | 18.4                      | Nebraska       | 13.0                      |
| Arizona              | 18.2                      | Nevada         | 22.5                      |
| Arkansas             | 18.1                      | New Hampshire  | 11.6                      |
| California           | 19.0                      | New Jersey     | 15.0                      |
| Colorado             | 14.1                      | New Mexico     | 21.0                      |
| Connecticut          | 9.3                       | New York       | 12.9                      |
| Delaware             | 10.7                      | North Carolina | 16.9                      |
| District of Columbia | 9.7                       | North Dakota   | 11.3                      |
| Florida              | 20.7                      | Ohio           | 13.2                      |
| Georgia              | 19.3                      | Oklahoma       | 17.1                      |
| Hawaii               | 7.8                       | Oregon         | 15.1                      |
| Idaho                | 17.3                      | Pennsylvania   | 11.2                      |
| Illinois             | 14.4                      | Rhode Island   | 12.0                      |
| Indiana              | 12.9                      | South Carolina | 17.9                      |
| Iowa                 | 10.8                      | South Dakota   | 13.5                      |
| Kansas               | 12.9                      | Tennessee      | 13.9                      |
| Kentucky             | 15.0                      | Texas          | 24.3                      |
| Louisiana            | 19.7                      | Utah           | 14.3                      |
| Maine                | 9.6                       | Vermont        | 8.3                       |
| Maryland             | 13.0                      | Virginia       | 13.3                      |
| Massachusetts        | 4.3                       | Washington     | 14.0                      |
| Michigan             | 12.1                      | West Virginia  | 14.3                      |
| Minnesota            | 9.1                       | Wisconsin      | 9.8                       |
| Mississippi          | 17.5                      | Wyoming        | 16.8                      |
| Missouri             | 14.0                      |                |                           |

Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2012 Data released September 2013. Link: <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2012/state.xls>.

Data for Chart 1.16

Table 1.9: Medicaid Enrollees,<sup>(1)</sup> 1990, 1995, 2000 – 2013

| Year | Aged (millions) | Blind/ Disabled (millions) | Children (millions) | Adults (millions) | Other Title XIX <sup>(2)</sup> (millions) | Total (millions) |
|------|-----------------|----------------------------|---------------------|-------------------|---|------------------|
| 1990 | 3.2             | 3.7                        | 11.2                | 6.0               | 1.1                                       | 25.3             |
| 1995 | 4.2             | 6.0                        | 17.6                | 7.8               | 0.6                                       | 36.3             |
| 2000 | 4.6             | 7.5                        | 22.0                | 10.4              |   | 44.5             |
| 2001 | 4.8             | 8.0                        | 23.7                | 12.0              |   | 48.4             |
| 2002 | 4.5             | 7.9                        | 25.5                | 12.9              |   | 50.9             |
| 2003 | 4.8             | 8.3                        | 25.3                | 14.0              |   | 52.4             |
| 2004 | 5.1             | 8.9                        | 27.8                | 15.4              |   | 57.3             |
| 2005 | 5.4             | 9.4                        | 28.3                | 15.5              |   | 58.6             |
| 2006 | 5.5             | 9.8                        | 29.5                | 16.0              |   | 60.9             |
| 2007 | 5.6             | 9.6                        | 29.5                | 15.7              |   | 60.5             |
| 2008 | 5.6             | 9.6                        | 30.6                | 16.3              |   | 62.1             |
| 2009 | 5.8             | 10.0                       | 34.0                | 18.0              |   | 67.8             |
| 2010 | 5.5             | 10.4                       | 33.5                | 18.3              |   | 67.7             |
| 2011 | 5.0             | 11.0                       | 33.0                | 18.0              |   | 67.0             |
| 2012 | 6.0             | 11.0                       | 34.0                | 20.0              |   | 71.0             |
| 2013 | 6.0             | 11.0                       | 35.0                | 20.0              |   | 72.0             |

Source: Congressional Budget Office. Data released May 2013. Spending and Enrollment Detail for CBO's May 2013 Baseline: Medicaid. Link: <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44204-2013-05-Medicaid.pdf>.

<sup>(1)</sup> Does not include CHIP Enrollees.

<sup>(2)</sup> In 1997, the Other Title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. Other Title XIX enrollees referred to others who received Medicaid benefits.

Data for Chart 1.18

Table 1.10: Percent Change in CHIP Enrollment by State, FY 2011 – FY 2012<sup>(1)</sup>

| State                | Percent Change<br>FY 11 - FY 12 | State          | Percent Change<br>FY 11 - FY 12 |
|----------------------|---------------------------------|----------------|---------------------------------|
| Alabama              | 3%                              | Montana        | 17%                             |
| Alaska               | -5%                             | Nebraska       | 6%                              |
| Arizona              | 78%                             | Nevada         | 0%                              |
| Arkansas             | 10%                             | New Hampshire  | 6%                              |
| California           | 1%                              | New Jersey     | 2%                              |
| Colorado             | 20%                             | New Mexico     | -1%                             |
| Connecticut          | 0%                              | New York       | -1%                             |
| Delaware             | -17%                            | North Carolina | 2%                              |
| District of Columbia | -16%                            | North Dakota   | 10%                             |
| Florida              | -4%                             | Ohio           | 1%                              |
| Georgia              | 4%                              | Oklahoma       | 4%                              |
| Hawaii               | 10%                             | Oregon         | 9%                              |
| Idaho                | 8%                              | Pennsylvania   | 0%                              |
| Illinois             | 3%                              | Rhode Island   | 9%                              |
| Indiana              | -2%                             | South Carolina | 4%                              |
| Iowa                 | 7%                              | South Dakota   | 5%                              |
| Kansas               | 6%                              | Tennessee      | 6%                              |
| Kentucky             | 0%                              | Texas          | 3%                              |
| Louisiana            | -1%                             | Utah           | 11%                             |
| Maine                | 1%                              | Vermont        | 7%                              |
| Maryland             | 10%                             | Virginia       | 4%                              |
| Massachusetts        | 0%                              | Washington     | -2%                             |
| Michigan             | -2%                             | West Virginia  | 0%                              |
| Minnesota            | -8%                             | Wisconsin      | -2%                             |
| Mississippi          | 2%                              | Wyoming        | 2%                              |
| Missouri             | -1%                             |                |                                 |

Source: Centers for Medicare & Medicaid Services. Data released April 2013. Number of Children Ever Enrolled by Program Type. Link: [http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04\\_09\\_13.pdf](http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/FY-2012-Childrens-Enrollment-04_09_13.pdf).

<sup>(1)</sup> 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.

Data for Chart 1.20

Table 1.11: Percentage of Employees with Employer-based Coverage Who Can Choose Conventional, PPO, HMO, POS, and HDHP/SO Plans, 1988 – 2013

|                                   | 1988 | 1996 | 1999 | 2002 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Conventional<sup>(1)</sup></b> | 90%  | 52%  | 26%  | 14%  | 10%  | 10%  | 8%   | 5%   | 6%   | 7%   | 4%   | 4%   |
| <b>PPO</b>                        | 18%  | 45%  | 62%  | 74%  | 79%  | 79%  | 77%  | 80%  | 79%  | 76%  | 75%  | 76%  |
| <b>HMO</b>                        | 46%  | 64%  | 56%  | 50%  | 43%  | 42%  | 41%  | 44%  | 42%  | 39%  | 37%  | 34%  |
| <b>POS<sup>(2)</sup></b>          |      | 30%  | 45%  | 34%  | 23%  | 21%  | 24%  | 19%  | 14%  | 16%  | 14%  | 13%  |
| <b>HDHP/SO<sup>(3)</sup></b>      |      |      |      |      | 14%  | 18%  | 25%  | 28%  | 32%  | 40%  | 39%  | 43%  |

Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2013. Employer Health Benefits: 1999, 2002, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013. Link: <http://ehbs.kff.org/pdf/2013/8345.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

<sup>(1)</sup> Conventional plans refer to traditional indemnity plans.

<sup>(2)</sup> Point-of-service plans not separately identified in 1988.

<sup>(3)</sup> In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.

Data for Chart 1.21

Table 1.12: Percent Distribution of Employer-sponsored Health Insurance Enrollment by Type of Plan, 1988 – 2013

|                                   | 1988 | 1996 | 1999 | 2002 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Conventional<sup>(1)</sup></b> | 73%  | 27%  | 10%  | 4%   | 3%   | 3%   | 2%   | 1%   | 1%   | 1%   | 0%   | 0%   |
| <b>PPO</b>                        | 11%  | 28%  | 39%  | 52%  | 60%  | 57%  | 58%  | 60%  | 58%  | 55%  | 56%  | 57%  |
| <b>HMO</b>                        | 16%  | 31%  | 28%  | 27%  | 20%  | 21%  | 20%  | 20%  | 19%  | 17%  | 16%  | 14%  |
| <b>POS<sup>(2)</sup></b>          |      | 14%  | 24%  | 18%  | 13%  | 13%  | 12%  | 10%  | 8%   | 10%  | 9%   | 9%   |
| <b>HDHP/SO<sup>(3)</sup></b>      |      |      |      |      | 4%   | 5%   | 8%   | 8%   | 13%  | 17%  | 19%  | 20%  |

Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2012. Employer Health Benefits: 1999, 2002, 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013. Link: <http://ehbs.kff.org/pdf/2013/8345.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

<sup>(1)</sup> Conventional plans refer to traditional indemnity plans.

<sup>(2)</sup> Point-of-service plans not separately identified in 1988.

<sup>(3)</sup> In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.

Data for Chart 1.22

Table 1.13: Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1992 – 2012<sup>(1,2)</sup>

| Year | Growth in Medicare Spending per Beneficiary | Growth in Private Health Insurance Spending per Enrollee |
|------|---|--|
| 1992 | 8.8%  | 7.7%   |
| 1993 | 6.6%  | 4.6%   |
| 1994 | 7.6%  | 1.7%   |
| 1995 | 7.2%  | 1.6%   |
| 1996 | 4.6%  | 1.6%   |
| 1997 | 4.2%  | 3.3%   |
| 1998 | 0.3%  | 4.8%   |
| 1999 | 2.8%  | 4.4%   |
| 2000 | 3.2%  | 6.1%   |
| 2001 | 8.4%  | 8.8%   |
| 2002 | 5.4%  | 9.3%   |
| 2003 | 4.9%  | 9.8%   |
| 2004 | 6.7%  | 8.1%   |
| 2005 | 5.8%  | 6.7%   |
| 2006 | 3.5%  | 6.4%   |
| 2007 | 2.6%  | 5.2%   |
| 2008 | 4.9%  | 6.3%   |
| 2009 | 3.0%  | 7.4%   |
| 2010 | 0.4%  | 4.5%   |
| 2011 | 1.8%  | 3.5%   |
| 2012 | 0.9%  | 4.3%   |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2014.

<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

<sup>(2)</sup> Data reflects spending on benefits commonly covered by Medicare and Private Health Insurance.

Data for Chart 1.24



Table 1.14: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2010 and 2011

| State                | % Enrolled |        | State          | % Enrolled   |              |
|----------------------|------------|--------|----------------|--------------|--------------|
|                      | 10         | 11     |                | 10           | 11           |
| Alabama              | 59.6%      | 61.1%  | Montana        | 74.6%        | 76.1%        |
| Alaska               | 0.0%       | 0.0%   | Nebraska       | 85.6%        | 85.1%        |
| Arizona              | 90.5%      | 88.7%  | Nevada         | 85.1%        | 83.6%        |
| Arkansas             | 78.4%      | 78.4%  | New Hampshire  | 0.0%         | 0.0%         |
| California           | 55.1%      | 60.1%  | New Jersey     | 76.8%        | 77.7%        |
| Colorado             | 94.6%      | 94.6%  | New Mexico     | 73.1%        | 72.8%        |
| Connecticut          | 69.9%      | 68.6%  | New York       | 68.1%        | 76.7%        |
| Delaware             | 77.4%      | 80.5%  | North Carolina | 77.5%        | 83.2%        |
| District of Columbia | 69.7%      | 67.4%  | North Dakota   | 67.3%        | 63.6%        |
| Florida              | 64.5%      | 63.8%  | Ohio           | 73.5%        | 75.4%        |
| Georgia              | 91.0%      | 91.3%  | Oklahoma       | 90.1%        | 86.5%        |
| Hawaii               | 98.0%      | 98.7%  | Oregon         | 86.7%        | 98.2%        |
| Idaho                | 87.6%      | 100.0% | Pennsylvania   | 81.7%        | 81.5%        |
| Illinois             | 56.5%      | 67.8%  | Rhode Island   | 67.4%        | 68.6%        |
| Indiana              | 70.4%      | 70.3%  | South Carolina | 100.0%       | 100.0%       |
| Iowa                 | 90.1%      | 91.1%  | South Dakota   | 80.3%        | 75.8%        |
| Kansas               | 86.6%      | 87.4%  | Tennessee      | 100.0%       | 100.0%       |
| Kentucky             | 88.2%      | 89.4%  | Texas          | 67.0%        | 70.7%        |
| Louisiana            | 63.7%      | 65.3%  | Utah           | 83.3%        | 99.8%        |
| Maine                | 67.7%      | 49.3%  | Vermont        | 56.7%        | 58.5%        |
| Maryland             | 79.5%      | 74.6%  | Virginia       | 59.2%        | 58.2%        |
| Massachusetts        | 53.5%      | 53.1%  | Washington     | 86.7%        | 88.1%        |
| Michigan             | 86.2%      | 88.4%  | West Virginia  | 48.6%        | 51.0%        |
| Minnesota            | 63.8%      | 65.7%  | Wisconsin      | 62.4%        | 63.7%        |
| Mississippi          | 75.9%      | 87.2%  | Wyoming        | 0.0%         | 0.0%         |
| Missouri             | 99.1%      | 97.7%  | <b>Nation</b>  | <b>71.5%</b> | <b>74.2%</b> |

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of June 30, 2010 and July 1, 2011.

Data for Chart 1.26



Table 1.15: Operating Margins of the Top Insurers, 2011 – 2013

|                          | 2011  | 2012 | 2013 |
|--------------------------|-------|------|------|
| <b>Aetna</b>             | 9.1%  | 8.2% | 6.7% |
| <b>WellPoint</b>         | 7.4%  | 7.3% | 8.0% |
| <b>United HealthCare</b> | 8.3%  | 8.4% | 7.9% |
| <b>Cigna</b>             | 10.0% | 9.5% | 6.7% |
| <b>Humana</b>            | 6.1%  | 5.2% | 5.0% |

Source: FactSet Research Systems Inc. Data for all years updated as of March 2014.  
Data from Hoovers used in 2011 and earlier years' Chartbooks.

Data for Chart 1.29





# APPENDIX 2

Supplementary Data Tables  
Organizational Trends



Table 2.1: Number of Community Hospitals,<sup>(1)</sup> 1992 – 2012

| Year | All Hospitals | Urban <sup>(2)</sup> | Rural <sup>(2)</sup> | In Health System |
|------|---------------|----------------------|----------------------|------------------|
| 1992 | 5,292         | 3,007                | 2,285                | -                |
| 1993 | 5,261         | 3,012                | 2,249                | -                |
| 1994 | 5,229         | 2,993                | 2,236                | -                |
| 1995 | 5,194         | 2,958                | 2,236                | -                |
| 1996 | 5,134         | 2,908                | 2,226                | -                |
| 1997 | 5,057         | 2,852                | 2,205                | -                |
| 1998 | 5,015         | 2,816                | 2,199                | -                |
| 1999 | 4,956         | 2,767                | 2,189                | 2,524            |
| 2000 | 4,915         | 2,740                | 2,175                | 2,542            |
| 2001 | 4,908         | 2,742                | 2,166                | 2,580            |
| 2002 | 4,927         | 2,749                | 2,178                | 2,606            |
| 2003 | 4,895         | 2,729                | 2,166                | 2,626            |
| 2004 | 4,919         | 2,916                | 2,003                | 2,668            |
| 2005 | 4,936         | 2,927                | 2,009                | 2,716            |
| 2006 | 4,927         | 2,926                | 2,001                | 2,755            |
| 2007 | 4,897         | 2,900                | 1,997                | 2,730            |
| 2008 | 5,010         | 3,012                | 1,998                | 2,868            |
| 2009 | 5,008         | 3,011                | 1,997                | 2,921            |
| 2010 | 4,985         | 2,998                | 1,987                | 2,941            |
| 2011 | 4,973         | 2,989                | 1,984                | 3,007            |
| 2012 | 4,999         | 3,019                | 1,980                | 3,100            |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> All nonfederal, short-term general and specialty hospitals whose facilities and services are available to the public.

<sup>(2)</sup> Data on the number of urban and rural hospitals in 2004 and beyond were collected using coding different from previous years to reflect new Centers for Medicare & Medicaid Services wage area designations.

Data for Charts 2.1 and 2.4



Table 2.2: Number of Beds and Number of Beds per 1,000 Persons, 1992 – 2012

| Year | Number of Beds | Beds per 1,000 |
|------|----------------|----------------|
| 1992 | 919,505        | 3.61           |
| 1993 | 917,847        | 3.56           |
| 1994 | 901,056        | 3.46           |
| 1995 | 871,976        | 3.32           |
| 1996 | 862,352        | 3.25           |
| 1997 | 853,287        | 3.19           |
| 1998 | 839,988        | 3.11           |
| 1999 | 829,575        | 3.04           |
| 2000 | 823,560        | 2.93           |
| 2001 | 825,966        | 2.90           |
| 2002 | 820,653        | 2.85           |
| 2003 | 813,307        | 2.80           |
| 2004 | 808,127        | 2.75           |
| 2005 | 802,311        | 2.71           |
| 2006 | 802,658        | 2.68           |
| 2007 | 800,892        | 2.66           |
| 2008 | 808,069        | 2.66           |
| 2009 | 805,593        | 2.62           |
| 2010 | 804,943        | 2.60           |
| 2011 | 797,403        | 2.56           |
| 2012 | 800,566        | 2.55           |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Chart 2.2





Table 2.3: Beds per 1,000 Persons by State, 2011 and 2012

| State                | Beds per 1,000 Persons |      | State          | Beds per 1,000 Persons |      |
|----------------------|------------------------|------|----------------|------------------------|------|
|                      | 11                     | 12   |                | 11                     | 12   |
| Alabama              | 3.20                   | 3.11 | Montana        | 3.63                   | 3.69 |
| Alaska               | 2.15                   | 2.12 | Nebraska       | 3.58                   | 3.77 |
| Arizona              | 2.06                   | 2.06 | Nevada         | 2.02                   | 1.99 |
| Arkansas             | 3.21                   | 3.19 | New Hampshire  | 2.15                   | 2.14 |
| California           | 1.86                   | 1.87 | New Jersey     | 2.31                   | 2.39 |
| Colorado             | 1.99                   | 1.97 | New Mexico     | 1.95                   | 1.95 |
| Connecticut          | 2.16                   | 2.26 | New York       | 2.98                   | 2.92 |
| Delaware             | 2.36                   | 2.18 | North Carolina | 2.40                   | 2.33 |
| District of Columbia | 5.88                   | 5.72 | North Dakota   | 4.60                   | 4.65 |
| Florida              | 2.78                   | 2.78 | Ohio           | 2.93                   | 2.92 |
| Georgia              | 2.58                   | 2.49 | Oklahoma       | 2.98                   | 2.97 |
| Hawaii               | 1.86                   | 2.01 | Oregon         | 1.76                   | 1.72 |
| Idaho                | 2.09                   | 2.07 | Pennsylvania   | 3.11                   | 3.08 |
| Illinois             | 2.55                   | 2.54 | Rhode Island   | 2.35                   | 2.34 |
| Indiana              | 2.68                   | 2.69 | South Carolina | 2.62                   | 2.65 |
| Iowa                 | 3.26                   | 3.24 | South Dakota   | 4.96                   | 5.03 |
| Kansas               | 3.49                   | 3.51 | Tennessee      | 3.13                   | 3.12 |
| Kentucky             | 3.25                   | 3.24 | Texas          | 2.37                   | 2.35 |
| Louisiana            | 3.35                   | 3.30 | Utah           | 1.82                   | 1.83 |
| Maine                | 2.68                   | 2.65 | Vermont        | 1.94                   | 1.97 |
| Maryland             | 2.04                   | 2.09 | Virginia       | 2.20                   | 2.22 |
| Massachusetts        | 2.41                   | 2.44 | Washington     | 1.71                   | 1.76 |
| Michigan             | 2.57                   | 2.54 | West Virginia  | 3.97                   | 3.89 |
| Minnesota            | 2.80                   | 2.77 | Wisconsin      | 2.30                   | 2.27 |
| Mississippi          | 4.32                   | 4.32 | Wyoming        | 3.45                   | 3.34 |
| Missouri             | 3.12                   | 3.16 |                |                        |      |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
 US Census Bureau: National and State Population Estimates, July 1, 2012.  
 Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

Data for Chart 2.3

Table 2.4: Percentage of Hospitals with Physician Affiliates<sup>(1)</sup> by Type of Relationship, 2002 – 2012

|   | 02  | 03  | 04  | 05  | 06  | 07  | 08  | 09  | 10  | 11  | 12  |
|---|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Physician Hospital Organization</b>  | 22% | 21% | 19% | 19% | 19% | 19% | 18% | 16% | 16% | 16% | 16% |
| <b>Independent Practice Association</b> | 16% | 16% | 15% | 14% | 14% | 13% | 12% | 12% | 11% | 10% | 10% |
| <b>Management Service Organization</b>  | 11% | 10% | 9%  | 9%  | 9%  | 9%  | 9%  | 9%  | 9%  | 9%  | 9%  |
| <b>Group Practice without Walls</b>     | 4%  | 4%  | 3%  | 4%  | 3%  | 3%  | 3%  | 3%  | 3%  | 3%  | 3%  |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Previously Table 2.5 in 2009 and earlier years' Chartbooks.

<sup>(1)</sup> A hospital is considered to have a physician relationship if the relationship exists as part of the hospital or a system or network of which the hospital is a part.

Data for Chart 2.6

Table 2.5: Percentage of Hospitals with Insurance Products by Type of Insurance, 2002 – 2012

|  | 02  | 03  | 04  | 05  | 06  | 07  | 08  | 09  | 10  | 11  | 12  |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Preferred Provider Organization</b> | 19% | 19% | 18% | 19% | 18% | 17% | 14% | 14% | 15% | 15% | 12% |
| <b>Health Maintenance Organization</b> | 14% | 14% | 14% | 14% | 13% | 13% | 12% | 12% | 12% | 13% | 13% |
| <b>Indemnity or Fee for Service</b>    | 5%  | 6%  | 6%  | 6%  | 6%  | 6%  | 5%  | 5%  | 5%  | 5%  | 4%  |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Previously Table 2.6 in 2009 and earlier years' Chartbooks.

Data for Chart 2.7



Table 2.6: Percentage of Hospitals Offering “Non-hospital” Services,<sup>(1)</sup> 2002 – 2012

|                                 | 02  | 03  | 04  | 05  | 06  | 07  | 08  | 09  | 10  | 11  | 12  |
|---------------------------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Home Health Service</b>      | 65% | 64% | 64% | 63% | 63% | 63% | 61% | 61% | 60% | 60% | 60% |
| <b>Skilled Nursing Facility</b> | 46% | 45% | 43% | 42% | 42% | 41% | 40% | 39% | 37% | 37% | 38% |
| <b>Other Long-term Care</b>     | 12% | 13% | 14% | 14% | 14% | 14% | 14% | 14% | 12% | 12% | 14% |
| <b>Assisted Living</b>          | 15% | 16% | 16% | 16% | 16% | 15% | 15% | 15% | 15% | 15% | 15% |
| <b>Hospice</b>                  | 55% | 57% | 59% | 60% | 62% | 63% | 62% | 62% | 61% | 62% | 64% |
| <b>Meals on Wheels</b>          | 25% | 24% | 24% | 23% | 23% | 22% | 22% | 21% | 21% | 20% | 20% |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

*Previously Table 2.7 in 2009 and earlier years' Chartbooks.*

<sup>(1)</sup> Includes services offered in hospital, health system, network or joint venture.

Data for Chart 2.8



# APPENDIX 3

Supplementary Data Tables  
Utilization and Volume



Table 3.1: Trends in Inpatient Utilization in Community Hospitals, 1992 – 2012

| Year | Inpatient Admissions in Community Hospitals | Inpatient Admissions per 1,000 | Total Inpatient Days in Community Hospitals | Inpatient Days per 1,000 | Inpatient Surgeries | Average Length of Stay |
|------|---|--------------------------------|---|--------------------------|---------------------|------------------------|
| 1992 | 31,033,557                                  | 121.7                          | 221,047,104                                 | 866.8                    | 10,552,378          | 7.1                    |
| 1993 | 30,748,051                                  | 119.3                          | 215,888,741                                 | 837.6                    | 10,181,703          | 7.0                    |
| 1994 | 30,718,136                                  | 118.0                          | 207,180,278                                 | 796.0                    | 9,833,938           | 6.7                    |
| 1995 | 30,945,357                                  | 117.8                          | 199,876,367                                 | 760.7                    | 9,700,613           | 6.5                    |
| 1996 | 31,098,959                                  | 117.2                          | 193,747,004                                 | 730.4                    | 9,545,612           | 6.2                    |
| 1997 | 31,576,960                                  | 118.0                          | 192,504,015                                 | 719.3                    | 9,509,081           | 6.1                    |
| 1998 | 31,811,673                                  | 117.8                          | 191,430,450                                 | 709.0                    | 9,735,705           | 6.0                    |
| 1999 | 32,359,042                                  | 118.7                          | 191,884,270                                 | 703.7                    | 9,539,593           | 5.9                    |
| 2000 | 33,089,467                                  | 117.6                          | 192,420,368                                 | 683.7                    | 9,729,336           | 5.8                    |
| 2001 | 33,813,589                                  | 118.7                          | 194,106,316                                 | 681.6                    | 9,779,583           | 5.7                    |
| 2002 | 34,478,280                                  | 119.7                          | 196,690,099                                 | 682.7                    | 10,105,010          | 5.7                    |
| 2003 | 34,782,742                                  | 119.6                          | 196,649,769                                 | 676.2                    | 9,940,922           | 5.7                    |
| 2004 | 35,086,061                                  | 119.5                          | 197,564,172                                 | 672.8                    | 10,050,346          | 5.6                    |
| 2005 | 35,238,673                                  | 119.2                          | 197,073,770                                 | 666.4                    | 10,097,271          | 5.6                    |
| 2006 | 35,377,659                                  | 118.2                          | 196,366,512                                 | 655.9                    | 10,095,683          | 5.6                    |
| 2007 | 35,345,986                                  | 117.3                          | 194,549,348                                 | 645.7                    | 10,189,630          | 5.5                    |
| 2008 | 35,760,750                                  | 117.6                          | 196,078,468                                 | 644.9                    | 10,105,156          | 5.5                    |
| 2009 | 35,527,377                                  | 115.7                          | 192,656,804                                 | 627.5                    | 10,100,980          | 5.4                    |
| 2010 | 35,149,427                                  | 113.7                          | 189,593,349                                 | 613.5                    | 9,954,821           | 5.4                    |
| 2011 | 34,843,085                                  | 111.8                          | 187,072,013                                 | 600.4                    | 9,638,467           | 5.4                    |
| 2012 | 34,422,071                                  | 109.7                          | 185,423,035                                 | 590.7                    | 9,513,598           | 5.4                    |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.  
Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

Data for Charts 3.1, 3.2, 3.3, 3.4 and 3.5



Table 3.2: Average Length of Stay in Community Hospitals by State, 2011 and 2012

| State                | Average Length of Stay |     | State          | Average Length of Stay |     |
|----------------------|------------------------|-----|----------------|------------------------|-----|
|                      | 11                     | 12  |                | 11                     | 12  |
| Alabama              | 5.2                    | 5.0 | Montana        | 8.7                    | 8.7 |
| Alaska               | 6.2                    | 6.1 | Nebraska       | 6.5                    | 6.9 |
| Arizona              | 4.4                    | 4.4 | Nevada         | 5.4                    | 5.2 |
| Arkansas             | 5.2                    | 5.2 | New Hampshire  | 5.2                    | 5.2 |
| California           | 5.0                    | 5.1 | New Jersey     | 5.1                    | 5.1 |
| Colorado             | 5.0                    | 5.1 | New Mexico     | 4.9                    | 4.8 |
| Connecticut          | 5.2                    | 5.4 | New York       | 6.8                    | 6.9 |
| Delaware             | 5.8                    | 5.0 | North Carolina | 5.6                    | 5.6 |
| District of Columbia | 7.3                    | 7.0 | North Dakota   | 7.5                    | 7.8 |
| Florida              | 4.9                    | 5.0 | Ohio           | 4.9                    | 4.9 |
| Georgia              | 6.4                    | 6.3 | Oklahoma       | 5.3                    | 5.3 |
| Hawaii               | 6.9                    | 6.8 | Oregon         | 4.3                    | 4.2 |
| Idaho                | 4.7                    | 4.9 | Pennsylvania   | 5.5                    | 5.5 |
| Illinois             | 4.9                    | 4.8 | Rhode Island   | 5.1                    | 5.0 |
| Indiana              | 5.0                    | 5.1 | South Carolina | 5.7                    | 5.7 |
| Iowa                 | 6.0                    | 6.0 | South Dakota   | 9.4                    | 8.9 |
| Kansas               | 6.4                    | 6.5 | Tennessee      | 5.5                    | 5.5 |
| Kentucky             | 5.1                    | 5.1 | Texas          | 5.2                    | 5.2 |
| Louisiana            | 5.4                    | 5.4 | Utah           | 4.2                    | 4.1 |
| Maine                | 5.6                    | 5.5 | Vermont        | 6.3                    | 6.3 |
| Maryland             | 4.6                    | 4.9 | Virginia       | 5.6                    | 5.7 |
| Massachusetts        | 5.0                    | 5.1 | Washington     | 4.5                    | 4.6 |
| Michigan             | 5.2                    | 5.1 | West Virginia  | 5.8                    | 5.7 |
| Minnesota            | 6.0                    | 6.0 | Wisconsin      | 5.0                    | 4.9 |
| Mississippi          | 6.4                    | 6.5 | Wyoming        | 8.3                    | 8.5 |
| Missouri             | 5.1                    | 5.2 |                |                        |     |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Chart 3.6

Table 3.3: Emergency Department Visits, Emergency Department Visits per 1,000 and Number of Emergency Departments, 1992 – 2012

| Year | ED Visits (millions) | ED Visits per 1,000 | Emergency Departments <sup>(1)</sup> |
|------|----------------------|---------------------|--------------------------------------|
| 1992 | 90.8                 | 356                 | 5,035                                |
| 1993 | 92.6                 | 359                 | 4,998                                |
| 1994 | 90.5                 | 348                 | 4,960                                |
| 1995 | 94.7                 | 360                 | 4,923                                |
| 1996 | 93.1                 | 351                 | 4,884                                |
| 1997 | 92.8                 | 347                 | 4,813                                |
| 1998 | 94.8                 | 351                 | 4,771                                |
| 1999 | 99.5                 | 365                 | 4,679                                |
| 2000 | 103.1                | 366                 | 4,650                                |
| 2001 | 106.0                | 372                 | 4,621                                |
| 2002 | 110.0                | 382                 | 4,620                                |
| 2003 | 111.0                | 382                 | 4,570                                |
| 2004 | 112.6                | 383                 | 4,595                                |
| 2005 | 114.8                | 388                 | 4,611                                |
| 2006 | 118.4                | 395                 | 4,587                                |
| 2007 | 120.8                | 401                 | 4,565                                |
| 2008 | 123.0                | 405                 | 4,613                                |
| 2009 | 127.3                | 415                 | 4,594                                |
| 2010 | 127.2                | 412                 | 4,564                                |
| 2011 | 129.5                | 415                 | 4,461                                |
| 2012 | 133.2                | 424                 | 4,460                                |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2012.

Link: <http://www.census.gov/popest/data/state/totals/2012/index.html>.

<sup>(1)</sup> Defined as hospitals reporting ED visits in the AHA Annual Survey.

Data for Charts 3.7 and 3.8





Table 3.4: Outpatient Utilization in Community Hospitals, 1992 – 2012

| Year | Total Outpatient Visits | Outpatient Visits per 1,000 | Outpatient Surgeries |
|------|-------------------------|-----------------------------|----------------------|
| 1992 | 347,847,202             | 1,364.1                     | 12,307,594           |
| 1993 | 366,533,432             | 1,422.0                     | 12,624,292           |
| 1994 | 382,780,358             | 1,470.6                     | 13,154,838           |
| 1995 | 413,748,403             | 1,574.6                     | 13,462,304           |
| 1996 | 439,863,107             | 1,658.3                     | 14,023,651           |
| 1997 | 450,140,010             | 1,681.9                     | 14,678,290           |
| 1998 | 474,193,468             | 1,756.3                     | 15,593,614           |
| 1999 | 495,346,286             | 1,816.5                     | 15,845,492           |
| 2000 | 521,404,976             | 1,852.8                     | 16,383,374           |
| 2001 | 538,480,378             | 1,890.8                     | 16,684,726           |
| 2002 | 556,404,212             | 1,931.1                     | 17,361,176           |
| 2003 | 563,186,046             | 1,936.7                     | 17,165,616           |
| 2004 | 571,569,334             | 1,946.4                     | 17,351,490           |
| 2005 | 584,428,736             | 1,976.1                     | 17,445,587           |
| 2006 | 599,553,025             | 2,002.5                     | 17,235,141           |
| 2007 | 603,300,374             | 2,002.4                     | 17,146,334           |
| 2008 | 624,098,296             | 2,052.6                     | 17,354,282           |
| 2009 | 641,953,442             | 2,091.0                     | 17,357,534           |
| 2010 | 651,423,717             | 2,107.8                     | 17,357,177           |
| 2011 | 656,078,942             | 2,105.6                     | 17,269,245           |
| 2012 | 674,971,331             | 2,150.2                     | 17,297,633           |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Charts 3.9, 3.10 and 3.11





# APPENDIX 4

Supplementary Data Tables  
Trends in Hospital Financing



Table 4.1: Aggregate Total Hospital Margins,<sup>(1)</sup> Operating Margins<sup>(2)</sup> and Patient Margins;<sup>(3)</sup> Percentage of Hospitals with Negative Total Margins; and Aggregate Non-operating Gains as a Percentage of Total Net Revenue, 1992 – 2012

| Year | Aggregate Total Hospital Margins | Aggregate Operating Margins | Aggregate Patient Margins | Percent of Hospitals with Negative Total Margins | Percent of Hospitals with Negative Operating Margins | Aggregate Non-operating Gains as a Percentage of Total Net Revenue |
|------|----------------------------------|-----------------------------|---------------------------|--|--|--|
| 1992 | 4.6%                             | 2.7%                        | -2.7%                     | 23.8%  |  | 1.9%   |
| 1993 | 4.2%                             | 2.5%                        | -3.2%                     | 24.2%  |  | 1.8%   |
| 1994 | 4.8%                             | 3.4%                        | -2.8%                     | 22.4%  |  | 1.5%   |
| 1995 | 5.6%                             | 3.9%                        | -2.2%                     | 20.4%  | 28.0%  | 1.8%   |
| 1996 | 6.7%                             | 4.6%                        | -1.0%                     | 19.4%  | 27.7%  | 2.3%   |
| 1997 | 6.7%                             | 4.0%                        | -1.7%                     | 20.4%  | 28.9%  | 2.7%   |
| 1998 | 5.8%                             | 3.1%                        | -3.0%                     | 26.6%  | 36.1%  | 2.8%   |
| 1999 | 4.6%                             | 2.1%                        | -4.3%                     | 32.5%  | 41.9%  | 2.6%   |
| 2000 | 4.6%                             | 2.0%                        | -4.2%                     | 32.0%  | 42.2%  | 2.6%   |
| 2001 | 4.2%                             | 2.7%                        | -3.6%                     | 29.4%  | 36.7%  | 1.6%   |
| 2002 | 4.4%                             | 3.7%                        | -2.3%                     | 29.3%  | 33.4%  | 0.8%   |
| 2003 | 4.8%                             | 3.3%                        | -2.8%                     | 29.9%  | 35.9%  | 1.5%   |
| 2004 | 5.2%                             | 3.6%                        | -2.3%                     | 26.5%  | 33.4%  | 1.7%   |
| 2005 | 5.3%                             | 3.7%                        | -2.0%                     | 25.4%  | 32.0%  | 1.7%   |
| 2006 | 6.0%                             | 4.0%                        | -2.1%                     | 24.3%  | 31.8%  | 2.1%   |
| 2007 | 6.9%                             | 4.3%                        | -1.7%                     | 21.6%  | 30.2%  | 2.7%   |
| 2008 | 2.6%                             | 3.3%                        | -2.6%                     | 32.4%  | 32.8%  | -0.7%  |
| 2009 | 5.0%                             | 4.4%                        | -1.4%                     | 27.5%  | 30.1%  | 0.6%   |
| 2010 | 7.2%                             | 5.5%                        | -0.2%                     | 22.8%  | 28.3%  | 1.8%   |
| 2011 | 7.0%                             | 5.5%                        | -0.3%                     | 24.0%  | 28.4%  | 1.6%   |
| 2012 | 7.8%                             | 6.5%                        | 0.7%                      | 21.3%  | 25.9%  | 1.4%   |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> Total Hospital Margin is calculated as the difference between total net revenue and total expenses divided by total net revenue.

<sup>(2)</sup> Operating Margin is calculated as the difference between operating revenue and total expenses divided by operating revenue.

<sup>(3)</sup> Patient Margin is calculated as the difference between net patient revenue and total expenses divided by net patient revenue.

Data for Charts 4.1, 4.2 and 4.8



Table 4.2: Distribution of Inpatient vs. Outpatient Revenues, 1992 – 2012

| Year | Gross Outpatient Revenue | Gross Inpatient Revenue |
|------|--------------------------|-------------------------|
| 1992 | 25%                      | 75%                     |
| 1993 | 27%                      | 73%                     |
| 1994 | 28%                      | 72%                     |
| 1995 | 30%                      | 70%                     |
| 1996 | 31%                      | 69%                     |
| 1997 | 33%                      | 67%                     |
| 1998 | 33%                      | 67%                     |
| 1999 | 34%                      | 66%                     |
| 2000 | 35%                      | 65%                     |
| 2001 | 35%                      | 65%                     |
| 2002 | 35%                      | 65%                     |
| 2003 | 35%                      | 65%                     |
| 2004 | 36%                      | 64%                     |
| 2005 | 37%                      | 63%                     |
| 2006 | 38%                      | 62%                     |
| 2007 | 38%                      | 62%                     |
| 2008 | 39%                      | 61%                     |
| 2009 | 41%                      | 59%                     |
| 2010 | 42%                      | 58%                     |
| 2011 | 43%                      | 57%                     |
| 2012 | 44%                      | 56%                     |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Chart 4.3

Table 4.3: Annual Change in Hospital Operating Revenue and Expenses per Adjusted Admission,<sup>(1)</sup> 1992 – 2012

| Year | Expenses per Adjusted Admission | Operating Revenue per Adjusted Admission | Percent Change Expenses | Percent Change Operating Revenue |
|------|---------------------------------|--|-------------------------|----------------------------------|
| 1992 | \$5,794                         | \$5,958                                  | 8.1%                    | 8.7%                             |
| 1993 | \$6,132                         | \$6,290                                  | 5.8%                    | 5.6%                             |
| 1994 | \$6,230                         | \$6,446                                  | 1.6%                    | 2.5%                             |
| 1995 | \$6,216                         | \$6,466                                  | -0.2%                   | 0.3%                             |
| 1996 | \$6,225                         | \$6,522                                  | 0.2%                    | 0.9%                             |
| 1997 | \$6,262                         | \$6,526                                  | 0.6%                    | 0.1%                             |
| 1998 | \$6,386                         | \$6,589                                  | 2.0%                    | 1.0%                             |
| 1999 | \$6,509                         | \$6,647                                  | 1.9%                    | 0.9%                             |
| 2000 | \$6,668                         | \$6,806                                  | 2.5%                    | 2.4%                             |
| 2001 | \$6,980                         | \$7,172                                  | 4.7%                    | 5.4%                             |
| 2002 | \$7,355                         | \$7,636                                  | 5.4%                    | 6.5%                             |
| 2003 | \$7,796                         | \$8,065                                  | 6.0%                    | 5.6%                             |
| 2004 | \$8,166                         | \$8,469                                  | 4.7%                    | 5.0%                             |
| 2005 | \$8,535                         | \$8,865                                  | 4.5%                    | 4.7%                             |
| 2006 | \$8,970                         | \$9,345                                  | 5.1%                    | 5.4%                             |
| 2007 | \$9,377                         | \$9,797                                  | 4.5%                    | 4.8%                             |
| 2008 | \$9,788                         | \$10,123                                 | 4.4%                    | 3.3%                             |
| 2009 | \$10,045                        | \$10,503                                 | 2.6%                    | 3.7%                             |
| 2010 | \$10,313                        | \$10,917                                 | 2.7%                    | 3.9%                             |
| 2011 | \$10,533                        | \$11,146                                 | 2.1%                    | 2.1%                             |
| 2012 | \$11,221                        | \$12,004                                 | 6.5%                    | 7.7%                             |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> An aggregate measure of workload reflecting the number of inpatient admissions, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient admission in terms of level of effort.

Data for Chart 4.4



Table 4.4: Aggregate Hospital Payment-to-cost Ratios for Private Payers, Medicare and Medicaid, 1992 – 2012

| Year | Medicare <sup>(1)</sup> | Medicaid <sup>(2)</sup> | Private Payer |
|------|-------------------------|-------------------------|---------------|
| 1992 | 89.0%                   | 89.5%                   | 131.8%        |
| 1993 | 89.9%                   | 89.6%                   | 130.1%        |
| 1994 | 96.9%                   | 93.7%                   | 124.4%        |
| 1995 | 99.4%                   | 94.0%                   | 124.0%        |
| 1996 | 102.4%                  | 94.9%                   | 121.6%        |
| 1997 | 103.7%                  | 96.0%                   | 117.5%        |
| 1998 | 101.9%                  | 96.6%                   | 115.8%        |
| 1999 | 100.0%                  | 95.7%                   | 115.1%        |
| 2000 | 99.1%                   | 94.5%                   | 115.7%        |
| 2001 | 98.4%                   | 95.8%                   | 116.5%        |
| 2002 | 97.9%                   | 96.1%                   | 119.0%        |
| 2003 | 95.3%                   | 92.3%                   | 122.3%        |
| 2004 | 91.9%                   | 89.9%                   | 128.9%        |
| 2005 | 92.3%                   | 87.1%                   | 129.4%        |
| 2006 | 91.3%                   | 85.8%                   | 130.3%        |
| 2007 | 90.6%                   | 87.9%                   | 132.2%        |
| 2008 | 90.9%                   | 88.7%                   | 128.3%        |
| 2009 | 90.1%                   | 89.0%                   | 134.1%        |
| 2010 | 92.4%                   | 92.8%                   | 133.5%        |
| 2011 | 91.4%                   | 94.7%                   | 134.5%        |
| 2012 | 85.9%                   | 88.9%                   | 148.9%        |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

(1) Includes Medicare Disproportionate Share payments.

(2) Includes Medicaid Disproportionate Share payments.

Data for Chart 4.6

Table 4.5: Hospital Payment Shortfall Relative to Costs for Medicare, Medicaid, and Other Government, 1997 – 2012<sup>(1)</sup>

| Year | Medicare<br>(billions) | Medicaid<br>(billions) | Other Government<br>(billions) |
|------|------------------------|------------------------|--------------------------------|
| 1997 | \$4.3                  | -\$1.6                 | -\$0.7                         |
| 1998 | \$2.3                  | -\$1.4                 | -\$0.6                         |
| 1999 | -\$0.1                 | -\$1.8                 | -\$0.4                         |
| 2000 | -\$1.3                 | -\$2.5                 | -\$0.4                         |
| 2001 | -\$2.3                 | -\$2.0                 | -\$0.6                         |
| 2002 | -\$3.3                 | -\$2.3                 | -\$0.6                         |
| 2003 | -\$8.1                 | -\$4.9                 | -\$0.5                         |
| 2004 | -\$15.0                | -\$7.1                 | -\$0.5                         |
| 2005 | -\$15.5                | -\$9.8                 | -\$0.4                         |
| 2006 | -\$18.6                | -\$11.3                | \$1.1                          |
| 2007 | -\$21.5                | -\$10.4                | \$1.4                          |
| 2008 | -\$21.9                | -\$10.5                | \$1.2                          |
| 2009 | -\$25.2                | -\$11.3                | \$0.4                          |
| 2010 | -\$20.1                | -\$7.8                 | \$0.4                          |
| 2011 | -\$23.8                | -\$6.0                 | \$0.0                          |
| 2012 | -\$42.3                | -\$13.7                | -\$1.3                         |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> Costs reflect a cap of 1.0 on the cost-to-charge ratio.

Data for Chart 4.7



# APPENDIX 5

Supplementary Data Tables  
Workforce





Table 5.1: Total Number of Active Physicians<sup>(1)</sup> per 1,000 Persons by State, 2010 and 2011

| State                | Physicians per 1,000 Persons |      | State          | Physicians per 1,000 Persons |      |
|----------------------|------------------------------|------|----------------|------------------------------|------|
|                      | 10                           | 11   |                | 10                           | 11   |
| Alabama              | 2.14                         | 2.14 | Montana        | 2.25                         | 2.21 |
| Alaska               | 2.43                         | 2.43 | Nebraska       | 2.45                         | 2.47 |
| Arizona              | 2.26                         | 2.38 | Nevada         | 1.98                         | 1.94 |
| Arkansas             | 2.02                         | 2.05 | New Hampshire  | 2.95                         | 3.01 |
| California           | 2.61                         | 2.62 | New Jersey     | 3.18                         | 3.20 |
| Colorado             | 2.69                         | 2.74 | New Mexico     | 2.38                         | 2.38 |
| Connecticut          | 3.60                         | 3.65 | New York       | 3.64                         | 3.74 |
| Delaware             | 2.63                         | 2.64 | North Carolina | 2.50                         | 2.50 |
| District of Columbia | 7.69                         | 7.64 | North Dakota   | 2.50                         | 2.42 |
| Florida              | 2.60                         | 2.58 | Ohio           | 2.85                         | 2.91 |
| Georgia              | 2.13                         | 2.19 | Oklahoma       | 2.10                         | 2.09 |
| Hawaii               | 3.13                         | 2.98 | Oregon         | 2.83                         | 2.90 |
| Idaho                | 1.84                         | 1.81 | Pennsylvania   | 3.26                         | 3.30 |
| Illinois             | 2.79                         | 2.85 | Rhode Island   | 3.71                         | 3.78 |
| Indiana              | 2.22                         | 2.22 | South Carolina | 2.33                         | 2.30 |
| Iowa                 | 2.18                         | 2.17 | South Dakota   | 2.30                         | 2.31 |
| Kansas               | 2.40                         | 2.43 | Tennessee      | 2.60                         | 2.64 |
| Kentucky             | 2.31                         | 2.32 | Texas          | 2.15                         | 2.18 |
| Louisiana            | 2.54                         | 2.60 | Utah           | 2.10                         | 2.15 |
| Maine                | 3.18                         | 3.17 | Vermont        | 3.57                         | 3.57 |
| Maryland             | 3.91                         | 3.93 | Virginia       | 2.70                         | 2.71 |
| Massachusetts        | 4.34                         | 4.45 | Washington     | 2.71                         | 2.71 |
| Michigan             | 2.89                         | 2.94 | West Virginia  | 2.55                         | 2.56 |
| Minnesota            | 3.01                         | 3.00 | Wisconsin      | 2.68                         | 2.68 |
| Mississippi          | 1.83                         | 1.85 | Wyoming        | 1.97                         | 1.93 |
| Missouri             | 2.63                         | 2.71 |                |                              |      |

Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.  
<sup>(1)</sup> Includes active federal and non-federal doctors of medicine and active doctors of osteopathy.

Data for Chart 5.2



Table 5.2: Medical and Dental Residents<sup>(1)</sup> in Training in Community Hospitals, 1992 – 2012

| Year | Residents |
|------|-----------|
| 1992 | 69,111    |
| 1993 | 73,377    |
| 1994 | 74,027    |
| 1995 | 78,137    |
| 1996 | 77,160    |
| 1997 | 75,398    |
| 1998 | 78,345    |
| 1999 | 77,796    |
| 2000 | 77,411    |
| 2001 | 77,731    |
| 2002 | 78,715    |
| 2003 | 77,813    |
| 2004 | 84,628    |
| 2005 | 83,823    |
| 2006 | 85,320    |
| 2007 | 92,311    |
| 2008 | 90,543    |
| 2009 | 94,729    |
| 2010 | 95,270    |
| 2011 | 99,458    |
| 2012 | 102,904   |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

<sup>(1)</sup> Includes full-time equivalent interns and residents.

Data for Chart 5.3





Table 5.3: Total Full-time Equivalent Employees Working in Hospitals and Full-time Equivalents per Adjusted Admission,<sup>(1)</sup> 1992 – 2012

| Year | FTE Personnel | FTE per Adjusted Admission |
|------|---------------|----------------------------|
| 1992 | 3,615,145     | 0.084                      |
| 1993 | 3,674,250     | 0.085                      |
| 1994 | 3,690,905     | 0.083                      |
| 1995 | 3,707,958     | 0.081                      |
| 1996 | 3,724,843     | 0.079                      |
| 1997 | 3,789,752     | 0.078                      |
| 1998 | 3,831,068     | 0.077                      |
| 1999 | 3,837,964     | 0.075                      |
| 2000 | 3,911,412     | 0.073                      |
| 2001 | 3,987,274     | 0.073                      |
| 2002 | 4,069,495     | 0.072                      |
| 2003 | 4,108,628     | 0.071                      |
| 2004 | 4,147,941     | 0.070                      |
| 2005 | 4,256,899     | 0.070                      |
| 2006 | 4,343,480     | 0.071                      |
| 2007 | 4,465,028     | 0.072                      |
| 2008 | 4,549,560     | 0.071                      |
| 2009 | 4,584,624     | 0.070                      |
| 2010 | 4,599,752     | 0.070                      |
| 2011 | 4,649,615     | 0.070                      |
| 2012 | 4,730,948     | 0.070                      |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.  
<sup>(1)</sup> An aggregate measure of workload reflecting the number of inpatient admissions, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient admission in terms of level of effort.

Data for Charts 5.4 and 5.5



Table 5.4: Number of RN Full-time Equivalent Employees, RN Full-time Equivalent Employees per Adjusted Admission and RN Full-time Equivalents as a Percentage of Total FTEs, 1992 – 2012

| Year | RN FTEs (thousands) | RN FTEs per Adjusted Admission | RN FTEs as a Percent of Total FTEs |
|------|---------------------|--------------------------------|------------------------------------|
| 1992 | 858.9               | 0.0201                         | 23.8%                              |
| 1993 | 874.1               | 0.0201                         | 23.8%                              |
| 1994 | 890.9               | 0.0201                         | 24.1%                              |
| 1995 | 893.7               | 0.0195                         | 24.1%                              |
| 1996 | 895.1               | 0.0190                         | 24.0%                              |
| 1997 | 901.2               | 0.0185                         | 23.8%                              |
| 1998 | 929.7               | 0.0186                         | 24.3%                              |
| 1999 | 938.1               | 0.0182                         | 24.4%                              |
| 2000 | 957.6               | 0.0179                         | 24.5%                              |
| 2001 | 958.0               | 0.0174                         | 24.0%                              |
| 2002 | 988.1               | 0.0174                         | 24.3%                              |
| 2003 | 1,021.3             | 0.0177                         | 24.9%                              |
| 2004 | 1,053.1             | 0.0179                         | 25.4%                              |
| 2005 | 1,094.2             | 0.0181                         | 25.7%                              |
| 2006 | 1,138.6             | 0.0185                         | 26.2%                              |
| 2007 | 1,191.2             | 0.0192                         | 26.7%                              |
| 2008 | 1,228.4             | 0.0192                         | 27.0%                              |
| 2009 | 1,268.7             | 0.0194                         | 27.7%                              |
| 2010 | 1,293.9             | 0.0197                         | 28.1%                              |
| 2011 | 1,313.6             | 0.0197                         | 28.3%                              |
| 2012 | 1,351.2             | 0.0200                         | 28.6%                              |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Charts 5.6 and 5.7



Table 5.5: Number of Physicians<sup>(1)</sup> by Age, 1980, 1990, 2000 and 2012

| Age Group                    | 1980           | 1990           | 2000           | 2012             |
|------------------------------|----------------|----------------|----------------|------------------|
| Under 35                     | 128,506        | 134,872        | 136,704        | 152,583          |
| 35-44                        | 118,840        | 184,743        | 211,873        | 219,926          |
| 45-54                        | 88,063         | 116,803        | 201,646        | 215,295          |
| 55-64                        | 68,239         | 83,614         | 118,608        | 208,894          |
| 65 & Over                    | 64,031         | 95,389         | 144,939        | 230,090          |
| <b>Total # of Physicians</b> | <b>467,679</b> | <b>615,421</b> | <b>813,770</b> | <b>1,026,788</b> |

Source: American Medical Association. (2014 Edition). *Physician Characteristics and Distribution in the US*.

<sup>(1)</sup> Includes inactive physicians and residents.

Data for Chart 5.8

Table 5.6: RN Employment by Type of Provider, 2000 and 2008 – 2010<sup>(1)</sup>

|   | 2000  | 2008-2010 |
|---|-------|-----------|
| <b>Percent Employed by Hospitals</b>                              | 62.7% | 63.2%     |
| <b>Percent Employed by Nursing Homes/Extended Care Facilities</b> | 8.8%  | 7.7%      |
| <b>Percent Employed by Public/Community Health</b>                | 7.4%  | 6.6%      |
| <b>All Other</b>  | 21.1% | 22.5%     |

Source: Bureau of Health Professions, Health Resources and Services Administration. (2013). *The U.S. Nursing Workforce: Trends in Supply and Education*.

Link: <http://bhpr.hrsa.gov/healthworkforce/supplydemand/nursing/nursingworkforce/nursingworkforcefullreport.pdf>.

<sup>(1)</sup> Total percent by setting may not equal the estimated total of all registered nurses due to incomplete information provided by respondents and the effect of rounding.

<sup>(2)</sup> Category includes offices of physicians, outpatient care centers, other healthcare services, employment services, insurance carriers and related activities, administration of human resource programs, offices of other health practitioners, colleges and universities (including junior colleges) and all other settings.

<sup>(3)</sup> Category includes home healthcare services, elementary and secondary schools and justice, public order and safety activities.

<sup>(4)</sup> Category includes nursing care facilities and residential care facilities, without nursing.

Data for Chart 5.9



Table 5.7: Distribution of RN Workforce by Age Group, 1980 – 2008

| Age Group      | 1980      | 1990      | 2000      | 2004      | 2008      |
|----------------|-----------|-----------|-----------|-----------|-----------|
| 20s            | 321,316   | 252,890   | 247,123   | 233,437   | 288,184   |
| 30s            | 320,101   | 536,442   | 614,728   | 532,707   | 613,971   |
| 40s            | 224,468   | 419,766   | 935,866   | 916,956   | 791,932   |
| 50s            | 171,240   | 206,647   | 585,497   | 801,643   | 892,952   |
| 60s            | 36,716    | 46,372    | 313,675   | 395,450   | 389,796   |
| Total # of RNs | 1,073,841 | 1,462,117 | 2,696,890 | 2,880,193 | 2,976,835 |

Source: Bureau of Health Professions, Health Resources and Services Administration. (1980-2004). *Findings from the National Survey of Registered Nurses*. Link: <http://bhpr.hrsa.gov/healthworkforce/supplydemand/nursing/rnsamplesurvey/rnsurvey2004.pdf>. Bureau of Health Professions, Health Resources and Services Administration. (2010). *Findings from the 2008 National Sample Survey of Registered Nurses*. Link: <http://bhpr.hrsa.gov/healthworkforce/rnsurveys/rnsurveyfinal.pdf>.

Data for Chart 5.10



Table 5.8: National Supply and Demand Projections for FTE RNs, 2018 – 2025

| Year | RN FTE Supply | RN FTE Demand |
|------|---------------|---------------|
| 2018 | 2,703,969     | 2,719,954     |
| 2019 | 2,716,771     | 2,771,930     |
| 2020 | 2,727,231     | 2,824,900     |
| 2021 | 2,737,616     | 2,874,900     |
| 2022 | 2,750,080     | 2,924,900     |
| 2023 | 2,771,303     | 2,974,900     |
| 2024 | 2,790,241     | 3,024,900     |
| 2025 | 2,816,303     | 3,074,900     |

Source: Copyrighted and published by Project HOPE/*Health Affairs* as Buerhaus PI, Auerbach DI, Staiger DO. The Recent Surge In Nurse Employment: Causes and Implications. *Health Affairs*, 2009; 28(4):w657-68. The published article is archived and available online at [www.healthaffairs.org](http://www.healthaffairs.org).

Data for Chart 5.12



# APPENDIX 6

Supplementary Data Tables  
The Economic Contribution  
of Hospitals





Table 6.1: Number of Full-time and Part-time Hospital Employees, 1993 – 2012

| Year | Employees<br>(thousands) |
|------|--------------------------|
| 1993 | 4,315.7                  |
| 1994 | 4,347.8                  |
| 1995 | 4,384.8                  |
| 1996 | 4,397.9                  |
| 1997 | 4,495.5                  |
| 1998 | 4,536.4                  |
| 1999 | 4,544.4                  |
| 2000 | 4,652.9                  |
| 2001 | 4,713.4                  |
| 2002 | 4,818.1                  |
| 2003 | 4,876.7                  |
| 2004 | 4,922.9                  |
| 2005 | 5,047.1                  |
| 2006 | 5,152.1                  |
| 2007 | 5,287.5                  |
| 2008 | 5,379.9                  |
| 2009 | 5,405.6                  |
| 2010 | 5,416.7                  |
| 2011 | 5,480.3                  |
| 2012 | 5,579.4                  |

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2012, for community hospitals.

Data for Chart 6.2



Table 6.2: Hospital Employment vs. Employment in Other Industries, 2013

| Title   | Employment<br>(thousands) |
|---|---------------------------|
| Full-service Restaurants                            | 4925.3                    |
| General Medical & Surgical Hospitals <sup>(1)</sup> | 4444.6                    |
| Limited-service Eating Places                       | 3818.7                    |
| Employment Services                                 | 3323.2                    |
| Grocery Stores                                      | 2563.8                    |
| Offices of Physicians                               | 2437.1                    |
| Building Equipment Contractors                      | 1740.1                    |
| Department Stores                                   | 1344.7                    |

Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2014. Link: <http://www.bls.gov/ces>.

<sup>(1)</sup> Does not include public hospitals.

Data for Chart 6.4



Table 6.3: Average Weekly Earnings of Workers, Hospitals<sup>(1)</sup> vs. All Service-providing Industries, 1993 – 2013

| Year | Hospitals <sup>(2)</sup> | All Service-providing Industries |
|------|--------------------------|----------------------------------|
| 1993 | \$460.29                 | \$345.03                         |
| 1994 | \$473.34                 | \$354.97                         |
| 1995 | \$488.68                 | \$364.14                         |
| 1996 | \$499.54                 | \$376.72                         |
| 1997 | \$518.48                 | \$394.77                         |
| 1998 | \$535.47                 | \$412.78                         |
| 1999 | \$547.33                 | \$427.30                         |
| 2000 | \$569.90                 | \$445.00                         |
| 2001 | \$608.41                 | \$460.32                         |
| 2002 | \$638.23                 | \$473.10                         |
| 2003 | \$674.34                 | \$483.89                         |
| 2004 | \$715.12                 | \$493.67                         |
| 2005 | \$762.07                 | \$509.58                         |
| 2006 | \$794.24                 | \$532.84                         |
| 2007 | \$876.80                 | \$690.09                         |
| 2008 | \$920.70                 | \$709.79                         |
| 2009 | \$946.11                 | \$719.27                         |
| 2010 | \$980.15                 | \$734.98                         |
| 2011 | \$1,009.52               | \$756.14                         |
| 2012 | \$1,028.74               | \$775.34                         |
| 2013 | \$1,052.09               | \$787.85                         |

Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2014. Link: <http://www.bls.gov/ces>.

<sup>(1)</sup> Includes physicians employed by hospitals.

<sup>(2)</sup> Does not include public hospitals.

Data for Chart 6.5



# APPENDIX 7

Supplementary Data Tables  
Community Health Indicators

Table 7.1: U.S. Population Trends and Projections<sup>(1)</sup> by Age, 1980 – 2060

| <b>Year</b> | <b>Population<br/>0-19 Years<br/>(thousands)</b> | <b>Population<br/>20-64 Years<br/>(thousands)</b> | <b>Population<br/>65-84 Years<br/>(thousands)</b> | <b>Population<br/>85+ Years<br/>(thousands)</b> |
|-------------|--|---|---|---|
| 1980        | 72,416   | 128,631   | 23,306  | 2,193   |
| 1990        | 71,322   | 146,146   | 28,162  | 3,080   |
| 2000        | 80,549   | 165,957   | 30,752  | 4,240   |
| 2010        | 83,268   | 185,210   | 34,775  | 5,493   |
| 2015        | 82,921   | 190,746   | 41,389  | 6,306   |
| 2020        | 84,537   | 193,392   | 49,276  | 6,693   |
| 2025        | 86,725   | 194,632   | 57,662  | 7,389   |
| 2030        | 89,014   | 196,683   | 63,828  | 8,946   |
| 2035        | 90,656   | 201,691   | 65,736  | 11,578  |
| 2040        | 91,957   | 208,337   | 65,605  | 14,114  |
| 2045        | 93,503   | 215,145   | 64,775  | 16,512  |
| 2050        | 95,422   | 220,643   | 65,760  | 17,979  |
| 2055        | 97,437   | 225,126   | 69,109  | 18,199  |
| 2060        | 99,221   | 229,012   | 73,845  | 18,187  |

Source: U.S. Department of Commerce, Bureau of the Census. *Projections of the Population by Age and Sex for the United States: 2010-2060*.

(1) Years 2015 through 2060 are projections.

Data for Chart 7.1



Table 7.2: U.S. Population Trends and Projections<sup>(1)</sup> by Race,<sup>(2)</sup> 2015 – 2060

| Year | White, Non-Hispanic<br>(thousands) | Black<br>(thousands) | White, Hispanic<br>(thousands) | Asian<br>(thousands) | All Other <sup>(3)</sup><br>(thousands) |
|------|------------------------------------|----------------------|--------------------------------|----------------------|---|
| 2015 | 198,449                            | 42,532               | 248,725                        | 17,009               | 13,097                                  |
| 2020 | 199,313                            | 44,810               | 255,346                        | 18,884               | 14,856                                  |
| 2025 | 199,557                            | 47,064               | 261,761                        | 20,830               | 16,754                                  |
| 2030 | 198,817                            | 49,246               | 267,604                        | 22,833               | 18,787                                  |
| 2035 | 196,886                            | 51,348               | 272,493                        | 24,849               | 20,973                                  |
| 2040 | 193,887                            | 53,412               | 276,438                        | 26,838               | 23,328                                  |
| 2045 | 190,221                            | 55,474               | 279,798                        | 28,798               | 25,863                                  |
| 2050 | 186,334                            | 57,553               | 282,959                        | 30,726               | 28,565                                  |
| 2055 | 182,531                            | 59,662               | 286,182                        | 32,613               | 31,415                                  |
| 2060 | 178,951                            | 61,822               | 289,587                        | 34,448               | 34,412                                  |

Source: U.S. Department of Commerce, Bureau of the Census. *Projections of the Population by Sex, Race, and Hispanic Origin for the United States: 2015-2060*

(1) Years 2015 through 2060 are projections.

(2) Black, Asian, and All Other categories include individuals of Hispanic and non-Hispanic origin.

(3) All Other includes American Indian, Native Alaskan, Native Hawaiian, other Pacific Islander and two or more races.

Data for Chart 7.2

Table 7.3: Age-adjusted Death Rates, Selected Causes, by Race, 2010

| Cause of Death                     | All Persons<br>(per 100,000) | White <sup>(1)</sup><br>(per 100,000) | Black <sup>(1)</sup><br>(per 100,000) |
|------------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| Diseases of the Heart              | 179.1                        | 176.9                                 | 224.9                                 |
| Malignant Neoplasms                | 172.8                        | 172.4                                 | 203.8                                 |
| Cerebrovascular Disease            | 39.1                         | 37.7                                  | 53.0                                  |
| Chronic Lower Respiratory Diseases | 42.2                         | 44.6                                  | 29.0                                  |
| Diabetes                           | 20.8                         | 19.0                                  | 38.7                                  |
| Influenza and Pneumonia            | 15.1                         | 14.9                                  | 16.8                                  |
| HIV Infection                      | 2.6                          | 1.4                                   | 11.6                                  |

Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> Racial categories include individuals of both Hispanic and non-Hispanic origin.

Data for Chart 7.3

Table 7.4: Number of Persons with Asthma, 1980 – 2012

| Year | Total<br>(millions) |
|------|---------------------|
| 1980 | 6.98                |
| 1990 | 10.31               |
| 2001 | 31.35               |
| 2005 | 32.62               |
| 2006 | 34.13               |
| 2007 | 34.01               |
| 2008 | 38.43               |
| 2009 | 39.93               |
| 2010 | 39.19               |
| 2011 | 39.50               |
| 2012 | 39.98               |

Source: Centers for Disease Control and Prevention (2002). "Asthma Surveillance – United States, 1980-1999." National Center for Health Statistics. National Health Interview Survey 2001, 2005, 2006, 2007, 2008, 2009, 2010, 2011 and 2012.

Data for Chart 7.6



Table 7.5: Percent of Adults Who Are Overweight<sup>(1)</sup> and Obese, 1960 – 2012

| Years     | Overweight <sup>(2)</sup> | Obese |
|-----------|---------------------------|-------|
| 1960-1962 | 44.8%                     | 13.3% |
| 1976-1980 | 47.4%                     | 15.1% |
| 1988-1994 | 56.0%                     | 23.3% |
| 1999-2002 | 65.2%                     | 31.1% |
| 2003-2006 | 66.9%                     | 34.1% |
| 2009-2012 | 68.8%                     | 35.7% |

Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> Data are adjusted to 2000 standard population.

<sup>(2)</sup> Overweight includes obese.

Data for Chart 7.8

Table 7.6: Percent Uninsured by Race,<sup>(1)(2)</sup> 1984 – 2012

| Year | All   | White | Black | Asian | Hispanic |
|------|-------|-------|-------|-------|----------|
| 1984 | 14.5% | 11.9% | 19.7% | 18.5% | 29.5%    |
| 1989 | 15.6% | 12.1% | 21.5% | 16.9% | 33.7%    |
| 1995 | 16.1% | 13.0% | 17.9% | 18.6% | 31.4%    |
| 2000 | 17.0% | 12.5% | 19.5% | 17.6% | 35.6%    |
| 2008 | 16.8% | 12.5% | 17.9% | 13.9% | 33.3%    |
| 2009 | 17.5% | 13.2% | 18.8% | 16.2% | 32.9%    |
| 2010 | 18.2% | 13.7% | 20.7% | 17.1% | 32.0%    |
| 2011 | 17.2% | 12.9% | 18.8% | 16.5% | 31.1%    |
| 2012 | 16.9% | 12.7% | 17.8% | 16.8% | 30.4%    |

Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> White and Black categories include individuals of non-Hispanic origin only. Asian category includes individuals of Hispanic and non-Hispanic origin.

<sup>(2)</sup> Data for population under age 65.

Data for Chart 7.13



Table 7.7: Percent of Persons with No Usual Source of Care by Race,<sup>(1)</sup> 1993 – 2012

| Year                           | White | Black | Asian | Hispanic |
|--------------------------------|-------|-------|-------|----------|
| <b>Adults, Ages 18 – 64</b>    |       |       |       |          |
| 1993-1994                      | 17.1  | 19.7  | 24.8  | 30.3     |
| 1995-1996                      | 15.0  | 18.1  | 21.5  | 27.4     |
| 1997-1998                      | 15.4  | 19.3  | 21.7  | 30.4     |
| 1999-2000                      | 14.9  | 19.2  | 22.1  | 32.6     |
| 2001-2002                      | 13.1  | 16.8  | 20.1  | 32.5     |
| 2003-2004                      | 14.0  | 18.1  | 19.3  | 32.9     |
| 2005-2006                      | 14.8  | 19.2  | 17.9  | 35.1     |
| 2006-2007                      | 15.2  | 18.9  | 17.3  | 34.3     |
| 2007-2008                      | 15.1  | 20.2  | 17.8  | 32.5     |
| 2008-2009                      | 16.0  | 21.4  | 19.4  | 32.8     |
| 2009-2010                      | 16.8  | 22.2  | 20.8  | 33.3     |
| 2010-2011                      | 15.8  | 22.1  | 20.8  | 33.3     |
| 2011-2012                      | 15.5  | 21.6  | 20.8  | 33.6     |
| <b>Children Under 18 Years</b> |       |       |       |          |
| 1993-1994                      | 5.7   | 10.2  | 9.7   | 14.3     |
| 1995-1996                      | 4.6   | 7.5   | 8.4   | 13.2     |
| 1997-1998                      | 4.5   | 8.8   | 10.7  | 13.2     |
| 1999-2000                      | 4.7   | 7.6   | 10.0  | 14.2     |
| 2001-2002                      | 3.4   | 6.6   | 11.2  | 13.5     |
| 2003-2004                      | 3.2   | 6.2   | 7.7   | 11.4     |
| 2005-2006                      | 3.3   | 5.4   | 7.7   | 11.5     |
| 2006-2007                      | 4.0   | 4.9   | 7.1   | 11.3     |
| 2008-2009                      | 4.1   | 5.7   | 5.1   | 9.4      |
| 2009-2010                      | 3.8   | 5.4   | 6.1   | 9.5      |
| 2010-2011                      | 3.1   | 5.4   | 5.8   | 7.9      |
| 2011-2012                      | 2.9   | 4.5   | 5.6   | 6.2      |

Source: National Center for Health Statistics. (2014). *Health, United States, 2013*. Hyattsville, MD.

<sup>(1)</sup> White and Black categories include individuals of non-Hispanic origin only. Asian category includes individuals of Hispanic and non-Hispanic origin.

Data for Charts 7.14, 7.16





# GLOSSARY



**Adjusted Admission** – An aggregate measure of workload reflecting the sum of admissions and equivalent admissions attributed to outpatient services. The number of equivalent admissions attributed to outpatient services is derived by multiplying admissions by the ratio of outpatient revenue to inpatient revenue.

**Assisted Living** – Special combination of housing, supportive services, personalized assistance and health care designed to respond to the individual needs of those who require assistance in activities of daily living. Supportive services are available, 24 hours a day, to meet scheduled and unscheduled needs, in a way that promotes maximum independence and dignity for each resident and encourages the involvement of a resident's family, neighbors and friends.

**Average Age of Plant** – Accumulated depreciation divided by current depreciation expense.

**Community Hospitals** – Nonfederal, short-term general, and special hospitals whose facilities and services are available to the public (e.g., obstetrics and gynecology; eye; ear, nose, and throat; rehabilitation; orthopedic; and other individually described specialty services).

**FTE per Adjusted Admission** – The number of full-time equivalent staff, converted to the number of employees who work full-time divided by the number of adjusted admissions.

**Group Practice without Walls** – Hospital sponsored physician group. The group shares administrative expenses, although the physicians remain independent practitioners.

**Health System** – Hospitals belonging to a corporate body that owns and/or manages health provider facilities or health-related subsidiaries. The system may also own non-health-related facilities.

**Home Health Service** – Service providing nursing, therapy, and health related home-maker or social services in the patient's home.

**Horizontal Integration** – Merging of two or more firms at the same level of production in some formal, legal relationship. In hospital networks, this may refer to the grouping of several hospitals, outpatient clinics with the hospital, or a geographic network of various health care services.

**Hospice** – Program providing palliative care, chiefly medical relief of pain and supportive services, addressing the emotional, social, financial, and legal needs of terminally ill patients and their families. This care can be provided in a variety of settings, both inpatient and at home.

**Hospital Income from Investments and Other Non-operating Gains** – Income not associated with the central operations of the hospital facility. Non-operating gains include income from non-operating activities, including investments, endowments and extraordinary gains, as well as the value of non-realized gains from investments.

**Hospital Total Net Revenue** – Net patient revenue plus all other revenue, including contributions, endowment revenue, governmental grants, and all other payments not made on behalf of individual patients.

**Hospital Operating Margin** – Difference between operating revenue and operating expenses divided by operating revenue; excludes non-operating revenue.

**Hospital Patient Margin** – Difference between net patient revenue and total expenses divided by net patient revenue.

**Hospital Total Margin** – Difference between total net revenue and total expenses divided by total net revenue.

**Independent Practice Association (IPA)** – Legal entity that holds managed care contracts and contracts with physicians to provide care either on a fee-for-service or capitated basis.

**Inpatient Surgery** – Surgical services provided to patients who remain in the hospital overnight.

**Long Term Care** – Package of services provided to those who are aged, chronically ill, or disabled. Services are delivered for a sustained period to individuals who have a demonstrated need, usually measured by functional dependency.

**Management Services Organization (MSO)** – Corporation often owned by the hospital or a physician/hospital joint venture that provides management services to one or more medical group practices. As part of a full-services management agreement, the MSO purchases the tangible assets of the practices and leases them back, employs all non-physician staff and provides all supplies/administrative systems for a fee.

**Meals on Wheels** – Hospital sponsored program which delivers meals to people, usually the elderly, who are unable to prepare their own meals. Low cost, nutritional meals are delivered to individuals' homes on a regular basis.

**Medicaid Margin** – Difference between revenue from Medicaid and expenses associated with treating Medicaid patients, divided by revenue from Medicaid.

**Medicare Margin** – Difference between revenue from Medicare and expenses associated with treating Medicare patients, divided by revenue from Medicare.

**Niche Providers** – Providers that focus on a specific set of medical services, a particular population, or a limited set of medical conditions.

**Non-patient Hospital Costs** – Costs not associated with direct patient care, such as the costs of running cafeterias, parking lots and gift shops.

**Outpatient Surgery** – Scheduled surgical services provided to patients who do not remain in the hospital overnight. In the AHA Annual Survey, outpatient surgery may be performed in operating suites also used for inpatient surgery, specially designated surgical suites for outpatient surgery or procedure rooms within an outpatient care facility.

**Outpatient Visit** – Visit by a patient not lodged in the hospital while receiving medical, dental, or other services. Each visit an outpatient department makes to a discrete unit constitutes one visit regardless of the number of diagnostic and/or therapeutic treatments that the patient receives. Total outpatient visits should include all clinic visits, referred visits, observation services, outpatient surgeries and emergency room visits.

**Payment-to-cost Ratio** – Ratio illustrating the relationship between hospital payments and costs; a ratio equal to "1" reflects payments at 100 percent of costs.

#### **Physician Hospital Organization (PHO)**

**Closed PHO** – Joint venture between a hospital and physicians who have been selected on the basis of cost-effectiveness and/or high quality. The PHO can act as a unified agent in managed care contracting, own a managed care plan, own and operate ambulatory care centers or ancillary services projects, or provide administrative services to physician members.

**Open PHO** – Joint venture between a hospital and all members of the medical staff who wish to participate. The open PHO can act as a unified agent in managed care contracting, own a managed care plan, own and operate ambulatory care centers or ancillary services projects, or provide administrative services to physician members.



**Private Pay Margin** – Difference between revenue from non-government payers and expenses associated with treating private pay patients, divided by revenue from non-government payers.

**Skilled Nursing Facility** – Institution, or part of an institution, which is primarily engaged in providing to residents a certain level of skilled nursing care and/or rehabilitation services for the injured, disabled, or sick.

**Uncompensated Care** – Care provided by hospitals for which hospitals do not receive payment.

**Underwriting** – A health insurer or health plan accepts responsibility for paying the health care services of covered individuals in exchange for dollars, usually referred to as premiums. When a health insurer collects more in premiums than it pays in claim costs and administrative expenses, an underwriting gain is said to occur. If the total expenses exceed the premium dollars collected, an underwriting loss occurs.

**Underwriting Cycle** – Repeating pattern of gains and losses within the insurance industry.

**Vertical Integration** – Organization of production whereby one business entity controls or owns all stages of the production and distribution of goods or services. In health care, vertical integration can take different forms but most often refers to physicians, hospitals and health plans combining their organizations or processes in some manner to increase efficiencies and competitive strength or to improve quality of care. Integrated delivery systems or healthcare networks are generally vertically integrated.