Chapter 3:
Utilization and Volume
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Over the last 20 years, hospital inpatient volume has declined significantly as decreased utilization rates – measured in inpatient days per thousand population – outweighed population growth. In 2000, however, hospital days rose slightly for the second year, reflecting an increase in admissions even as length of stay continued to decline. The managed care backlash, population growth and aging, and changes in Medicare payment for home health and skilled nursing facilities may be driving this increased utilization (Charts 3.1 - 3.8).

Despite decreases in the number of hospitals with emergency departments, the number of ED visits has increased by about 19 percent since 1990 (Charts 3.9 - 3.10). In a recent AHA survey, 62 percent of hospitals reported their EDs were at or over capacity and 33 percent reported having to divert ambulances (Charts 3.11 - 3.12). Managed care backlash may be contributing to increased ED use as many states have passed laws requiring payment for ED visits that meet a “prudent layperson” standard for medical necessity. The Emergency Medical Treatment and Active Labor Act, a federal law, also guarantees access to ED care for uninsured populations who may have difficulty accessing other venues of care.

As new technology has allowed for more care to shift to outpatient departments, outpatient visits have increased by 150 percent since 1980 and outpatient utilization rates continue to increase. Outpatient surgeries now represent 63 percent of all surgeries up from 18 percent in 1980 (Charts 3.14 - 3.16).
Chart 3.1:
Inpatient Admissions in Community Hospitals
1980 - 2000

Chart 3.2:
Inpatient Discharges by Calendar Quarter
1999 - 2001


Source: National Hospital Indicators Survey, first quarter 1999 - fourth quarter 2001
Chart 3.3:
Total Inpatient Days in Community Hospitals
1980 - 2000


Chart 3.4:
Inpatient Days by Calendar Quarter
1999 - 2001

Source: National Hospital Indicator Survey, first quarter 1999 - fourth quarter 2001
Chart 3.5:
Inpatient Admissions per 1,000 Persons
1980 - 2000


Chart 3.6:
Inpatient Days per 1,000 Persons
1980 - 2000

Chart 3.7: Average Length of Stay in Community Hospitals 1980 - 2000


Chart 3.8: Average Length of Stay in Community Hospitals by State 2000

Source: The Lewin Group analysis of American Hospital Association Annual Survey data, 2000 for community hospitals
Chart 3.9: Emergency Department Visits and Emergency Departments in Community Hospitals 1990 - 2000


Chart 3.10: Hospital Emergency Department Visits per 1,000 Persons 1990 - 2000

Chart 3.11: Percentage of Hospitals Reporting Emergency Department Capacity Issues by Type of Hospital 2001

Source: The Lewin Group analysis of American Hospital Association Emergency Department and Hospital Capacity Survey, 2002

Chart 3.12: Percentage of Hospitals Reporting Time on Ambulance Diversion November 2001

Note: Diversion is not an option for most rural hospitals which are their communities’ only provider

Source: The Lewin Group analysis of American Hospital Association Emergency Department and Hospital Capacity Survey, 2002
Chart 3.13:
Percentage of Hospitals Reporting Factor as Number One Reason for Ambulance Diversion 2001

- Lack of Critical Care Beds: 43%
- ER Overcrowded: 24%
- Lack of General Acute Care Beds: 14%

Source: The Lewin Group analysis of American Hospital Association Emergency Department and Hospital Capacity Survey, 2002
Chart 3.14:
Total Hospital Outpatient Visits in Community Hospitals
1980 - 2000


Chart 3.15:
Hospital Outpatient Visits per 1,000 Persons
1980 - 2000

Chart 3.16:
Percentage Share of Inpatient vs. Outpatient Surgeries
1980 - 2000
