



TRENDWATCH

CHARTBOOK 2008

Trends Affecting Hospitals and Health Systems



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**American Hospital
Association**

TRENDWATCH CHARTBOOK 2008

Trends Affecting Hospitals and Health Systems

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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, released each year, that provide up-to-date information on health and hospital trends, and this Chartbook.

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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American Hospital Association
Liberty Place, Suite 900
325 Seventh Street, NW
Washington, DC 20004-2802
202.638.1100
www.aha.org



Avalere Health LLC
1350 Connecticut Ave., NW
Suite 900
Washington, DC 20036
202.207.1300
www.avalerehealth.net

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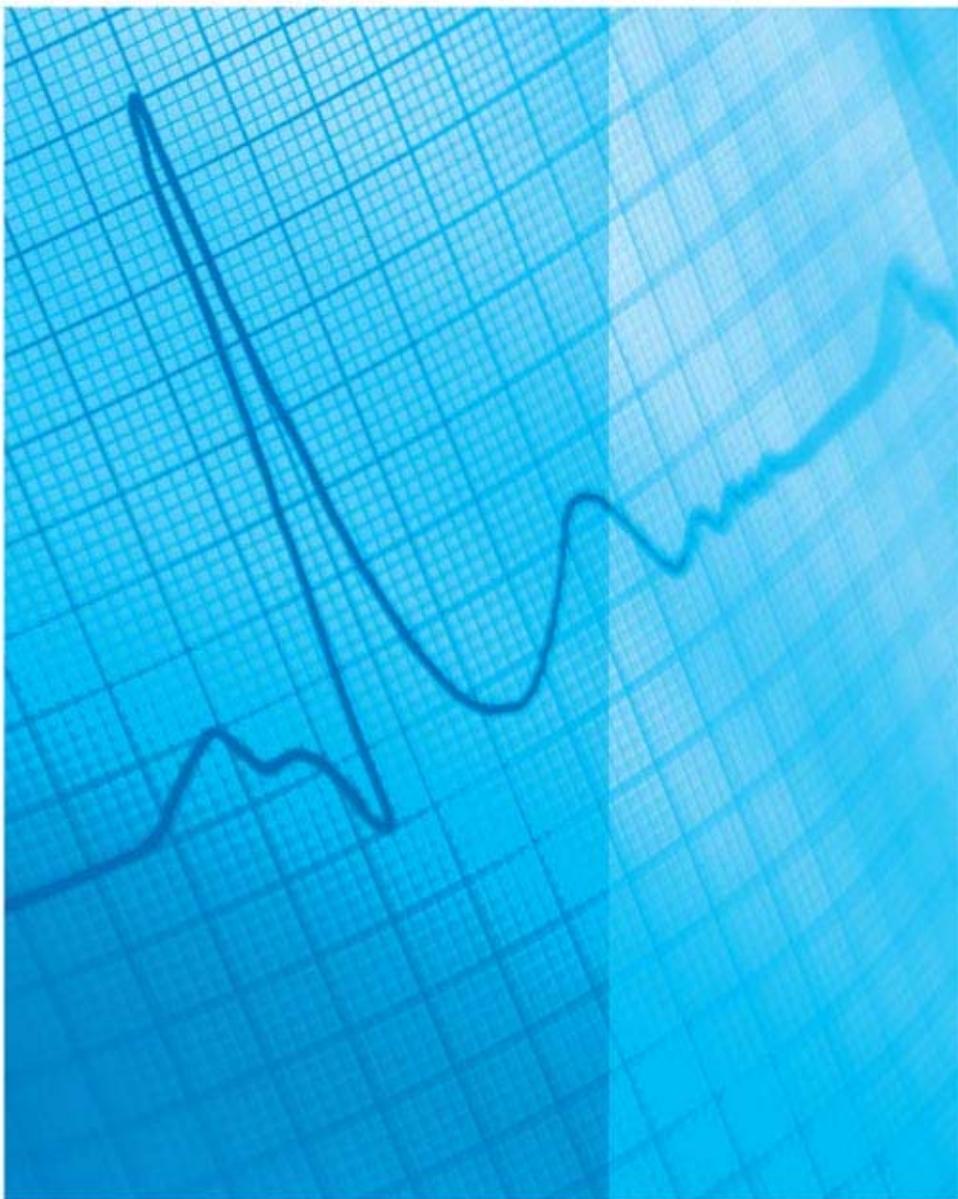
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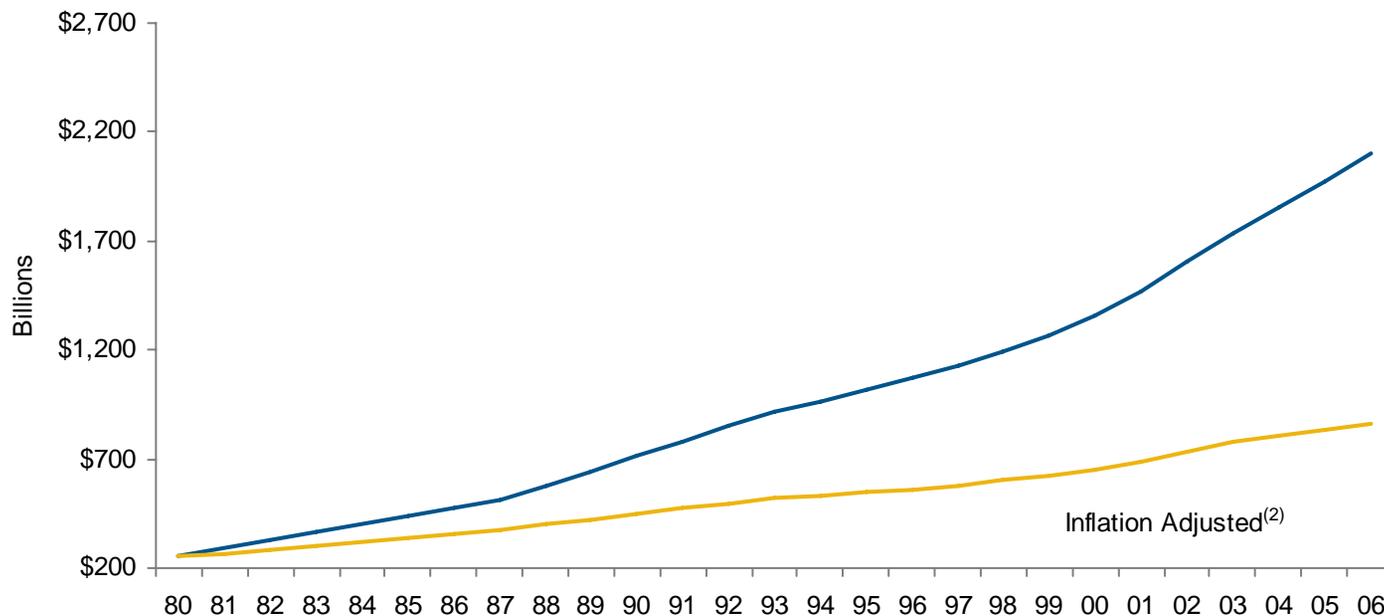
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CHAPTER 1

Trends in the Overall
Health Care Market

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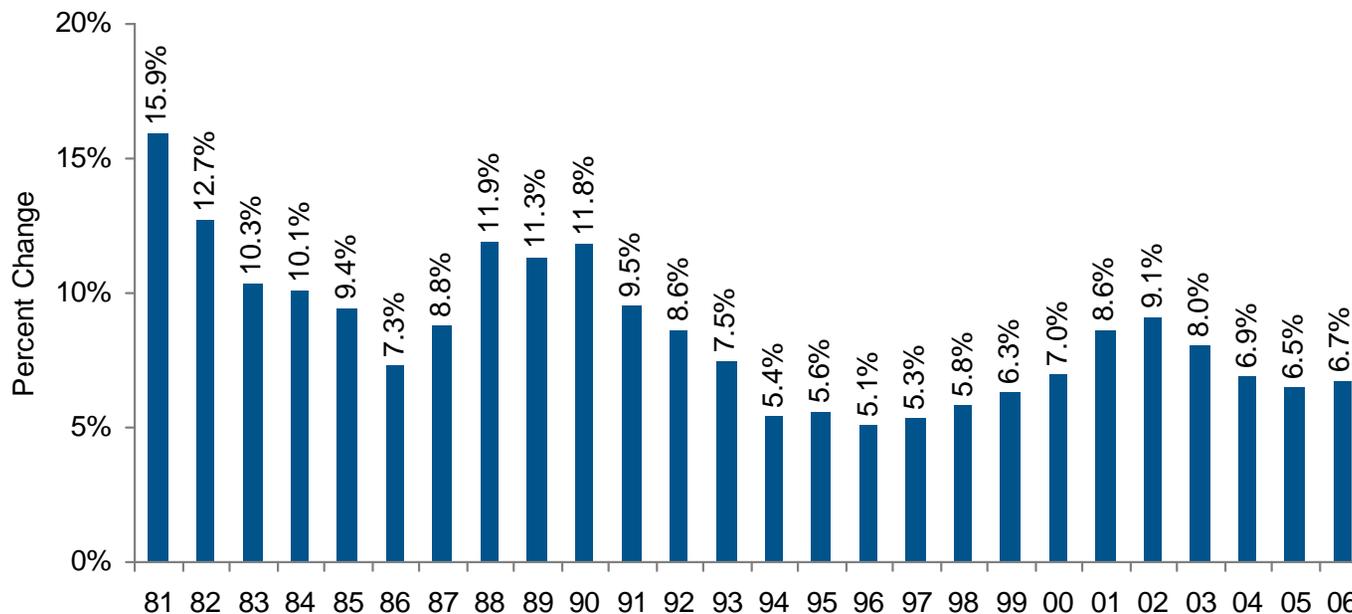


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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

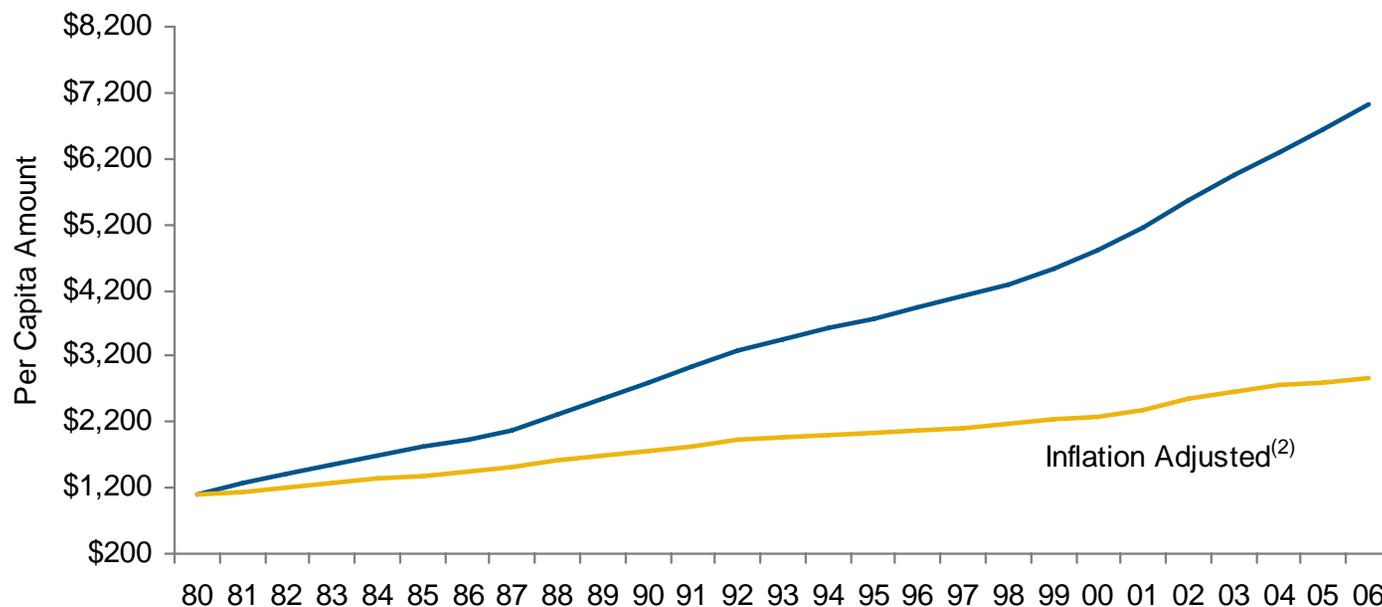
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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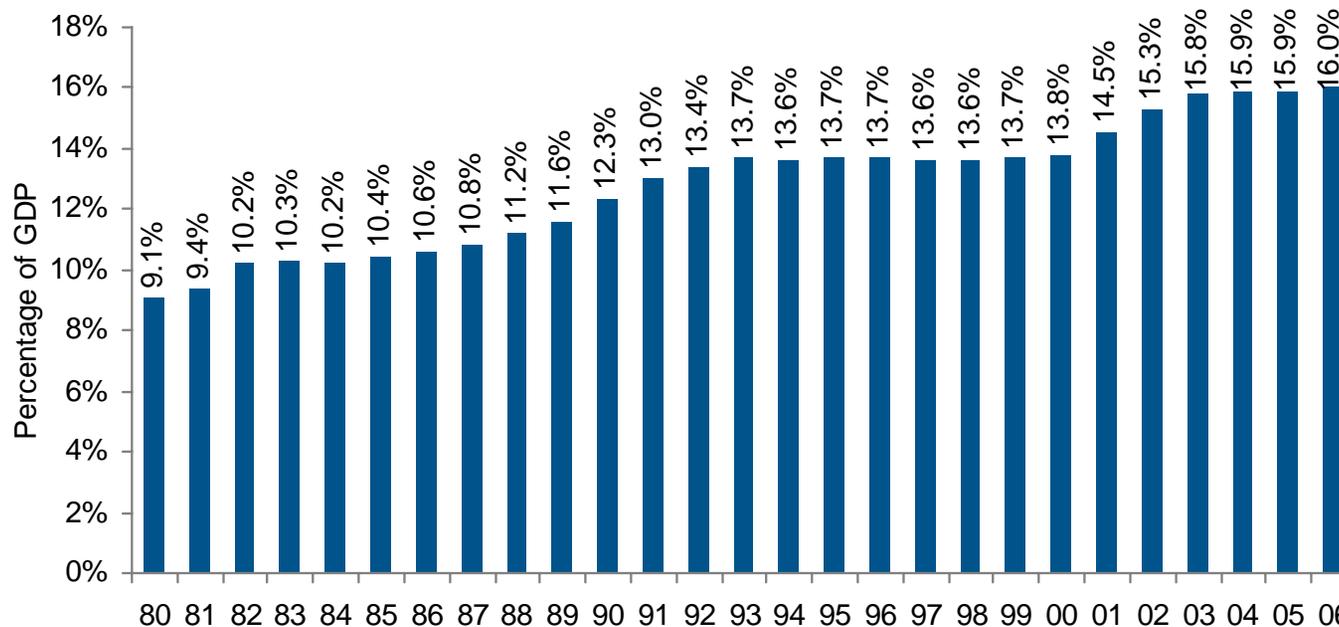


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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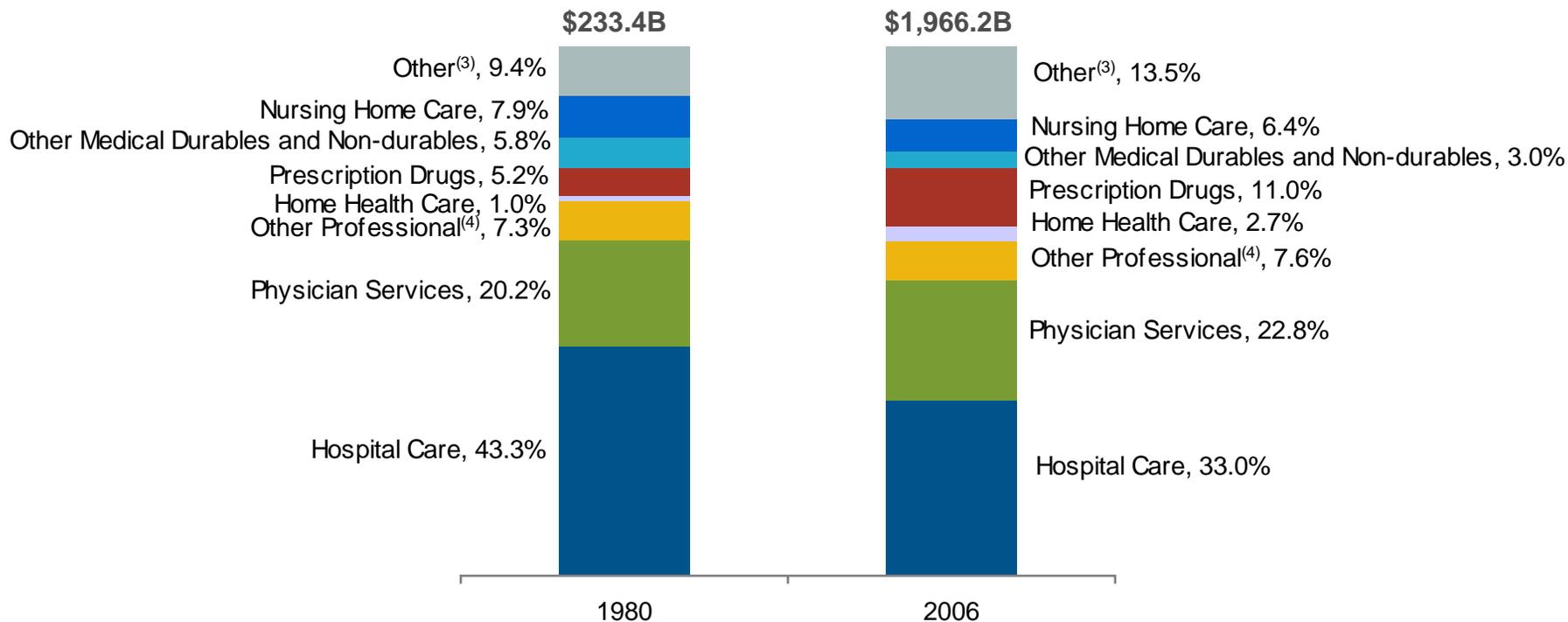
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

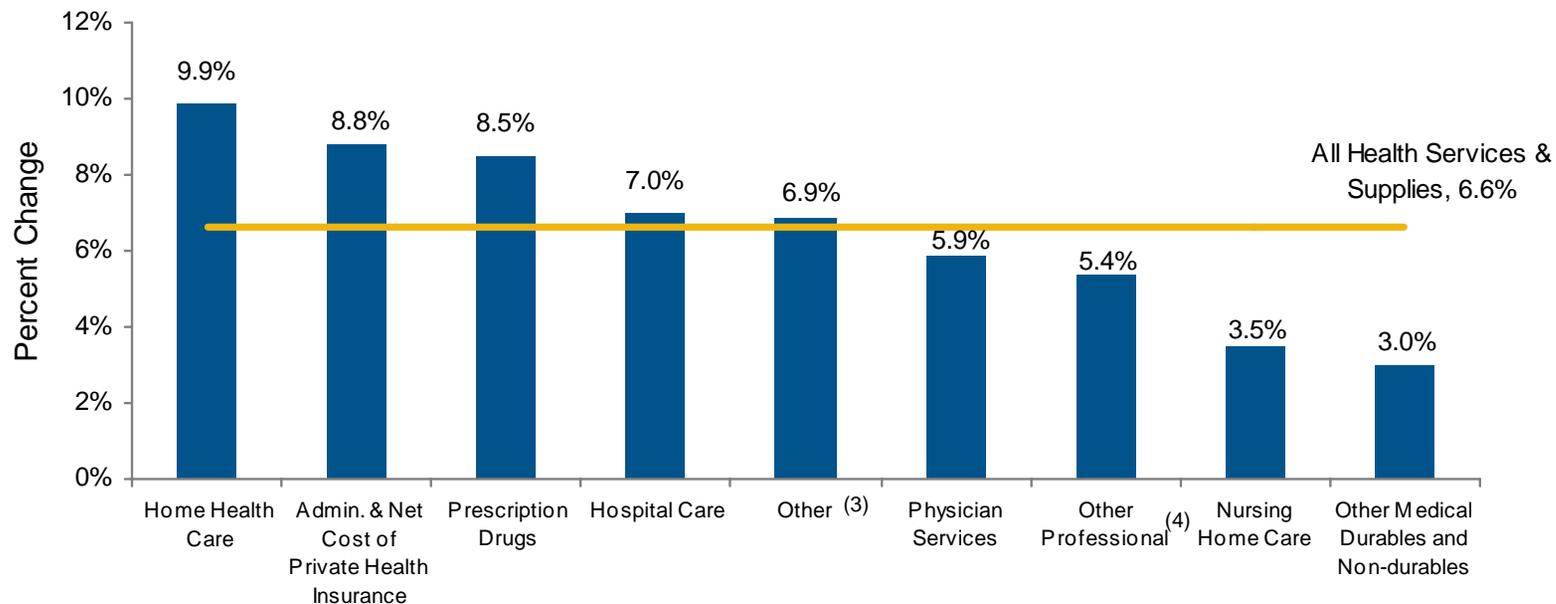
⁽¹⁾ Excludes medical research and medical facilities construction.

⁽²⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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

⁽⁴⁾ "Other professional" includes dental and other non-physician professional services.

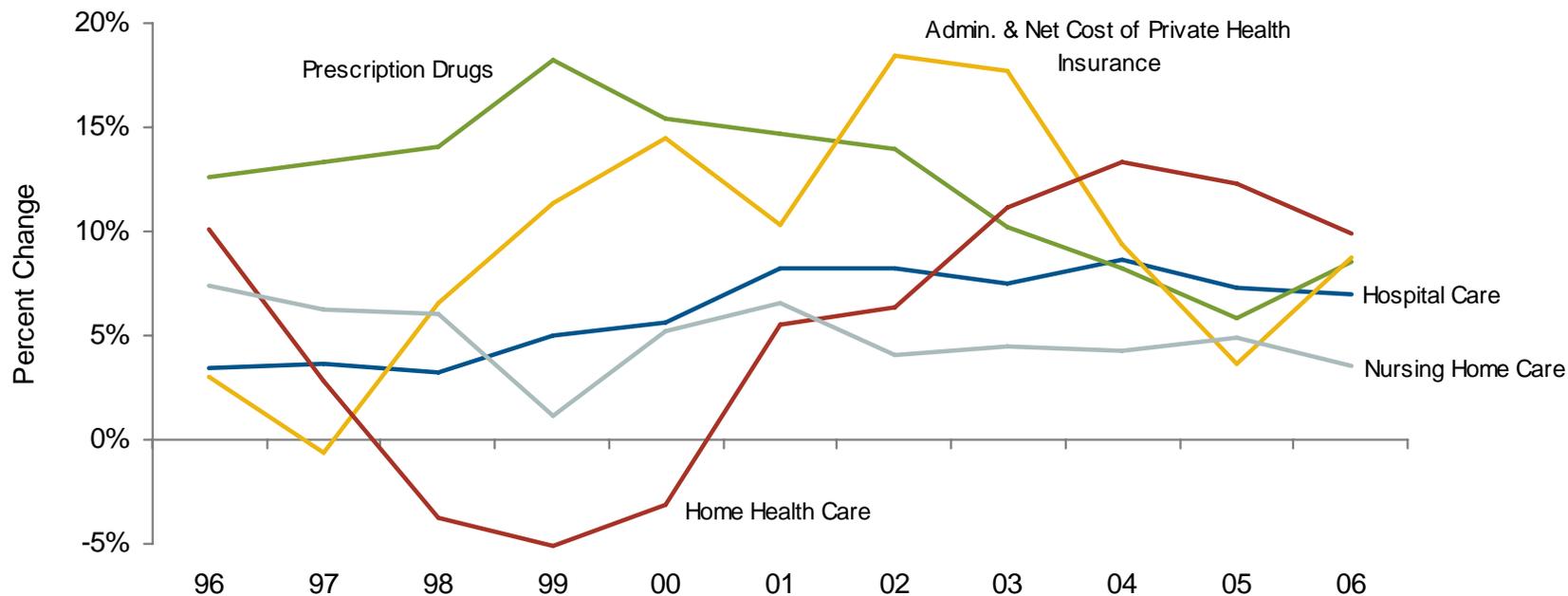
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

- (1) Excludes medical research and medical facilities construction.
- (2) CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.
- (3) "Other" includes government public health activities and other personal health care.
- (4) "Other professional" includes dental and other non-physician professional services.

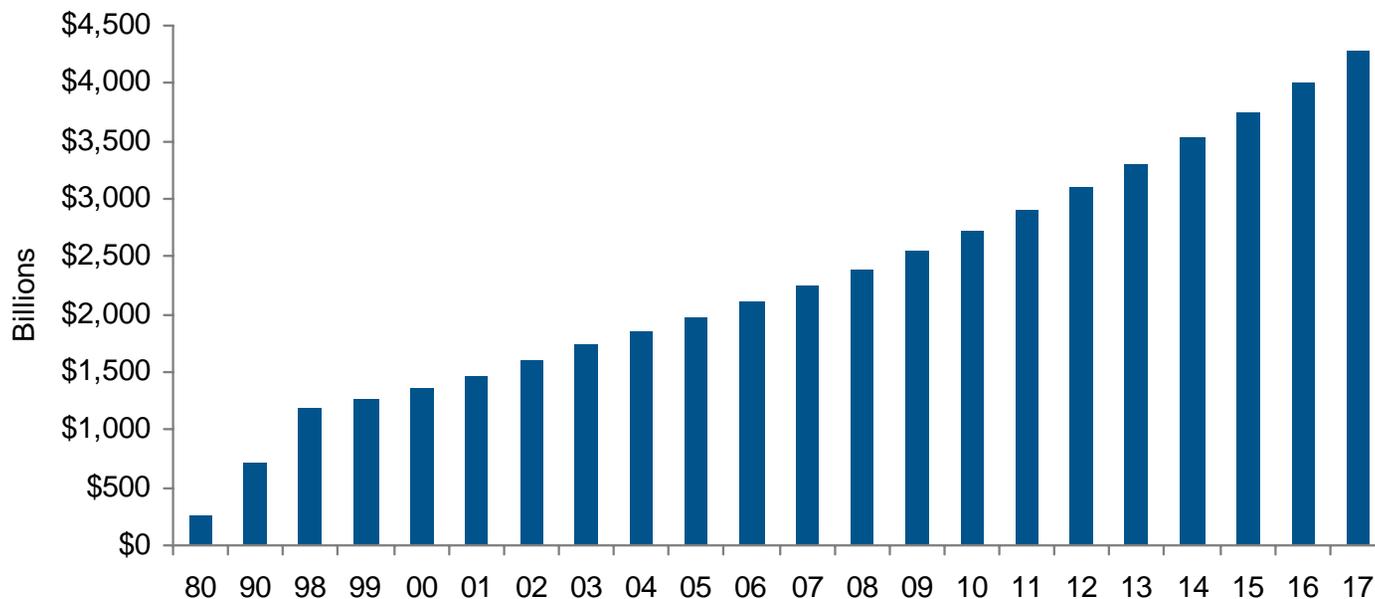
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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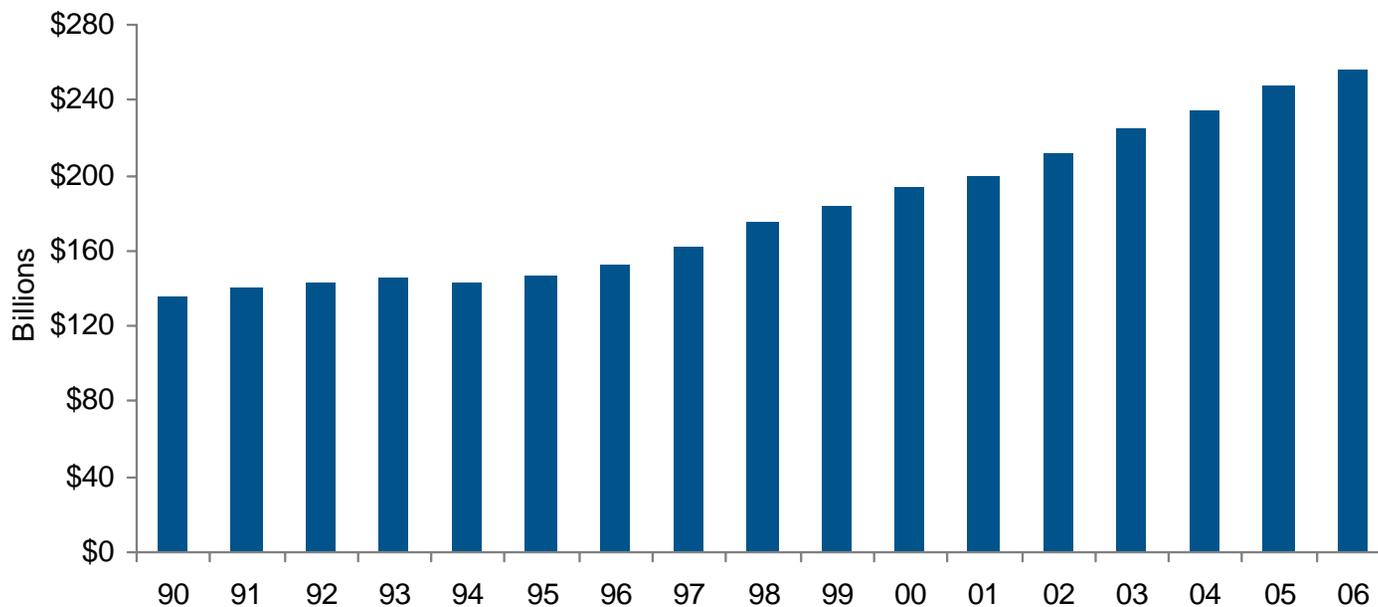


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released February 25, 2008.

⁽¹⁾ Years 2007 – 2017 are projections.

⁽²⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

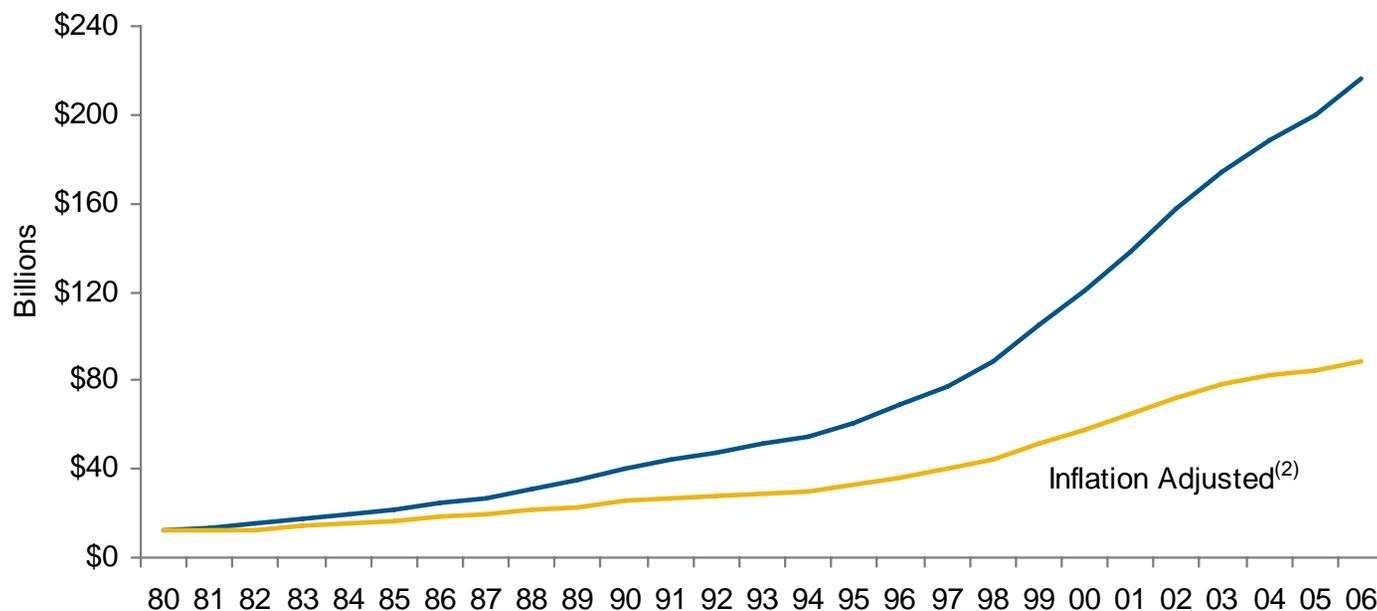
Chart 1.9: Consumer Out-of-pocket Payments for National Health Expenditures, 1990 – 2006⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Chart 1.10: Total Prescription Drug Spending, 1980 – 2006⁽¹⁾

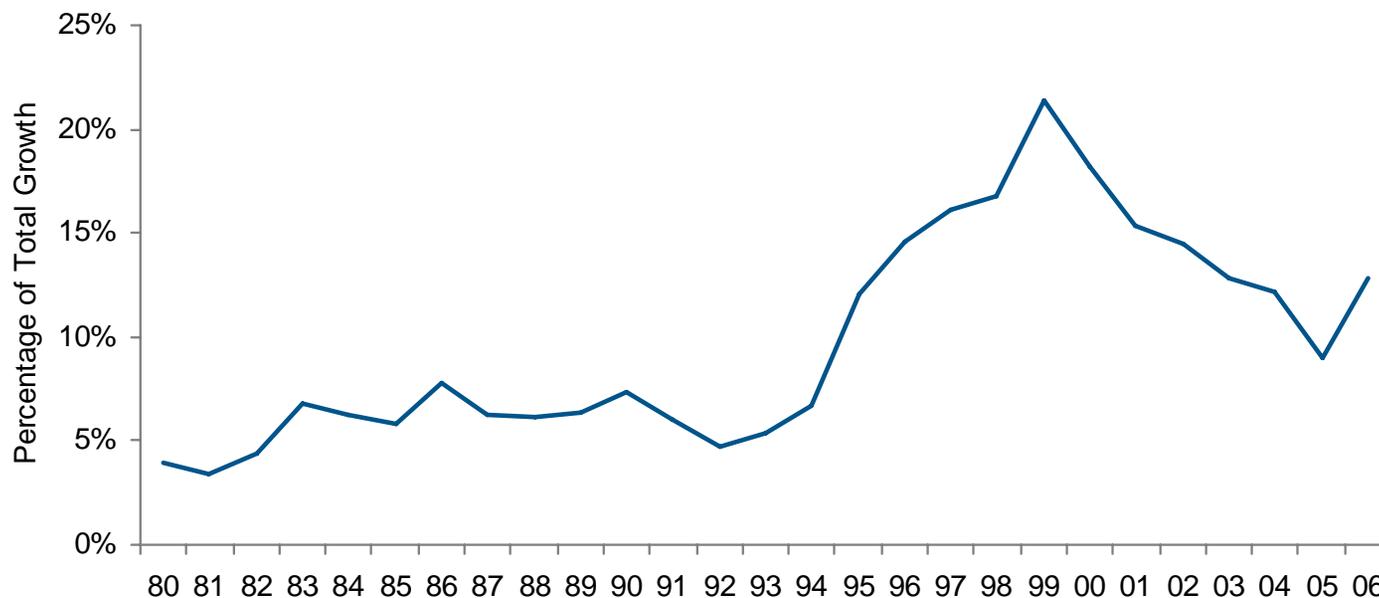


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

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

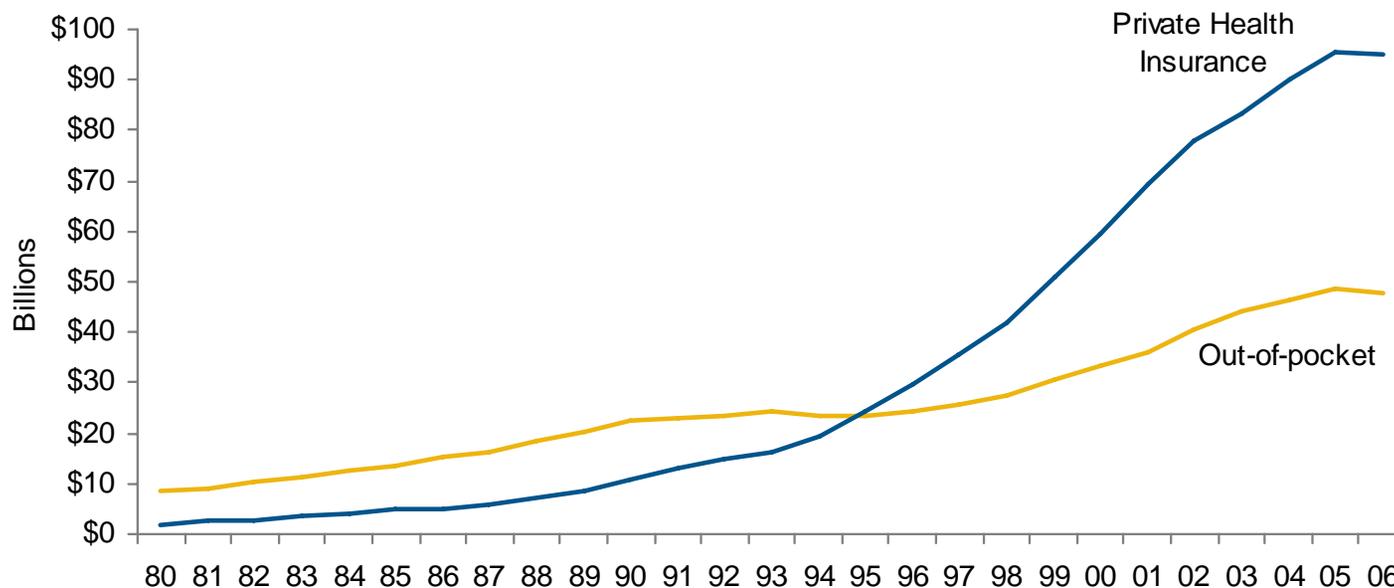
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

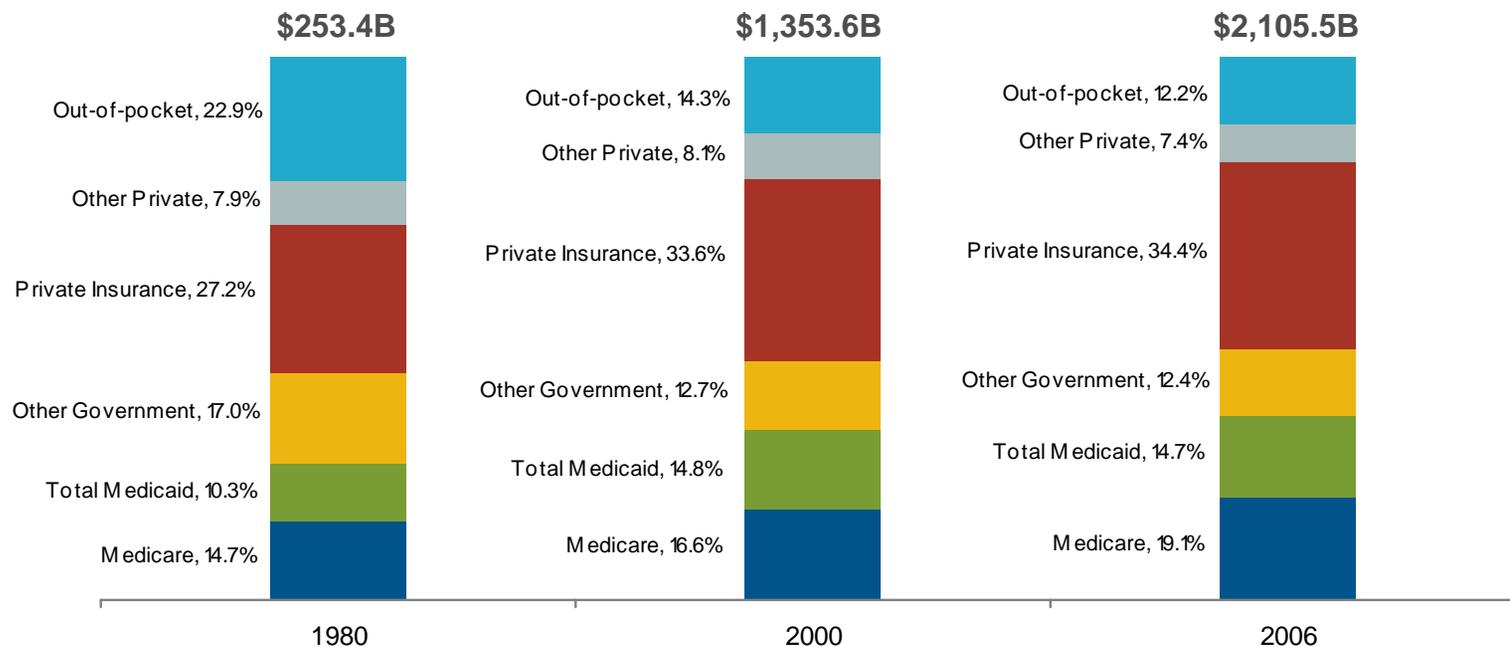
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

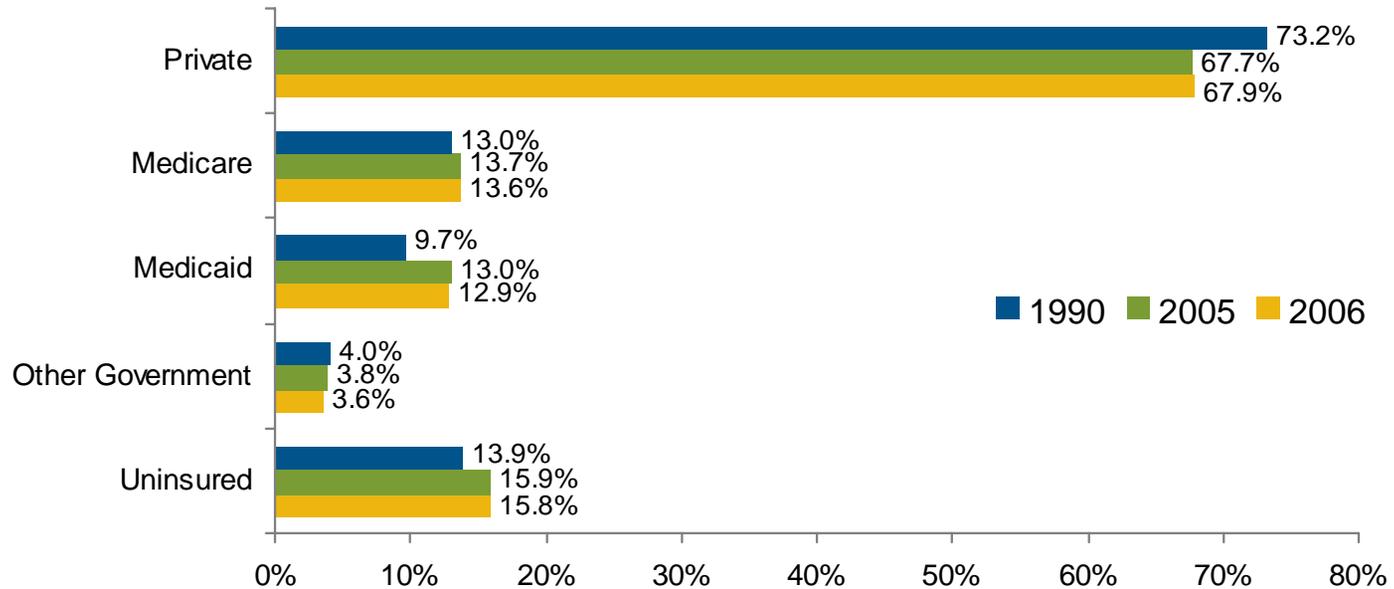
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

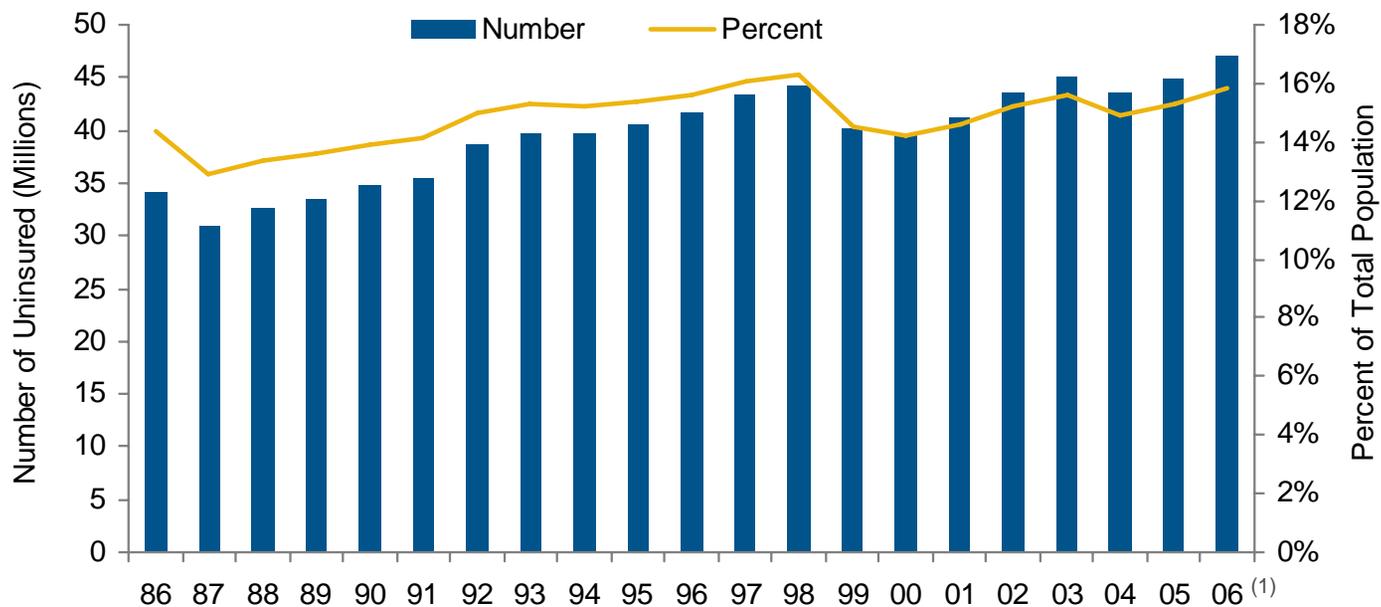
⁽¹⁾ CMS completed a benchmark revision in 2006, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/benchmark.pdf>.

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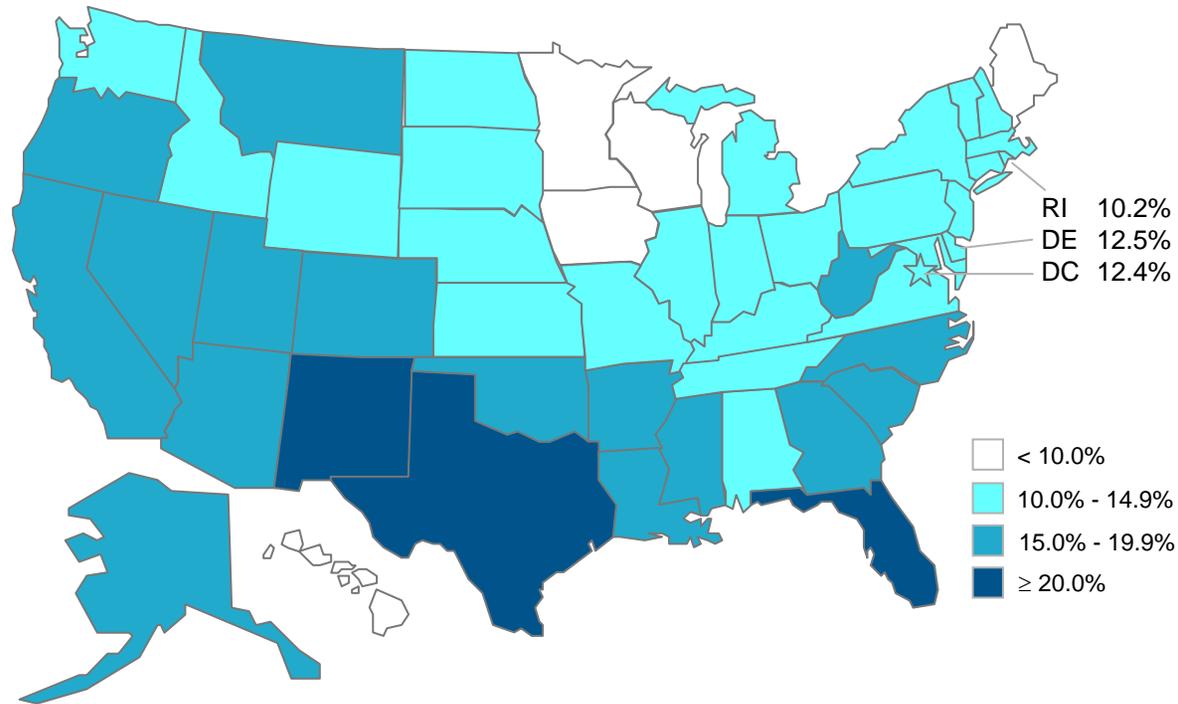
Source: US Census Bureau, Current Population Survey, 2007 Annual and Social Economic Supplement. Data released March 2007. Table HI05. Health Insurance Coverage Status and Type of Coverage by State and Age for All People: 2006. Link: http://pubdb3.census.gov/macro/032007/health/h05_000.htm

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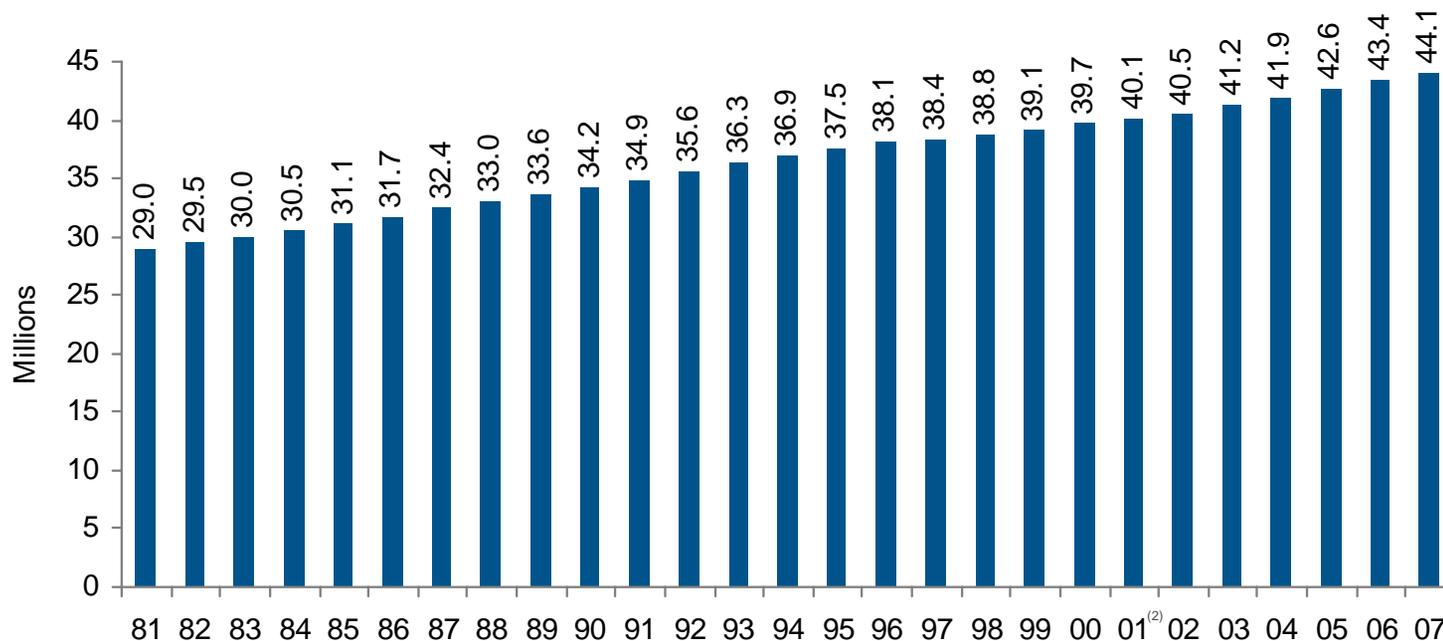
Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2006. Data released August 2007. Table 6. People With or Without Health Insurance Coverage by Selected Characteristics: 2005 and 2006. Link: http://www.census.gov/hhes/www/hlthins/hlthin06/p60no233_table6.pdf.

Chart 1.16: Average Percent Uninsured by State, 2004 – 2006



Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2006. Data released August 2007. Link: http://www.census.gov/hhes/www/hlthins/hlthin06/percent_uninsured_state.xls

Chart 1.17: Medicare Enrollees,⁽¹⁾ 1981 – 2007



Source: Centers for Medicare & Medicaid Services. Data released July 2005.

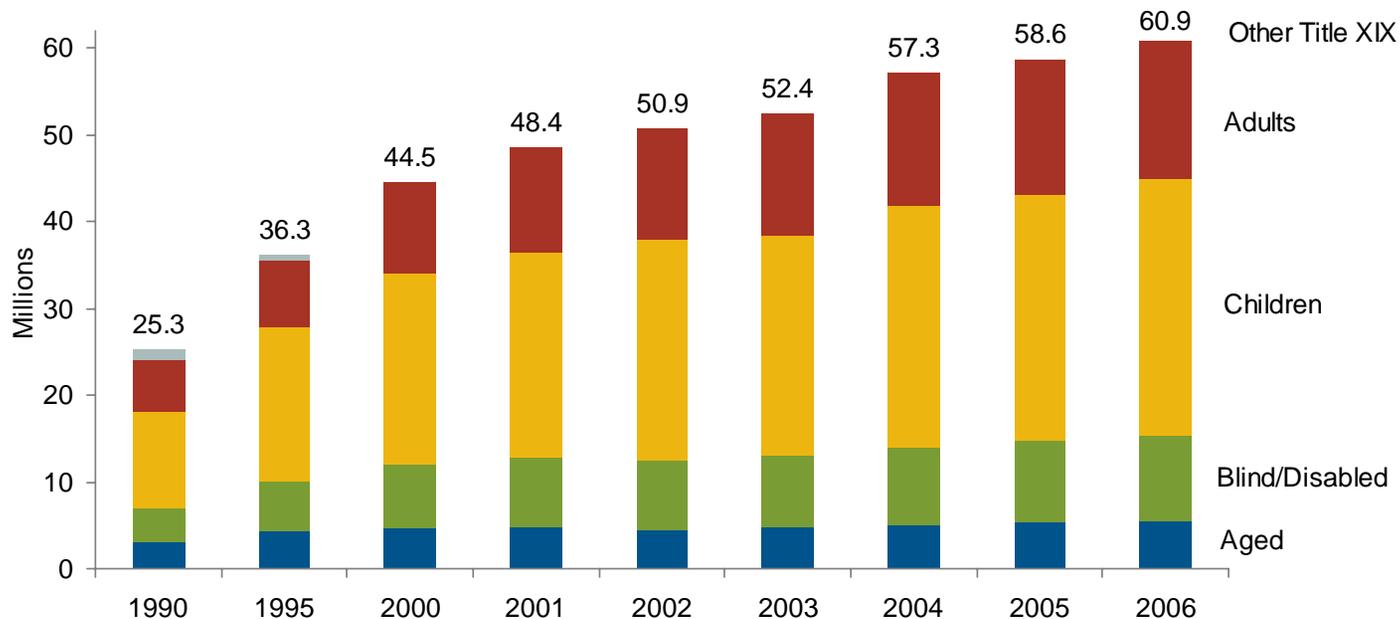
Medicare Enrollment: National Trends, 1966 – 2005; Medicare Aged and Disabled Enrollees by Type of Coverage.

Link: <http://www.cms.hhs.gov/MedicareEnRpts/Downloads/HISMI05.pdf>.

CMS, Office of the Actuary. Email correspondence with CMS staff in February 2008.

- (1) Hospital insurance (Part A) enrollees and/or Supplementary Medical Insurance (Part B) enrollees; includes all persons (aged and disabled).
- (2) Data for 2001 and beyond updated per CMS correspondence with CMS in February 2008.

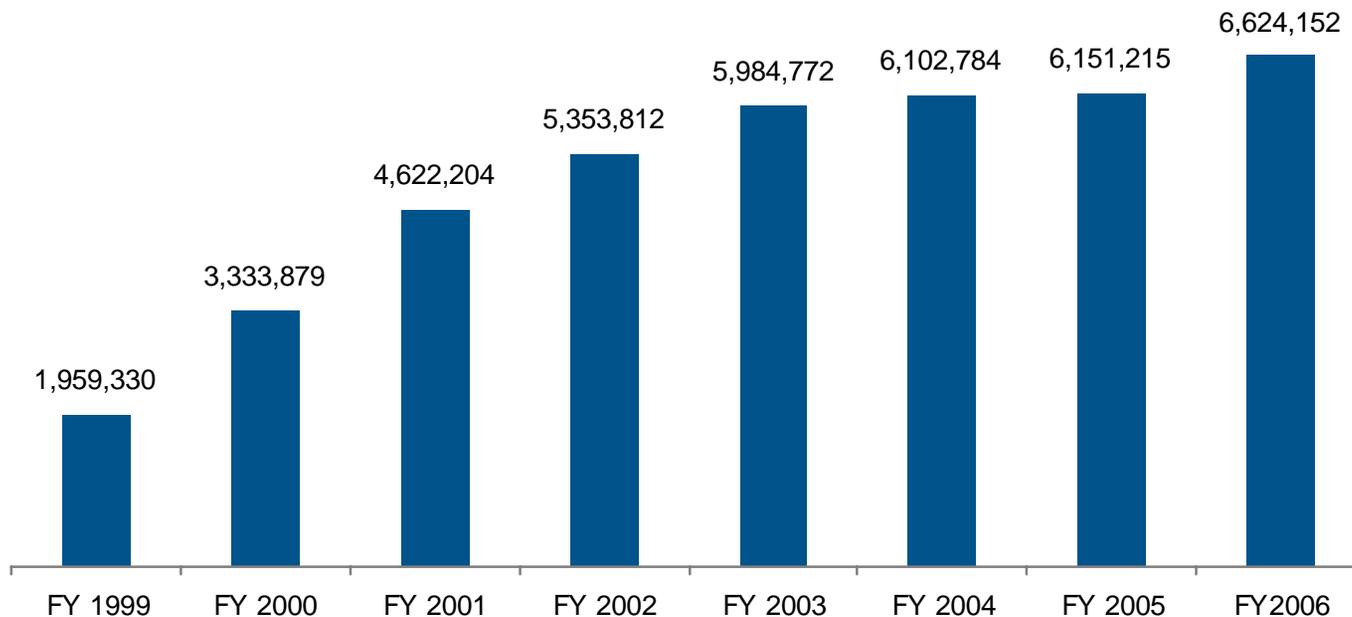
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Source: Congressional Budget Office. Data released March 2007. Fact Sheet for CBO's March 2007 Baseline: Medicaid. Link: <http://www.cbo.gov/budget/factsheets/2007b/medicaid.pdf>.

(1) Does not include SCHIP Enrollees.

Chart 1.19: National SCHIP Enrollment,^(1,2) FY 1999 – FY 2006



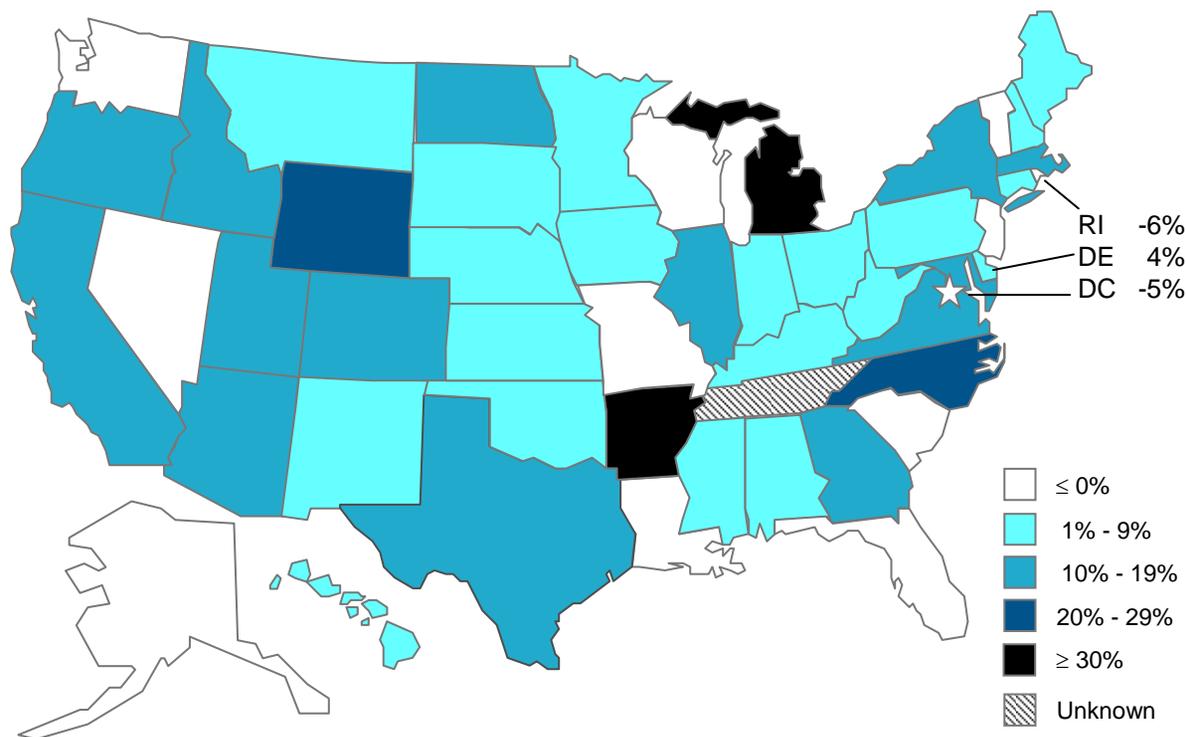
Source: Centers for Medicare & Medicaid Services. Data released July 2007. FY 2006 Number of Children Ever Enrolled Year – SCHIP by Program Type.

Link: <http://www.cms.hhs.gov/NationalSCHIPPolicy/downloads/FY2006StateTotalTable.pdf>.

(1) Number of children enrolled at any point in the year.

(2) 2005 figure reflects revised data released by Centers for Medicare & Medicaid Services on March 1, 2007

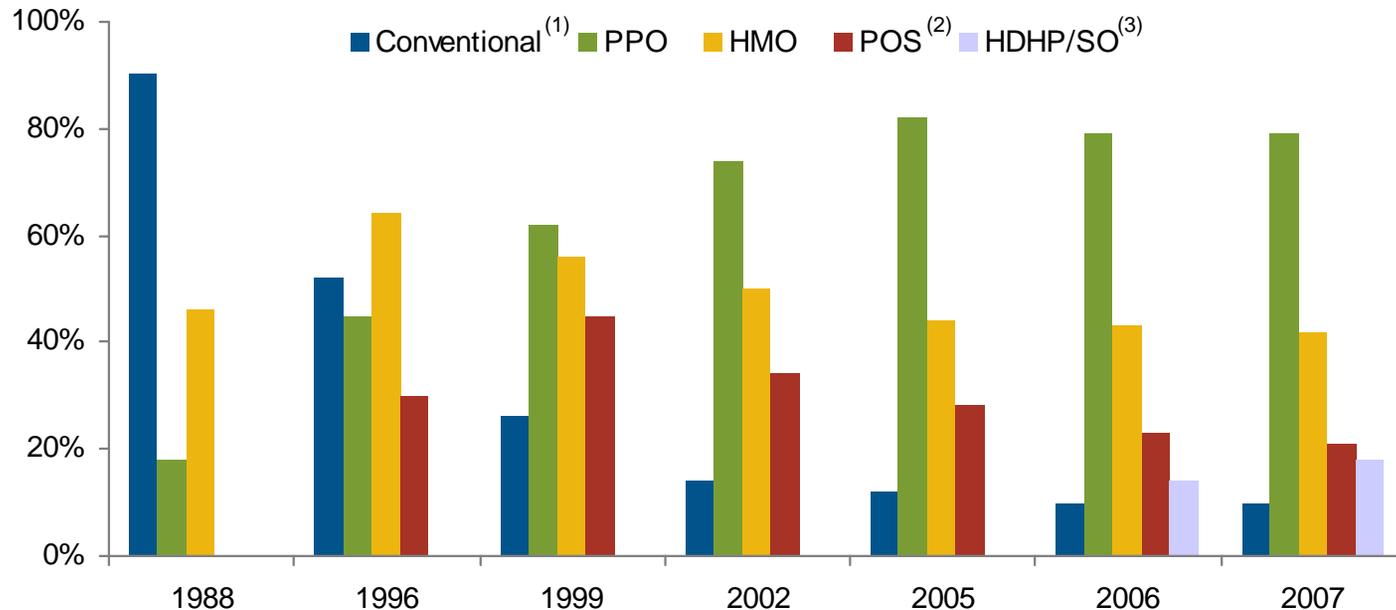
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Source: Centers for Medicare & Medicaid Services. Data revised March 2007. FY 2006 Number of Children Ever Enrolled Year – SCHIP by Program Type. Link: <http://www.cms.hhs.gov/NationalSCHIPPolicy/downloads/FY2006StateTotalTable.pdf>.

(1) 2005 figure reflects revised data released by Centers for Medicare & Medicaid Services on March 1, 2007

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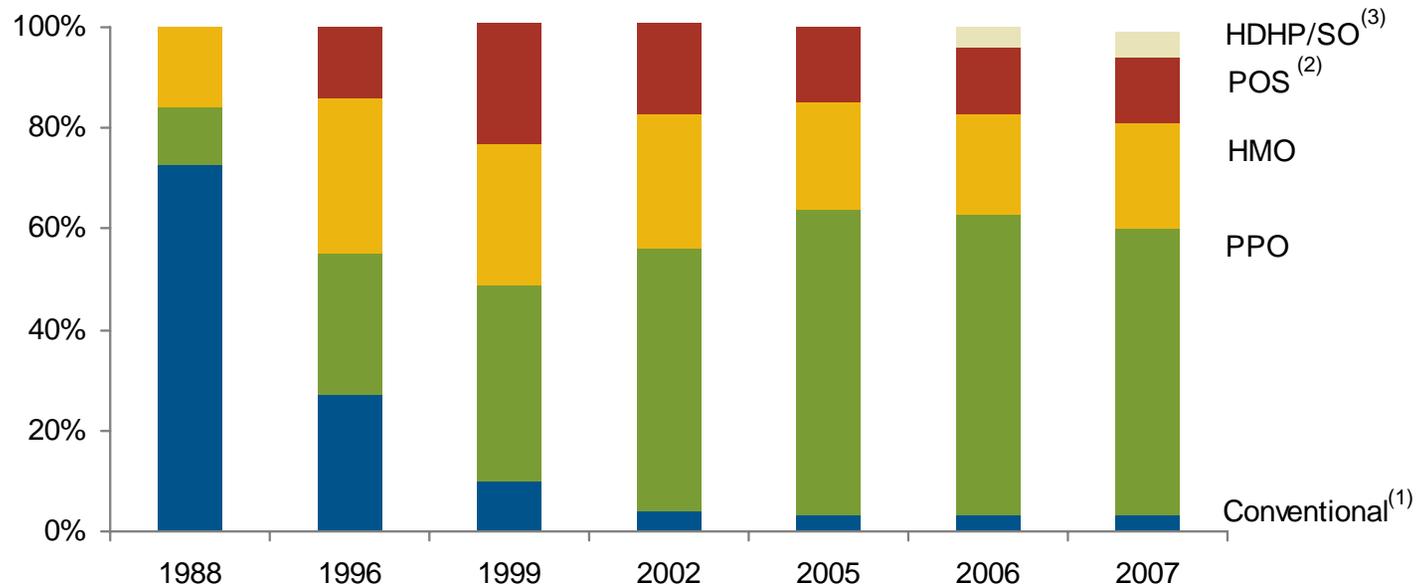
Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2007. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007. Link: <http://www.kff.org/insurance/7672/upload/EHBS-2007-Full-Report-PDF.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

(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 – 2007



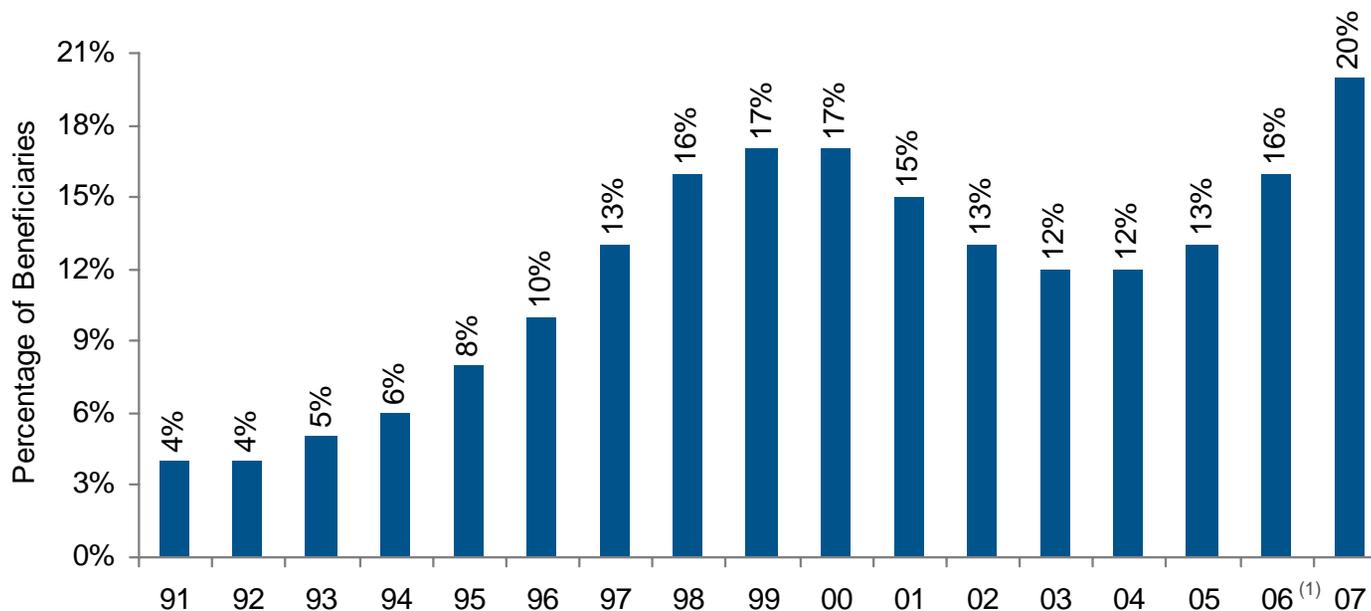
The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2007. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007. Link: <http://www.kff.org/insurance/7672/upload/EHBS-2007-Full-Report-PDF.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

(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.

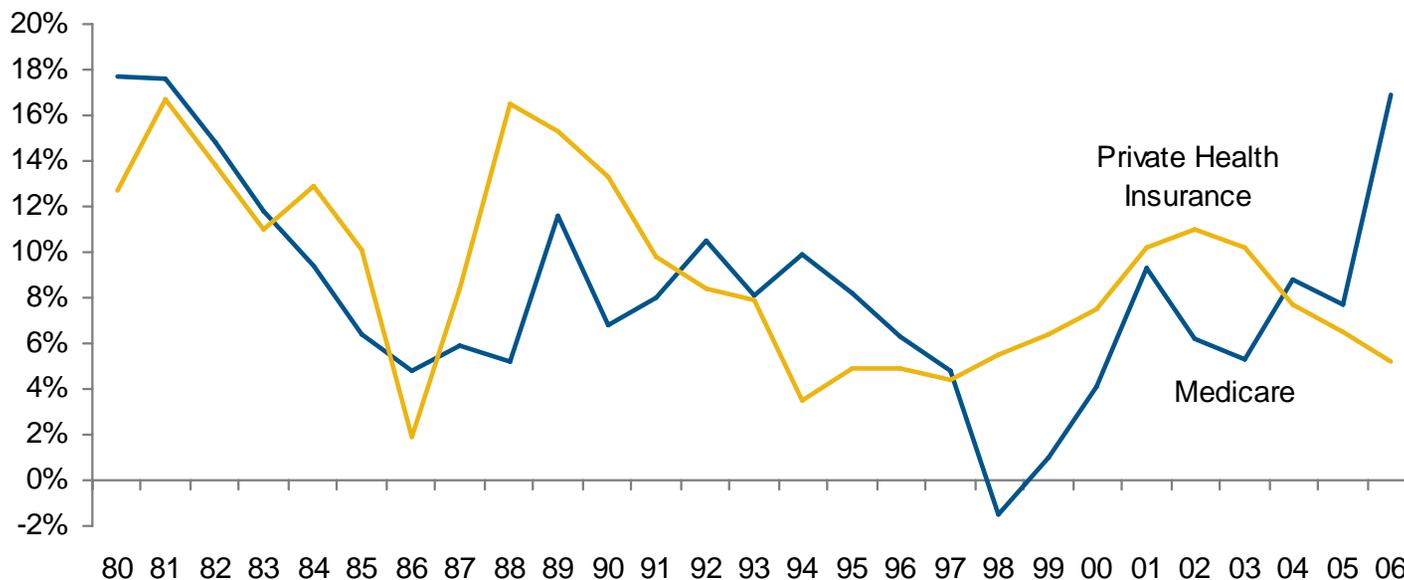
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Source: Centers for Medicare & Medicaid Services, Office of the Actuary, Email correspondence with CMS staff in February 2008.

⁽¹⁾ Data for 2006 updated per CMS correspondence with CMS in February 2008.

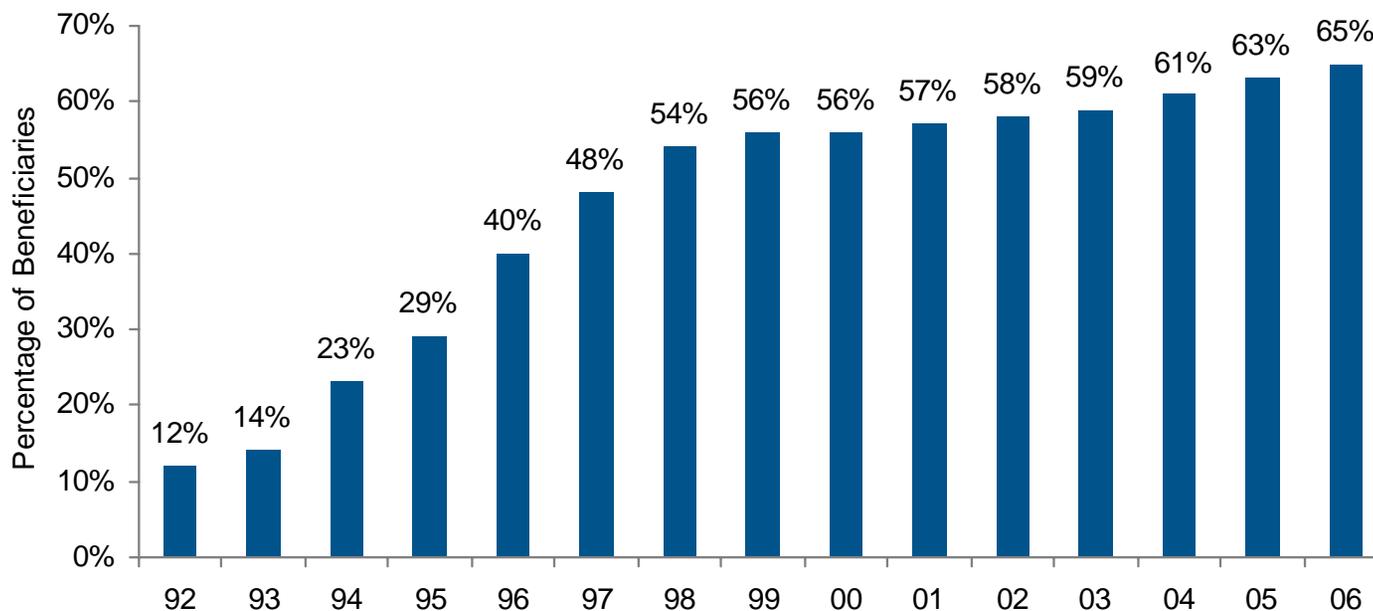
Chart 1.24: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1980 – 2006⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

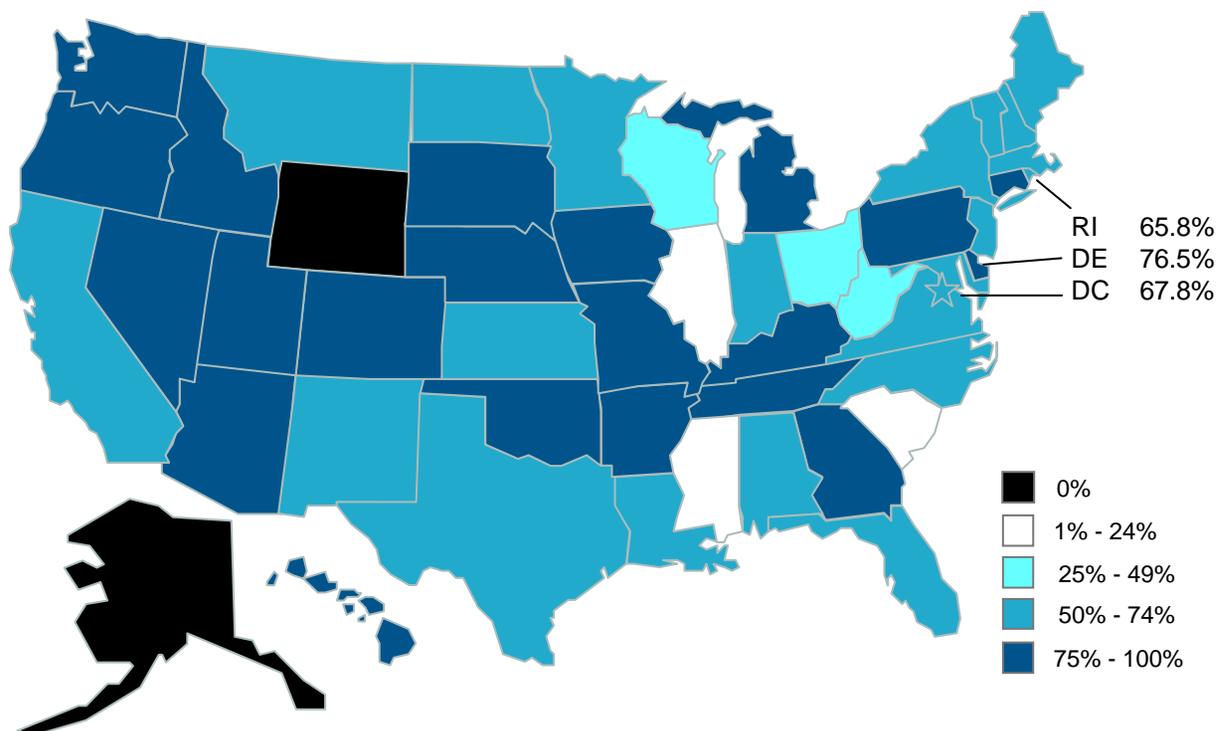
⁽¹⁾ CMS completed a benchmark revision in 2006, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.hhs.gov/NationalHealthExpendData/downloads/benchmark.pdf>.

Chart 1.25: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1992 – 2006



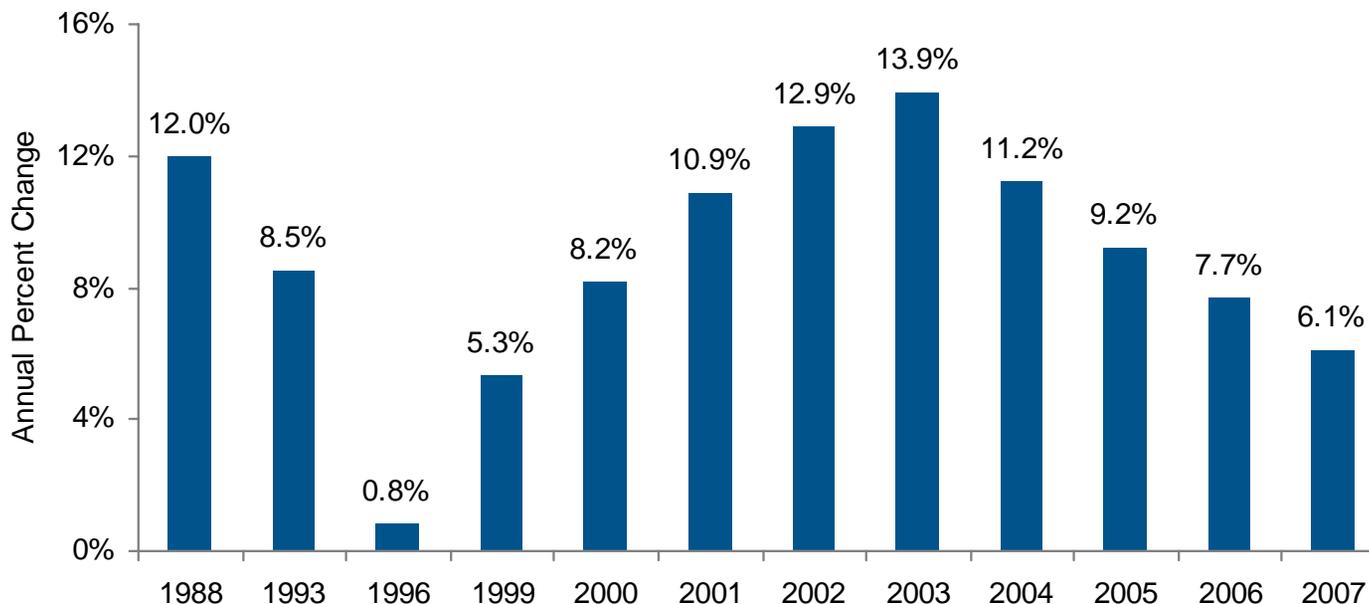
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released June 2006.
Medicaid Managed Care Enrollment Report as of June 30, 2006.
Link: <http://www.cms.hhs.gov/MedicaidDataSourcesGenInfo/Downloads/mmcer06.pdf>.

Chart 1.26: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2006



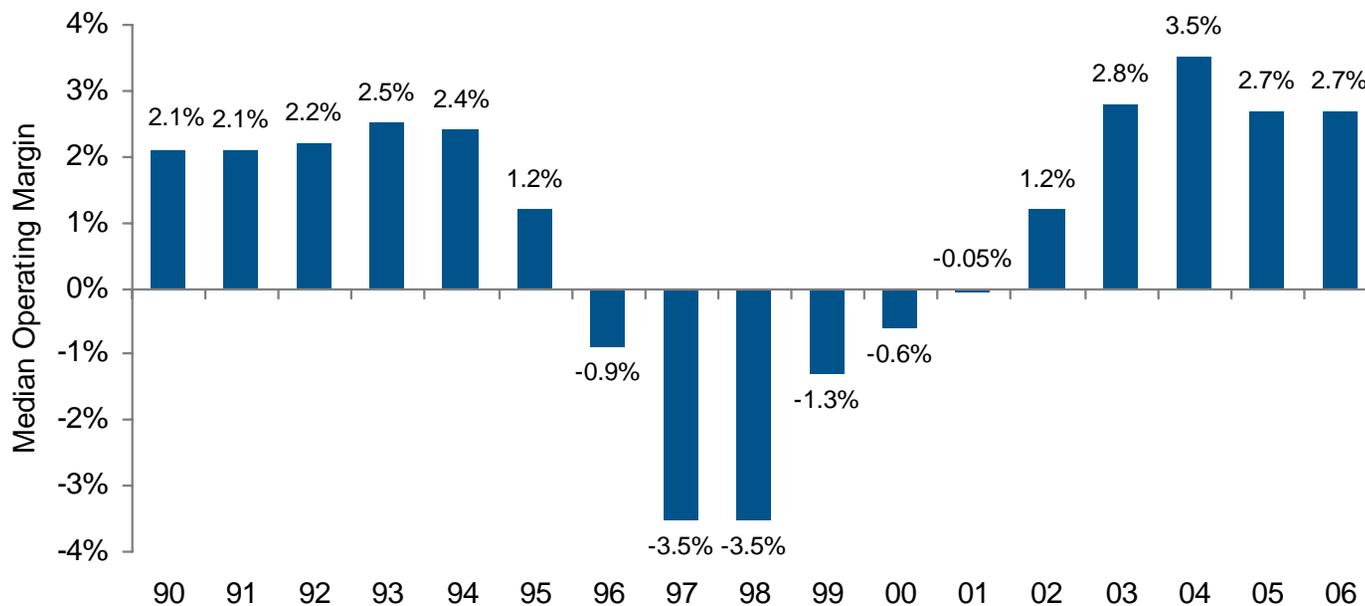
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released June 2006. Medicaid Managed Care Enrollment Report as of June 30, 2006.
Link: <http://www.cms.hhs.gov/MedicaidDataSourcesGenInfo/Downloads/mmcer06.pdf>.

Chart 1.27: Annual Change in Health Insurance Premiums, 1988 – 2007



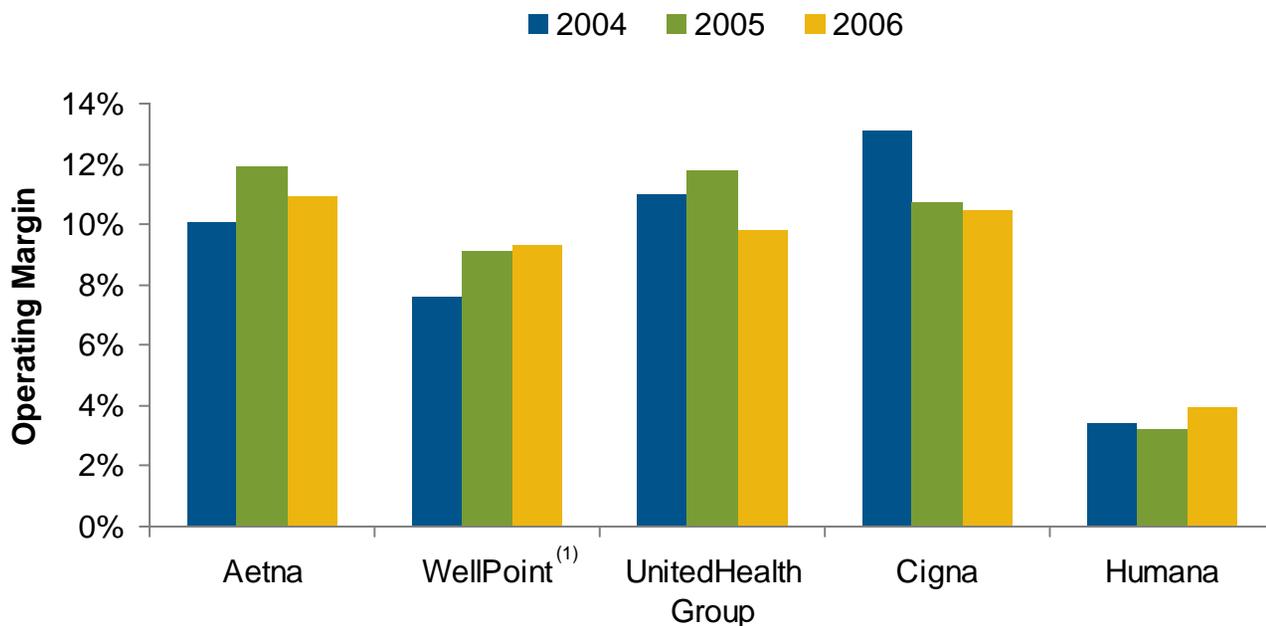
Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2007. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007. Link: <http://www.kff.org/insurance/7672/upload/EHBS-2007-Full-Report-PDF.pdf>. KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1993, 1996.

Chart 1.28: HMO Plan Median Operating Margins, 1990 – 2006



Source: Health Leaders-Interstudy, The Health Leaders-Interstudy Competitive Edge: Part II: Managed Care Industry Report, using data as of January 1, 2007.

Chart 1.29: Operating Margins of the Top Insurers, 2004 – 2006



Source: Hoovers. Data for all years updated as of January 2008. Link: www.hoovers.com.

⁽¹⁾ 2004 operating margin data for WellPoint include both pre- and post-merger data for the merger with Anthem in November 2004.



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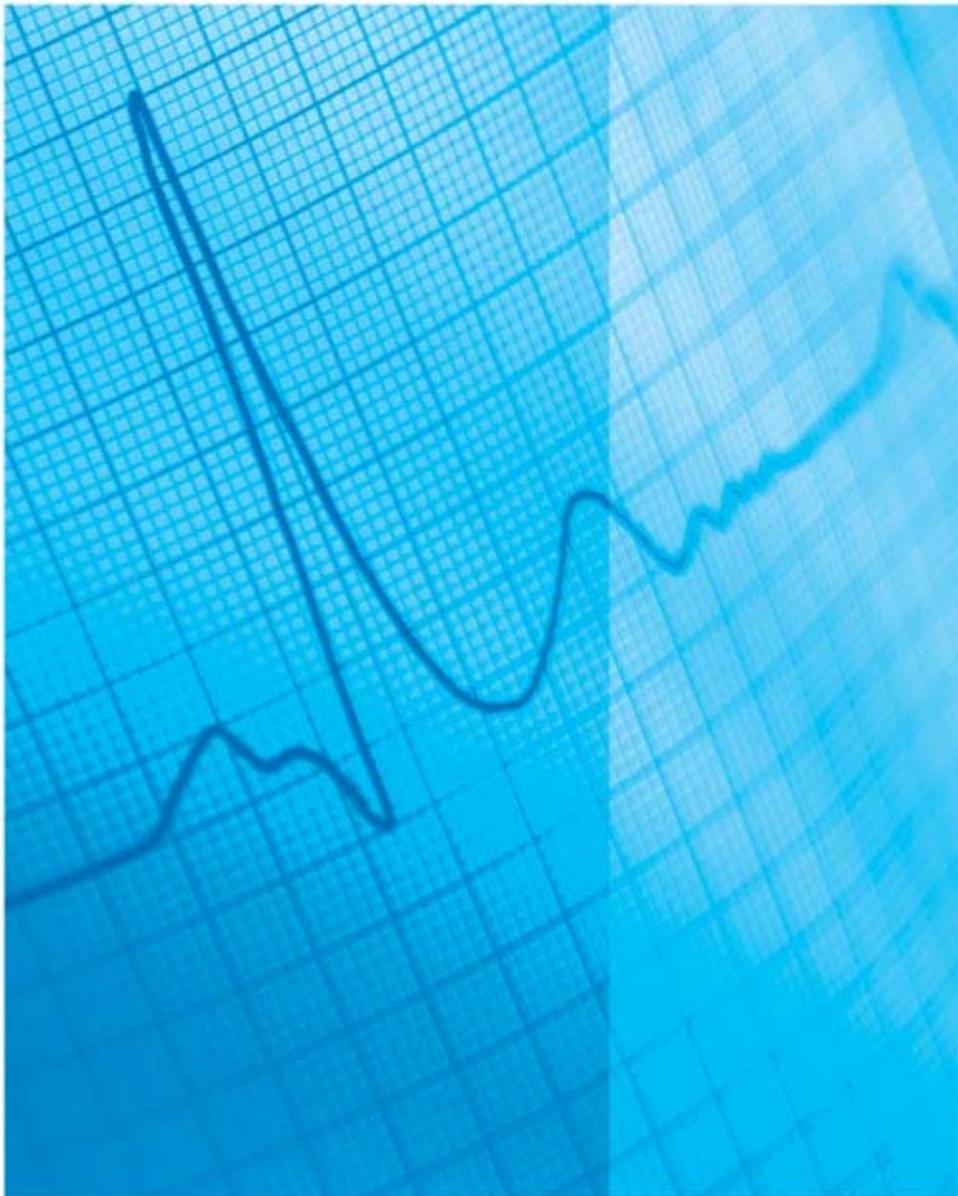


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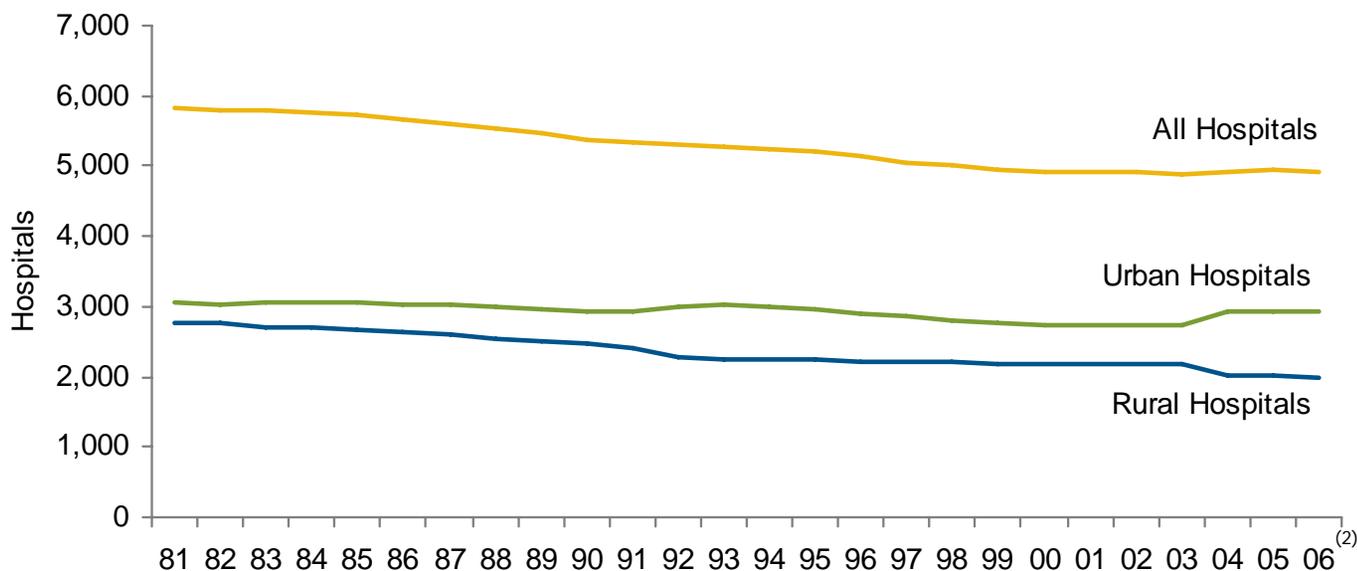
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CHAPTER 2

Organizational Trends

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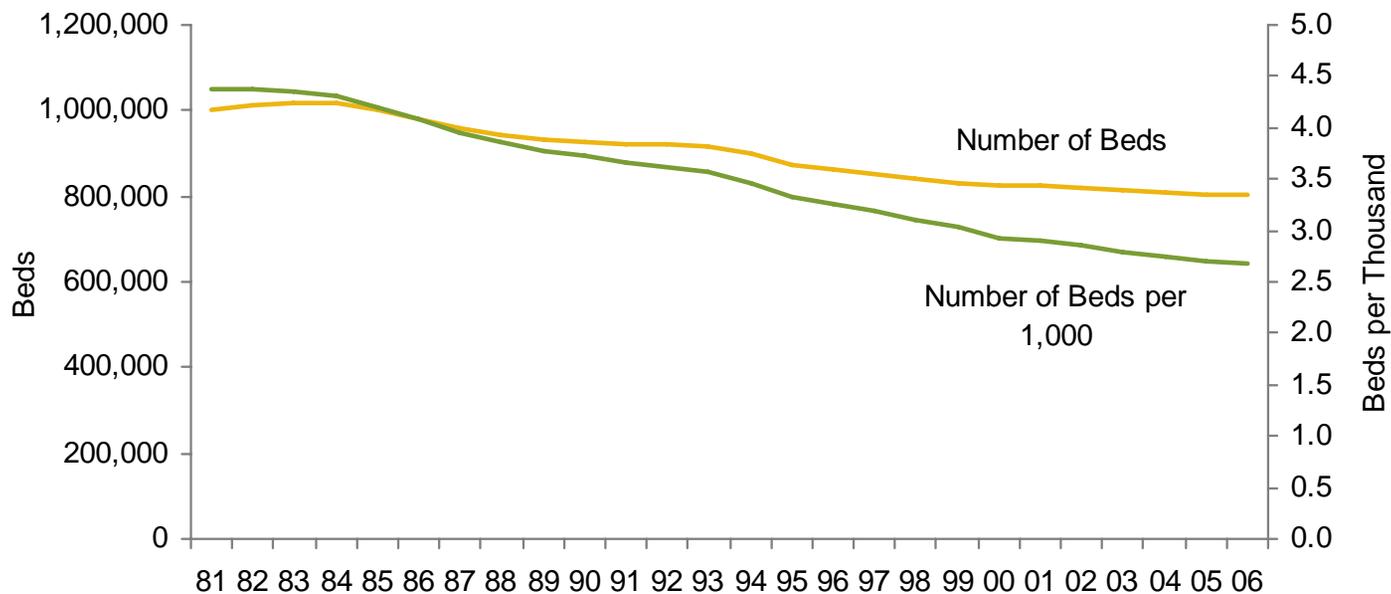


Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

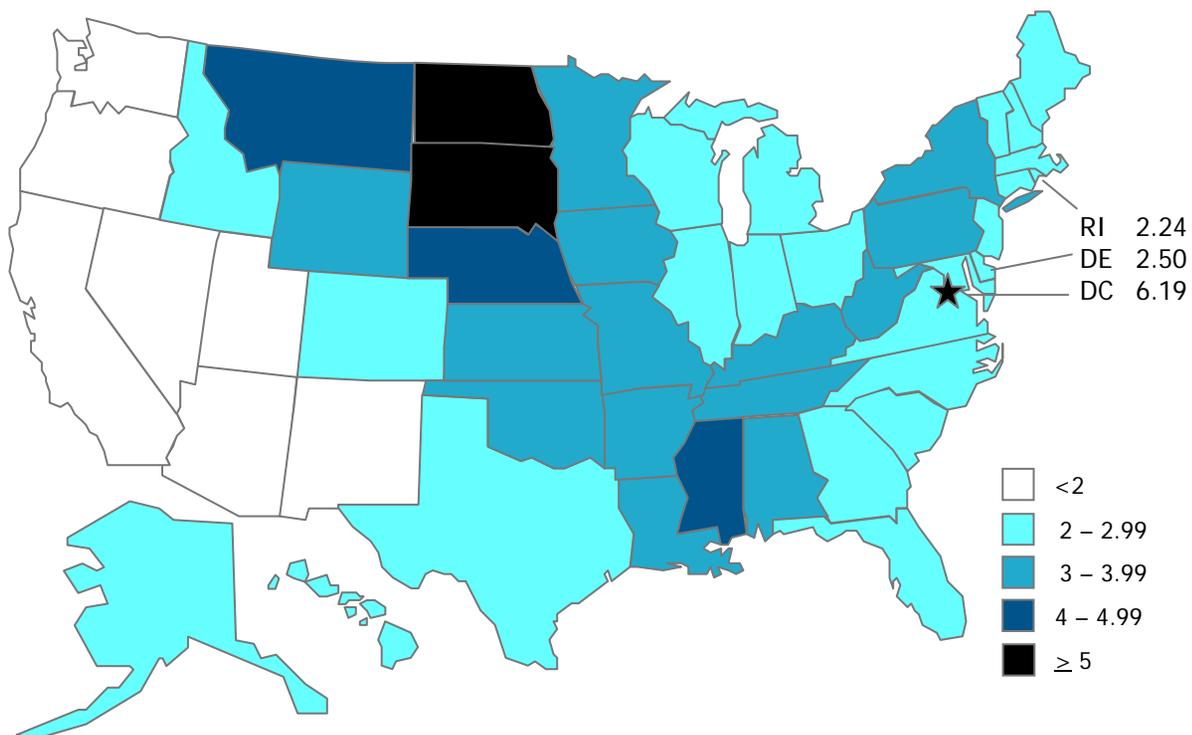
⁽²⁾ Data on the number of urban and rural hospitals in 2004 and beyond were collected using coding different from previous years to reflect new Centers for Medicare & Medicaid Services wage area designations.

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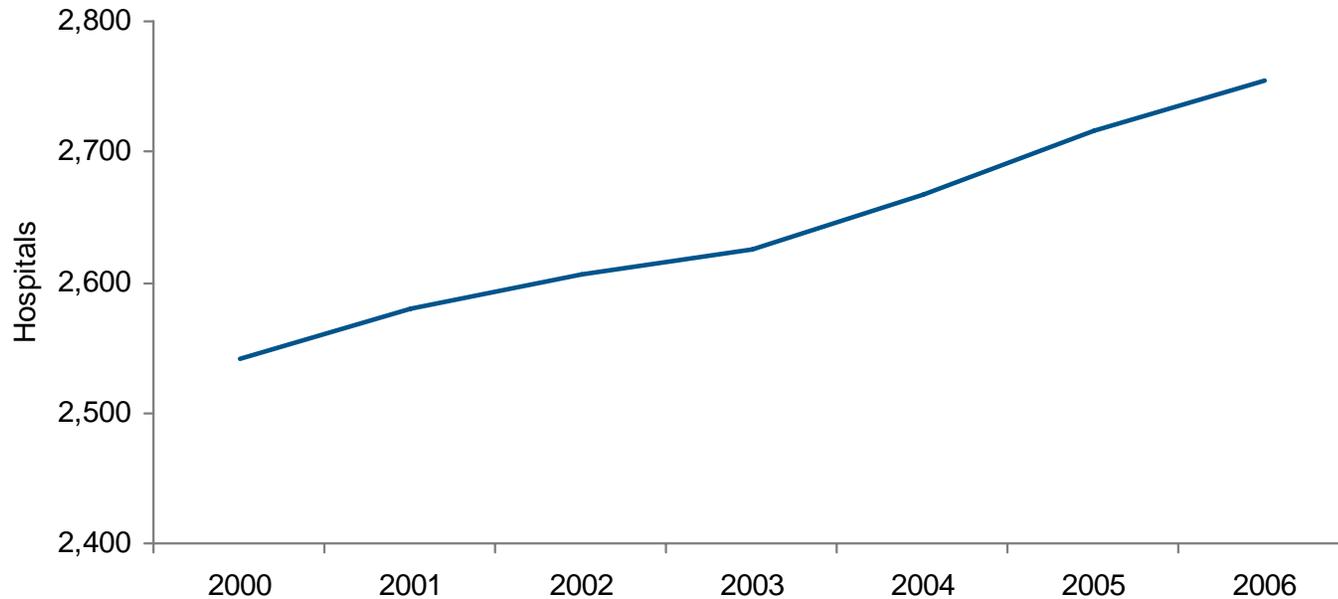
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 2.3: Beds per 1,000 by State, 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
US Census Bureau: National and State Population Estimates, July 1, 2006.
Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

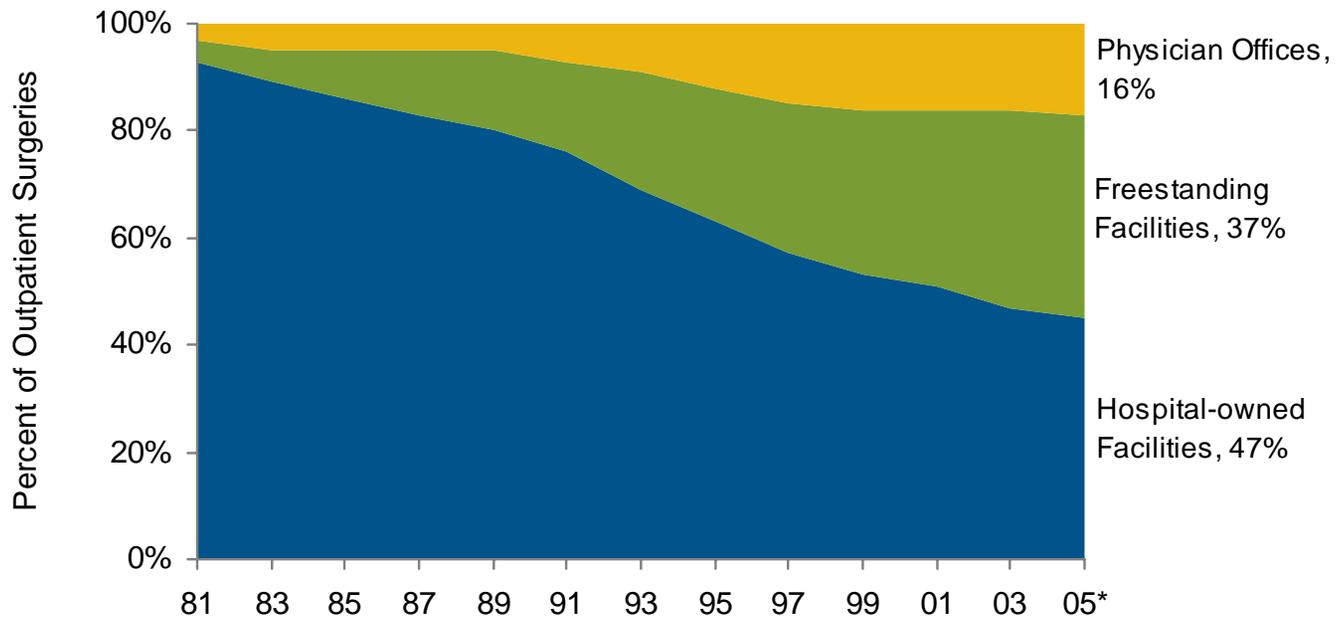
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

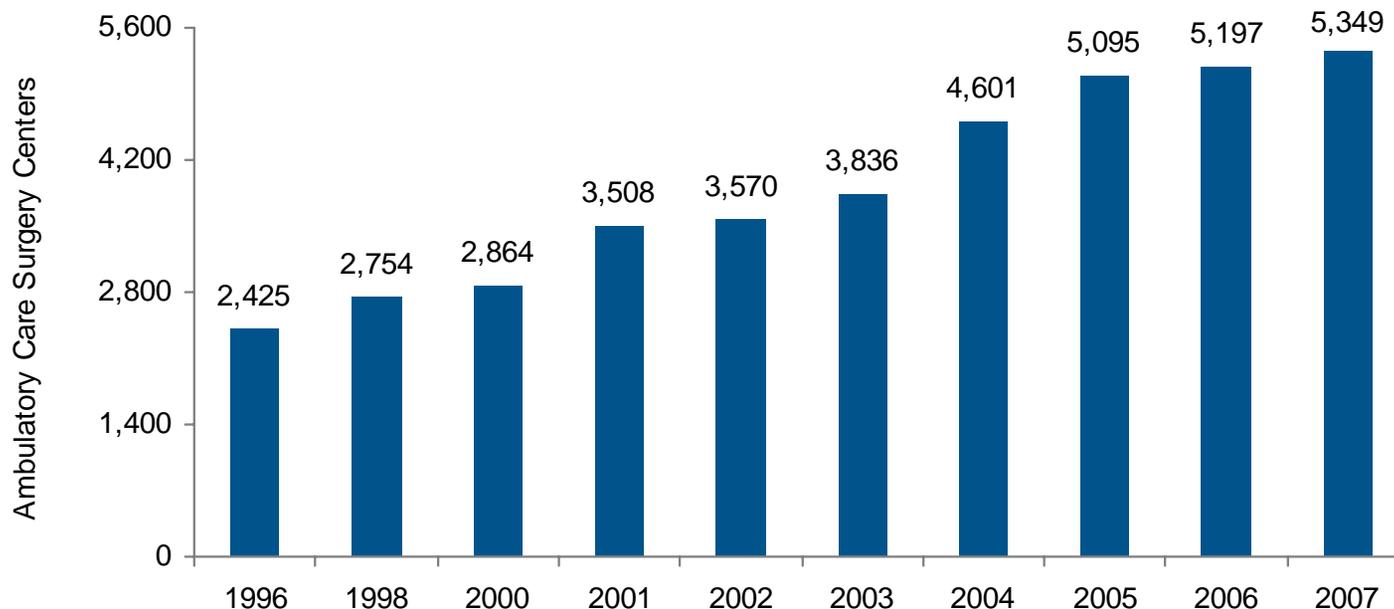
⁽¹⁾ Hospitals that are part of a corporate body that may own and/or manage health provider facilities or health-related subsidiaries as well as non-health-related facilities including freestanding and/or subsidiary corporations.

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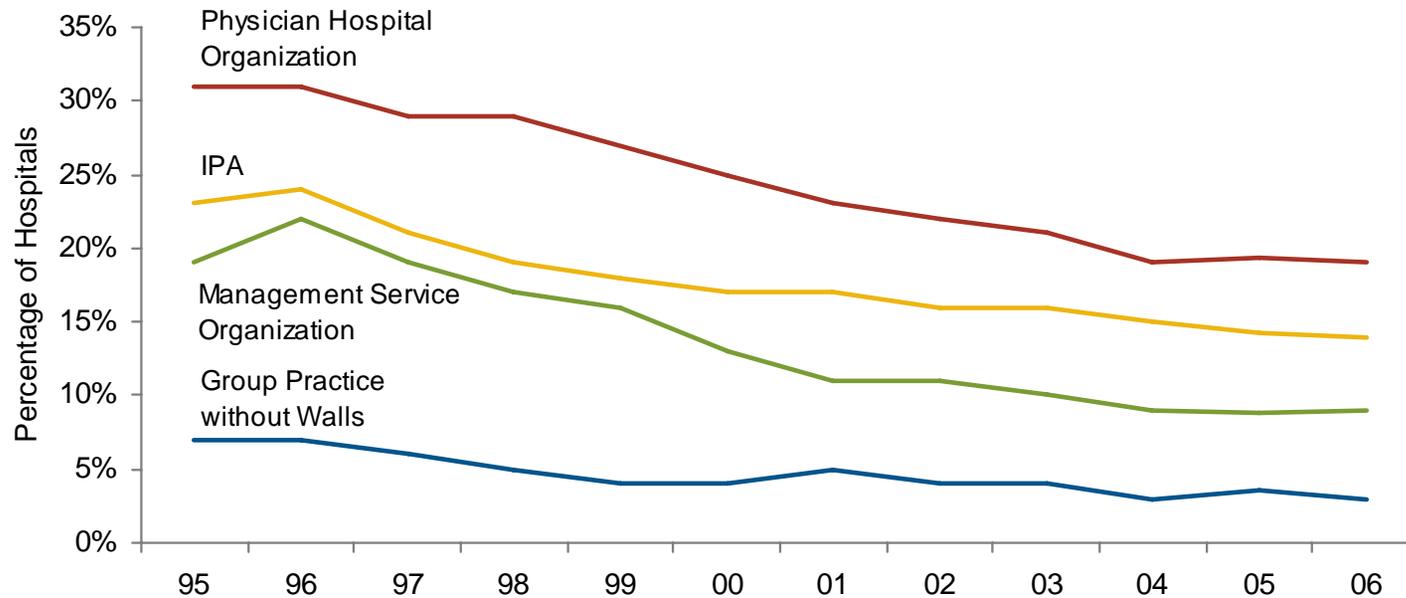
Source: Verispan, *Diagnostic Imaging Center Profiling Solution*, 2004.
*2005 values are estimated based upon current trends.

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Source: Verispan. (2007). *2007 Guide to Healthcare Market Segments*.

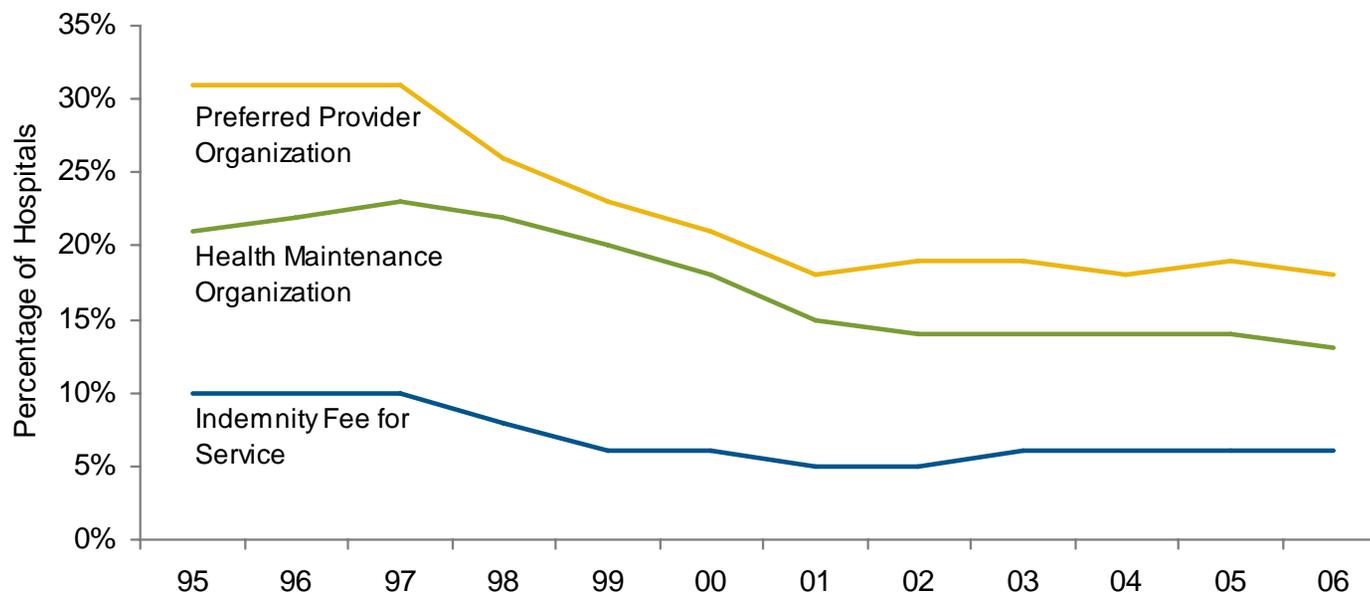
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

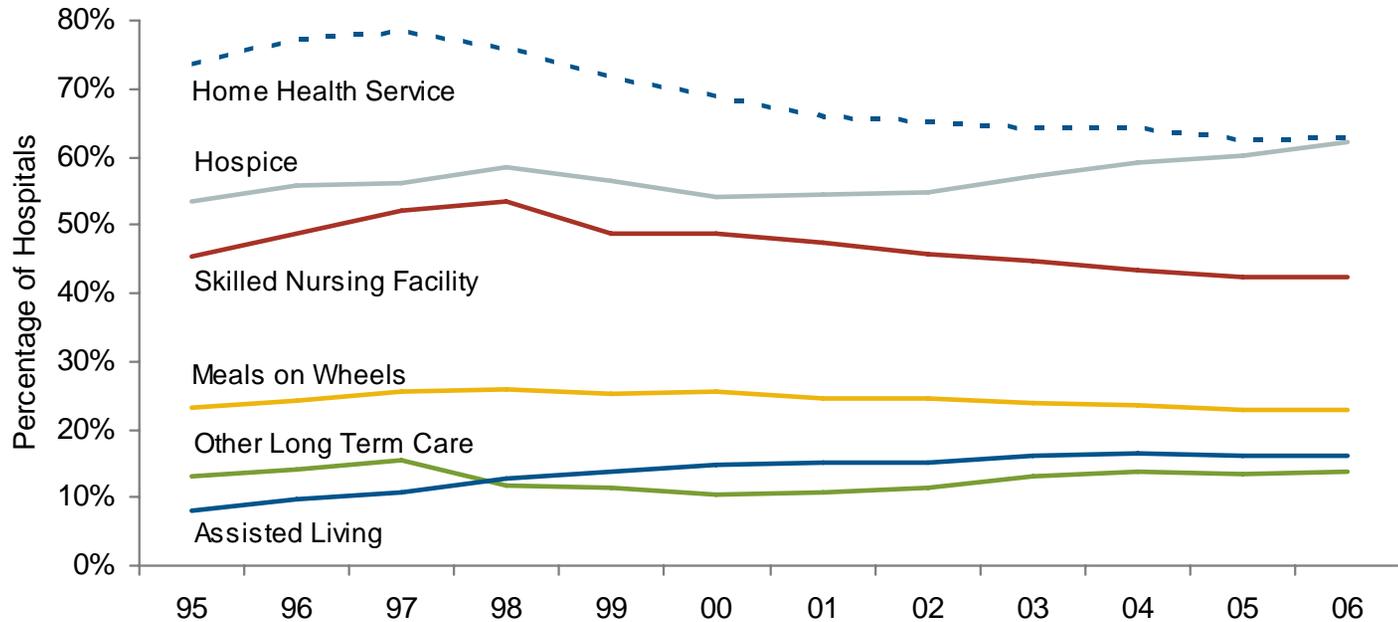
⁽¹⁾ A hospital is considered to have a physician relationship if the relationship exists as part of the hospital or a system or network of which the hospital is a part.

Chart 2.8: Percentage of Hospitals with Insurance Products by Type of Insurance, 1995 – 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

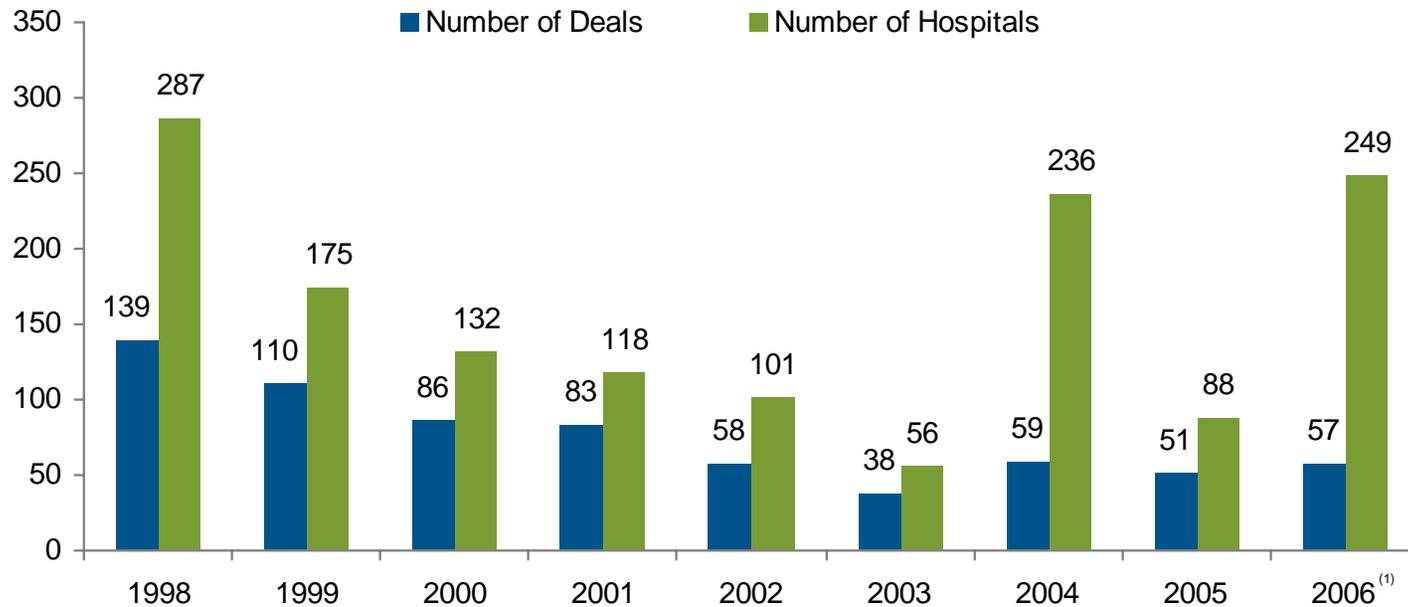
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

Chart 2.10: Announced Hospital Mergers and Acquisitions, 1998 – 2006



Source: Irving Levin Associates, Inc., *The Health Care Acquisition Report*, Thirteenth Edition, 2007.

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



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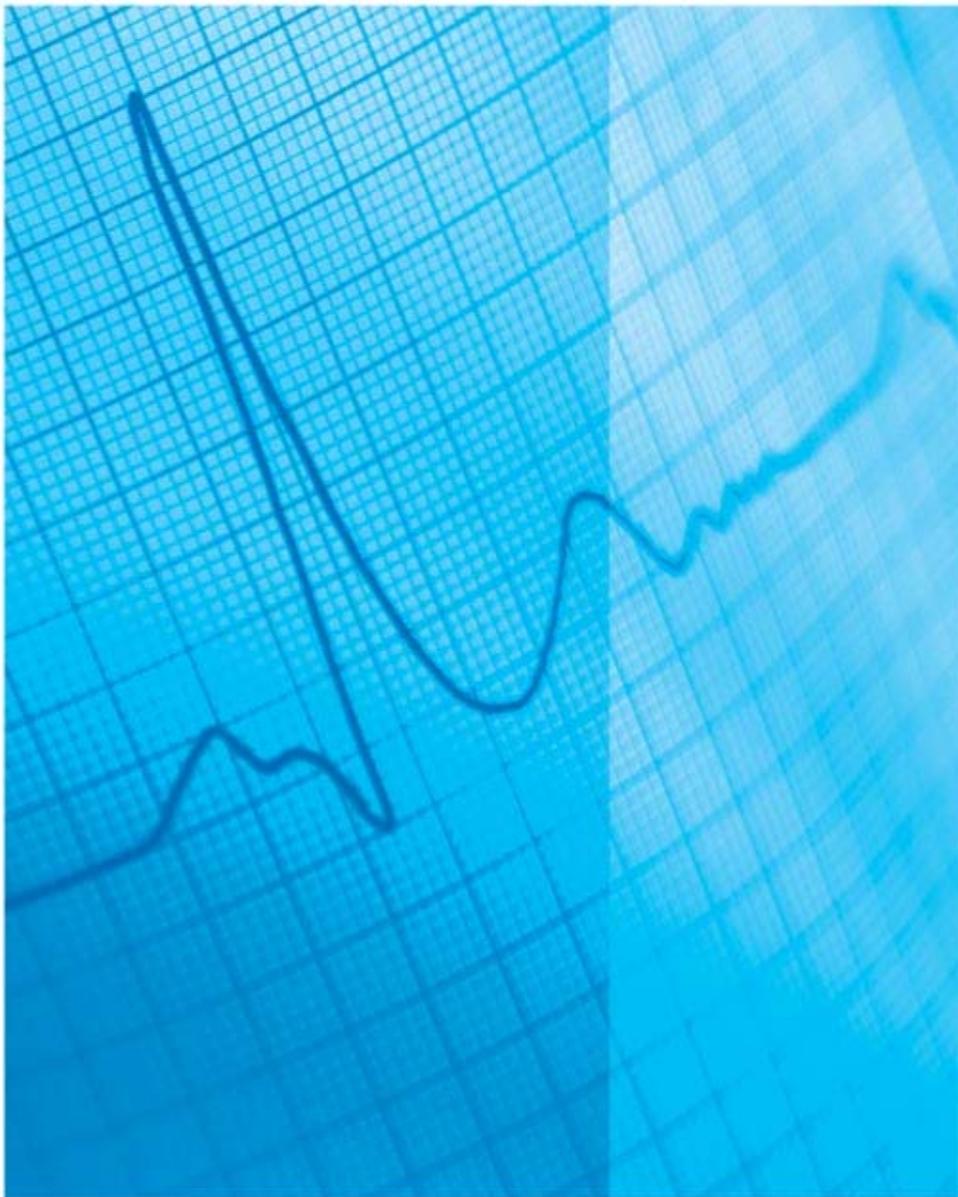


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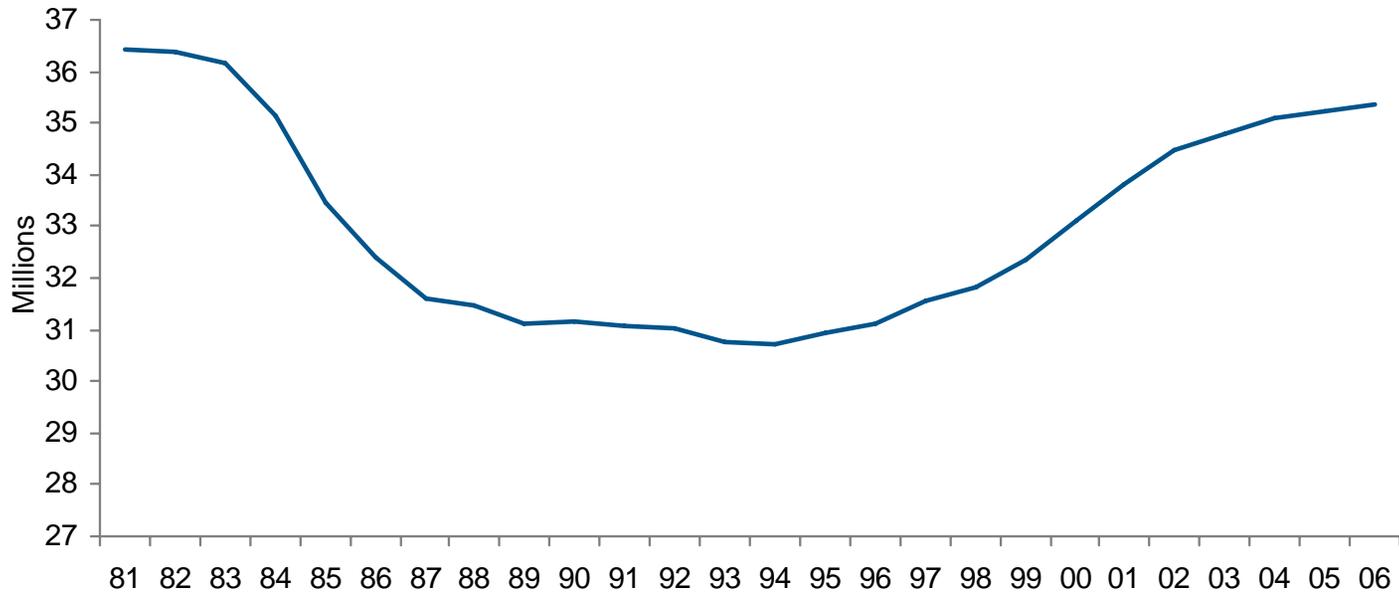
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CHAPTER 3

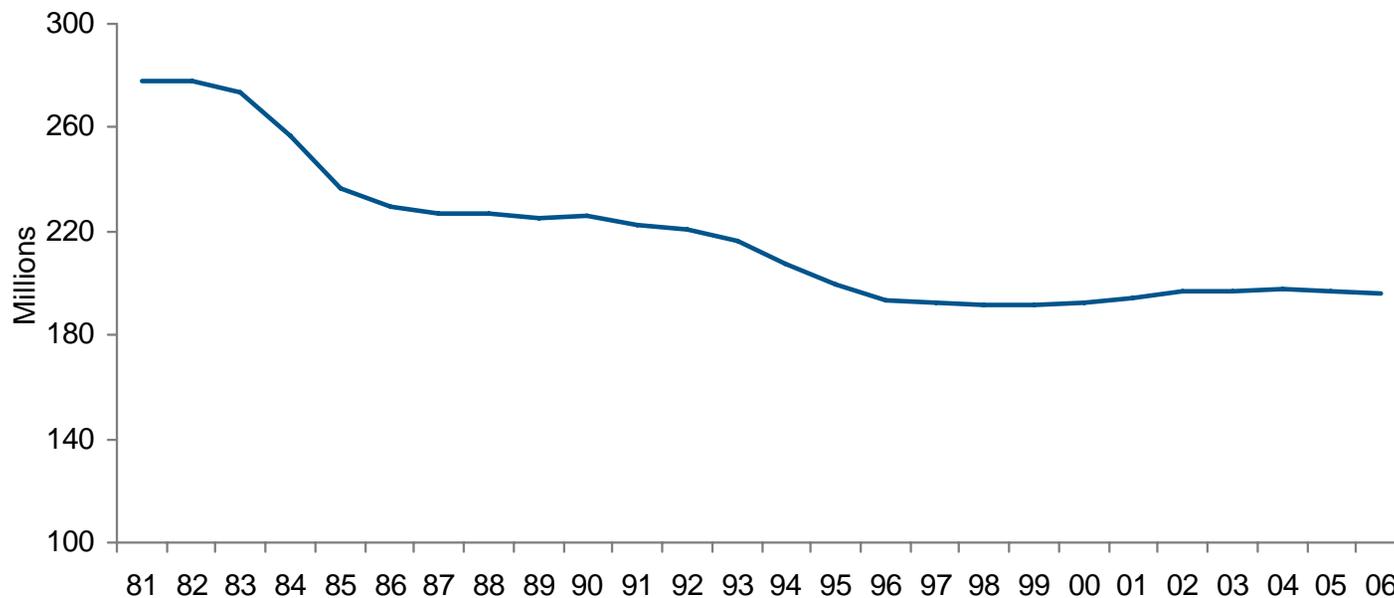
Utilization and Volume

Chart 3.1: Inpatient Admissions in Community Hospitals, 1981 – 2006



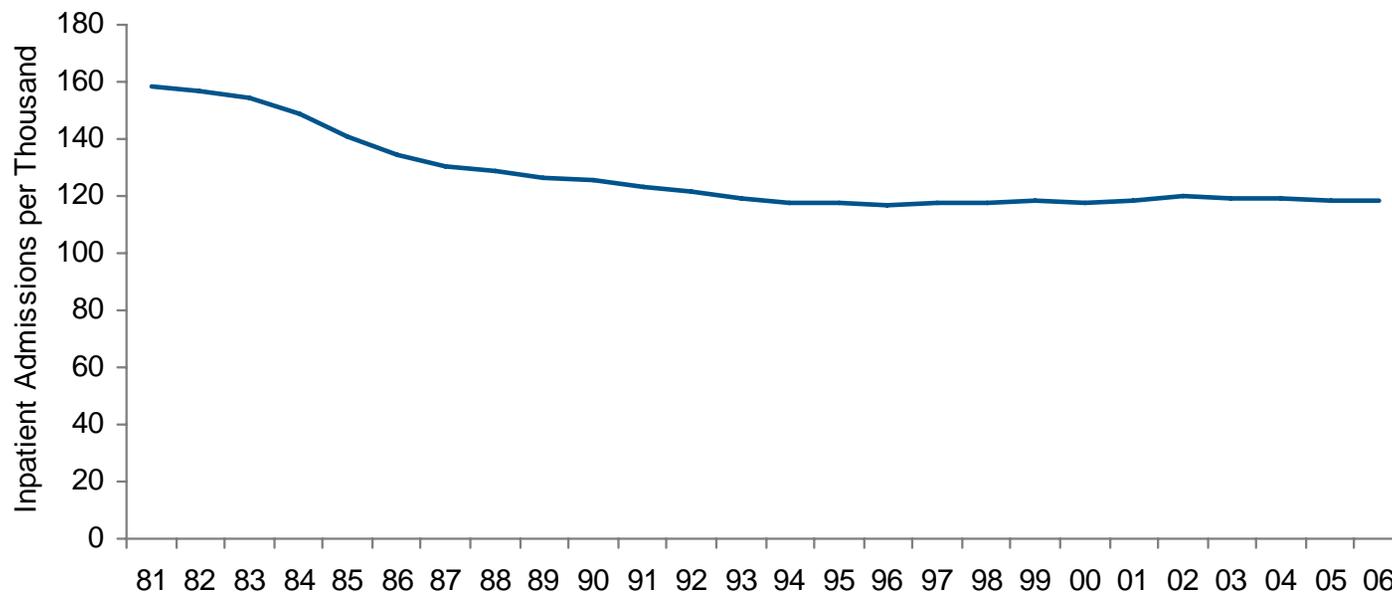
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 3.2: Total Inpatient Days in Community Hospitals, 1981 – 2006



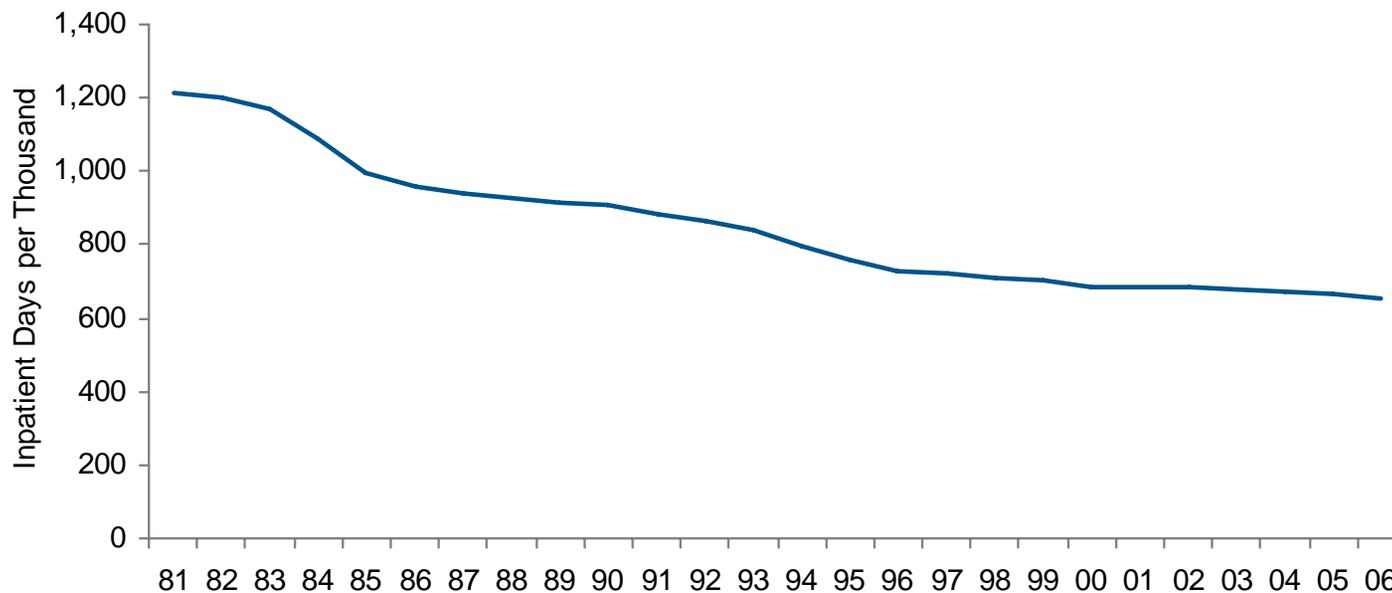
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 3.3: Inpatient Admissions per 1,000 Persons, 1981 – 2006



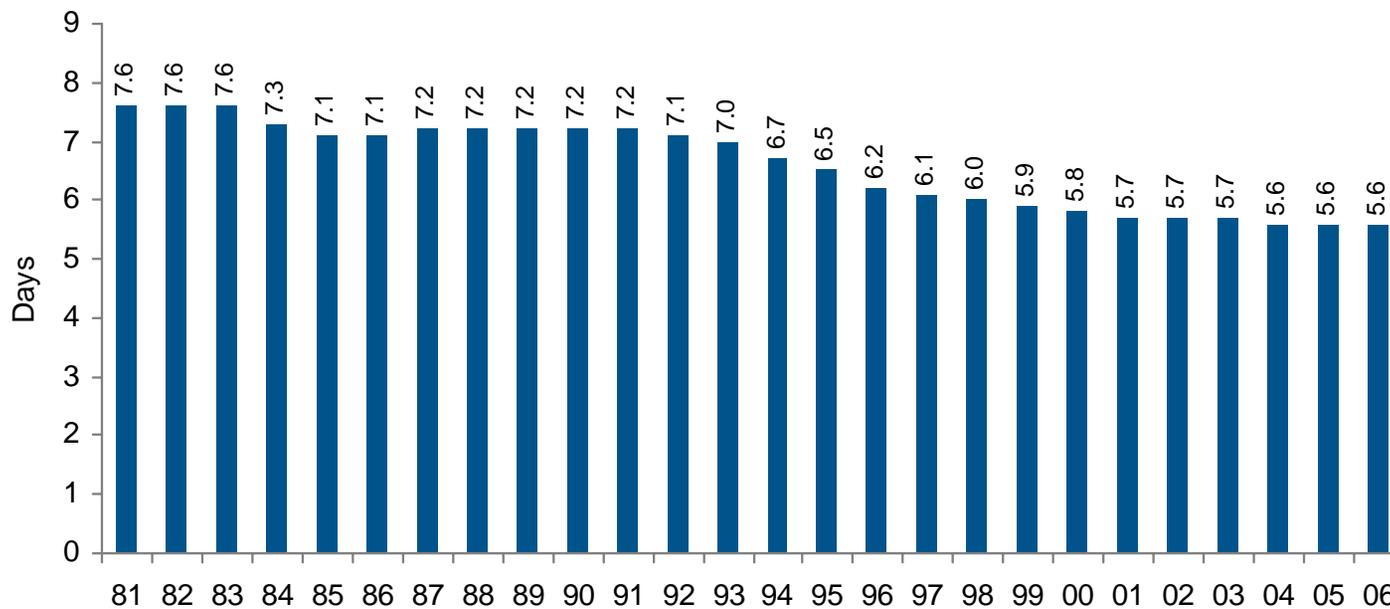
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
US Census Bureau: National and State Population Estimates, July 1, 2006.
Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

Chart 3.4: Inpatient Days per 1,000 Persons, 1981 – 2006



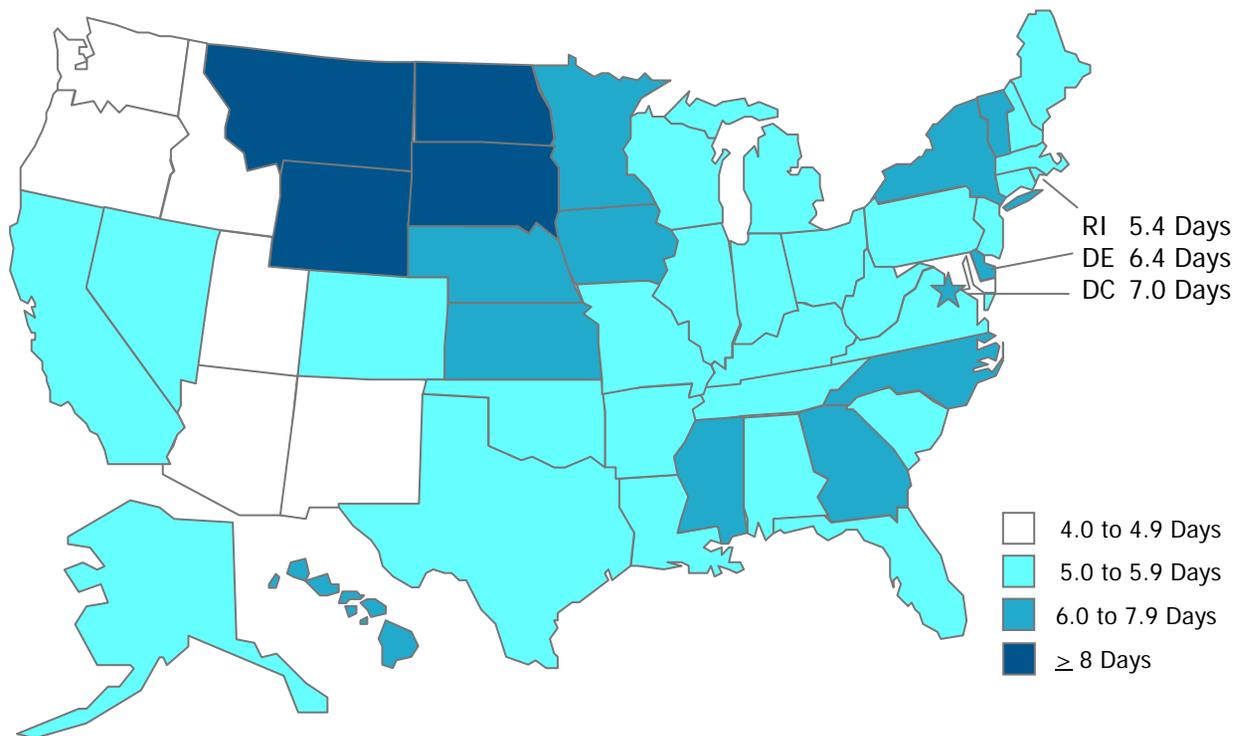
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
US Census Bureau: National and State Population Estimates, July 1, 2006.
Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

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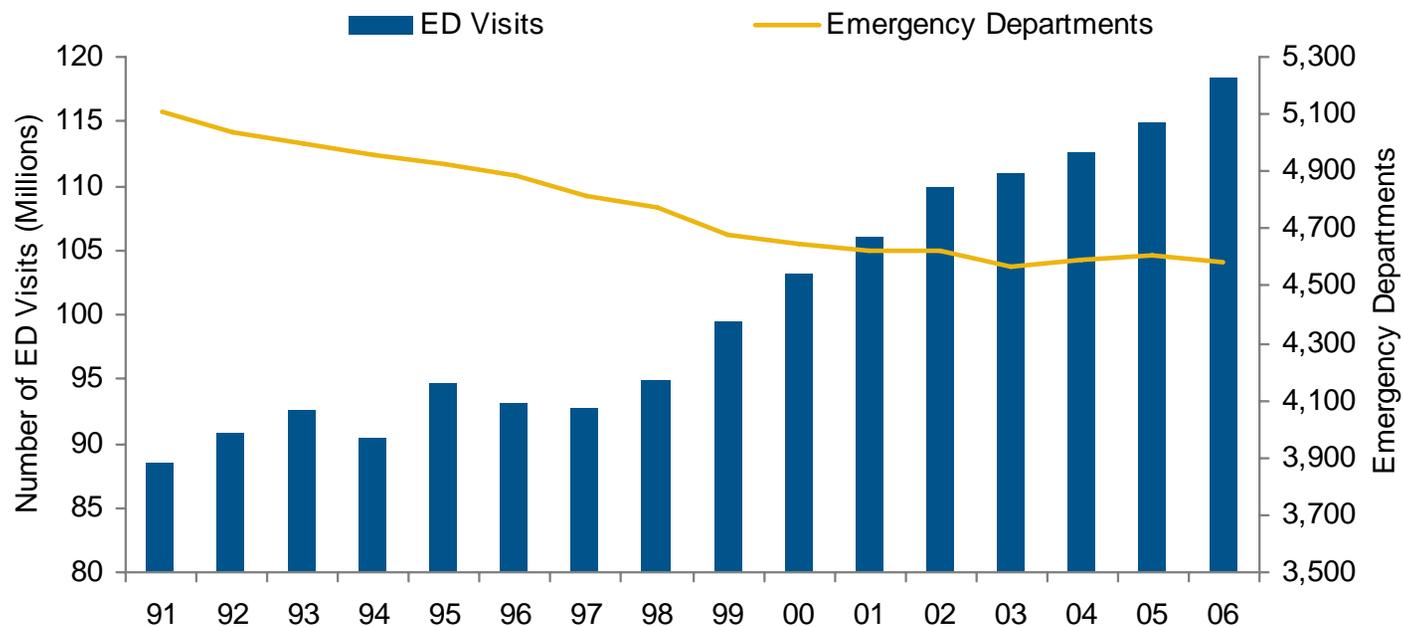
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 3.6: Average Length of Stay in Community Hospitals by State, 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

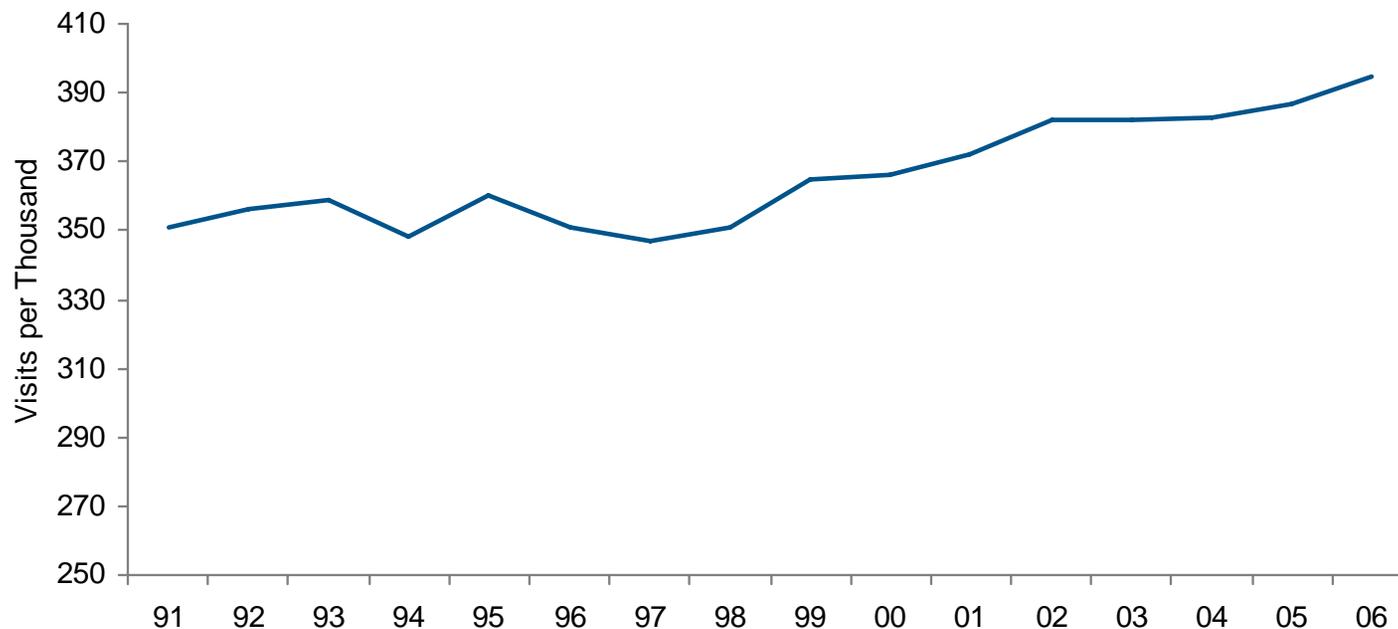
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

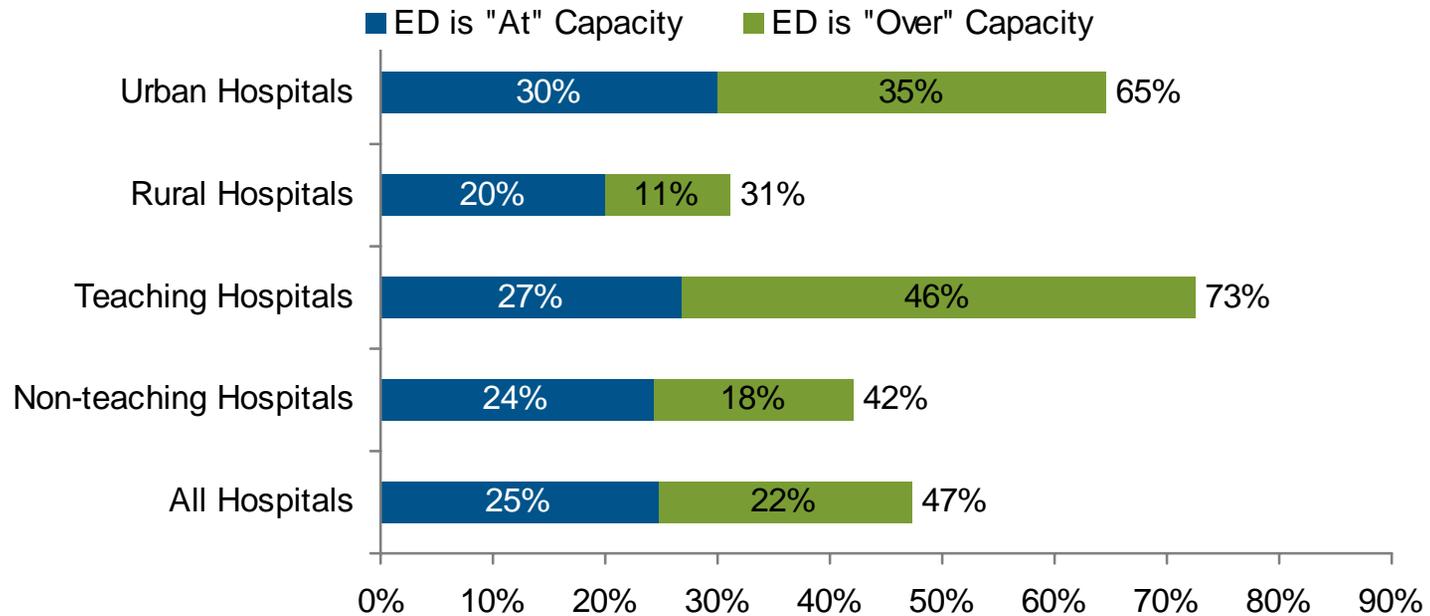
⁽¹⁾ Defined as hospitals reporting ED visits in 2005 AHA Annual Survey.

Chart 3.8: Hospital Emergency Department Visits per 1,000 Persons, 1991 – 2006



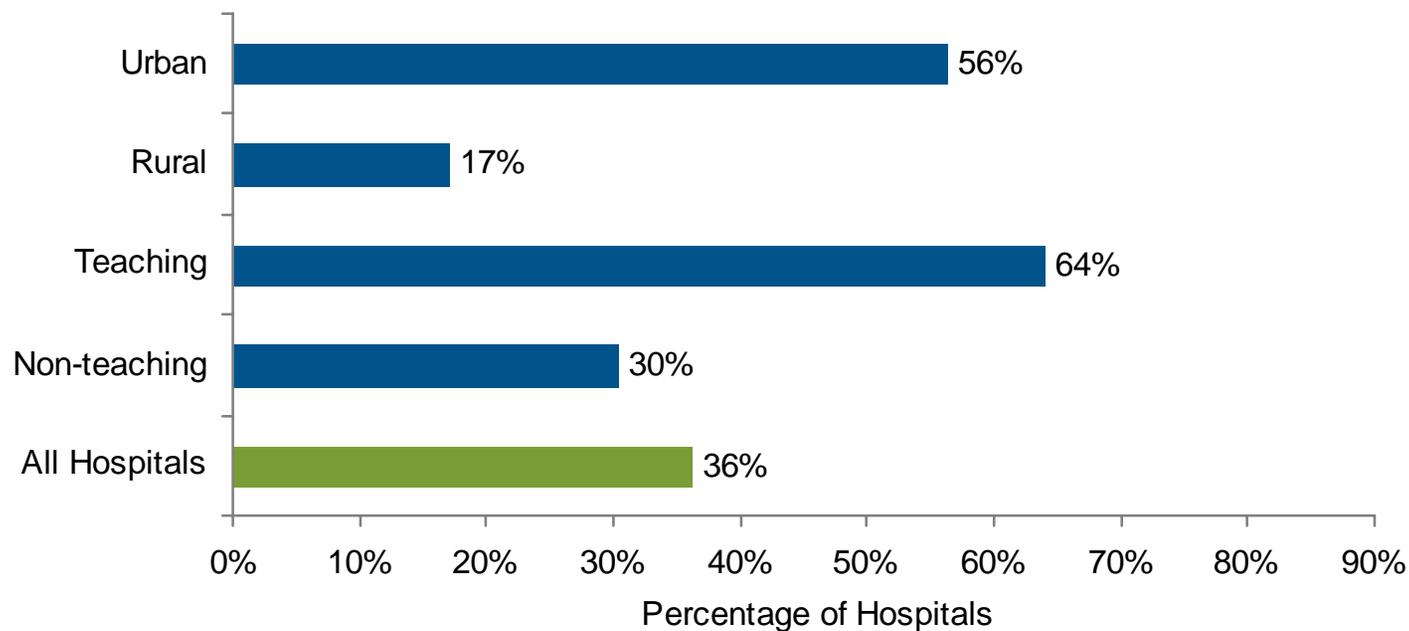
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
US Census Bureau: National and State Population Estimates, July 1, 2006.
Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

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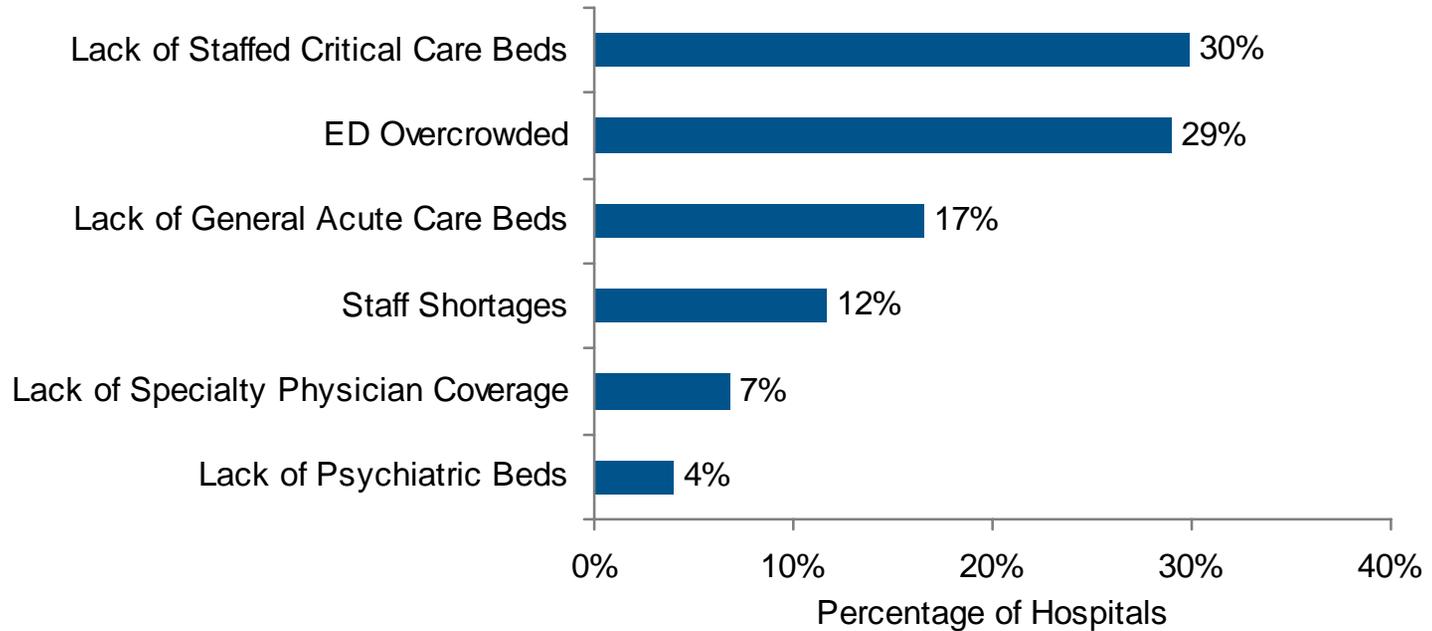
Source: American Hospital Association 2007 Survey of Hospital Leaders.

Chart 3.10: Percent of Hospitals Reporting Time on Ambulance Diversion in Last 12 Months



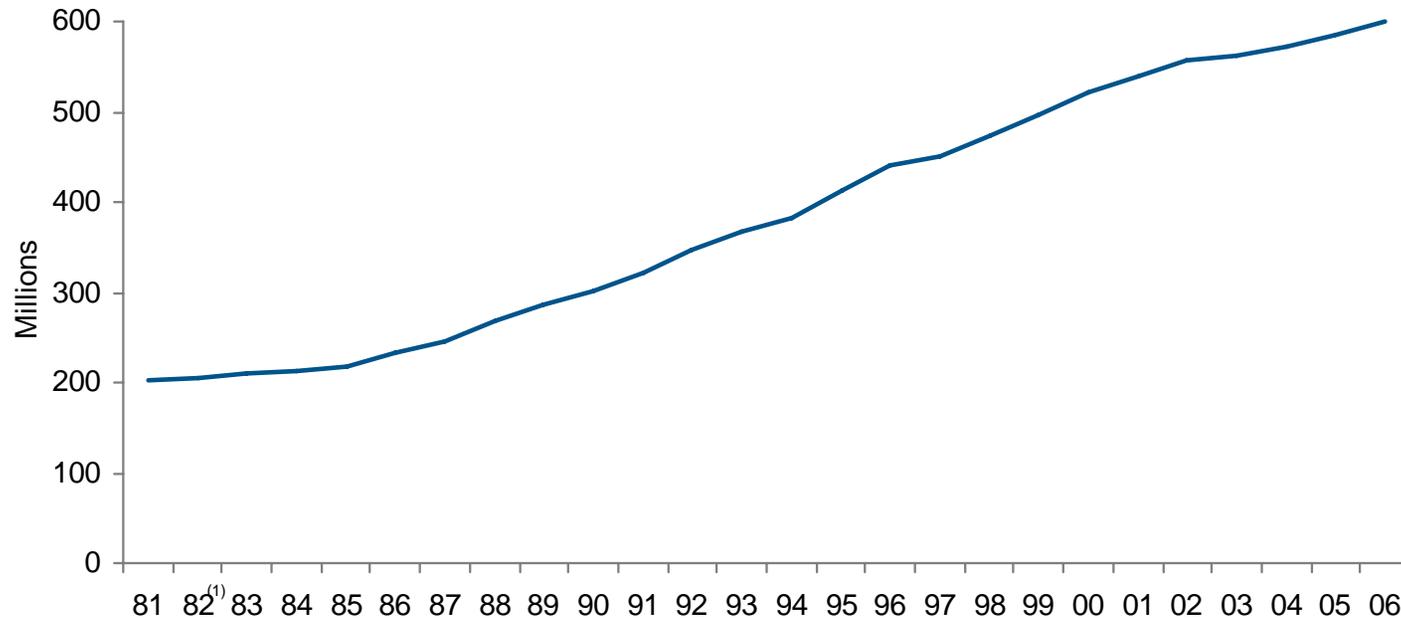
Source: American Hospital Association 2007 Survey of Hospital Leaders.

Chart 3.11: Conditions Hospitals Reported as Number One Factor Contributing to Ambulance Diversions, January 2007



Source: American Hospital Association 2007 Survey of Hospital Leaders.

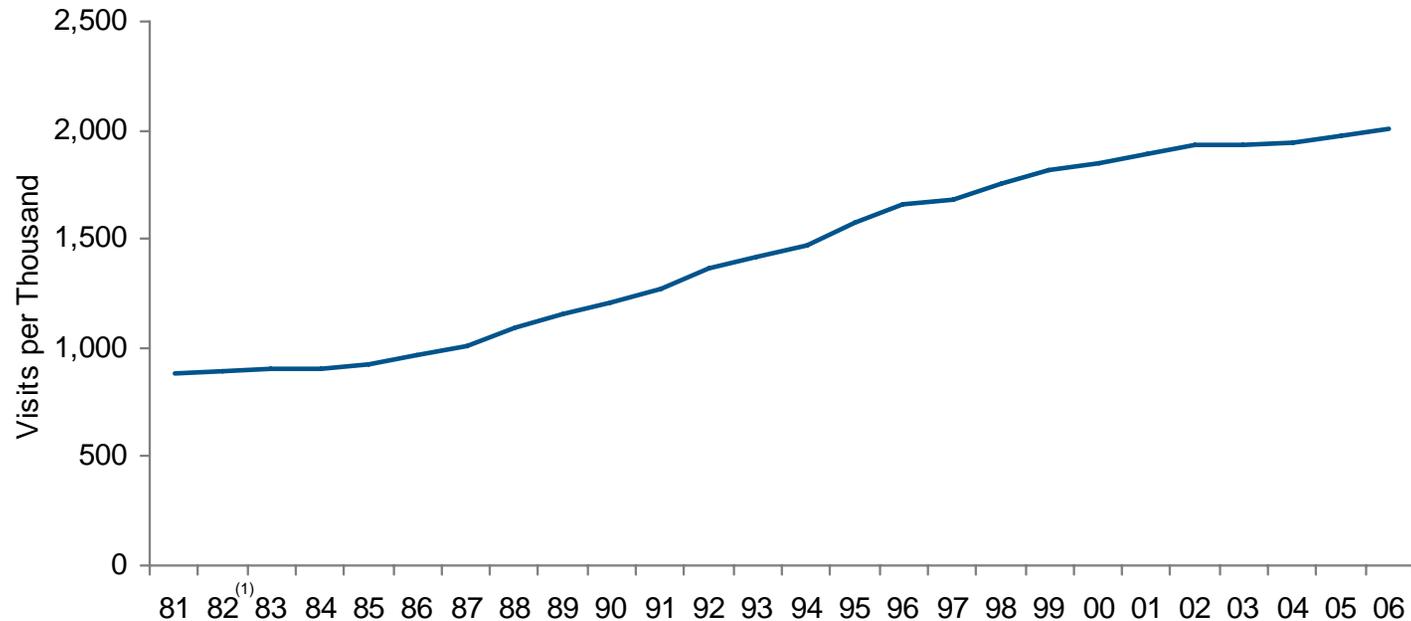
Chart 3.12: Total Hospital Outpatient Visits in Community Hospitals, 1981 – 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ Due to a restructuring of this survey question in 1982, some respondents reported *occasions* of service rather than *visits*, resulting in an artificially large number of outpatient visits. In 1983, the survey reverted back to the original question, which remains the same today. To smooth the trend line to better reflect what was the actual number of *visits*, the 1982 data point in the chart is an average of the 1981 and 1983 figures. The number collected from the survey is reported in the appendix table but should be used with caution.

Chart 3.13: Hospital Outpatient Visits per 1,000 Persons, 1981 – 2006



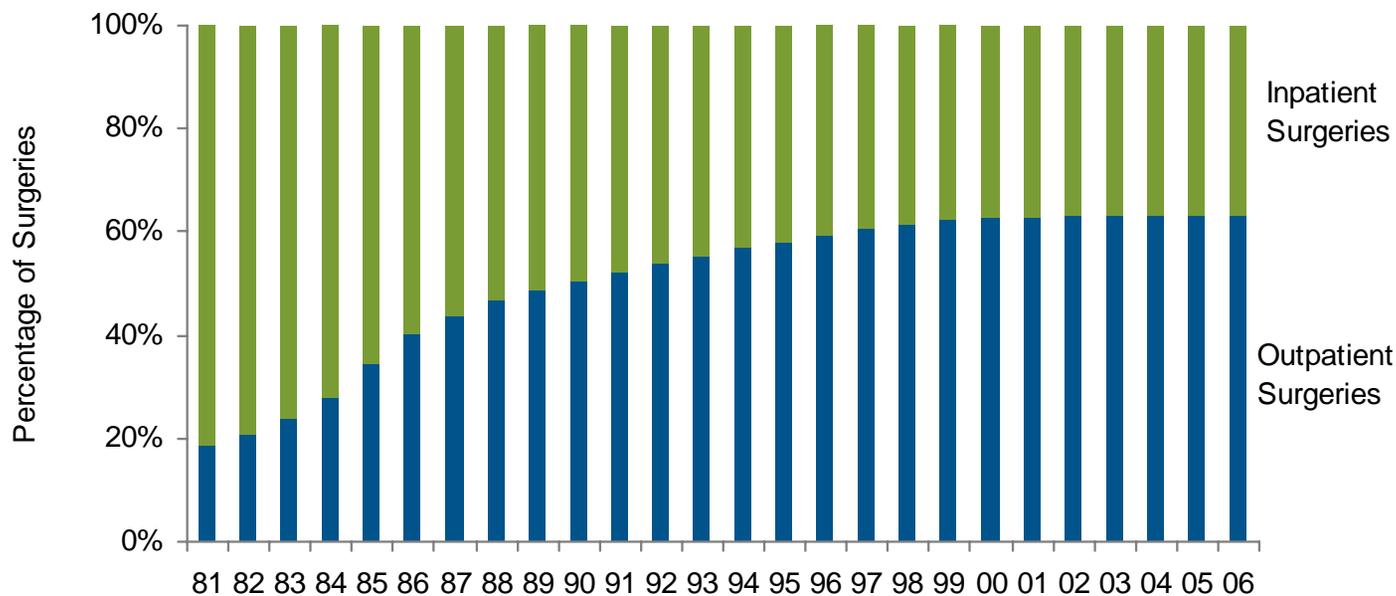
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

US Census Bureau: National and State Population Estimates, July 1, 2006.

Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

(1) Due to a restructuring of this survey question in 1982, some respondents reported *occasions* of service rather than *visits*, resulting in an artificially large number of outpatient visits. In 1983, the survey reverted back to the original question, which remains the same today. To smooth the trend line to better reflect what was the actual number of *visits*, the 1982 data point in the chart is an average of the 1981 and 1983 figures. The number collected from the survey is reported in the appendix table but should be used with caution.

Chart 3.14: Percentage Share of Inpatient vs. Outpatient Surgeries, 1981 – 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.



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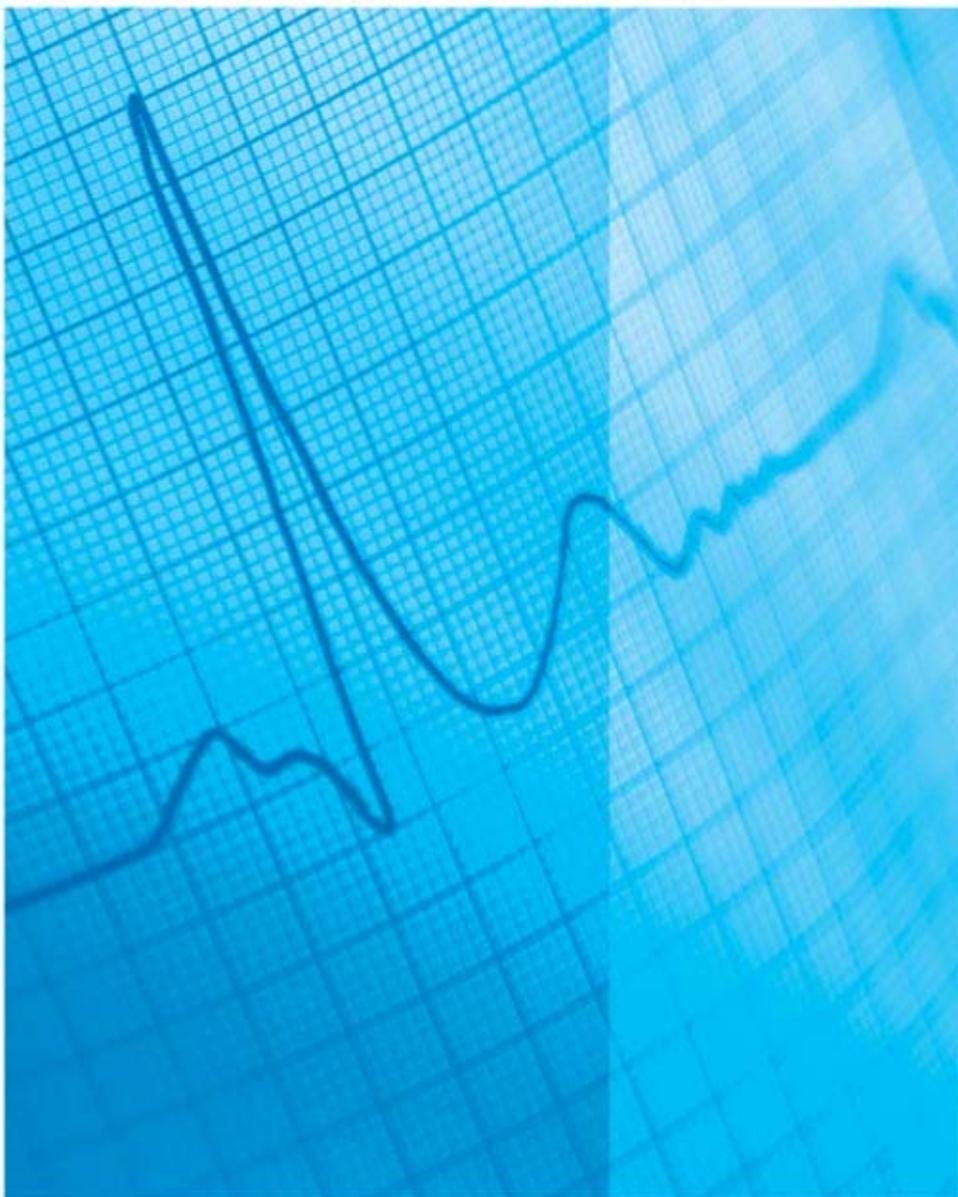


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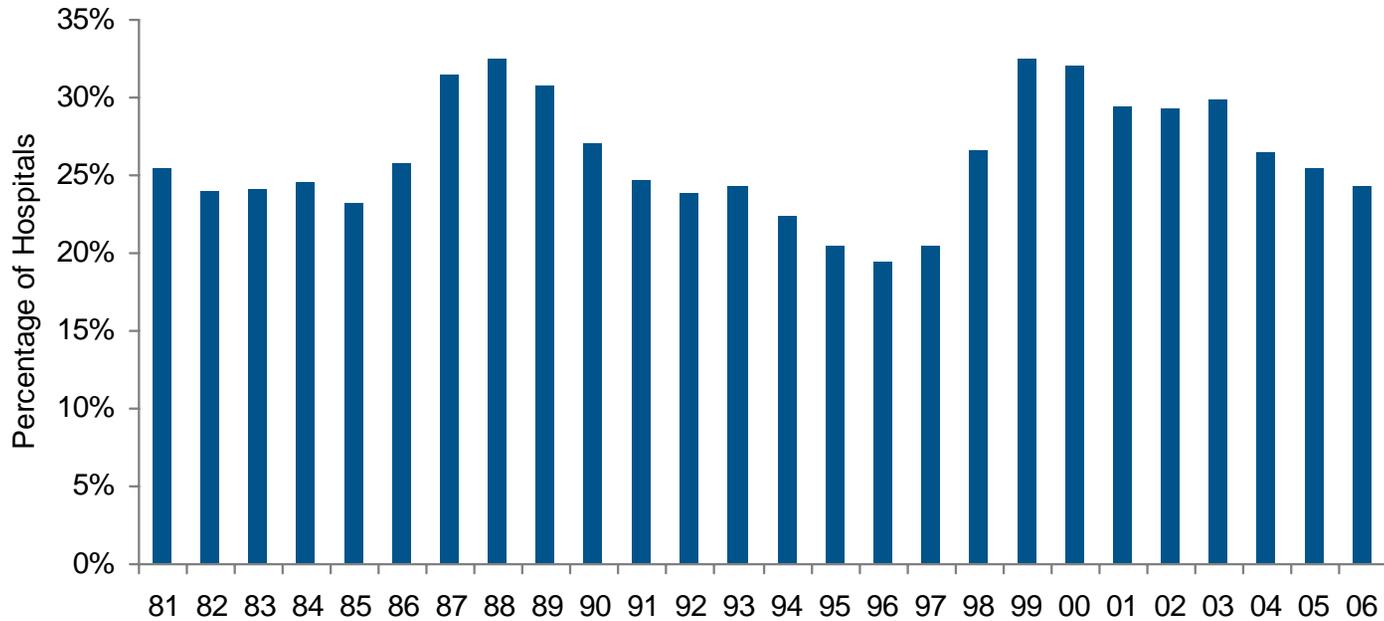
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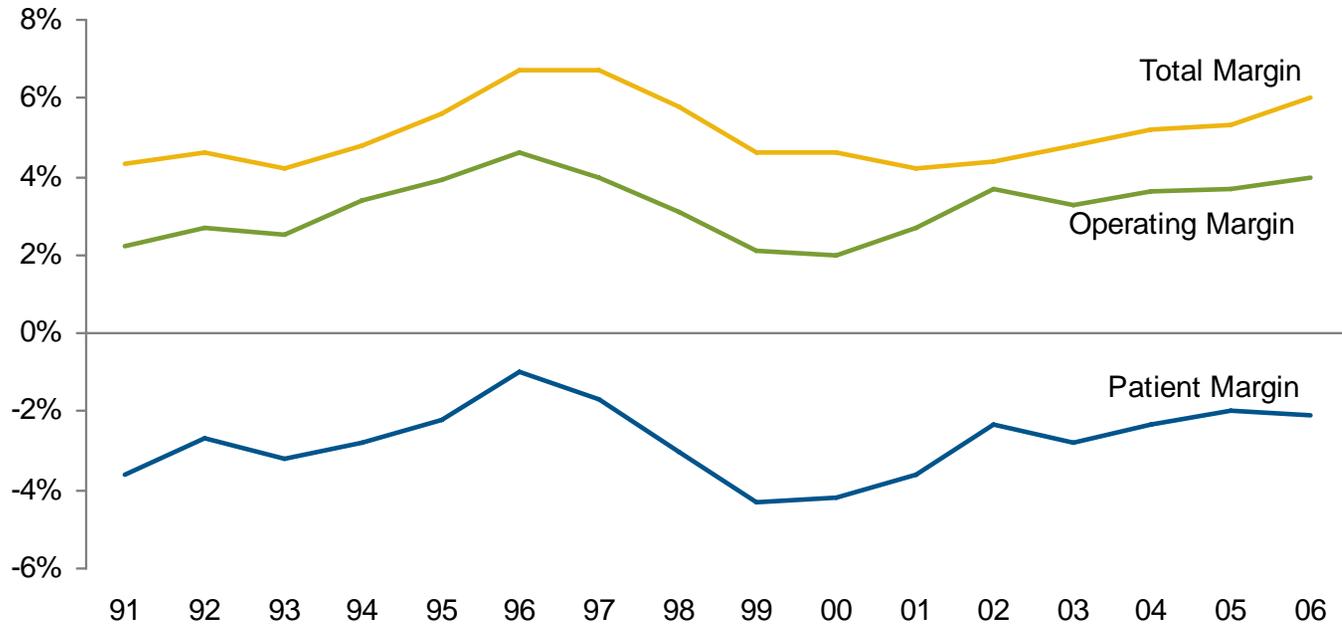
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 4.2: Aggregate Total Hospital Margins, ⁽¹⁾ Operating Margins, ⁽²⁾ and Patient Margins, ⁽³⁾ 1991 – 2006



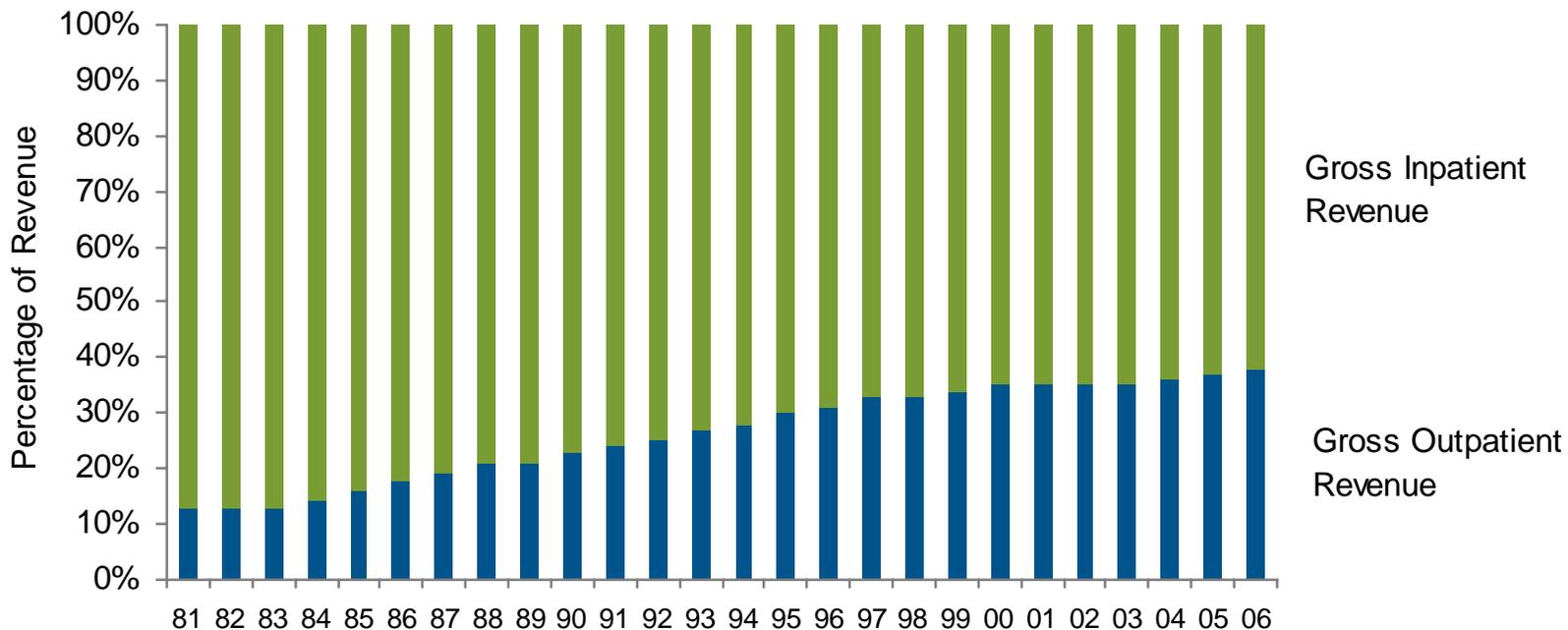
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

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

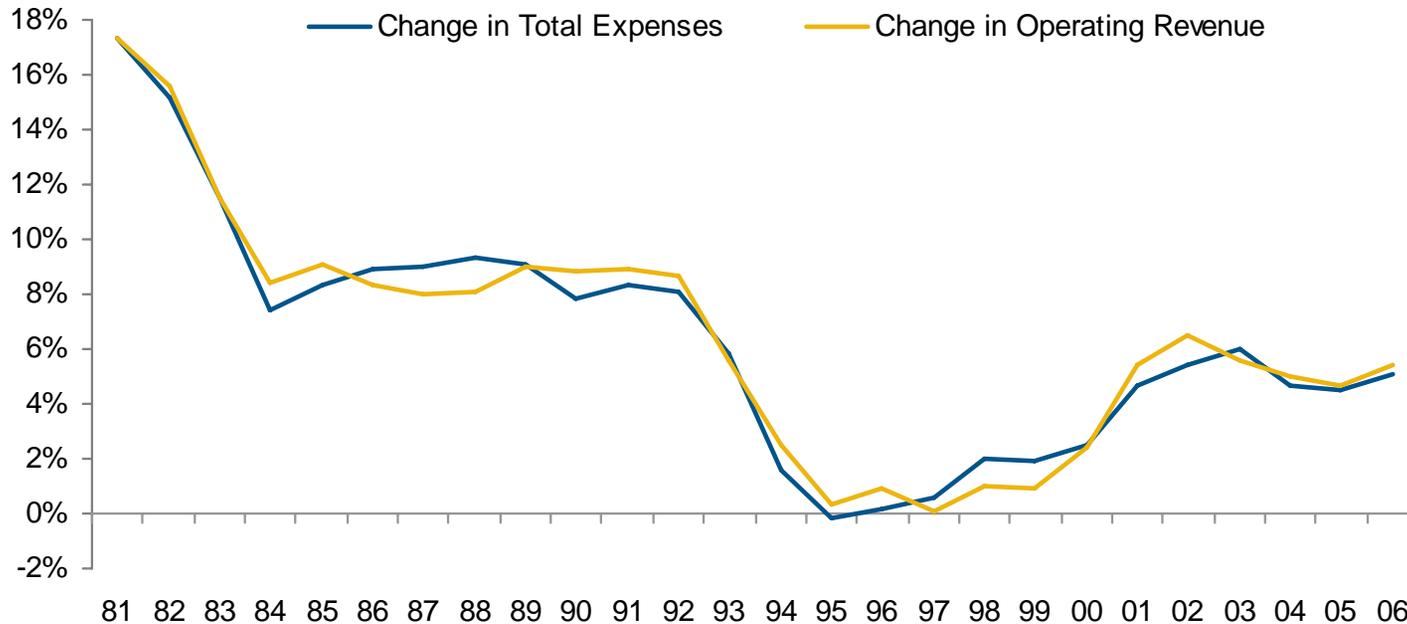
⁽³⁾ Patient Margin is calculated as the difference between net patient revenue and total expenses divided by net patient revenue.

Chart 4.3: Distribution of Outpatient vs. Inpatient Revenues, 1981 – 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

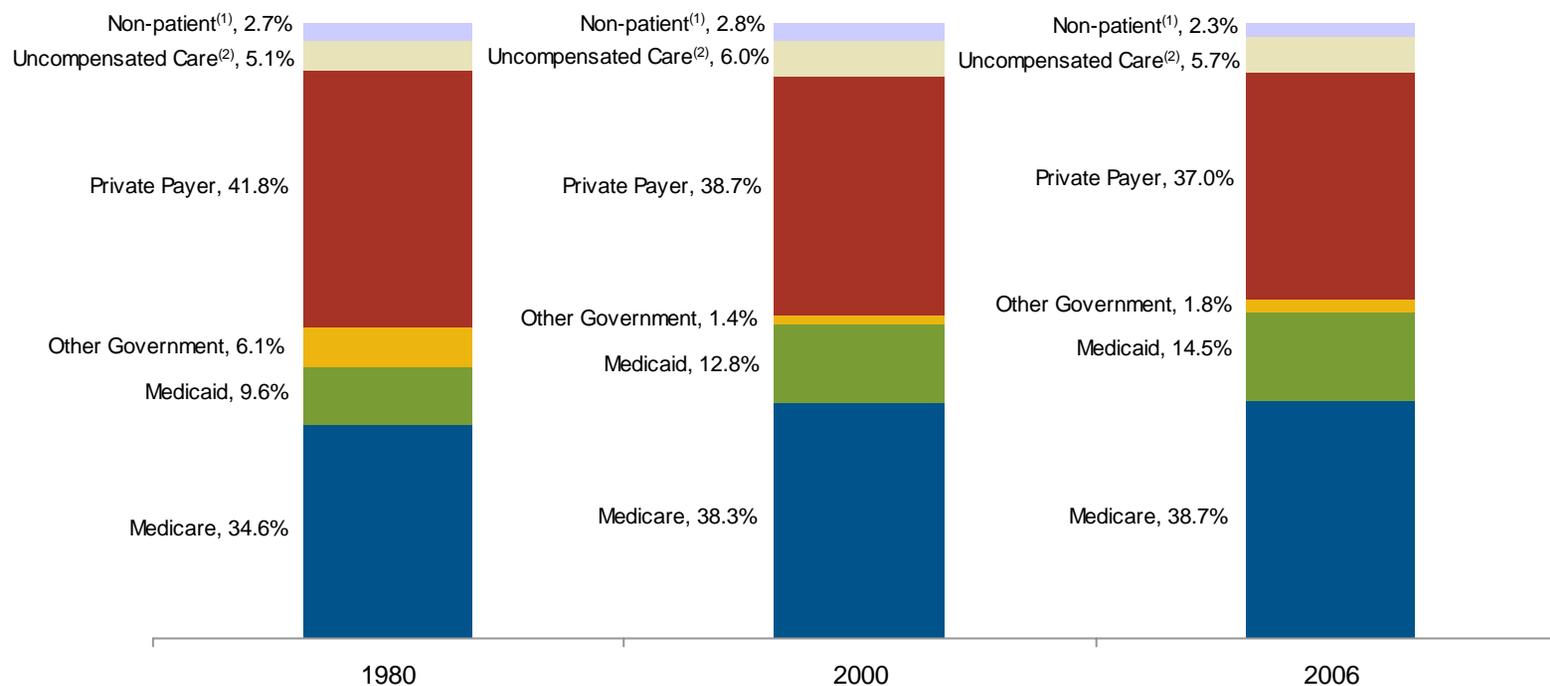
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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 2006

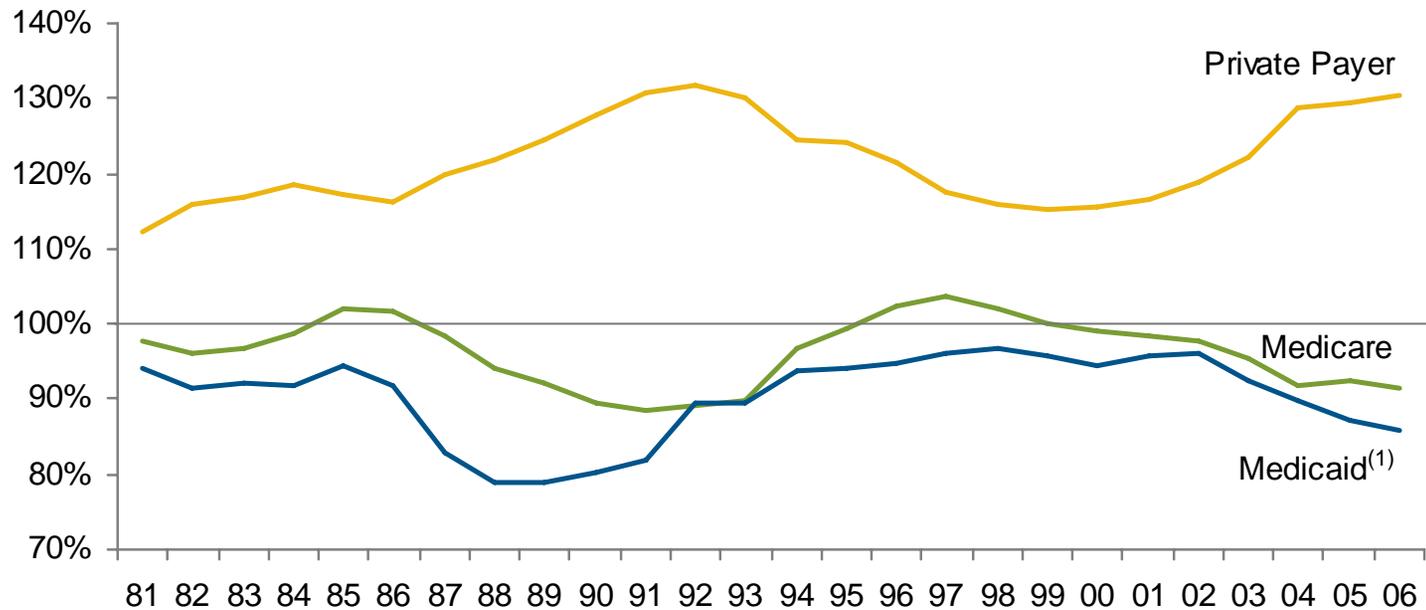


Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽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.

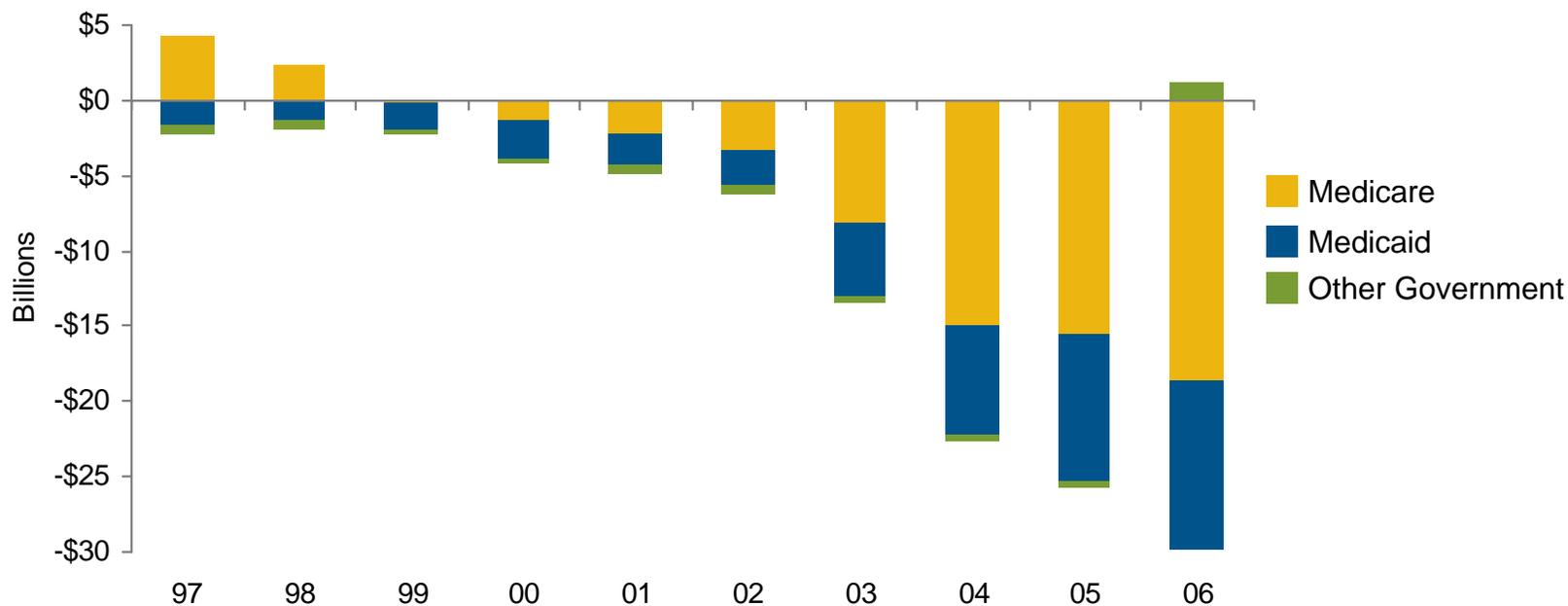
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ Includes Medicaid Disproportionate Share payments.

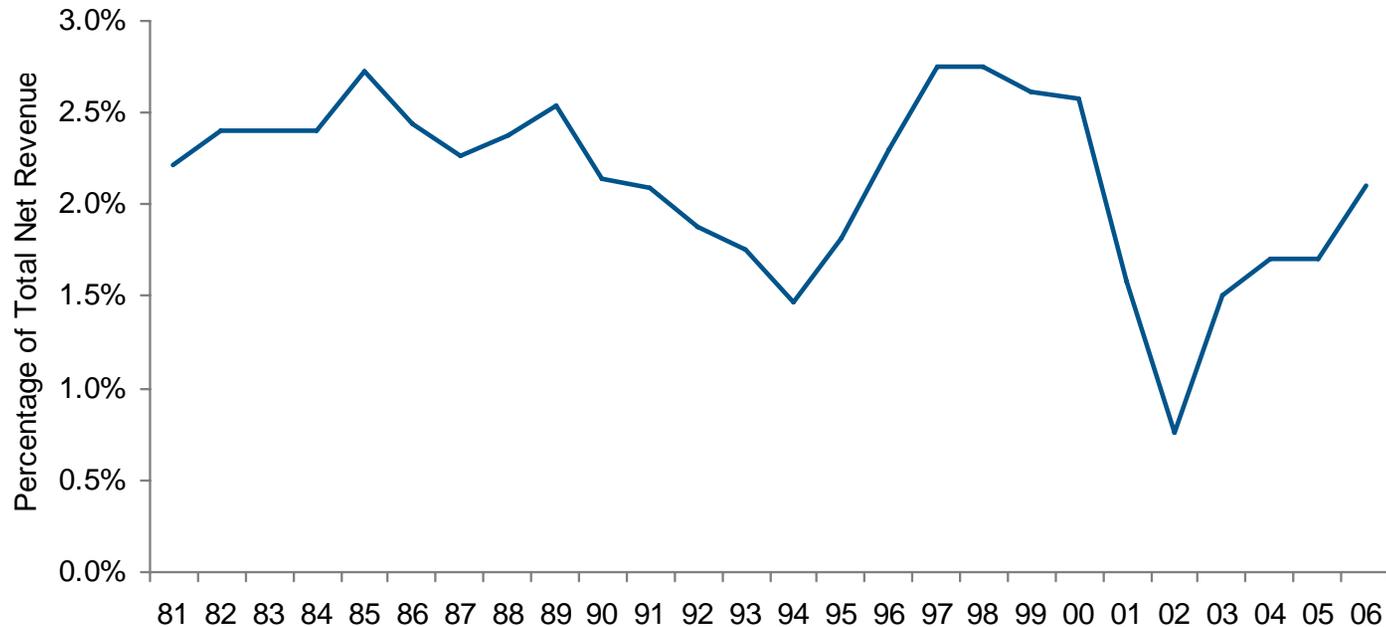
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

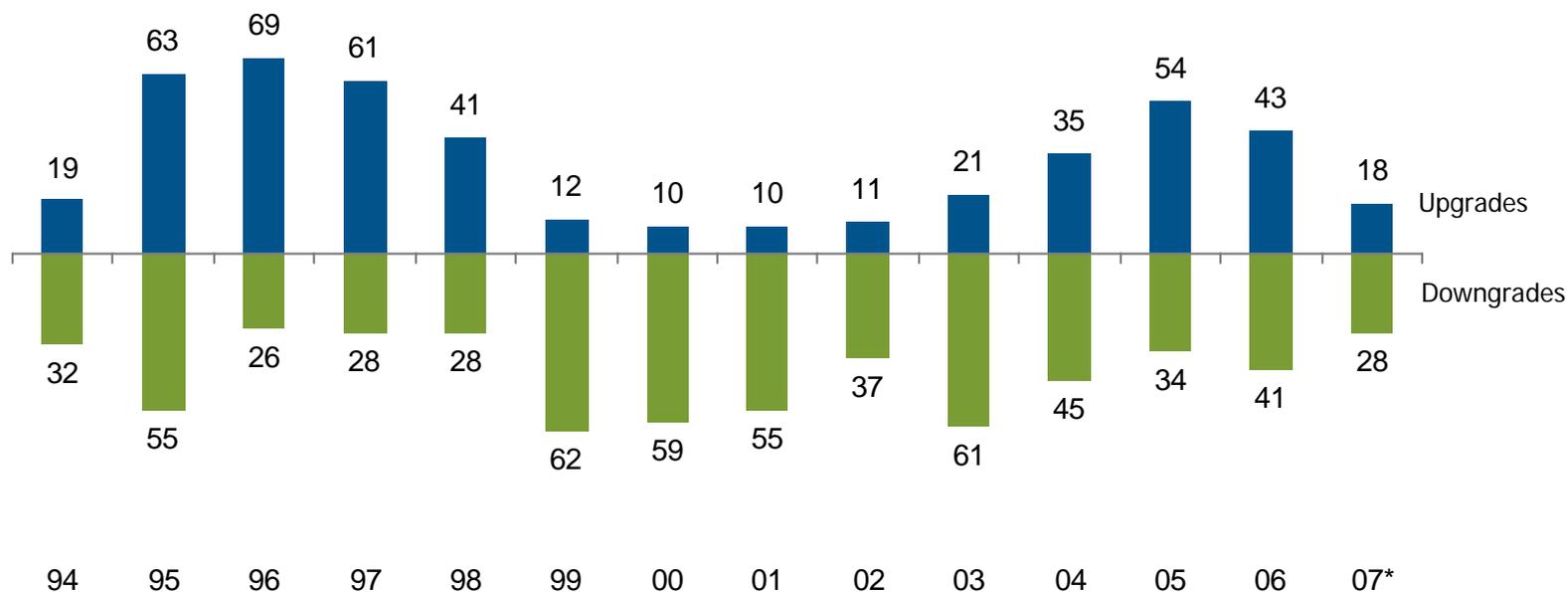
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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.

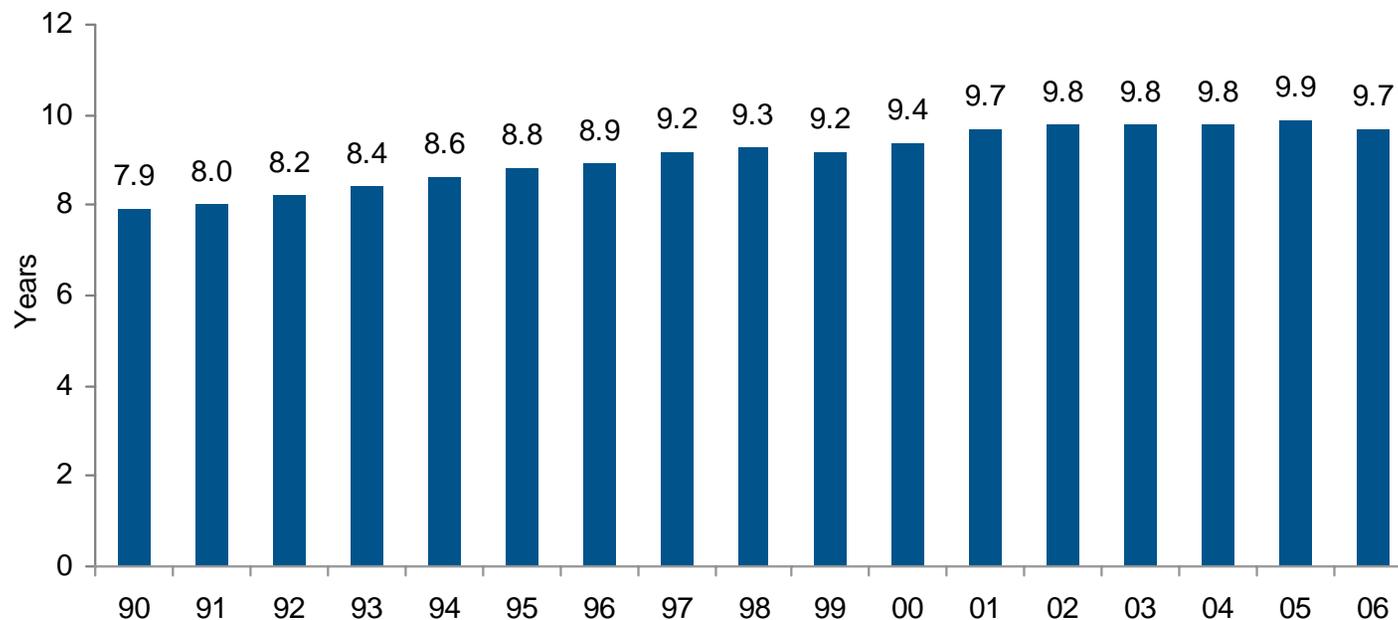
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Source: Standard and Poor's. Cited in Modern Healthcare, *By the Numbers*, December 24, 2007.

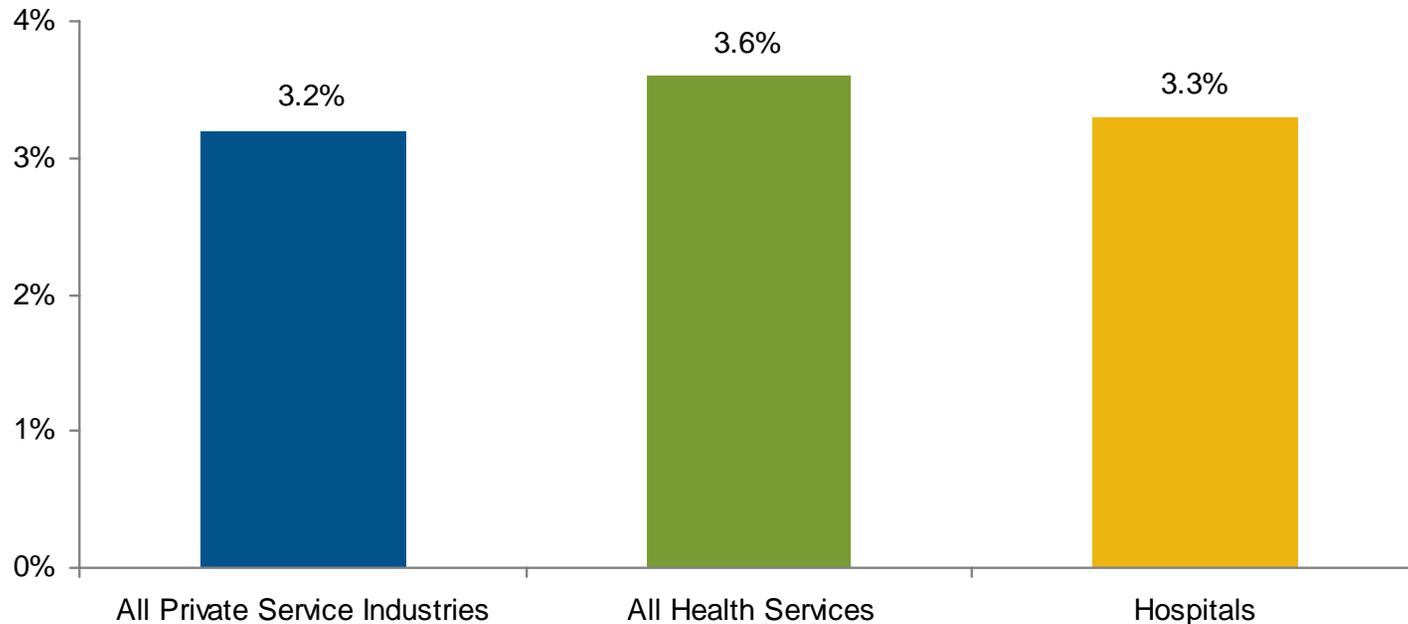
*Through September 30, 2007.

Chart 4.10: Median Average Age of Plant, 1990 - 2006



Source: Ingenix, *Almanac of Hospital Financial and Operating Indicators*, 2005 and 2008 and CHIPS, *The Almanac of Hospital and Financial Operating Indicators*, 1994 and 1996-7.

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Source: Bureau of Labor Statistics, Employment Cost Index, 12 months ending December 2007. www.bls.gov.

⁽¹⁾ Total compensation.

⁽²⁾ Data are for 12 months ending December 2007.



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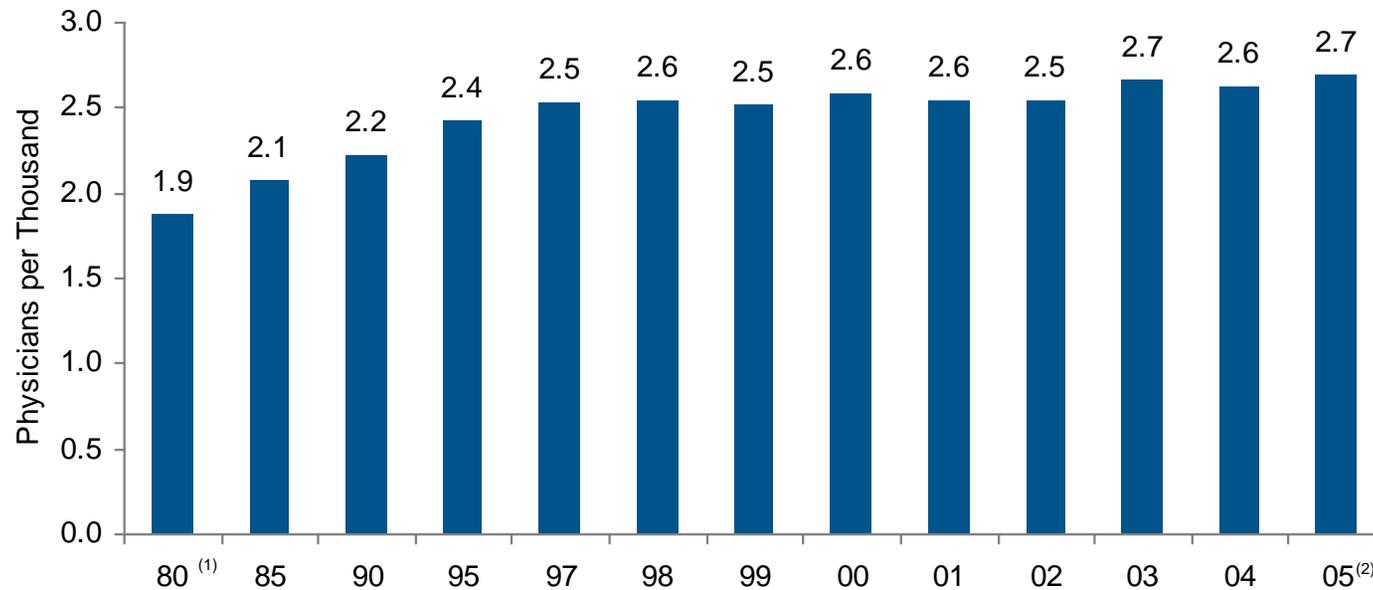
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CHAPTER 5

Workforce

Chart 5.1: Total Number of Active Physicians per 1,000 Persons, 1980 – 2005

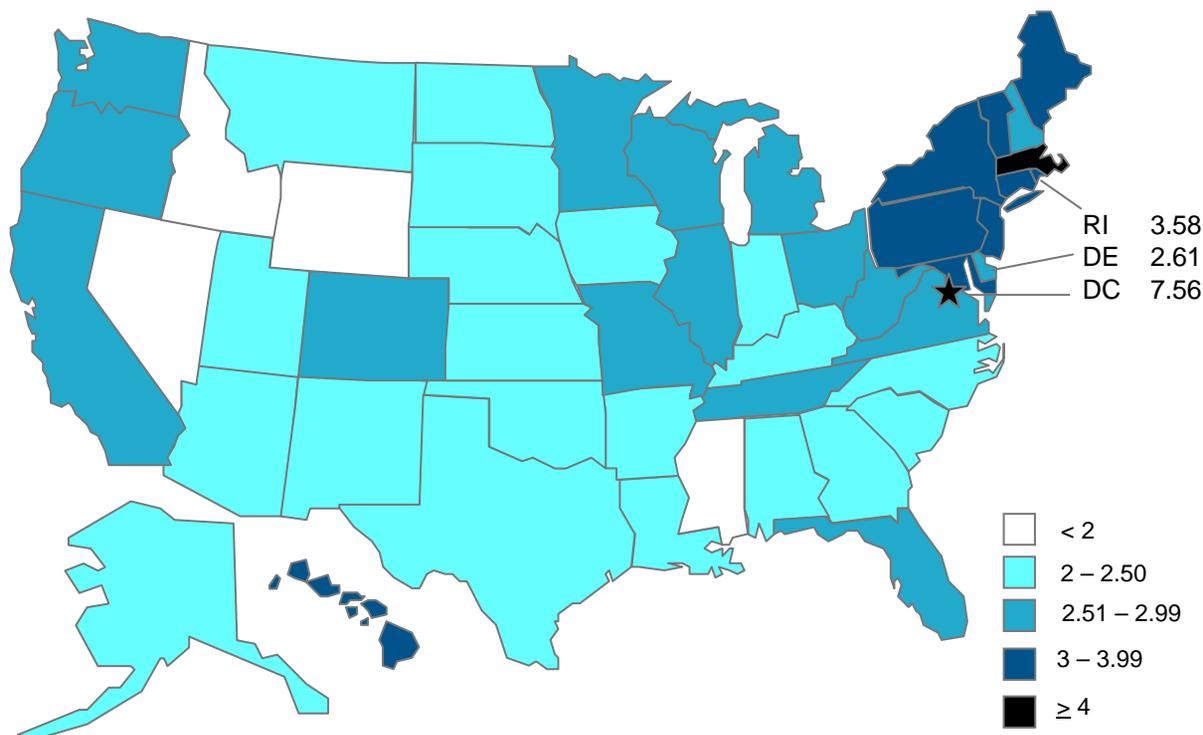


Source: CDC, NCHS *Health United States*, 1982, 1996-97, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007.

⁽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.

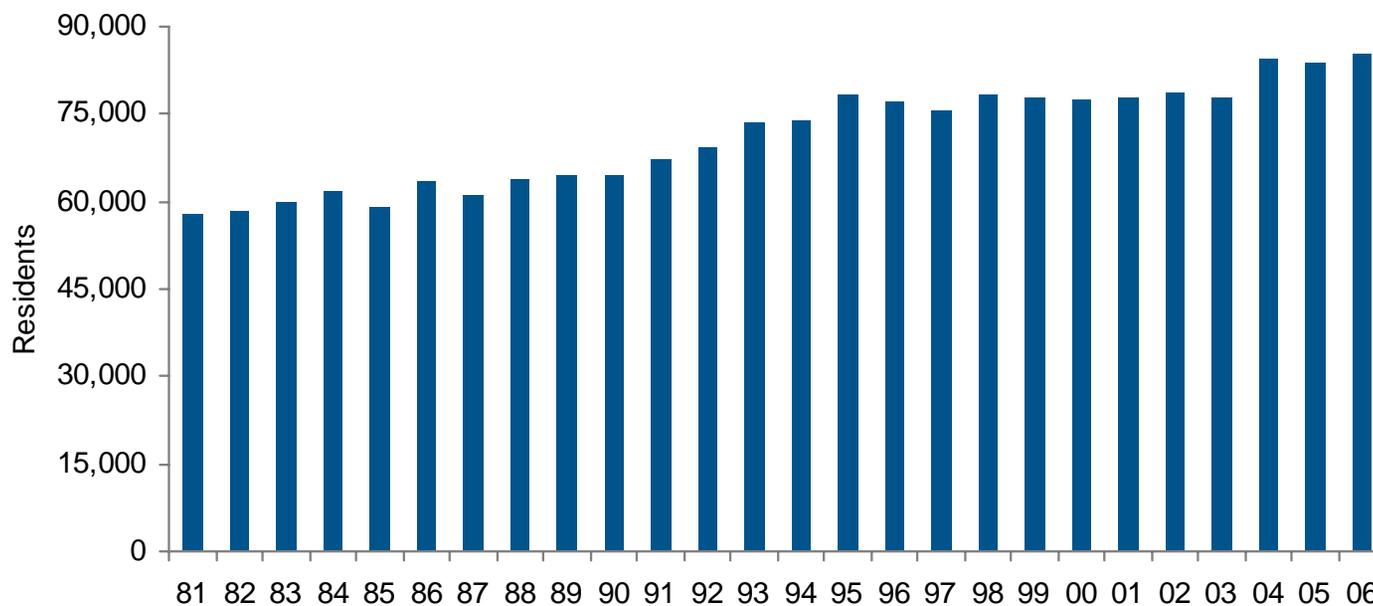
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Source: CDC, NCHS, *Health United States*, 2007.

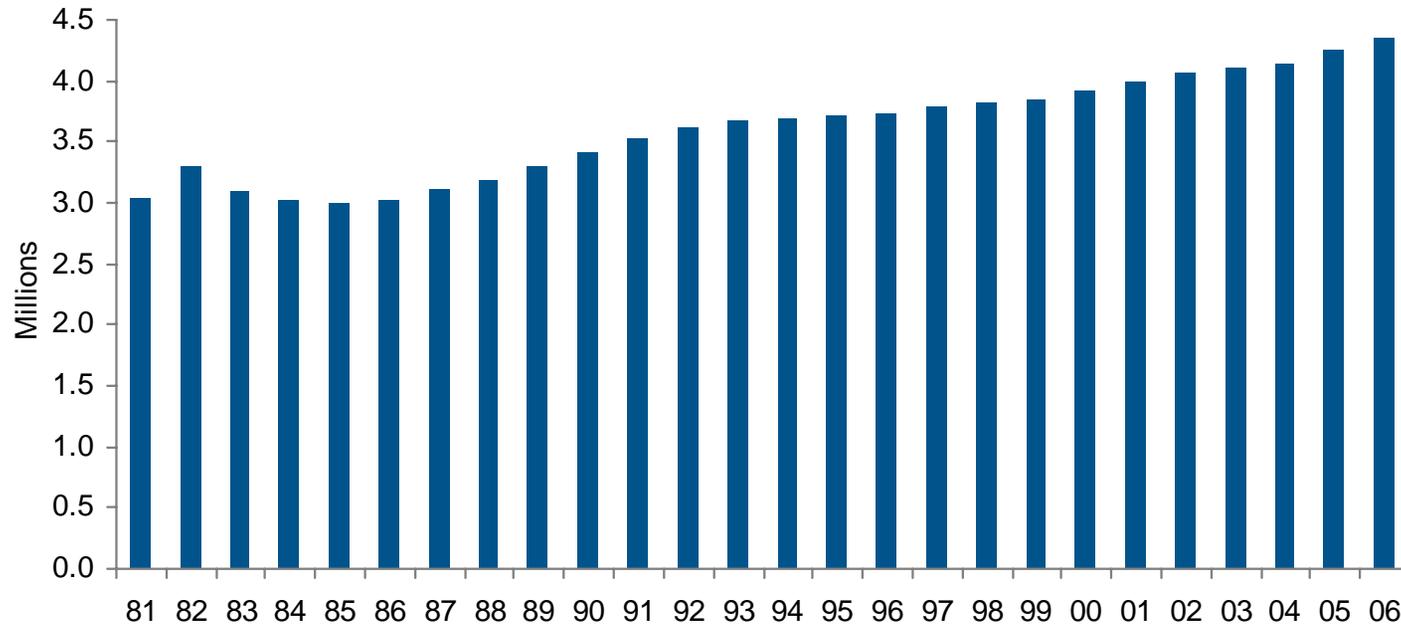
⁽¹⁾ Includes active federal and non-federal doctors of medicine and active doctors of osteopathy.

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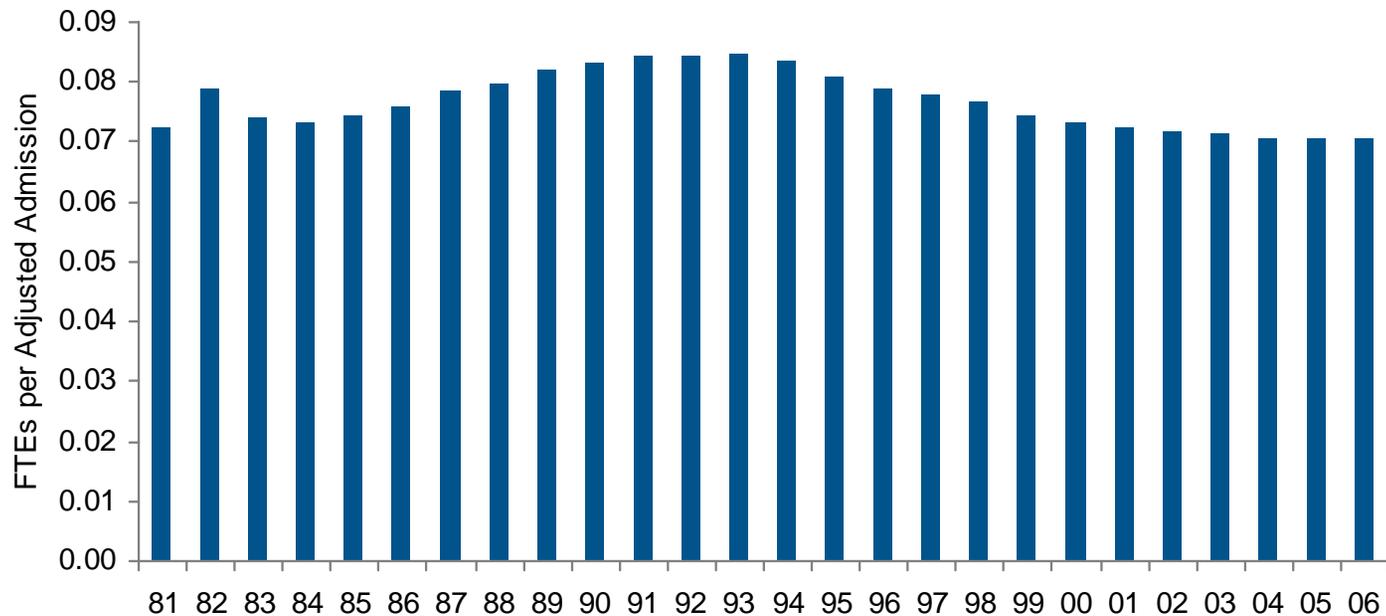
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 5.4: Total Full-time Equivalent Employees Working in Hospitals, 1981 – 2006



Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

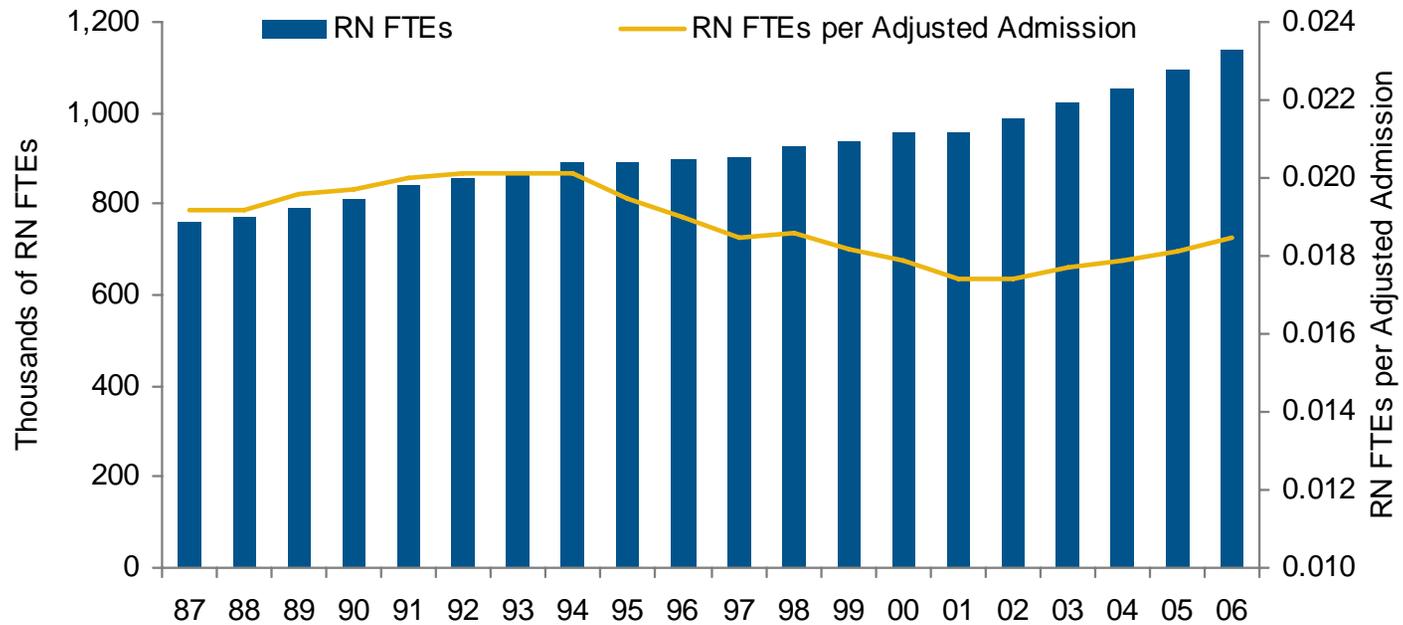
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Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

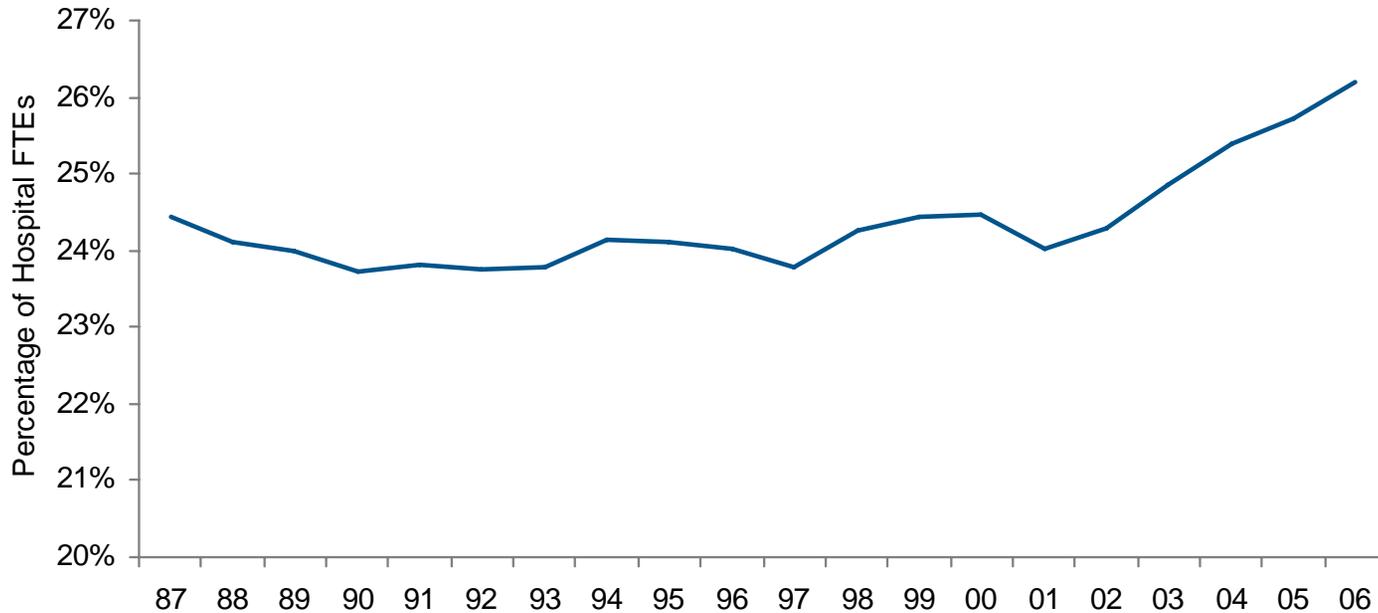
⁽¹⁾ An aggregate measure of workload reflecting the number of inpatient admissions, plus an estimate of the volume of outpatient services, expressed in units equivalent to an inpatient admission in terms of level of effort.

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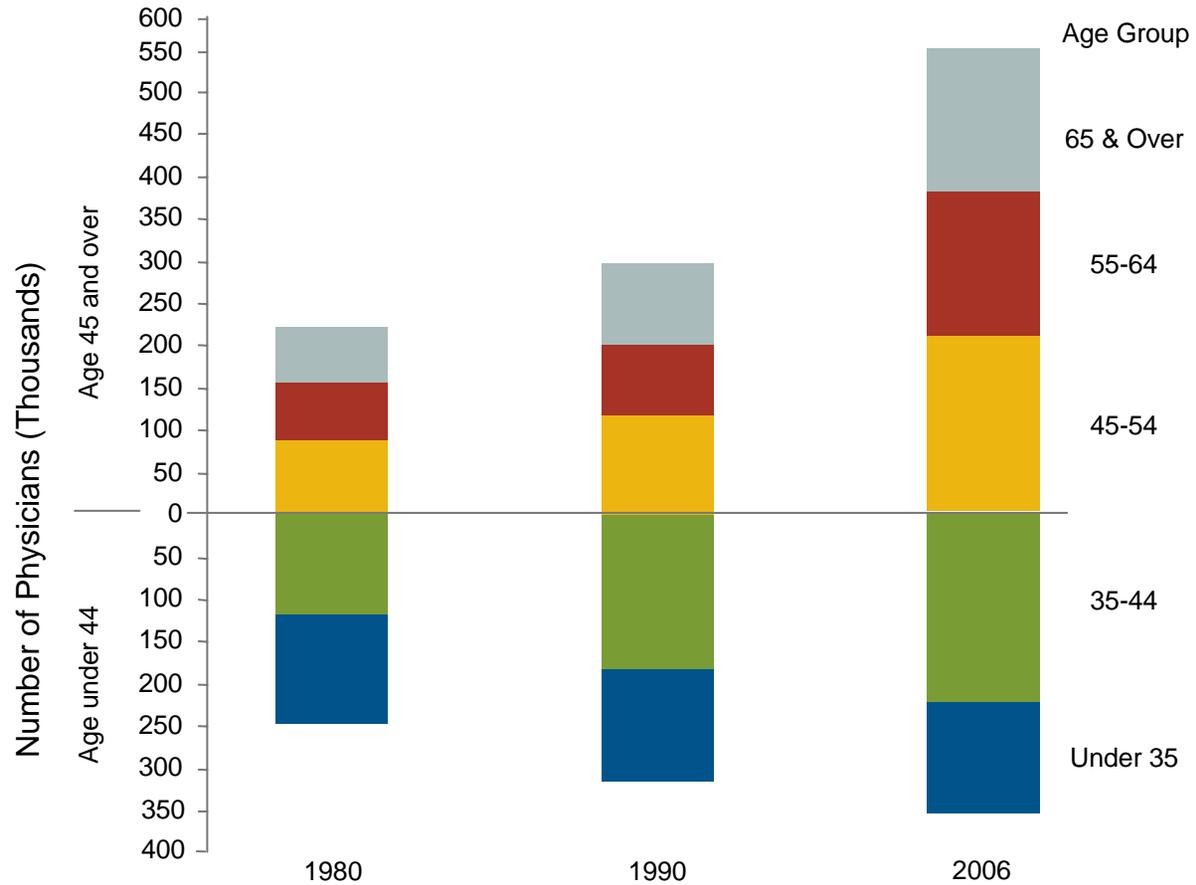
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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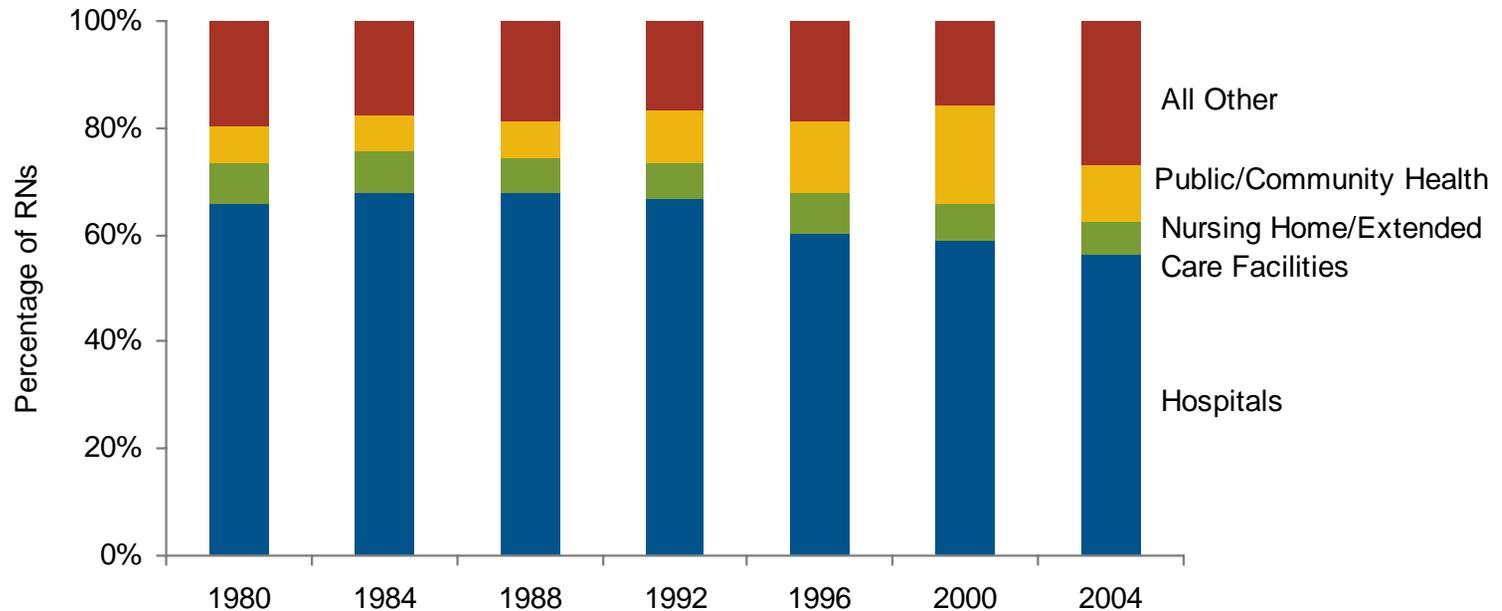
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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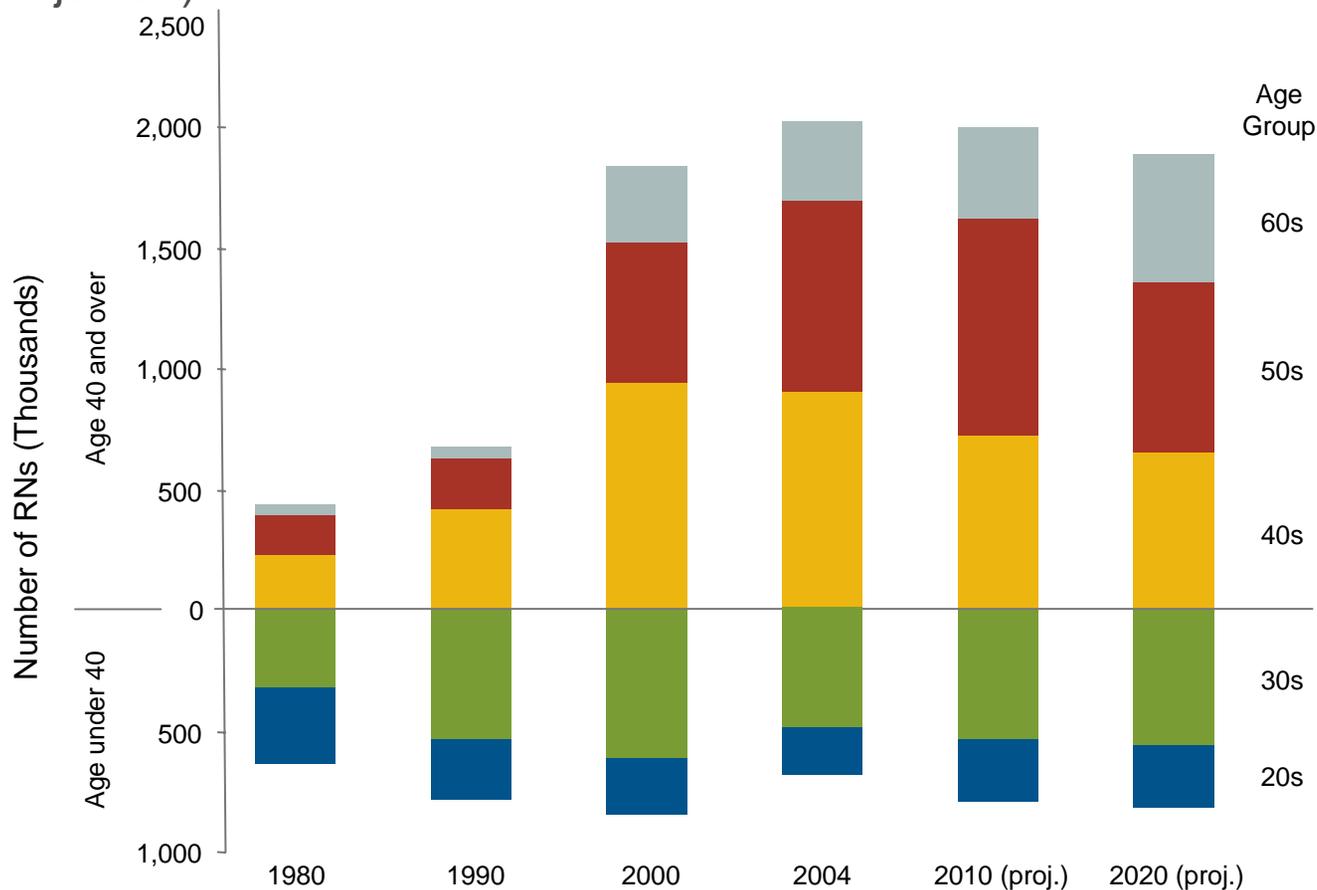
Source: American Medical Association. (2008 Edition). *Physician Characteristics and Distribution in the US*.

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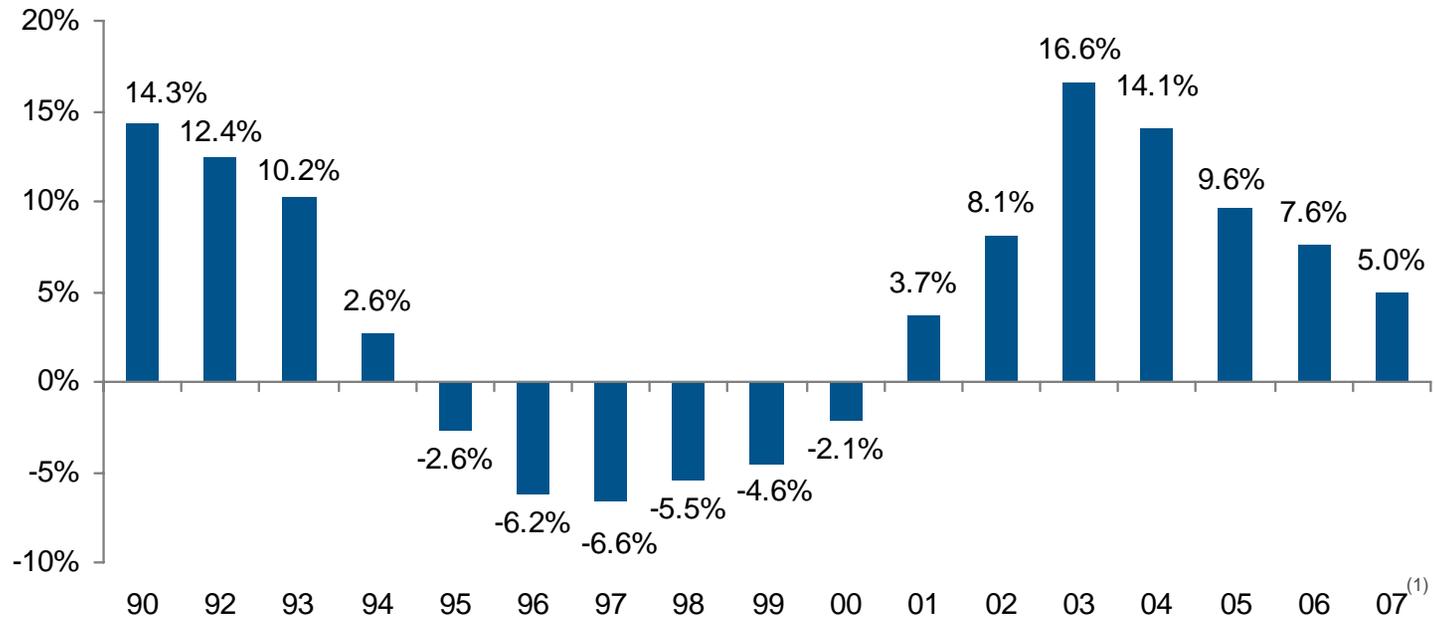
Source: Bureau of Health Professions, Health Resources and Services Administration. (1980-2004). *Findings from the National Survey of Registered Nurses*. Link: <https://bhpr.hrsa.gov/healthworkforce/nursing.htm>.

Chart 5.10: Distribution of RN Workforce by Age Group, 1980 – 2020 (Projected)



Source: Bureau of Health Professions, Health Resources and Services Administration. (1980-2004). *Findings from the National Survey of Registered Nurses*. Link: <https://bhpr.hrsa.gov/healthworkforce/nursing.htm>. 2010 and 2020 projections derived from The Lewin Group analysis of the *National Sample Survey of Registered Nurses, 2000*.

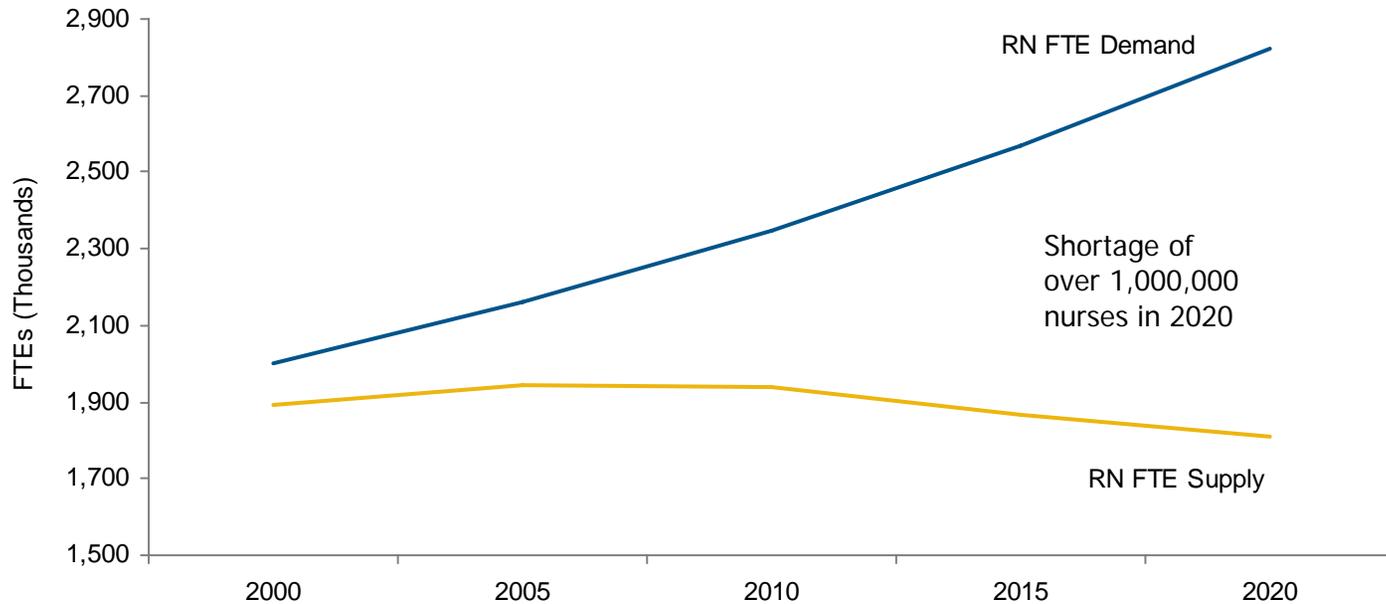
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Source: American Association of Colleges of Nursing. (1994-2007). *Percent Change in Enrollments in Entry-Level Baccalaureate Nursing Programs: 1994-2007*. Link: <http://www.aacn.nche.edu/Media/ppt/94-07EnrChgs.ppt>, and Berlin, L.E. et al. *Enrollment and Graduations in Baccalaureate and Graduate Programs in Nursing*. Washington, DC: AACN.

⁽¹⁾ 2007 data are preliminary as of December 2006.

Chart 5.12: National Supply and Demand Projections for FTE RNs, 2000 – 2020



Source: National Center For Health Workforce Analysis, Bureau of Health Professions, Health Resources and Services Administration. (2004). *What Is Behind HRSA's Projected Supply, Demand, and Shortage of Registered Nurses?* Link: <ftp://ftp.hrsa.gov/bhpr/workforce/behindshortage.pdf>.



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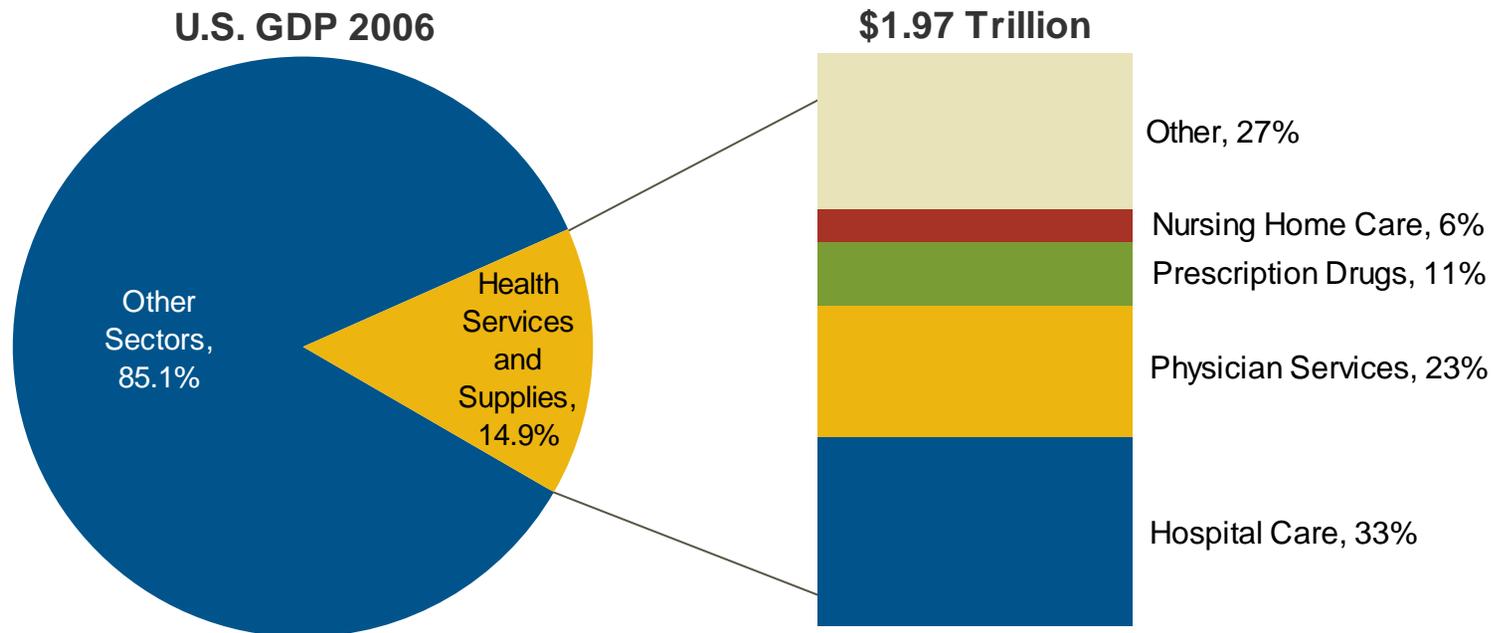
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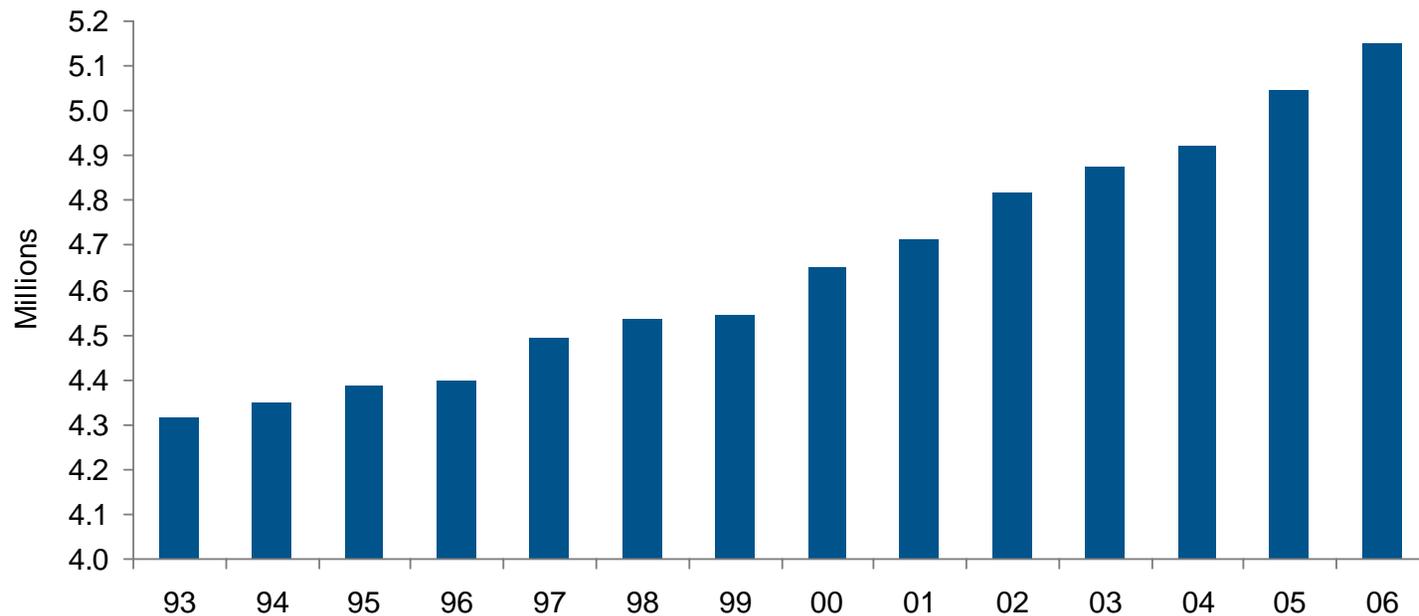
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Chart 6.1: National Expenditures on Health Services and Supplies as a Percentage of Gross Domestic Product and Breakdown of National Expenditures on Health Services and Supplies, 2006



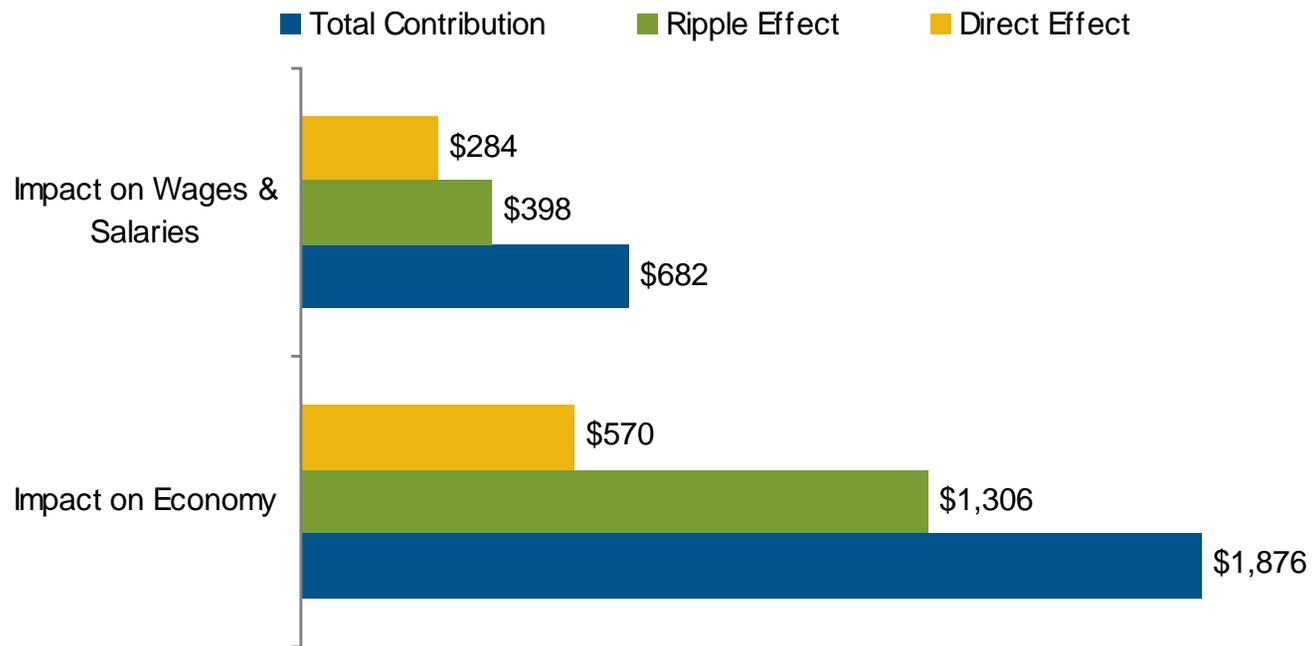
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

Chart 6.2: Number of Full-time and Part-time Hospital Employees, 1993 – 2006



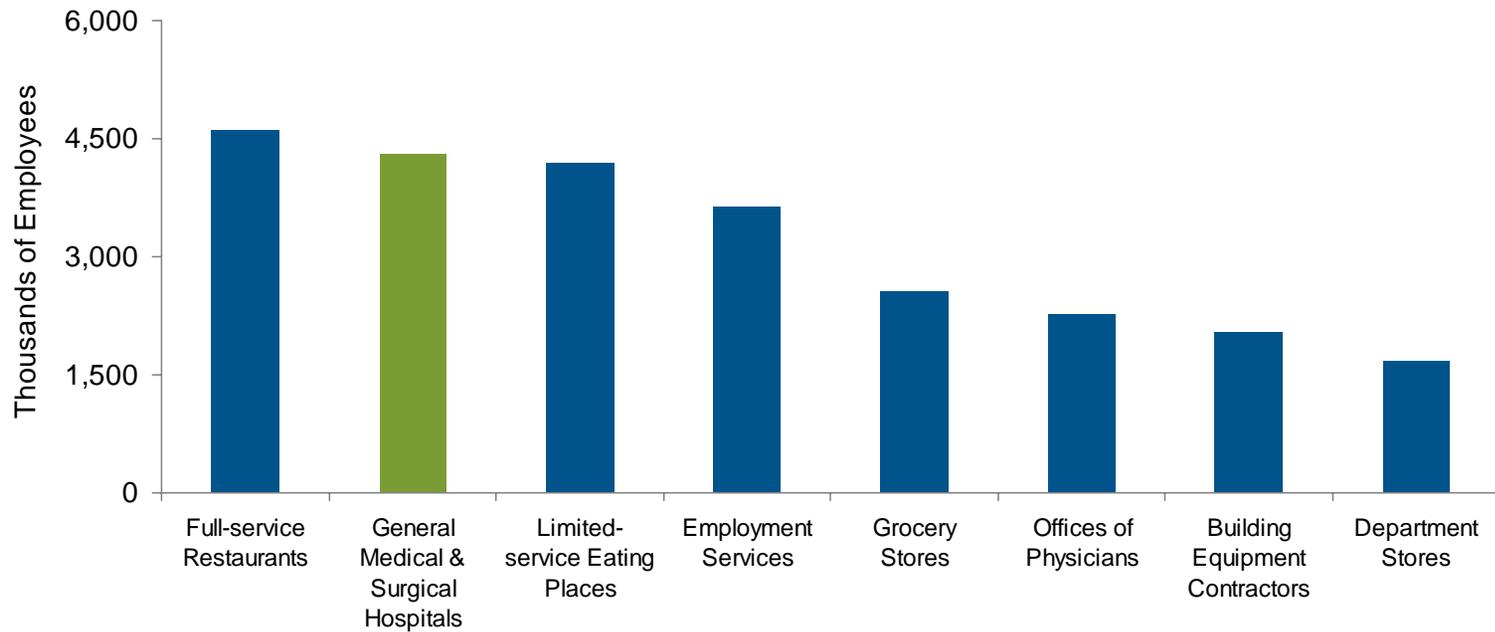
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Chart 6.3: Impact of Community Hospitals on U.S. Economy
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Source: Avalere Health, using BEA RIMS-II (1997/2005) multipliers applied to 2006 American Hospital Association Annual Survey data.

Chart 6.4: Hospital Employment vs. Employment in Other Industries, 2007⁽¹⁾

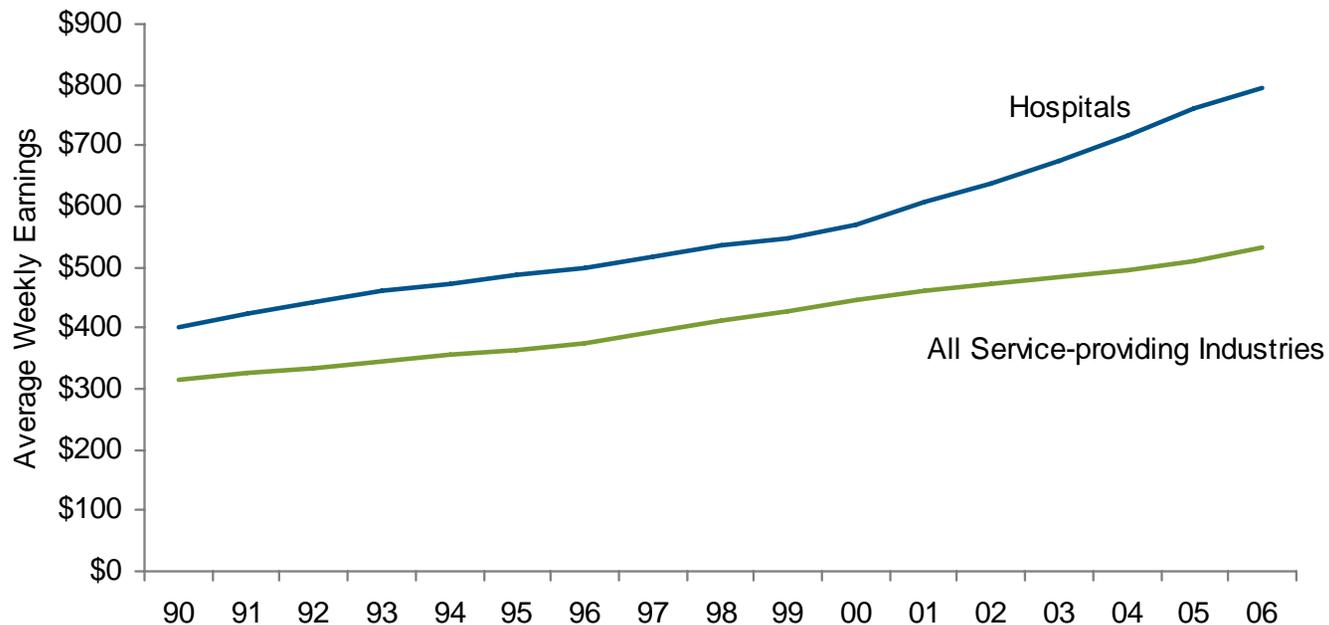


Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2008.

Link: <http://www.bls.gov/ces>.

⁽¹⁾ 2007 annual projections based on data as of November 2007.

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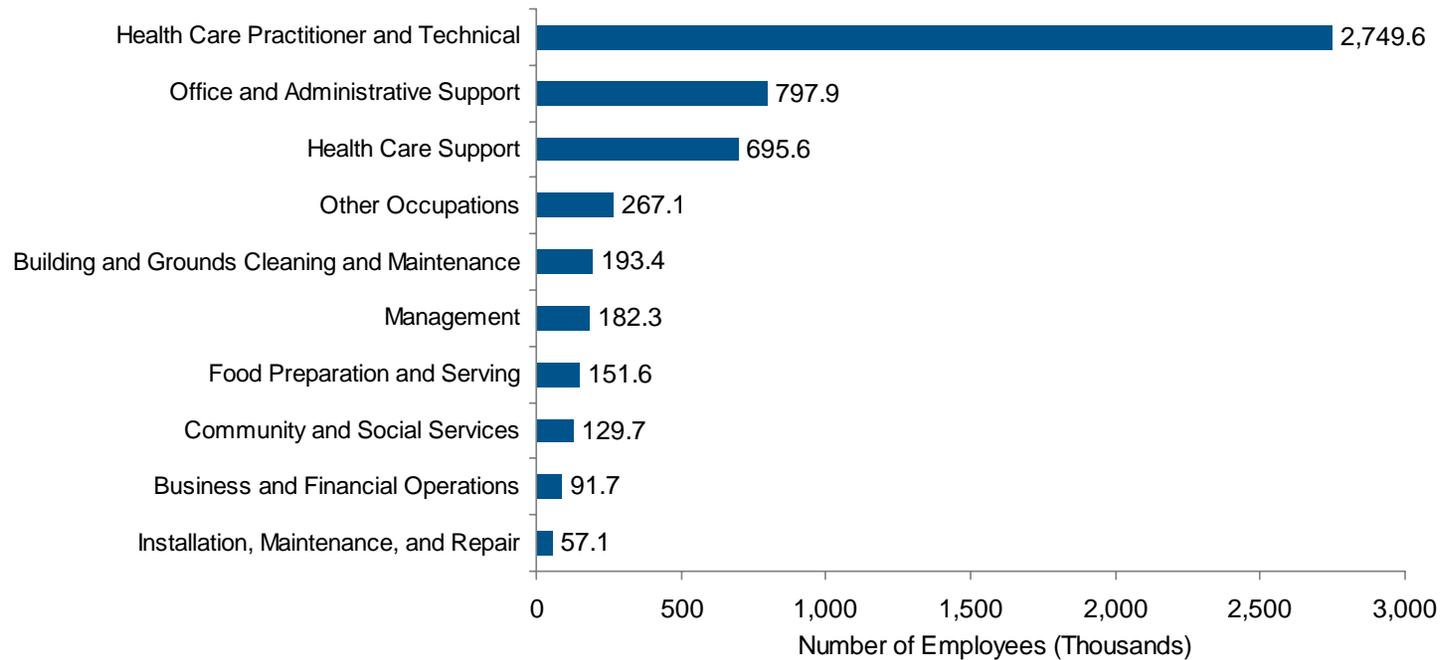


Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2008.

Link: <http://www.bls.gov/ces>.

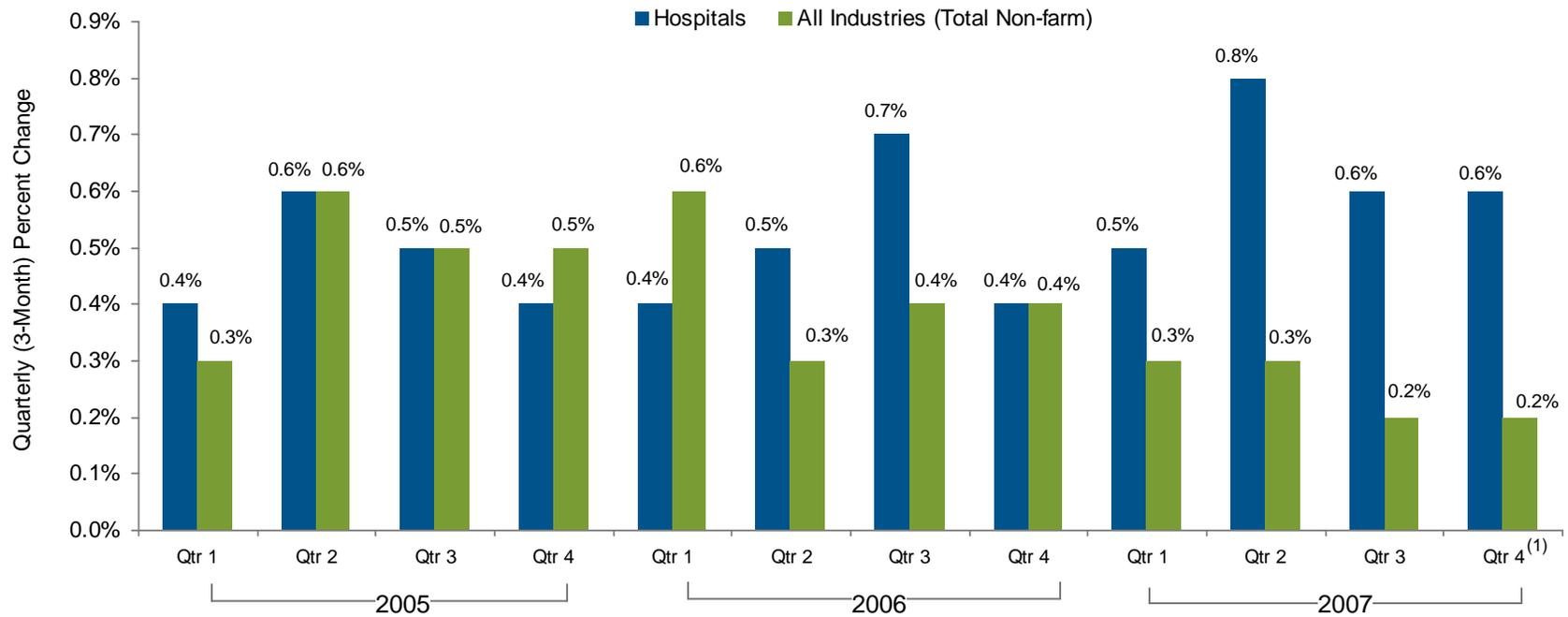
⁽¹⁾ Includes physicians employed by hospitals.

Chart 6.6: Hospital Employment by Occupation Type, 2006



Source: Department of Labor, Bureau of Labor Statistics, 2006 National Industry-specific Occupational Employment and Wage. Data released May 2007. Link: http://www.bls.gov/oes/current/naics3_622000.htm.

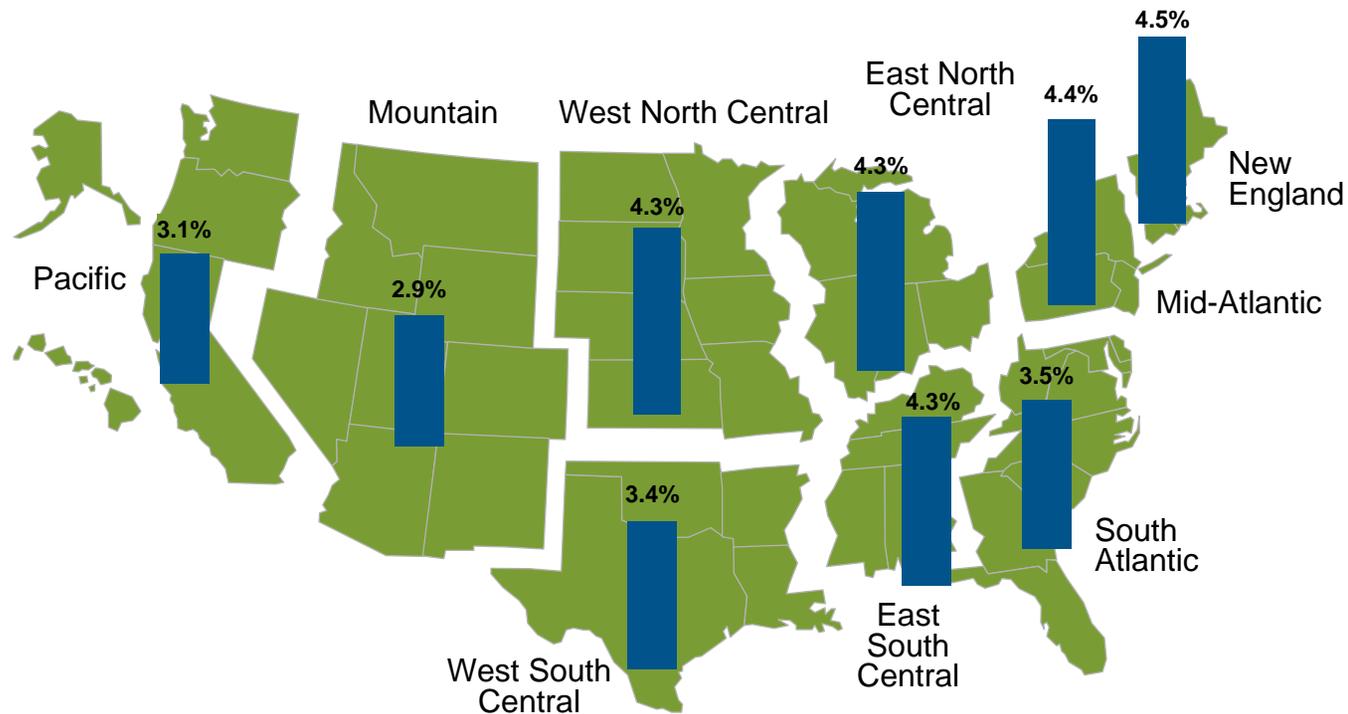
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Source: Department of Labor, Bureau of Labor Statistics. Link: <http://www.bls.gov/bls/employment.htm>.

⁽¹⁾ 2007 Qtr 4 data are preliminary.

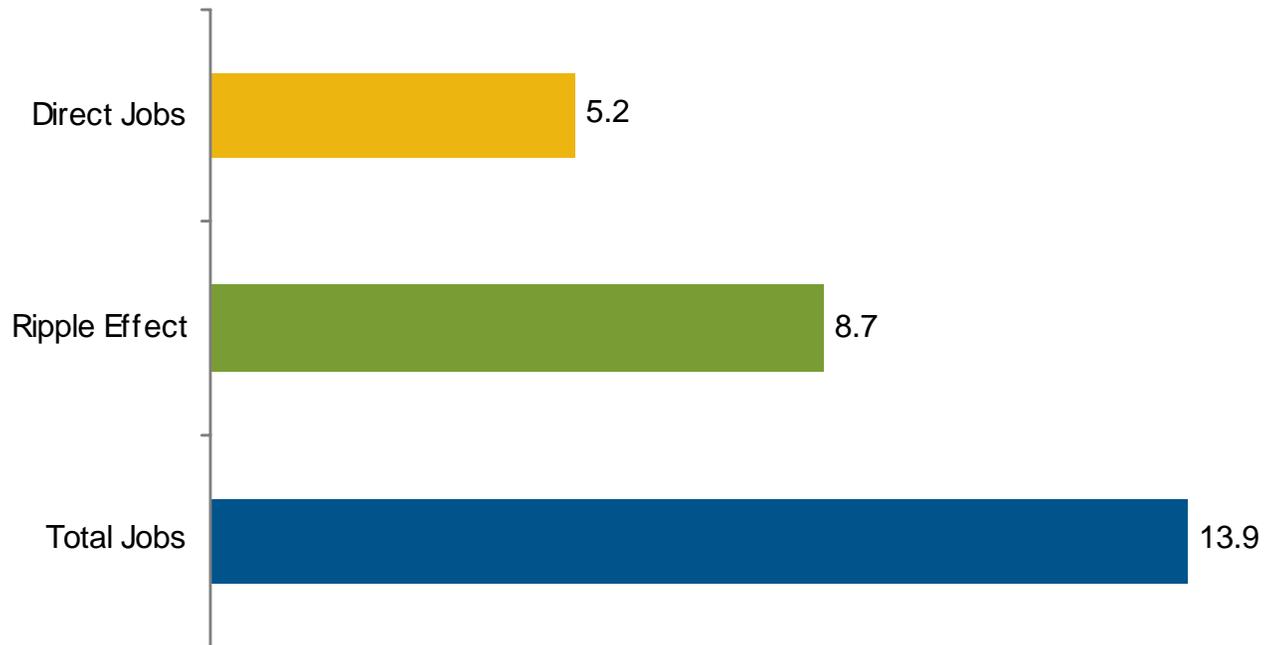
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Source: Avalere Health analysis of American Hospital Association 2006 Annual Survey data and 2006 total non-farm employment data from the Bureau of Labor Statistics.

⁽¹⁾ Does not include farm employment.

Chart 6.9: Impact of Community Hospitals on U.S. Jobs (in millions), 2006



Source: Avalere Health, using BEA RIMS-II (1997/2005) multipliers applied to 2006 American Hospital Association Annual Survey data.

Chart 6.10: Percent of Hospital Costs⁽¹⁾ by Type of Expense, 2Q07



Source: AHA analysis of Centers for Medicare and Medicaid Services data, using base year 2002 weights.

⁽¹⁾ Does not include capital.

⁽²⁾ Includes postage and telephone expenses.

Chart 6.11: Hospital Impact on Sectors of the U.S. Economy
(in \$ billions), 2006

Industry	Economic Impact
Health care and social assistance	\$659.5
Manufacturing	281.1
Real estate and rental and leasing	177.7
Finance and insurance	119.9
Professional, scientific and technical services	78.0
Retail trade	76.7
Wholesale trade	61.4
Information	61.4
Transportation and warehousing	58.4
Administrative and waste management services	58.1
Accommodation and food services	48.2
Other services	47.1
Management of companies and enterprises	37.7
Utilities	33.4
Agriculture, forestry, fishing and hunting	27.6
Educational services	15.1
Arts, entertainment, and recreation	13.4
Mining	11.9
Construction	9.3
Total	\$1,875.8

Source: Avalere Health, using BEA RIMS-II (1997/2005) multipliers applied to 2006 American Hospital Association Annual Survey data.

Chart 6.12: Impact of Community Hospitals on U.S. Economy; All States, DC and Total U.S., 2006

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 (Non-farm) 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 Output in State Economy (\$ millions)
Alabama	83,823	1.9673	164,905	8.32%	\$3,716	1.7256	\$6,412	\$7,895	2.1553	\$17,016
Alaska	10,972	1.8833	20,664	6.56%	\$752	1.5404	\$1,158	\$1,440	1.8578	\$2,674
Arizona	77,772	2.0659	160,669	6.08%	\$4,390	1.7575	\$7,715	\$9,498	2.1687	\$20,598
Arkansas	48,496	1.9083	92,545	7.71%	\$2,183	1.6570	\$3,617	\$4,571	2.0430	\$9,339
California	470,001	2.2396	1,052,614	6.98%	\$29,524	1.9783	\$58,407	\$57,500	2.5385	\$145,964
Colorado	62,374	2.2153	138,177	6.06%	\$3,702	1.9505	\$7,221	\$7,914	2.4787	\$19,617
Connecticut	63,860	1.8816	120,159	7.15%	\$3,927	1.7173	\$6,745	\$7,117	2.1326	\$15,178
Delaware	18,315	1.8634	34,128	7.82%	\$1,049	1.6184	\$1,698	\$1,894	1.9732	\$3,737
District of Columbia	25,590	1.5373	39,340	5.72%	\$1,607	1.3705	\$2,202	\$3,048	1.3911	\$4,239
Florida	266,870	2.0257	540,599	6.75%	\$14,762	1.8039	\$26,629	\$31,322	2.2321	\$69,913
Georgia	136,728	2.1334	291,696	7.14%	\$7,015	1.9374	\$13,590	\$14,325	2.4788	\$35,508
Hawaii	16,973	2.0943	35,547	5.76%	\$1,062	1.7063	\$1,811	\$2,003	2.0856	\$4,177
Idaho	21,626	2.0268	43,832	6.85%	\$1,056	1.6801	\$1,774	\$2,254	2.0409	\$4,600
Illinois	237,782	2.1803	518,436	8.74%	\$12,498	2.0037	\$25,043	\$24,244	2.6046	\$63,147
Indiana	124,713	2.0080	250,424	8.42%	\$6,396	1.7551	\$11,226	\$13,262	2.2268	\$29,533
Iowa	68,791	1.9108	131,446	8.75%	\$3,057	1.6650	\$5,090	\$5,983	2.0554	\$12,297
Kansas	49,275	1.9324	95,219	7.03%	\$2,408	1.6914	\$4,073	\$4,847	2.1363	\$10,356
Kentucky	78,692	1.9542	153,780	8.33%	\$3,834	1.7150	\$6,576	\$8,594	2.1431	\$18,418
Louisiana	82,640	2.0044	165,644	8.92%	\$3,812	1.7314	\$6,600	\$7,692	2.1075	\$16,212
Maine	32,779	2.0346	66,692	10.85%	\$1,627	1.6824	\$2,737	\$3,171	2.0564	\$6,520
Maryland	88,333	2.0238	178,768	6.91%	\$4,841	1.7899	\$8,666	\$10,120	2.2321	\$22,588
Massachusetts	157,105	2.0248	318,106	9.81%	\$9,150	1.8252	\$16,700	\$18,516	2.2851	\$42,311
Michigan	200,723	2.0031	402,068	9.26%	\$10,920	1.7785	\$19,421	\$21,187	2.2095	\$46,813
Minnesota	107,704	2.1564	232,253	8.41%	\$5,982	1.8575	\$11,112	\$11,335	2.3496	\$26,632
Mississippi	54,986	1.8829	103,533	9.06%	\$2,630	1.6302	\$4,287	\$5,238	2.0105	\$10,531
Missouri	127,691	2.0651	263,695	9.51%	\$6,170	1.8165	\$11,208	\$13,886	2.2909	\$31,812
Montana	20,140	1.9512	39,297	9.06%	\$969	1.6224	\$1,573	\$1,892	1.9664	\$3,720
Nebraska	40,989	1.9455	79,744	8.42%	\$1,975	1.7060	\$3,369	\$4,182	2.1064	\$8,809
Nevada	21,822	1.9102	41,684	3.25%	\$1,540	1.6205	\$2,496	\$3,080	1.9644	\$6,050
New Hampshire	27,306	1.9646	53,645	8.39%	\$1,633	1.7711	\$2,893	\$3,072	2.1229	\$6,523
New Jersey	141,201	2.1060	297,369	7.30%	\$8,705	1.8925	\$16,474	\$15,837	2.4329	\$38,530
New Mexico	26,878	2.0523	55,162	6.62%	\$1,407	1.6443	\$2,314	\$2,674	1.9675	\$5,262
New York	394,238	1.8775	740,182	8.59%	\$26,469	1.7057	\$45,148	\$47,152	2.1628	\$101,980
North Carolina	157,787	2.1212	334,698	8.32%	\$8,202	1.8418	\$15,106	\$16,751	2.3413	\$39,220
North Dakota	19,673	1.8537	36,468	10.33%	\$891	1.5887	\$1,415	\$1,636	1.9036	\$3,115
Ohio	252,032	2.1076	531,183	9.76%	\$13,464	1.8467	\$24,864	\$26,789	2.3444	\$62,805
Oklahoma	55,081	2.0895	115,092	7.42%	\$2,647	1.7750	\$4,698	\$5,816	2.2163	\$12,889
Oregon	56,629	2.1556	122,069	7.17%	\$3,332	1.7595	\$5,862	\$6,382	2.1885	\$13,968
Pennsylvania	275,396	2.1247	585,134	10.17%	\$13,862	1.9268	\$26,709	\$29,144	2.4728	\$72,068
Rhode Island	20,851	1.9458	40,572	8.22%	\$1,368	1.6873	\$2,309	\$2,419	2.0523	\$4,964
South Carolina	69,364	2.0776	144,111	7.57%	\$3,499	1.7698	\$6,192	\$7,936	2.2559	\$17,903
South Dakota	20,268	1.8479	37,453	9.39%	\$910	1.5841	\$1,441	\$1,838	1.9154	\$3,520
Tennessee	115,507	2.1489	248,213	8.92%	\$5,625	1.8571	\$10,447	\$11,824	2.3916	\$28,278
Texas	316,156	2.2890	723,681	7.20%	\$17,311	1.9720	\$34,138	\$36,937	2.5737	\$95,065
Utah	38,350	2.2220	85,214	7.08%	\$1,720	1.9095	\$3,285	\$3,880	2.4462	\$9,491
Vermont	12,741	1.9283	24,568	7.99%	\$805	1.5950	\$1,284	\$1,383	1.8848	\$2,606
Virginia	105,134	1.9195	201,805	5.42%	\$5,628	1.7630	\$9,922	\$12,620	2.2526	\$28,428
Washington	92,217	2.1432	197,639	6.91%	\$5,667	1.8034	\$10,219	\$10,819	2.2743	\$24,605
West Virginia	40,791	1.8325	74,750	9.89%	\$1,938	1.5628	\$3,029	\$3,946	1.8436	\$7,274
Wisconsin	108,140	2.0058	216,907	7.58%	\$5,591	1.7551	\$9,813	\$11,969	2.1855	\$26,159
Wyoming	8,838	1.7345	15,330	5.54%	\$445	1.4657	\$652	\$839	1.7279	\$1,450
U.S.	5,152,143	2.7003	13,912,332	10.24%	\$283,674	2.4050	\$682,235	\$569,672	3.2927	\$1,875,760

Source: Avalere Health, using BEA RIMS-II (1997/2005) multipliers for hospital NAICS Code 622, released 2006, applied to American Hospital Association Annual Survey data for 2006. 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 2005 BLS data.

*Expenditures are defined as net patient revenue + other operating revenue.





TRENDWATCH CHARTBOOK 2008



Trends Affecting Hospitals and Health Systems

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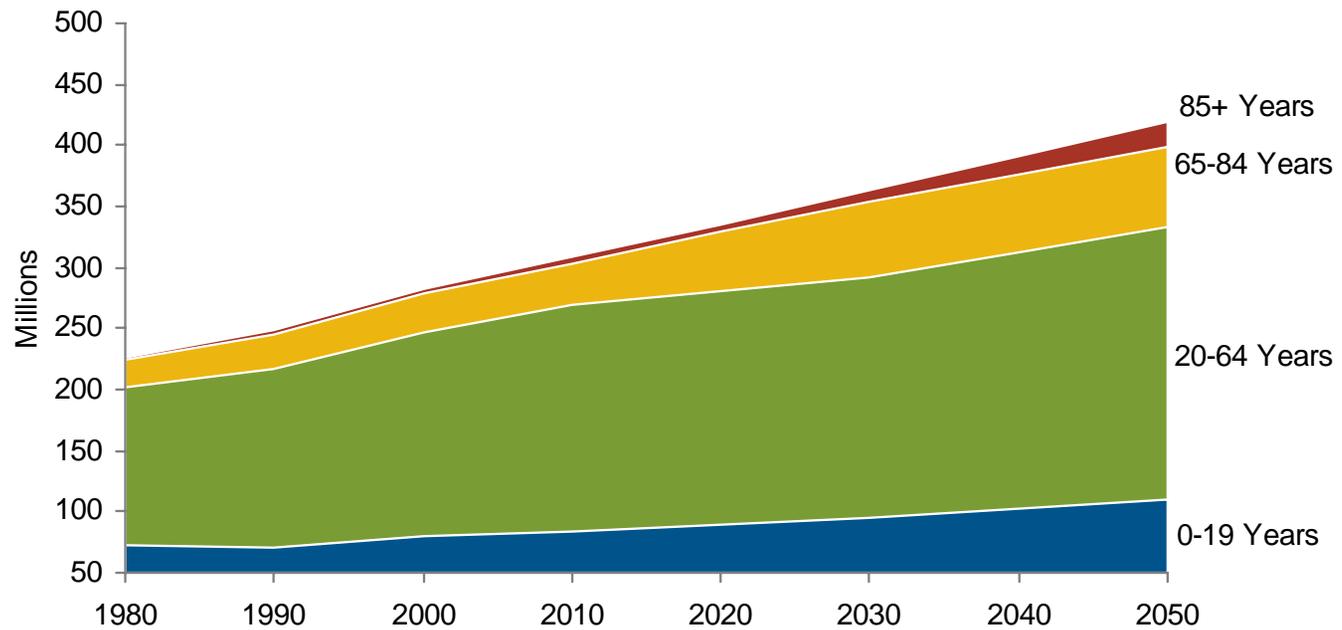
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CHAPTER 7

Community Health
Indicators

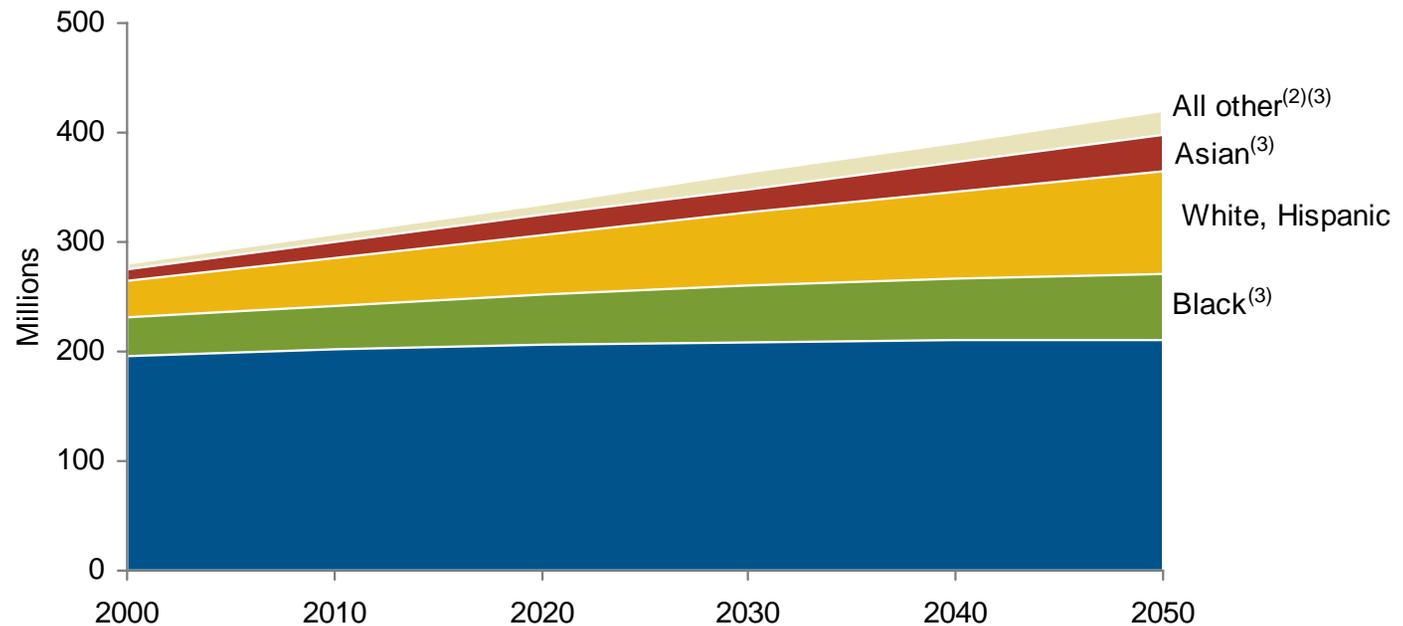
Chart 7.1: U.S. Population Trends and Projections by Age, 1980-2050⁽¹⁾



Source: U.S. Department of Commerce, Bureau of the Census. (2004). *U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin*.

⁽¹⁾ Years 2010 through 2050 are projections.

Chart 7.2: U.S. Population Trends and Projections by Race, 2000-2050⁽¹⁾



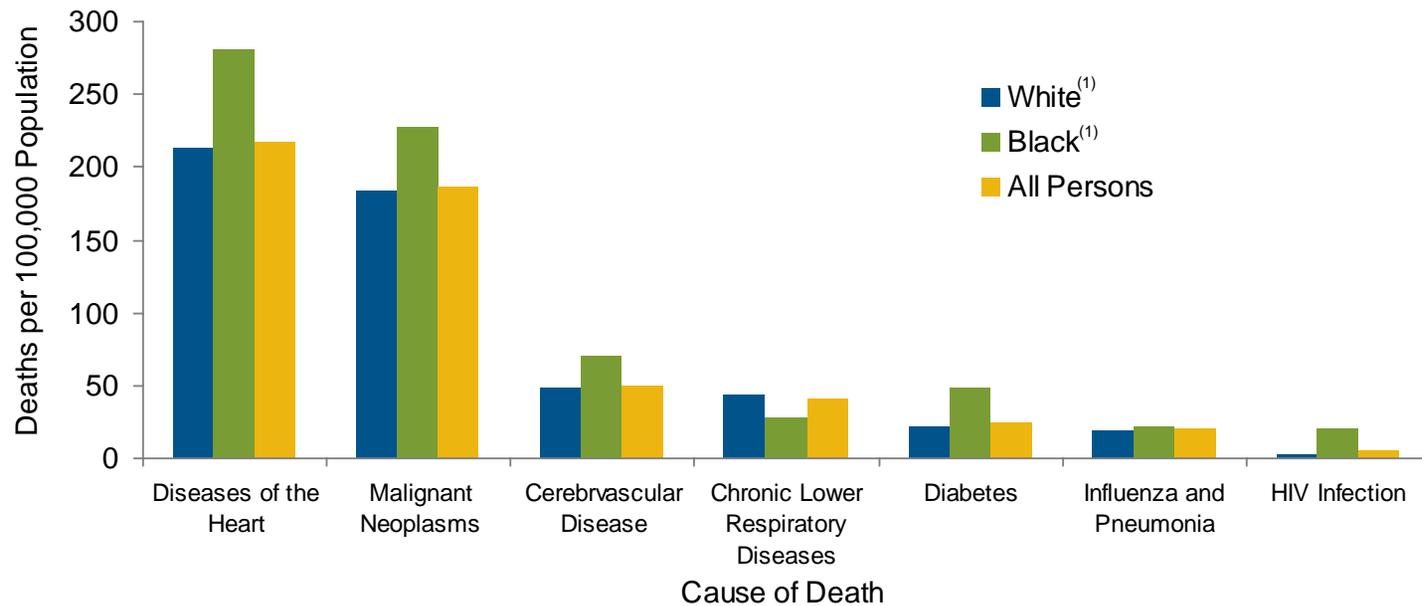
Source: U.S. Department of Commerce, Bureau of the Census. (2004). *U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin*.

⁽¹⁾ Years 2010 through 2050 are projections.

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

⁽³⁾ Black, Asian, and all other categories include Hispanic and non-Hispanic individuals. 2.8 million individuals of Hispanic origin are included in these groups.

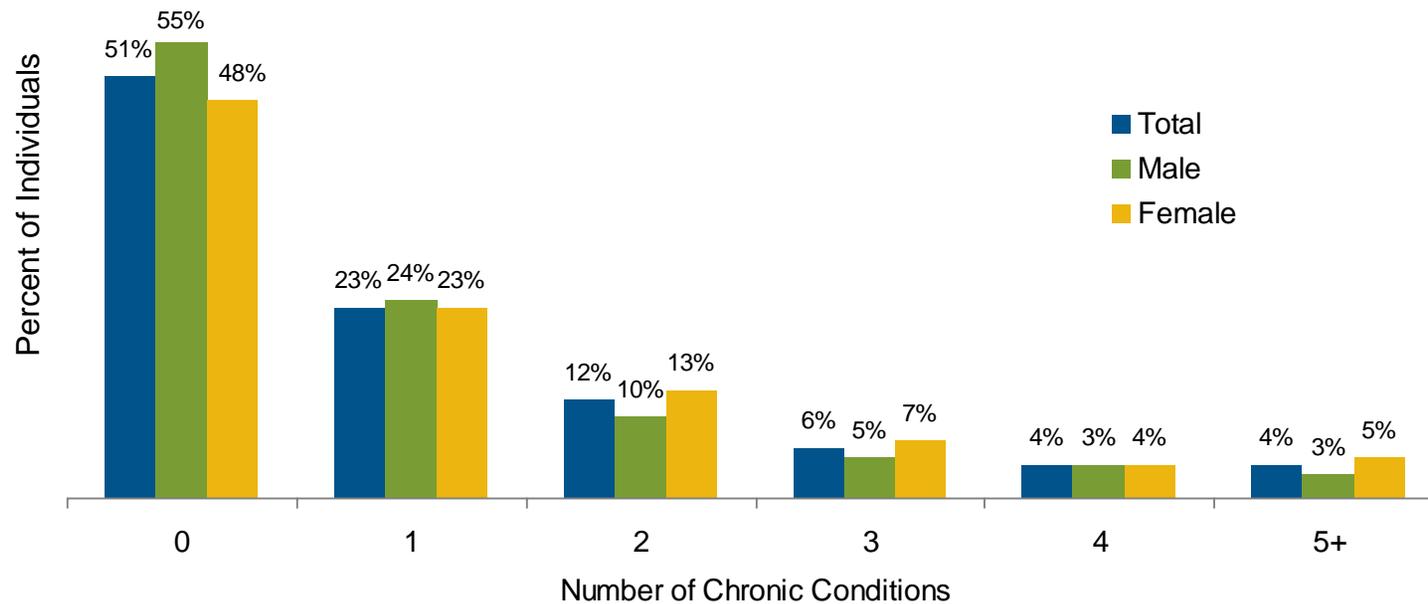
Chart 7.3: Age-adjusted Death Rates, Selected Causes, by Race, 2004



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

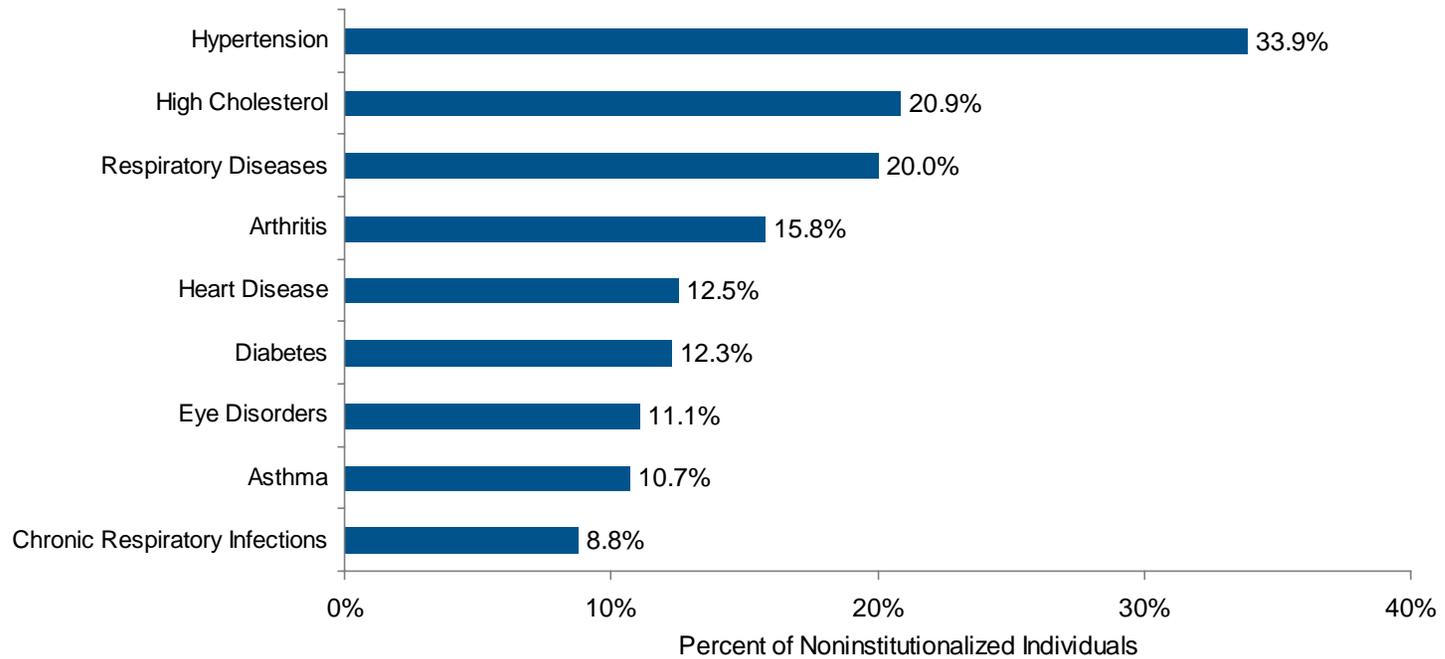
⁽¹⁾ Racial categories include individuals of both Hispanic and non-Hispanic origin.

Chart 7.4: Percent of People with Chronic Conditions by Number and Sex, 2004



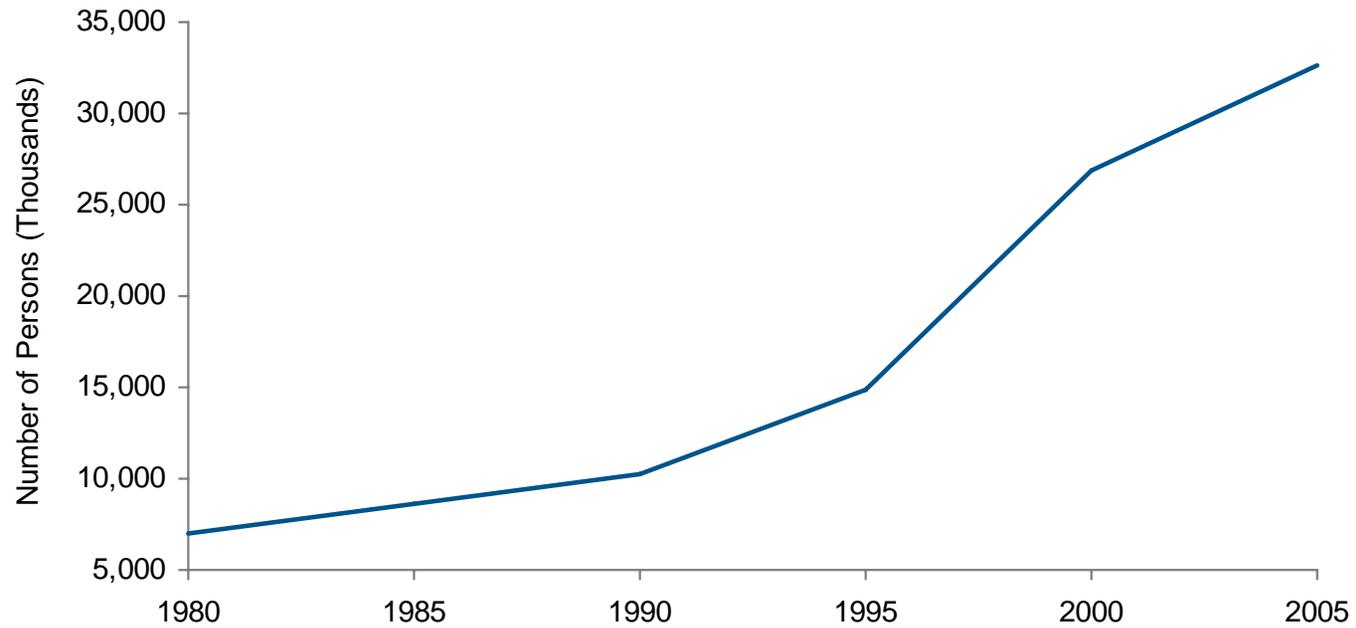
Source: Anderson, G. (2007). *Chronic Conditions: Making the Case for Ongoing Care*. Baltimore, MD: Johns Hopkins University.

Chart 7.5: Percent of People with Chronic Conditions by Type, 2004



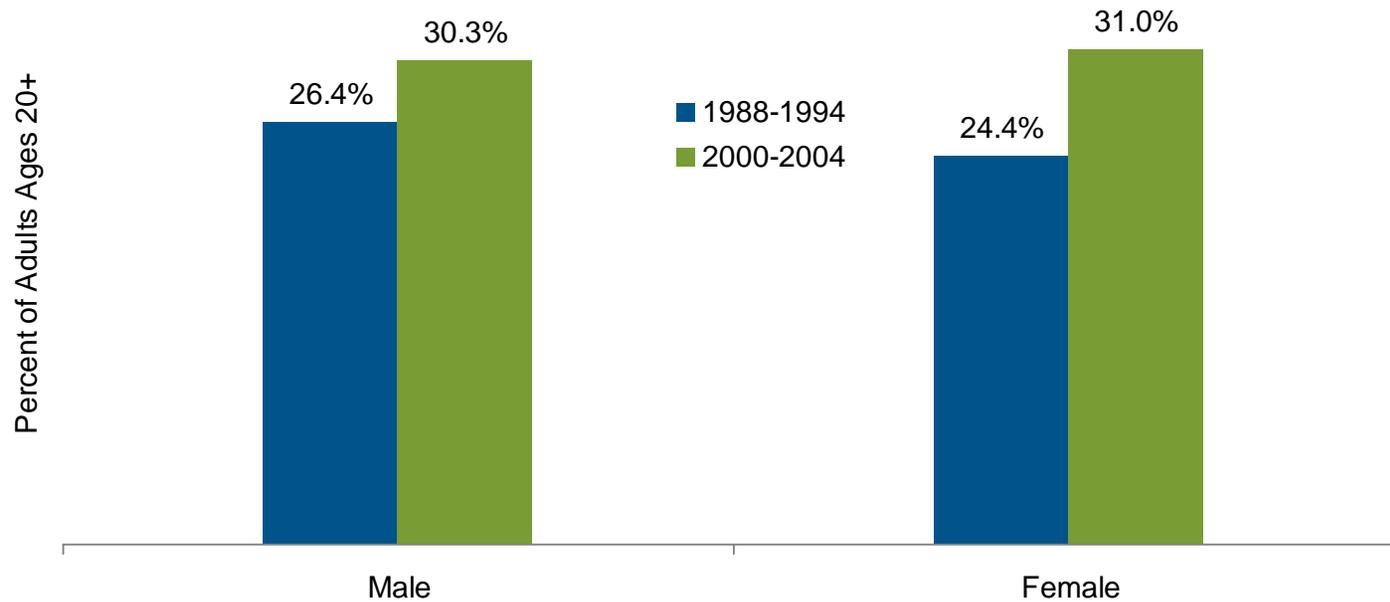
Source: Anderson, G. (2007). *Chronic Conditions: Making the Case for Ongoing Care*. Baltimore, MD: Johns Hopkins University.

Chart 7.6: Number of Persons with Asthma, 1980-2005



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.

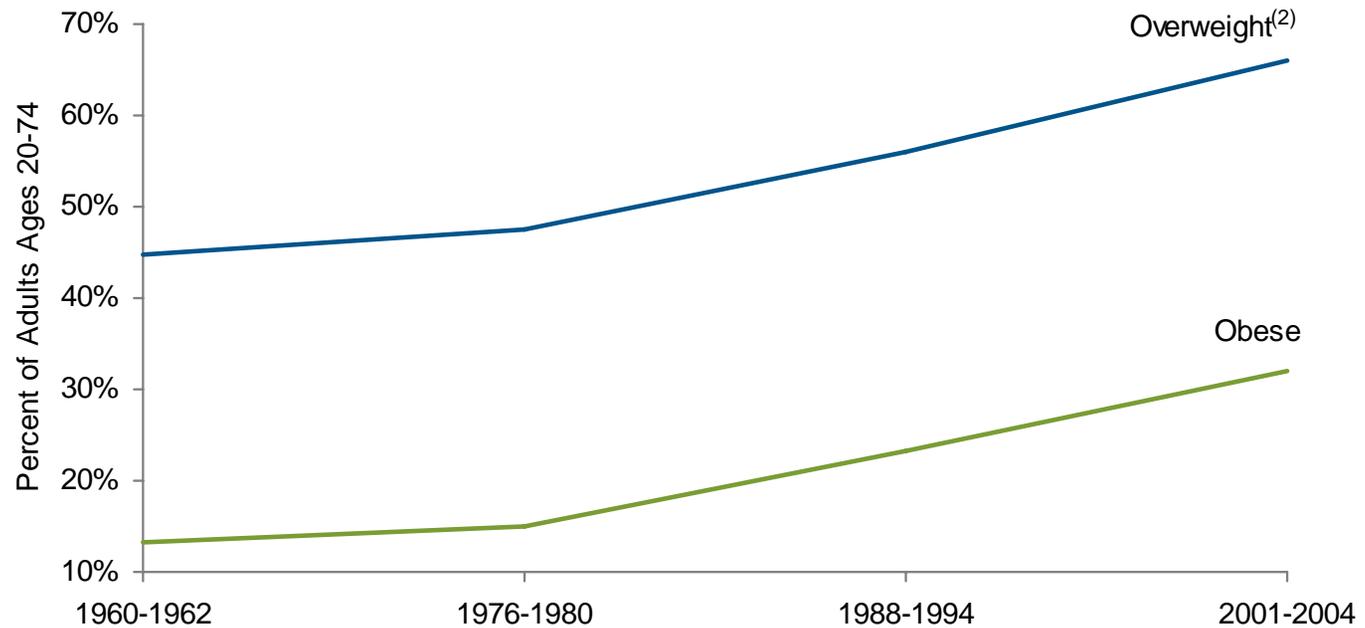
Chart 7.7: Percent of Adults with Hypertension by Sex⁽¹⁾, 1988-1994 and 2000-2004



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

⁽¹⁾ Data are age-adjusted to 2000 standard population.

Chart 7.8: Percent of Adults Who Are Overweight and Obese⁽¹⁾,
1960-2004

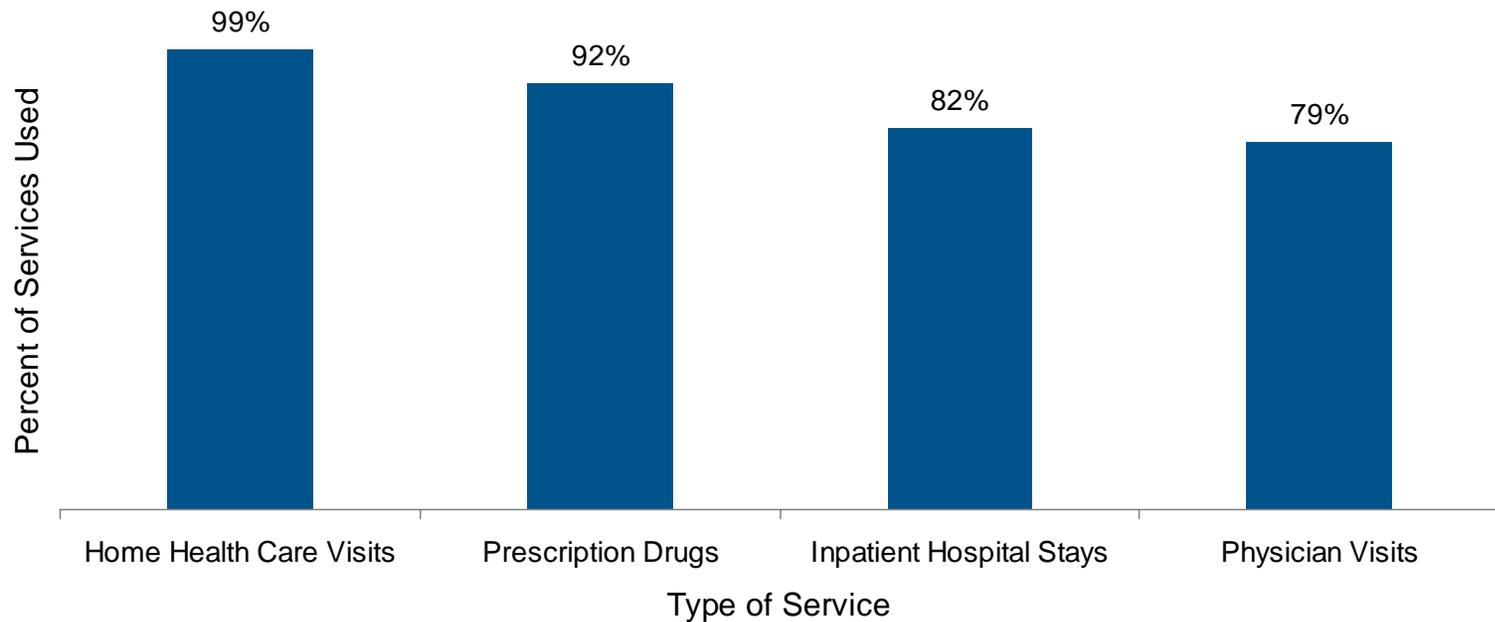


Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

⁽¹⁾ Data are age-adjusted to 2000 standard population.

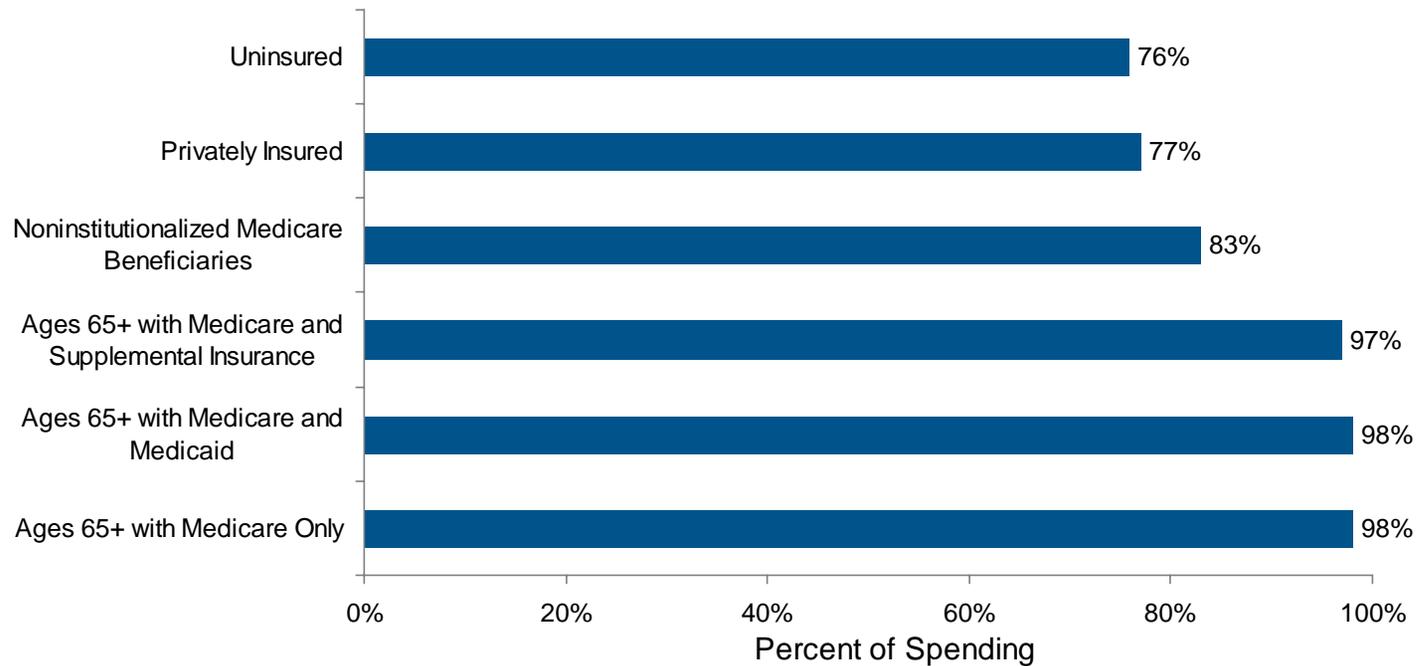
⁽²⁾ Overweight includes obesity.

Chart 7.9: Percent of Services Used by People with Chronic Conditions, 2004



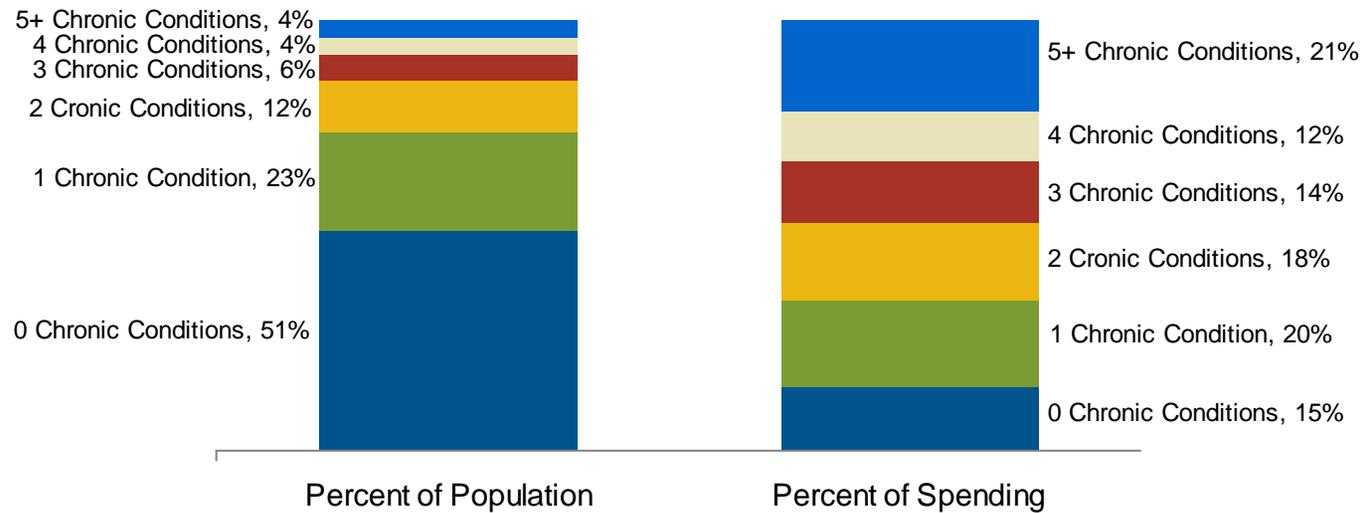
Source: Anderson, G. (2007). *Chronic Conditions: Making the Case for Ongoing Care*. Baltimore, MD: Johns Hopkins University.

Chart 7.10: Percent of Spending for Individuals with Chronic Conditions by Insurance Status, 2004



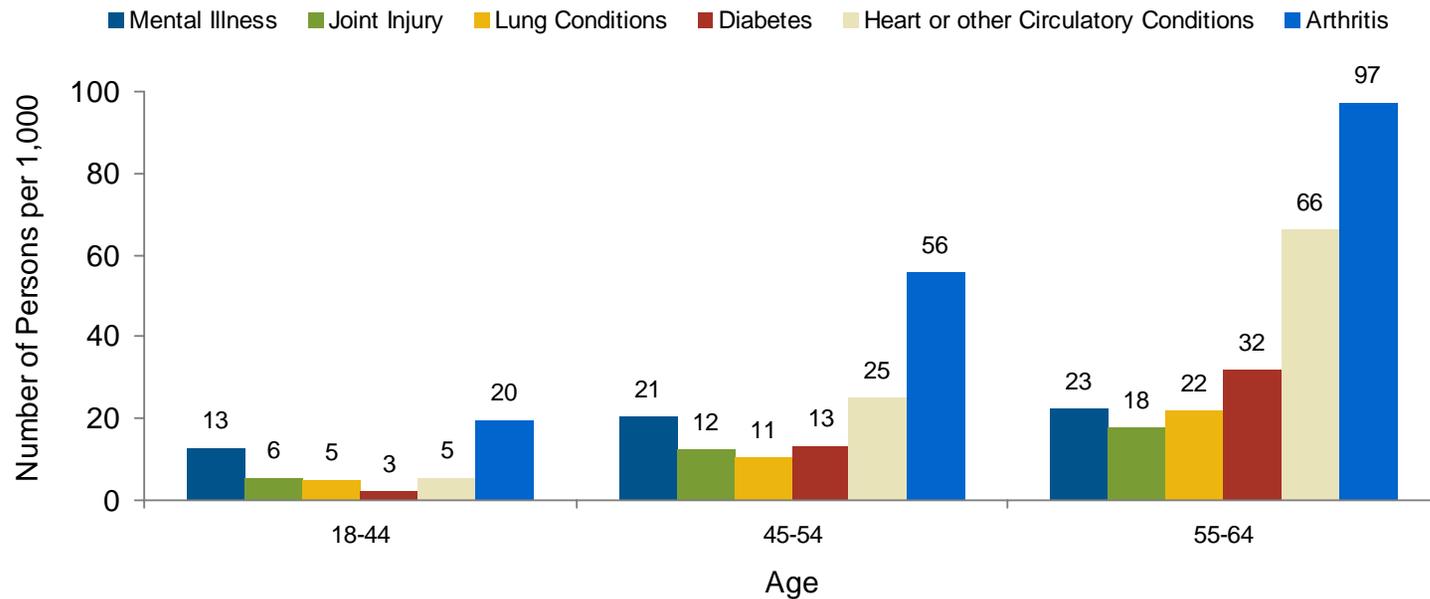
Source: Anderson, G. (2007). *Chronic Conditions: Making the Case for Ongoing Care*. Baltimore, MD: Johns Hopkins University.

Chart 7.11: Percent of Population vs. Percent of Spending, by Number of Chronic Conditions, 2004



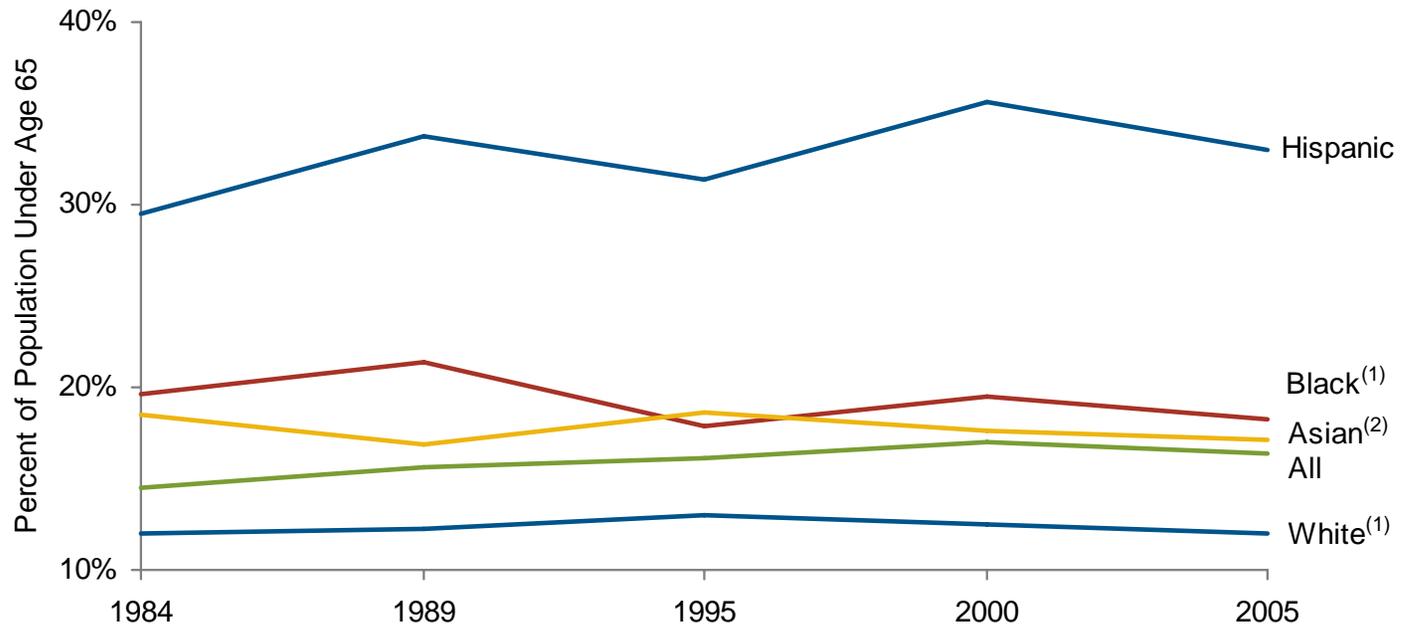
Source: Anderson, G. (2007). *Chronic Conditions: Making the Case for Ongoing Care*. Baltimore, MD: Johns Hopkins University.

Chart 7.12: Working Age Adults with Activity Limitations Due to Chronic Conditions, by Condition and Age, 2004-2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

Chart 7.13: Percent Uninsured by Race, 1984-2005

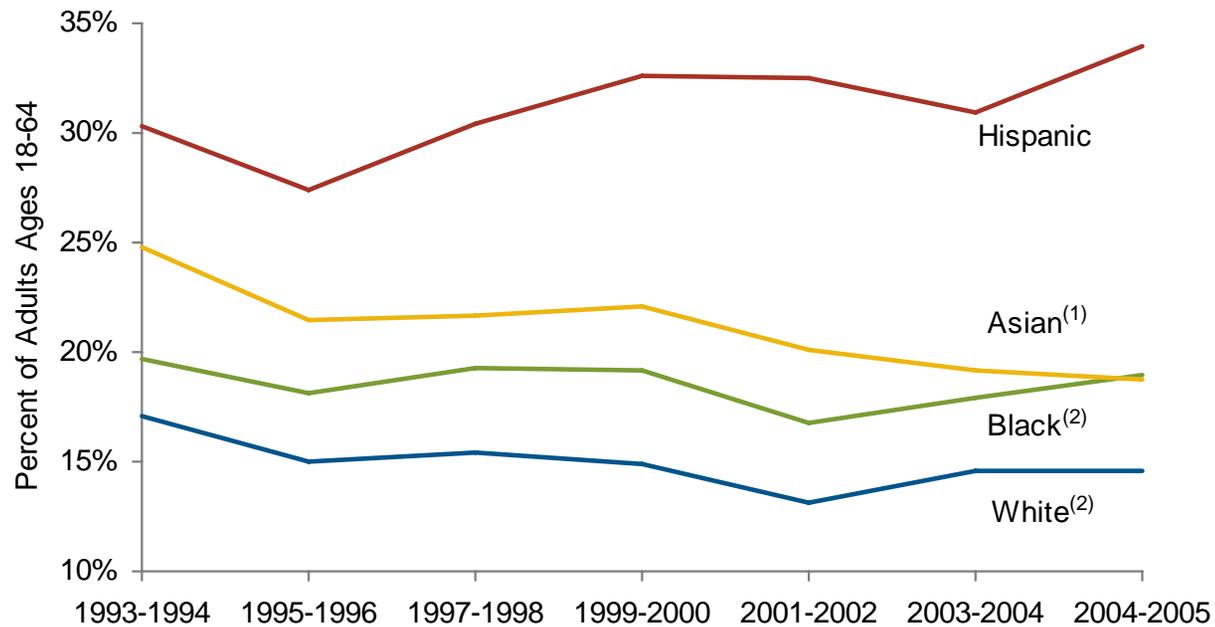


Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

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

Chart 7.14: Percent of Adults with No Usual Source of Care by Race, 1993-2005

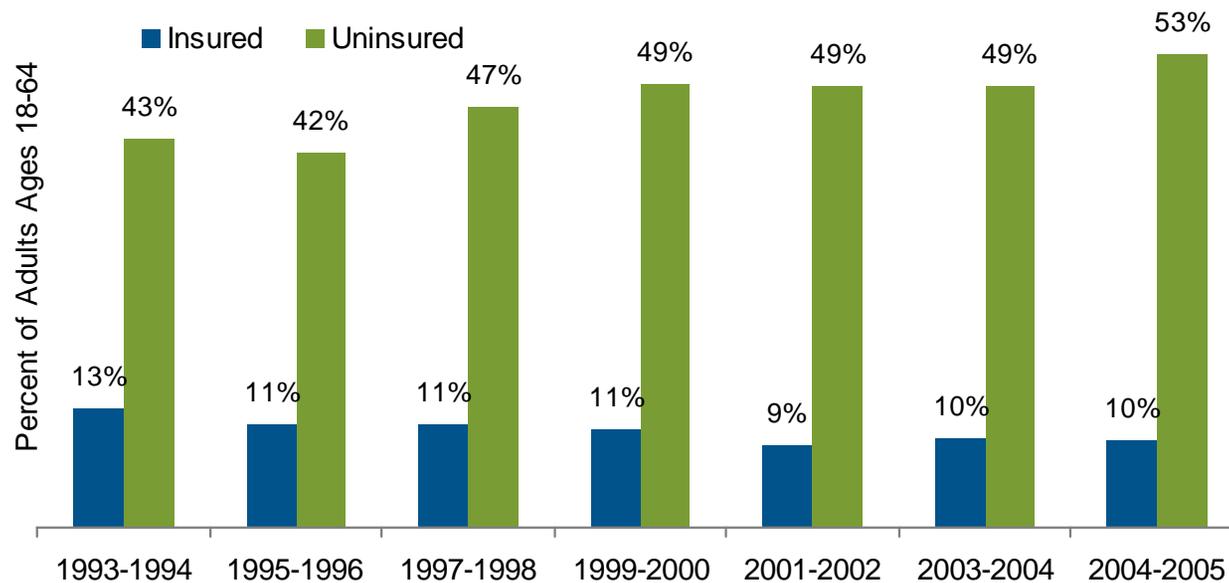


Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

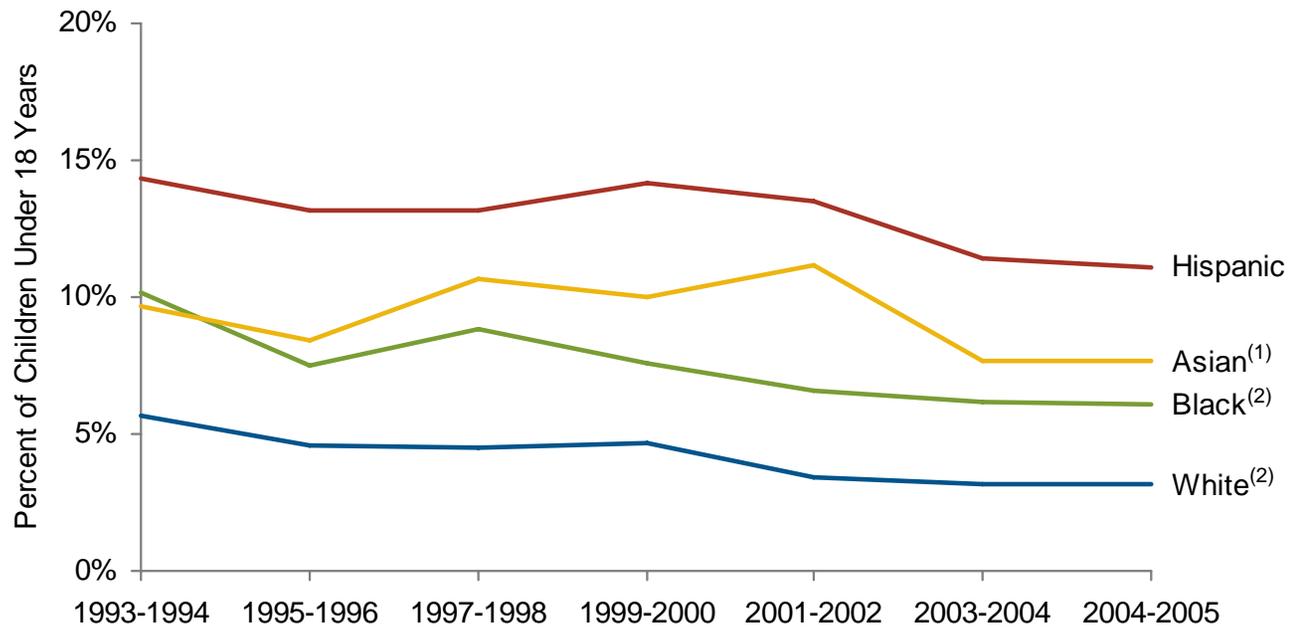
⁽²⁾ Includes individuals of non-Hispanic origin only.

Chart 7.15: Percent of Adults with No Usual Source of Care by Insurance Status, 1993-2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

Chart 7.16: Percent of Children with No Usual Source of Care by Race, 1993-2005

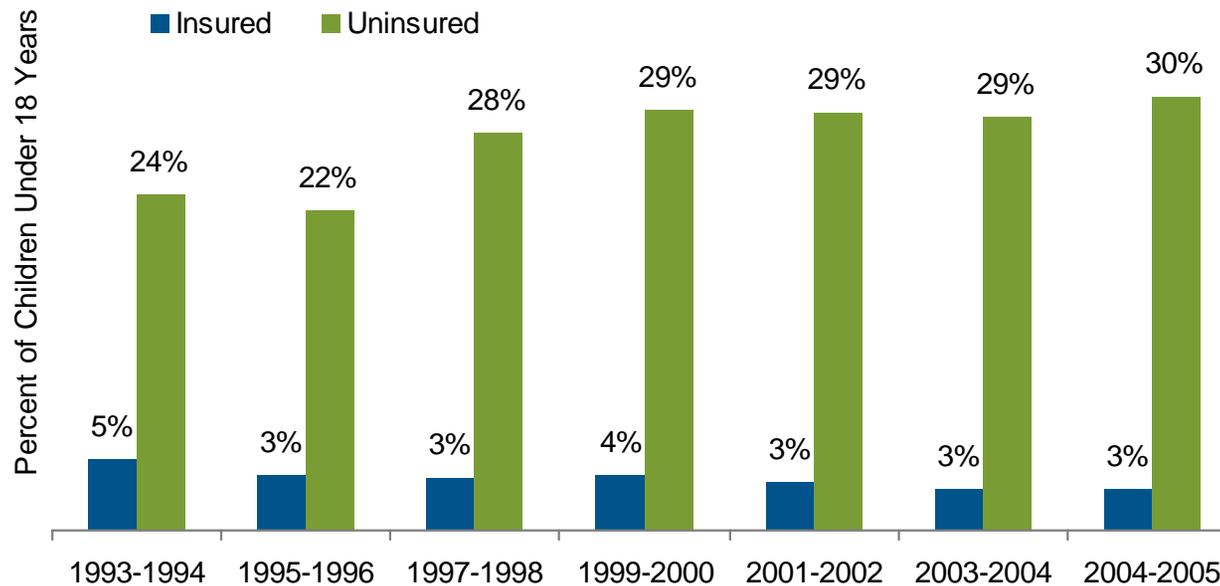


Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

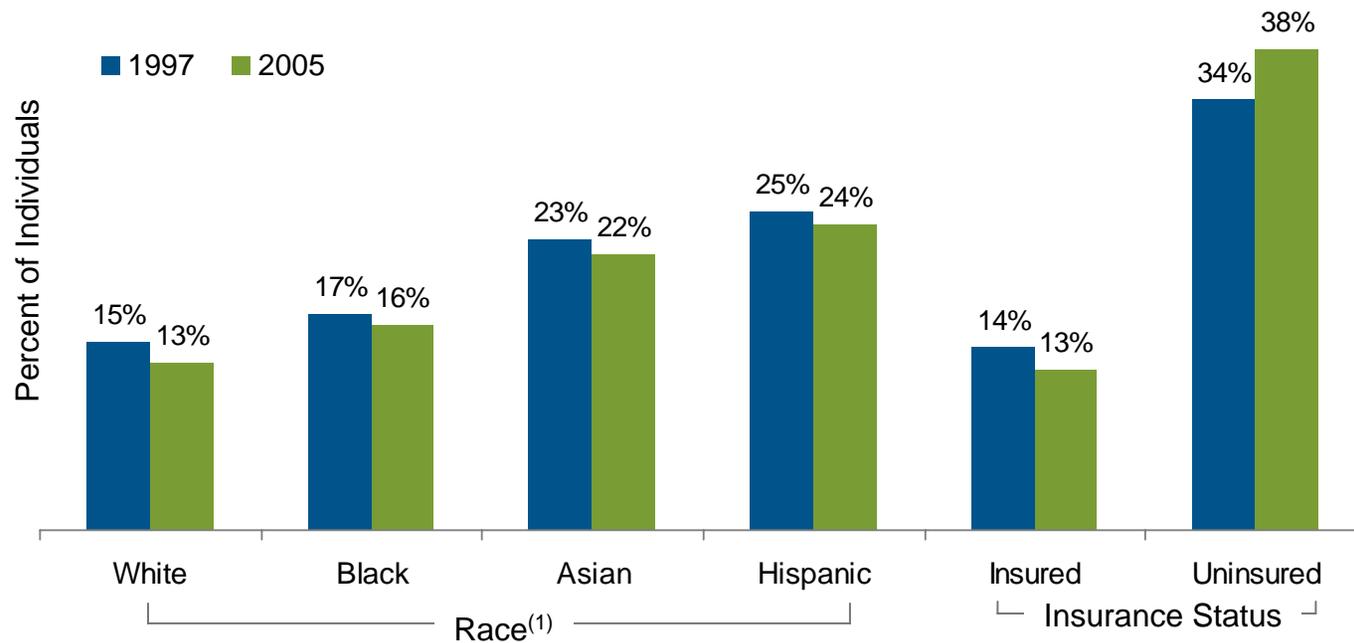
⁽²⁾ Includes individuals of non-Hispanic origin only.

Chart 7.17: Percent of Children with No Usual Source of Care by Insurance Status, 1993-2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

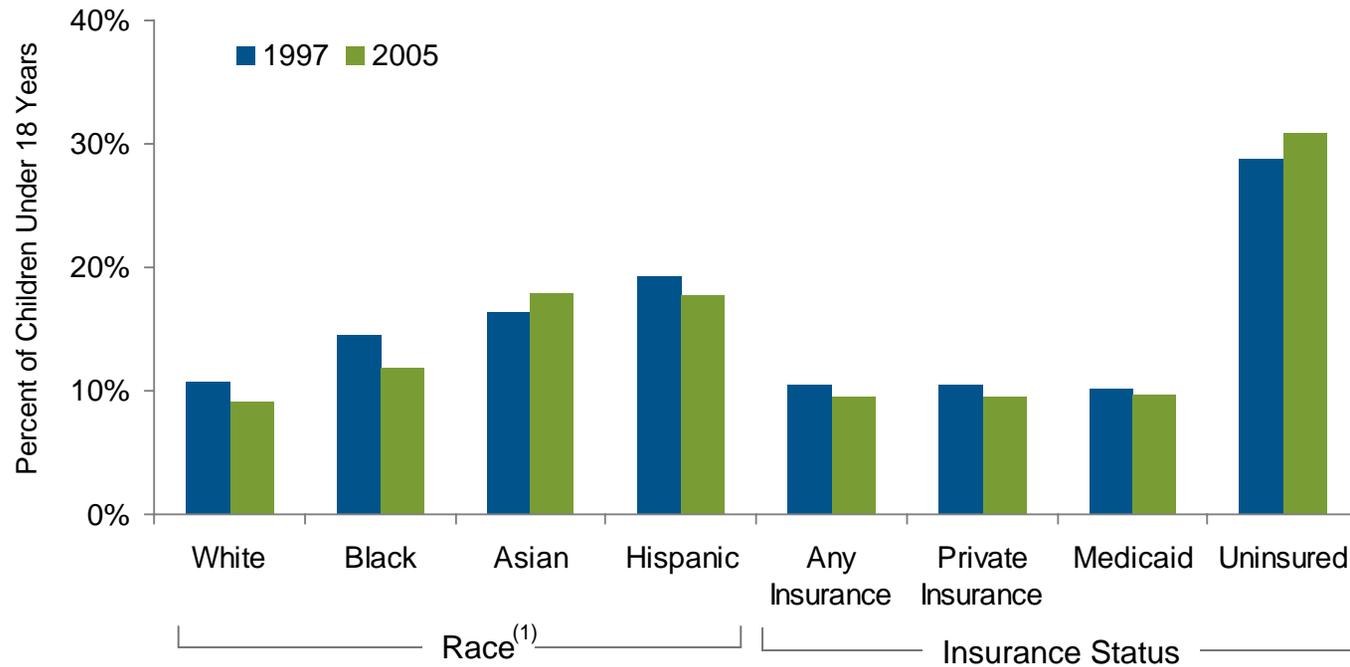
Chart 7.18: Percent of Individuals with No Healthcare Visits by Race, Insurance Status, 1997 and 2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

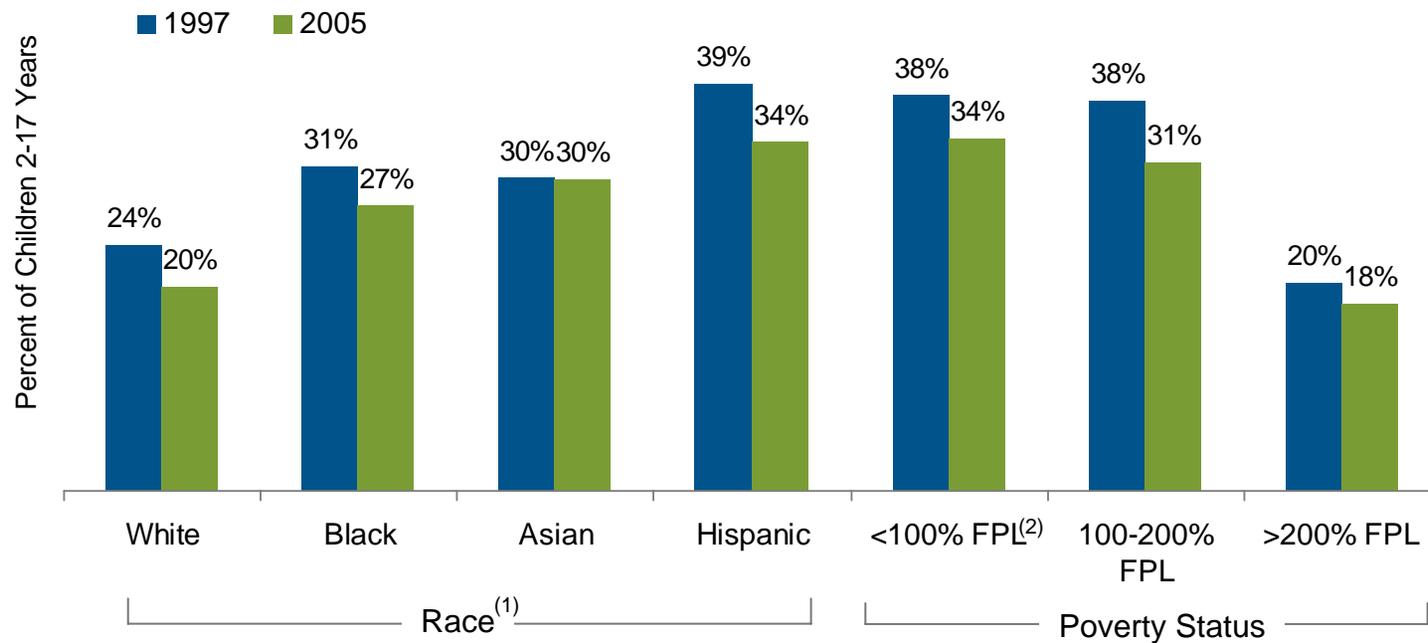
Chart 7.19: Percent of Children with No Healthcare Visits by Race, Insurance Status, 1997 and 2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. 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 2005

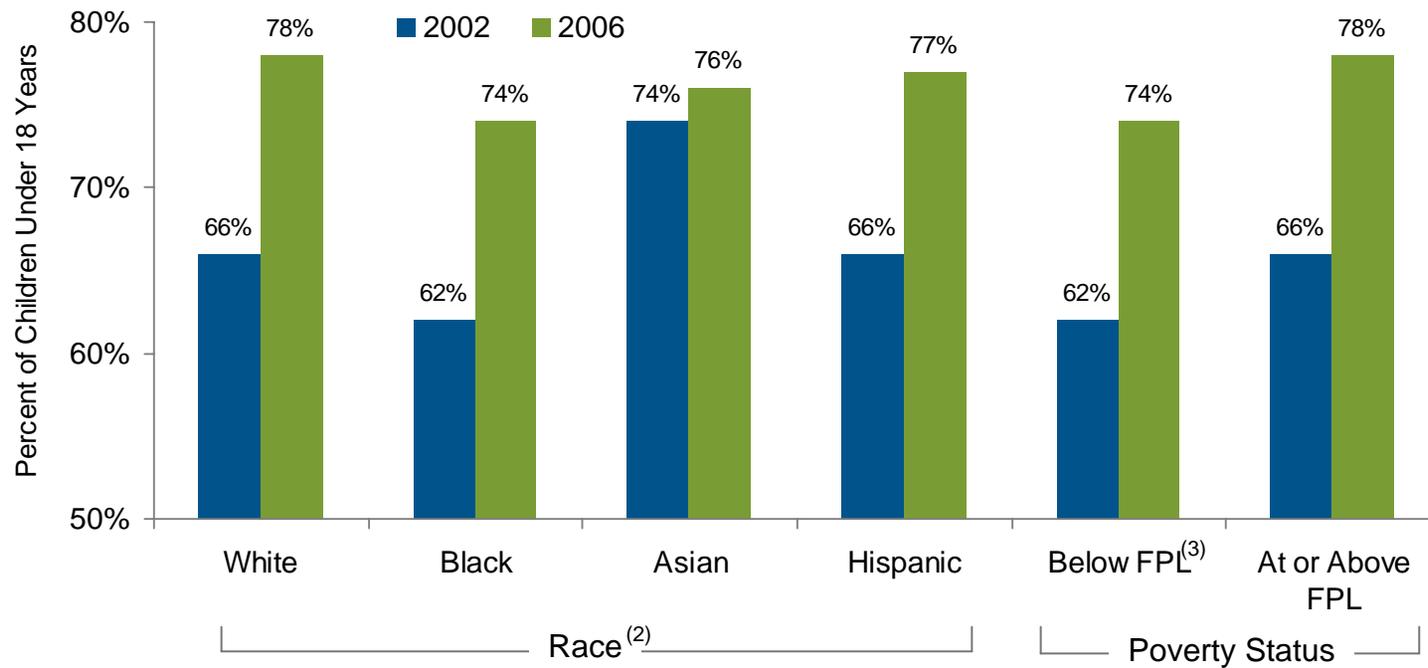


Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

(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⁽¹⁾ by Race, Poverty Status, 2002 and 2006



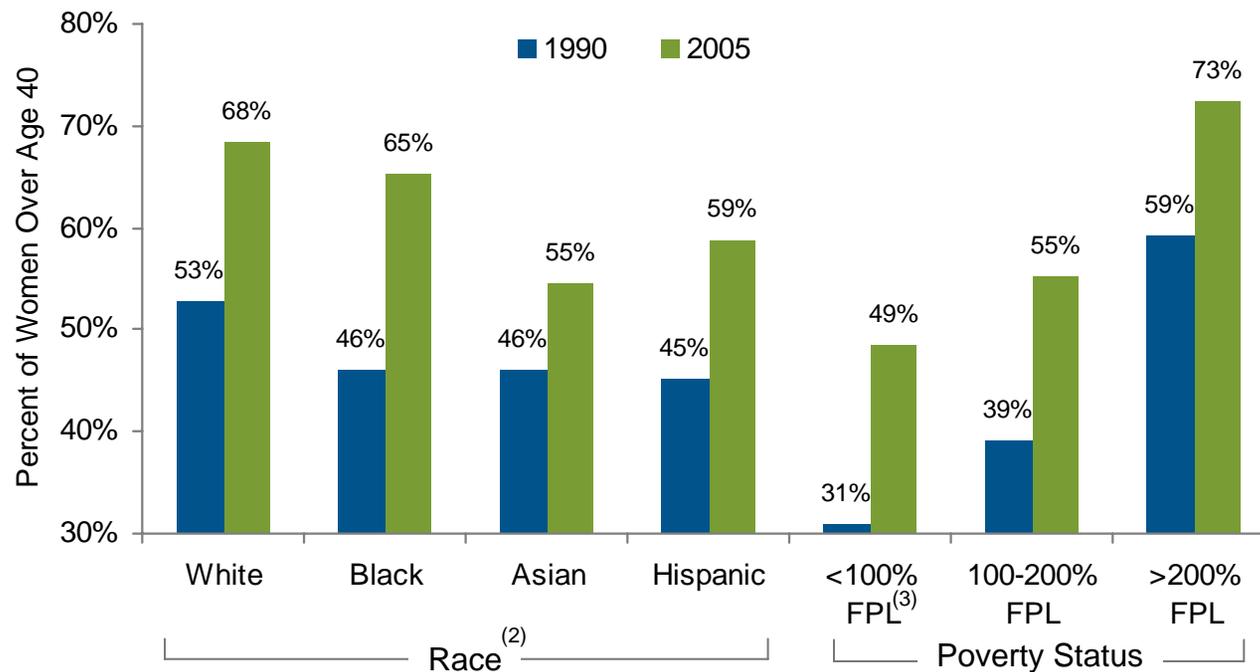
Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

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

(3) FPL = federal poverty limit.

Chart 7.22: Percent of Women Receiving Mammography⁽¹⁾ by Race, Poverty Status, 1990 and 2005



Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

(1) Indicates use of mammography in two years prior to 1990 and 2005.

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

(3) Note: FPL = federal poverty limit.



APPENDIX 1

Supplementary Data Tables
Trends in the Overall
Health Care Market

Table 1.1: National Health Expenditures, 1980 – 2006⁽¹⁾

Year	Total National Health Expenditures				Prescription Drugs Total	
	Total		Per Capita		Nominal Dollars (billions)	Real Dollars ⁽²⁾ (billions)
	Nominal Dollars (billions)	Real Dollars ⁽²⁾ (billions)	Nominal Dollars	Real Dollars ⁽²⁾		
1980	\$253.4	\$253.4	\$1,100	\$1,100	\$12.0	\$12.0
1981	\$293.6	\$266.1	\$1,262	\$1,144	\$13.4	\$12.1
1982	\$330.7	\$282.4	\$1,407	\$1,202	\$15.0	\$12.8
1983	\$364.7	\$301.7	\$1,537	\$1,272	\$17.3	\$14.3
1984	\$401.6	\$318.5	\$1,677	\$1,330	\$19.6	\$15.6
1985	\$439.3	\$336.4	\$1,818	\$1,392	\$21.8	\$16.7
1986	\$471.3	\$354.3	\$1,932	\$1,453	\$24.3	\$18.3
1987	\$513.0	\$372.1	\$2,084	\$1,512	\$26.9	\$19.5
1988	\$574.0	\$399.8	\$2,310	\$1,609	\$30.6	\$21.3
1989	\$638.7	\$424.4	\$2,546	\$1,692	\$34.8	\$23.1
1990	\$714.0	\$450.1	\$2,813	\$1,774	\$40.3	\$25.4
1991	\$781.6	\$472.9	\$3,044	\$1,841	\$44.4	\$26.9
1992	\$849.0	\$498.7	\$3,266	\$1,918	\$47.6	\$27.9
1993	\$912.6	\$520.4	\$3,468	\$1,978	\$51.0	\$29.1
1994	\$962.2	\$535.0	\$3,619	\$2,012	\$54.3	\$30.2
1995	\$1,016.5	\$549.6	\$3,783	\$2,045	\$60.9	\$32.9
1996	\$1,068.8	\$561.3	\$3,938	\$2,068	\$68.5	\$36.0
1997	\$1,125.3	\$577.7	\$4,104	\$2,107	\$77.6	\$39.8
1998	\$1,190.5	\$601.8	\$4,298	\$2,173	\$88.5	\$44.8
1999	\$1,265.6	\$625.9	\$4,523	\$2,237	\$104.6	\$51.7
2000	\$1,353.6	\$647.7	\$4,791	\$2,293	\$120.6	\$57.7
2001	\$1,469.6	\$683.8	\$5,147	\$2,395	\$138.3	\$64.4
2002	\$1,603.4	\$734.4	\$5,562	\$2,547	\$157.6	\$72.2
2003	\$1,732.4	\$775.8	\$5,949	\$2,664	\$174.2	\$78.0
2004	\$1,852.3	\$808.0	\$6,300	\$2,748	\$188.8	\$82.4
2005	\$1,973.3	\$832.6	\$6,649	\$2,805	\$199.7	\$84.3
2006	\$2,105.5	\$860.6	\$7,025	\$2,872	\$216.7	\$88.6

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

⁽²⁾ 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, 1996 – 2006⁽¹⁾

Year	Hospital Care	Prescription Drugs	Admin. & Net Cost of Private Health Insurance	Home Health Care	Nursing Home Care
1996	3.4%	12.6%	3.0%	10.1%	7.4%
1997	3.6%	13.3%	-0.6%	2.8%	6.2%
1998	3.2%	14.1%	6.6%	-3.8%	6.0%
1999	5.0%	18.2%	11.4%	-5.1%	1.1%
2000	5.6%	15.4%	14.5%	-3.1%	5.2%
2001	8.2%	14.7%	10.3%	5.5%	6.6%
2002	8.2%	14.0%	18.4%	6.4%	4.1%
2003	7.5%	10.2%	17.7%	11.1%	4.5%
2004	8.6%	8.2%	9.4%	13.3%	4.3%
2005	7.3%	5.8%	3.6%	12.3%	4.9%
2006	7.0%	8.5%	8.8%	9.9%	3.5%

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Data for Chart 1.7

Table 1.3: National Health Expenditures,⁽¹⁾ 1980 – 2017⁽²⁾

Year	Expenditures (billions)
1980	\$253
1990	\$714
1998	\$1,191
1999	\$1,266
2000	\$1,354
2001	\$1,470
2002	\$1,603
2003	\$1,732
2004	\$1,852
2005	\$1,973
2006	\$2,106
2007	\$2,247
2008	\$2,394
2009	\$2,555
2010	\$2,726
2011	\$2,905
2012	\$3,098
2013	\$3,305
2014	\$3,524
2015	\$3,757
2016	\$4,008
2017	\$4,277

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released February 25, 2008.

⁽¹⁾ Years 2007 – 2017 are projections.

⁽²⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Data for Chart 1.8

Table 1.4: Consumer Out-of-pocket Payments for National Health Expenditures, 1990 – 2006⁽¹⁾

Year	Payment (billions)
1990	\$136.1
1991	\$140.1
1992	\$143.4
1993	\$145.2
1994	\$142.9
1995	\$146.3
1996	\$152.1
1997	\$162.5
1998	\$175.5
1999	\$184.0
2000	\$192.9
2001	\$199.8
2002	\$211.4
2003	\$224.9
2004	\$234.9
2005	\$247.1
2006	\$256.5

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.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, 1980 – 2006⁽¹⁾

Year	Percentage
1980	3.90%
1981	3.35%
1982	4.39%
1983	6.76%
1984	6.21%
1985	5.78%
1986	7.80%
1987	6.23%
1988	6.17%
1989	6.34%
1990	7.35%
1991	6.05%
1992	4.73%
1993	5.38%
1994	6.67%
1995	12.11%
1996	14.54%
1997	16.16%
1998	16.77%
1999	21.39%
2000	18.15%
2001	15.31%
2002	14.42%
2003	12.81%
2004	12.20%
2005	9.01%
2006	12.86%

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Data for Chart 1.11

Table 1.6: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1980 – 2006⁽¹⁾

Year	Out-of-pocket Payment (billions)	Private Health Insurance (billions)
1980	\$8.466	\$1.783
1981	\$8.844	\$2.494
1982	\$10.272	\$2.568
1983	\$11.254	\$3.554
1984	\$12.503	\$4.168
1985	\$13.609	\$4.957
1986	\$15.451	\$4.746
1987	\$16.407	\$5.855
1988	\$18.335	\$6.990
1989	\$20.153	\$8.678
1990	\$22.376	\$10.627
1991	\$23.047	\$12.905
1992	\$23.429	\$14.643
1993	\$24.110	\$16.366
1994	\$23.403	\$19.251
1995	\$23.376	\$24.413
1996	\$24.195	\$29.615
1997	\$25.709	\$35.483
1998	\$27.508	\$42.030
1999	\$30.420	\$51.057
2000	\$33.418	\$59.533
2001	\$36.052	\$69.256
2002	\$40.384	\$77.991
2003	\$44.153	\$83.503
2004	\$46.242	\$90.072
2005	\$48.798	\$95.698
2006	\$47.639	\$95.050

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Data for Chart 1.12

Table 1.7: Number and Percent Uninsured, 1986 – 2006

Year	Number (millions)	Percent
1986	34.2	14.4%
1987	31.0	12.9%
1988	32.7	13.4%
1989	33.4	13.6%
1990	34.7	13.9%
1991	35.4	14.1%
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%

Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2006. Data released August 2007. Table 6. People With or Without Health Insurance Coverage by Selected Characteristics: 2005 and 2006. Link: http://www.census.gov/hhes/www/hlthins/hlthin06/p60no233_table6.pdf.

Data for Chart 1.15

Table 1.8: Average Percent Uninsured by State, 2004 – 2006

State	Average Percent Uninsured	State	Average Percent Uninsured
Alabama	14.1%	Montana	17.0%
Alaska	16.7%	Nebraska	11.1%
Arizona	19.0%	Nevada	18.3%
Arkansas	17.5%	New Hampshire	10.4%
California	18.5%	New Jersey	14.6%
Colorado	16.6%	New Mexico	21.0%
Connecticut	10.4%	New York	13.2%
Delaware	12.5%	North Carolina	16.0%
District of Columbia	12.4%	North Dakota	11.1%
Florida	20.3%	Ohio	10.7%
Georgia	17.6%	Oklahoma	18.7%
Hawaii	8.6%	Oregon	16.6%
Idaho	14.9%	Pennsylvania	10.2%
Illinois	13.6%	Rhode Island	10.2%
Indiana	13.1%	South Carolina	16.0%
Iowa	9.3%	South Dakota	11.6%
Kansas	11.1%	Tennessee	13.4%
Kentucky	13.8%	Texas	24.1%
Louisiana	18.5%	Utah	15.7%
Maine	9.5%	Vermont	10.8%
Maryland	13.5%	Virginia	13.2%
Massachusetts	10.3%	Washington	12.5%
Michigan	10.6%	West Virginia	15.5%
Minnesota	8.5%	Wisconsin	9.4%
Mississippi	18.1%	Wyoming	14.0%
Missouri	12.3%		

Source: US Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2006. Data released August 2007. Link: http://www.census.gov/hhes/www/hlthins/hlthin06/percent_uninsured_state.xls

Data for Chart 1.16

Table 1.9: Medicaid Enrollees,⁽¹⁾ 1990, 1995, 2000 – 2006

(in millions)	1990	1995	2000	2001	2002	2003	2004	2005	2006
Aged	3.2	4.2	4.6	4.8	4.5	4.8	5.1	5.4	5.5
Blind/Disabled	3.7	6.0	7.5	8.0	7.9	8.3	8.9	9.4	9.8
Children	11.2	17.6	22.0	23.7	25.5	25.3	27.8	28.3	29.5
Adults	6.0	7.8	10.4	12.0	12.9	14.0	15.4	15.5	16.0
Other Title XIX	1.1	0.6							
Total	25.3	36.3	44.5	48.4	50.9	52.4	57.3	58.6	60.9

Source: Congressional Budget Office. Data released March 2007. Fact Sheet for CBO's March 2007 Baseline: Medicaid. Link: <http://www.cbo.gov/budget/factsheets/2007b/medicaid.pdf>.

⁽¹⁾ Does not include SCHIP Enrollees.

Data for Chart 1.18

Table 1.10: Percent Change in SCHIP Enrollment by State, FY2005 – FY2006 ⁽¹⁾

State	Percent Change FY 05 - FY 06	State	Percent Change FY 05 - FY 06
Alabama	3%	Montana	9%
Alaska	0%	Nebraska	1%
Arizona	10%	Nevada	0%
Arkansas	183%	New Hampshire	4%
California	14%	New Jersey	-7%
Colorado	18%	New Mexico	3%
Connecticut	4%	New York	11%
Delaware	4%	North Carolina	26%
District of Columbia	-5%	North Dakota	10%
Florida	-21%	Ohio	1%
Georgia	12%	Oklahoma	7%
Hawaii	7%	Oregon	12%
Idaho	13%	Pennsylvania	5%
Illinois	13%	Rhode Island	-6%
Indiana	3%	South Carolina	-15%
Iowa	6%	South Dakota	4%
Kansas	3%	Tennessee	Unknown
Kentucky	2%	Texas	11%
Louisiana	-3%	Utah	18%
Maine	2%	Vermont	-5%
Maryland	13%	Virginia	11%
Massachusetts	17%	Washington	-4%
Michigan	33%	West Virginia	3%
Minnesota	5%	Wisconsin	-1%
Mississippi	5%	Wyoming	26%
Missouri	-8%		

Source: Centers for Medicare & Medicaid Services. Data revised March 2007. FY 2006 Number of Children Ever Enrolled Year – SCHIP by Program Type. Link: <http://www.cms.hhs.gov/NationalSCHIPPolicy/downloads/FY2006StateTotalTable.pdf>.

(1) 2005 figure reflects revised data released by Centers for Medicare & Medicaid Services on March 1, 2007

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 – 2007

	1988	1996	1999	2002	2005	2006	2007
Conventional⁽¹⁾	90%	52%	26%	14%	12%	10%	10%
PPO	18%	45%	62%	74%	82%	79%	79%
HMO	46%	64%	56%	50%	44%	43%	42%
POS⁽²⁾		30%	45%	34%	28%	23%	21%
HDHP/SO⁽³⁾						14%	18%

Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2007. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007. Link: <http://www.kff.org/insurance/7672/upload/EHBS-2007-Full-Report-PDF.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.

Data for Chart 1.21

Table 1.12: Percent Distribution of Employer-sponsored Health Insurance Enrollment by Type of Plan, 1988 – 2007

	1988	1996	1999	2002	2005	2006	2007
Conventional⁽¹⁾	73%	27%	10%	4%	3%	3%	3%
PPO	11%	28%	39%	52%	61%	60%	57%
HMO	16%	31%	28%	27%	21%	20%	21%
POS⁽²⁾		14%	24%	18%	15%	13%	13%
HDHP/SO⁽³⁾						4%	5%

Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2007. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007. Link: <http://www.kff.org/insurance/7672/upload/EHBS-2007-Full-Report-PDF.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.

Data for Chart 1.22

Table 1.13: Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1980 – 2006⁽¹⁾

Year	Growth in Medicare Spending per Beneficiary	Growth in Private Health Insurance Spending per Enrollee
1980	17.7%	12.7%
1981	17.6%	16.7%
1982	14.8%	13.8%
1983	11.8%	11.0%
1984	9.4%	12.9%
1985	6.4%	10.1%
1986	4.8%	1.9%
1987	5.9%	8.4%
1988	5.2%	16.5%
1989	11.6%	15.3%
1990	6.8%	13.3%
1991	8.0%	9.8%
1992	10.5%	8.4%
1993	8.1%	7.9%
1994	9.9%	3.5%
1995	8.2%	4.9%
1996	6.3%	4.9%
1997	4.8%	4.4%
1998	-1.5%	5.5%
1999	1.0%	6.4%
2000	4.1%	7.5%
2001	9.3%	10.2%
2002	6.2%	11.0%
2003	5.3%	10.2%
2004	8.8%	7.7%
2005	7.7%	6.5%
2006	16.9%	5.2%

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 7, 2008.

⁽¹⁾ CMS completed a benchmark revision in 2006, 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/benchmark.pdf>.

Data for Chart 1.24

Table 1.14: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2005 and 2006

State	% Enrolled		State	% Enrolled	
	05	06		05	06
Alabama	60.5%	63.3%	Montana	68.2%	66.9%
Alaska	0.0%	0.0%	Nebraska	71.1%	80.9%
Arizona	88.8%	89.6%	Nevada	100.0%	82.4%
Arkansas	81.1%	83.0%	New Hampshire	2.0%	74.9%
California	50.2%	50.3%	New Jersey	69.0%	69.4%
Colorado	95.0%	95.1%	New Mexico	60.6%	65.2%
Connecticut	75.0%	75.6%	New York	61.5%	61.1%
Delaware	76.2%	76.5%	North Carolina	70.9%	64.9%
District of Columbia	64.8%	67.8%	North Dakota	60.6%	55.6%
Florida	66.2%	65.5%	Ohio	31.2%	39.9%
Georgia	95.8%	97.7%	Oklahoma	87.0%	85.9%
Hawaii	79.9%	80.0%	Oregon	90.6%	90.3%
Idaho	82.8%	81.4%	Pennsylvania	90.4%	86.3%
Illinois	9.6%	7.3%	Rhode Island	69.4%	65.8%
Indiana	68.5%	72.1%	South Carolina	9.8%	20.2%
Iowa	92.0%	86.5%	South Dakota	97.5%	98.3%
Kansas	56.0%	57.0%	Tennessee	100.0%	100.0%
Kentucky	92.0%	92.4%	Texas	48.4%	68.6%
Louisiana	79.0%	71.2%	Utah	91.0%	86.9%
Maine	61.9%	66.7%	Vermont	66.9%	64.7%
Maryland	67.4%	70.0%	Virginia	62.5%	63.2%
Massachusetts	61.5%	60.4%	Washington	84.8%	86.6%
Michigan	89.9%	84.9%	West Virginia	47.5%	46.3%
Minnesota	65.9%	63.7%	Wisconsin	46.4%	46.7%
Mississippi	13.5%	10.2%	Wyoming	0.0%	0.0%
Missouri	45.0%	99.5%	Nation	63.0%	65.3%

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released June 2006. Medicaid Managed Care Enrollment Report as of June 30, 2006. Link: <http://www.cms.hhs.gov/MedicaidDataSourcesGenInfo/Downloads/mmcer06.pdf>.

Data for Chart 1.26

Table 1.15: Operating Margins of the Top Insurers, 2004 – 2006

	2004	2005	2006
Aetna	10.1%	11.9%	10.9%
WellPoint	7.6%	9.1%	9.3%
United HealthCare	11.0%	11.8%	9.8%
Cigna	13.1%	10.7%	10.5%
Humana	3.4%	3.2%	3.9%

Source: Hoovers. Data for all years updated as of January 2008. Link: www.hoovers.com.

⁽¹⁾ 2004 operating margin data for WellPoint include both pre- and post-merger data for the merger with Anthem in November 2004
Data for Chart 1.29



APPENDIX 2

Supplementary Data Tables
Organizational Trends

Table 2.1: Number of Community Hospitals,⁽¹⁾ 1981 – 2006

Year	All Hospitals	Urban	Rural	In Health System ⁽²⁾
1981	5,813	3,048	2,765	-
1982	5,801	3,041	2,760	-
1983	5,783	3,070	2,713	-
1984	5,759	3,063	2,696	-
1985	5,732	3,058	2,674	-
1986	5,678	3,040	2,638	-
1987	5,611	3,012	2,599	-
1988	5,533	2,984	2,549	-
1989	5,455	2,958	2,497	-
1990	5,384	2,924	2,460	-
1991	5,342	2,921	2,421	-
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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, 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.

Data for Charts 2.1 and 2.4

Table 2.2: Number of Beds and Number of Beds per 1,000 Persons, 1981 – 2006

Year	Number of Beds	Beds per 1,000
1981	1,001,801	4.37
1982	1,011,989	4.37
1983	1,018,452	4.36
1984	1,016,987	4.31
1985	1,000,598	4.21
1986	978,283	4.07
1987	956,529	3.95
1988	944,276	3.86
1989	932,185	3.78
1990	926,436	3.72
1991	922,822	3.66
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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Data for Chart 2.2

Table 2.3: Beds per 1,000 Persons by State, 2005 and 2006

State	Beds per 1,000 Persons		State	Beds per 1,000 Persons	
	05	06		05	06
Alabama	3.40	3.40	Montana	4.58	4.33
Alaska	2.10	2.31	Nebraska	4.30	4.17
Arizona	1.98	1.94	Nevada	1.94	1.93
Arkansas	3.38	3.31	New Hampshire	2.18	2.15
California	1.94	1.92	New Jersey	2.54	2.53
Colorado	2.06	2.00	New Mexico	1.82	1.80
Connecticut	2.25	2.28	New York	3.27	3.29
Delaware	2.27	2.51	North Carolina	2.69	2.65
District of Columbia	6.07	6.19	North Dakota	5.51	5.58
Florida	2.88	2.84	Ohio	2.90	2.86
Georgia	2.74	2.65	Oklahoma	3.05	3.01
Hawaii	2.36	2.31	Oregon	1.79	1.79
Idaho	2.33	2.25	Pennsylvania	3.19	3.18
Illinois	2.70	2.66	Rhode Island	2.24	2.24
Indiana	2.83	2.86	South Carolina	2.70	2.73
Iowa	3.63	3.52	South Dakota	5.58	5.53
Kansas	3.67	3.62	Tennessee	3.46	3.37
Kentucky	3.57	3.46	Texas	2.54	2.51
Louisiana	3.45	3.70	Utah	1.83	1.78
Maine	2.67	2.64	Vermont	2.18	2.10
Maryland	2.04	2.04	Virginia	2.31	2.26
Massachusetts	2.52	2.54	Washington	1.71	1.71
Michigan	2.60	2.60	West Virginia	3.99	3.96
Minnesota	3.12	3.07	Wisconsin	2.62	2.54
Mississippi	4.38	4.46	Wyoming	4.03	3.99
Missouri	3.30	3.23			

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
 US Census Bureau: National and State Population Estimates, July 1, 2006.
 Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

Data for Chart 2.3

Table 2.4: Percent of Outpatient Surgeries by Facility Type, 1981 – 2005

Year	Hospital-owned Facilities	Freestanding Facilities	Physician Offices
1981	93%	4%	3%
1983	89%	6%	5%
1985	86%	9%	5%
1987	83%	12%	5%
1989	80%	15%	5%
1991	76%	17%	7%
1993	69%	22%	9%
1995	63%	25%	12%
1997	57%	28%	15%
1999	53%	31%	16%
2001	51%	33%	16%
2003	47%	37%	16%
2005*	45%	38%	17%

Source: Verispan, *Diagnostic Imaging Center Profiling Solution*, 2004.

*2005 values are estimated based upon current trends.

Data for Chart 2.5

Table 2.5: Percentage of Hospitals with Physician Affiliates⁽¹⁾ by Type of Relationship, 1995 – 2006

	95	96	97	98	99	00	01	02	03	04	05	06
Physician Hospital Organization	31%	31%	29%	29%	27%	25%	23%	22%	21%	19%	19%	19%
IPA	23%	24%	21%	19%	18%	17%	17%	16%	16%	15%	14%	14%
Management Service Organization	19%	22%	19%	17%	16%	13%	11%	11%	10%	9%	9%	9%
Group Practice without Walls	7%	7%	6%	5%	4%	4%	5%	4%	4%	3%	4%	3%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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 2.7

Table 2.6: Percentage of Hospitals with Insurance Products by Type of Insurance, 1995 – 2006

	95	96	97	98	99	00	01	02	03	04	05	06
Preferred Provider Organization	31%	31%	31%	26%	23%	21%	18%	19%	19%	18%	19%	18%
Health Maintenance Organization	21%	22%	23%	22%	20%	18%	15%	14%	14%	14%	14%	13%
Indemnity or Fee-for-service	10%	10%	10%	8%	6%	6%	5%	5%	6%	6%	6%	6%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.
Data for Chart 2.8

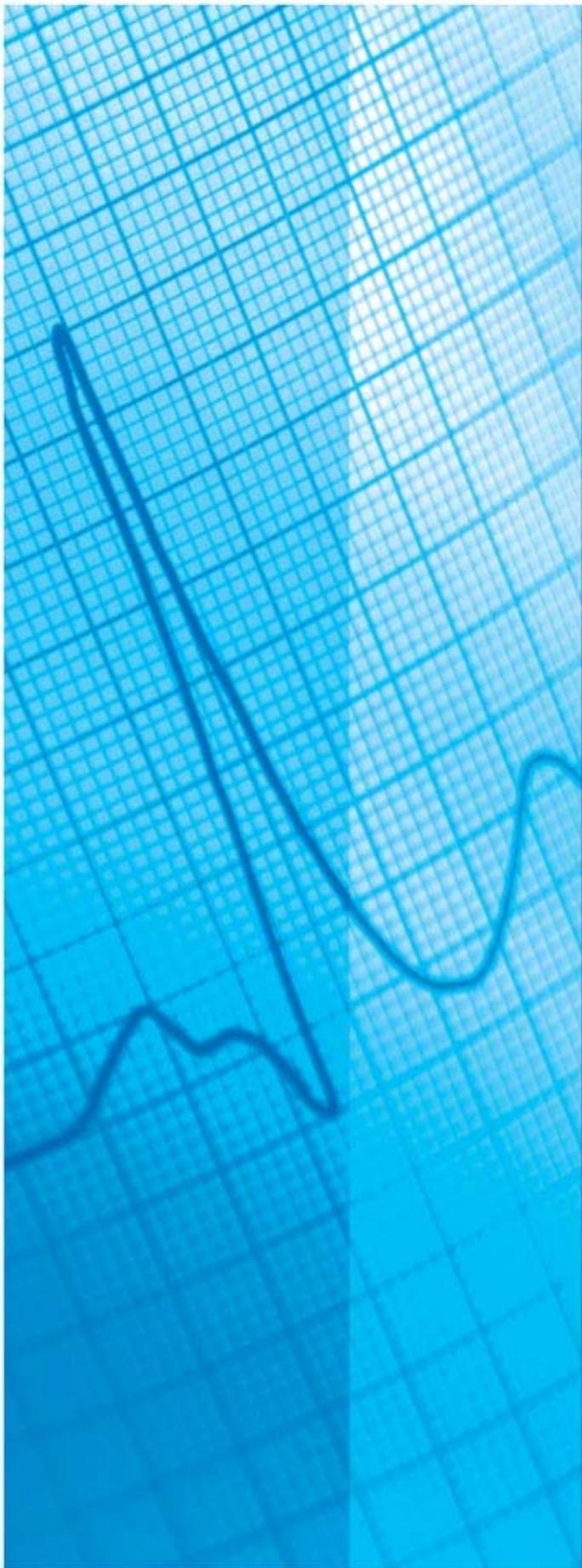
Table 2.7: Percentage of Hospitals Offering “Non-hospital” Services,⁽¹⁾ 1995 – 2006

	95	96	97	98	99	00	01	02	03	04	05	06
Home Health Service	74%	77%	78%	76%	72%	69%	66%	65%	64%	64%	63%	63%
Skilled Nursing Facility	45%	49%	52%	53%	49%	49%	48%	46%	45%	43%	42%	42%
Other Long-term Care	13%	14%	15%	12%	11%	11%	11%	12%	13%	14%	14%	14%
Assisted Living	8%	10%	11%	13%	14%	15%	15%	15%	16%	16%	16%	16%
Hospice	53%	56%	56%	59%	57%	54%	54%	55%	57%	59%	60%	62%
Meals on Wheels	23%	24%	25%	26%	25%	26%	25%	25%	24%	24%	23%	23%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

Data for Chart 2.9



APPENDIX 3

Supplementary Data Tables
Utilization and Volume

Table 3.1: Trends in Inpatient Utilization in Community Hospitals, 1981 – 2006

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
1981	36,438,232	158.8	278,405,882	1,213.3	15,674,633	7.6
1982	36,379,446	157.0	278,043,093	1,200.2	15,532,578	7.6
1983	36,151,780	154.6	273,196,906	1,168.5	15,130,404	7.6
1984	35,155,462	149.1	256,603,081	1,088.1	14,378,580	7.3
1985	33,448,631	140.6	236,619,446	994.5	13,161,996	7.1
1986	32,378,796	134.8	229,447,826	955.5	12,222,470	7.1
1987	31,600,817	130.4	227,014,903	937.0	11,691,429	7.2
1988	31,452,835	128.6	226,875,042	927.9	11,383,578	7.2
1989	31,116,048	126.1	225,436,505	913.4	10,989,409	7.2
1990	31,181,046	125.3	225,971,653	908.4	10,844,916	7.2
1991	31,064,283	123.2	222,858,470	883.9	10,693,243	7.2
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	676.3	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	118.8	197,073,770	664.7	10,097,271	5.6
2006	35,377,659	118.2	196,366,512	655.9	10,095,683	5.6

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2006. Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

Data for Charts 3.1, 3.2, 3.3, 3.4, 3.5, and 3.14

Table 3.2: Average Length of Stay in Community Hospitals by State, 2005 and 2006

State	Average Length of Stay		State	Average Length of Stay	
	05	06		05	06
Alabama	5.1	5.2	Montana	9.6	9.1
Alaska	6.0	5.8	Nebraska	8.2	7.7
Arizona	4.4	4.5	Nevada	5.3	5.3
Arkansas	5.3	5.2	New Hampshire	5.5	5.4
California	5.3	5.3	New Jersey	5.3	5.3
Colorado	5.0	5.1	New Mexico	4.7	4.7
Connecticut	5.7	5.7	New York	7.2	7.2
Delaware	6.2	6.4	North Carolina	6.0	6.0
District of Columbia	7.1	7.0	North Dakota	8.8	8.6
Florida	5.2	5.2	Ohio	5.2	5.0
Georgia	6.4	6.5	Oklahoma	5.1	5.1
Hawaii	7.5	7.5	Oregon	4.4	4.4
Idaho	4.9	4.8	Pennsylvania	5.5	5.4
Illinois	5.2	5.1	Rhode Island	5.4	5.4
Indiana	5.2	5.2	South Carolina	5.8	5.9
Iowa	6.4	6.2	South Dakota	10.1	10.5
Kansas	6.3	6.1	Tennessee	5.7	5.6
Kentucky	5.5	5.3	Texas	5.2	5.2
Louisiana	5.5	5.7	Utah	4.3	4.4
Maine	5.6	5.6	Vermont	6.5	6.5
Maryland	4.7	4.6	Virginia	5.8	5.7
Massachusetts	5.5	5.3	Washington	4.6	4.5
Michigan	5.4	5.2	West Virginia	5.7	5.7
Minnesota	6.3	6.2	Wisconsin	5.4	5.3
Mississippi	6.5	6.5	Wyoming	8.2	8.0
Missouri	5.3	5.2			

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, 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, 1991 – 2006

Year	ED Visits (millions)	ED Visits per 1,000	Emergency Departments ⁽¹⁾
1991	88.5	351	5,108
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	387	4,611
2006	118.4	395	4,587

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals. US Census Bureau: National and State Population Estimates, July 1, 2006.

Link: <http://www.census.gov/popest/states/tables/NST-EST2006-01.xls>.

⁽¹⁾ 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, 1981 – 2006

Year	Total Outpatient Visits	Outpatient Visits per 1,000	Outpatient Surgeries
1981	202,554,317	882.7	3,561,573
1982 ⁽¹⁾	247,930,332	1,070.2	4,061,061
1983	210,038,878	898.4	4,714,504
1984	211,941,487	898.7	5,529,661
1985	218,694,236	919.2	6,951,359
1986	231,853,914	965.5	8,246,665
1987	244,495,134	1,009.1	9,126,205
1988	268,290,801	1,097.3	10,027,560
1989	284,815,681	1,153.9	10,350,871
1990	300,514,516	1,208.0	11,069,952
1991	321,044,324	1,273.4	11,711,808
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	1,946.5	17,351,490
2005	584,428,736	1,971.0	17,445,587
2006	599,553,025	2002.5	17,235,141

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ Due to a restructuring in 1982 of the survey question on outpatient visits, some respondents reported *occasions* of service rather than *visits*, resulting in an artificially large number of outpatient visits. In 1983, the survey reverted back to the original question, which remains the same today. To smooth the trend lines in the corresponding charts to better reflect what was the actual number of *visits*, the 1982 data point is an average of the 1981 and 1983 figures. The number collected from the survey is reported in the table above but should be used with caution.



APPENDIX 4

Supplementary Data Tables
Trends in Hospital Financing

Table 4.1: Aggregate Total Hospital Margins,⁽¹⁾ Operating Margins,⁽²⁾ and Patient Margins;⁽³⁾ Percentage of Hospitals with Negative Total Margins; and Aggregate Non-operating Gains as a Percentage of Total Net Revenue, 1981 – 2006

Year	Aggregate Total Hospital Margins	Aggregate Operating Margins	Aggregate Patient Margins	Percent of Hospitals with Negative Total Margins	Aggregate Non-operating Gains as a Percentage of Total Net Revenue
1981	3.6%			25.4%	2.2%
1982	4.2%			24.0%	2.4%
1983	4.2%			24.1%	2.4%
1984	5.1%			24.6%	2.4%
1985	6.0%			23.3%	2.7%
1986	5.3%			25.7%	2.4%
1987	4.2%			31.4%	2.3%
1988	3.3%			32.5%	2.4%
1989	3.4%			30.8%	2.5%
1990	3.8%	1.7%	-4.2%	27.1%	2.1%
1991	4.3%	2.2%	-3.6%	24.7%	2.1%
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%	1.8%
1996	6.7%	4.6%	-1.0%	19.4%	2.3%
1997	6.7%	4.0%	-1.7%	20.4%	2.7%
1998	5.8%	3.1%	-3.0%	26.6%	2.8%
1999	4.6%	2.1%	-4.3%	32.5%	2.6%
2000	4.6%	2.0%	-4.2%	32.0%	2.6%
2001	4.2%	2.7%	-3.6%	29.4%	1.6%
2002	4.4%	3.7%	-2.3%	29.3%	0.8%
2003	4.8%	3.3%	-2.8%	29.9%	1.5%
2004	5.2%	3.6%	-2.3%	26.5%	1.7%
2005	5.3%	3.7%	-2.0%	25.4%	1.7%
2006	6.0%	4.0%	-2.1%	24.3%	2.1%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

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

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

⁽³⁾ 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, 1981 – 2006

Year	Gross Outpatient Revenue	Gross Inpatient Revenue
1981	13%	87%
1982	13%	87%
1983	13%	87%
1984	14%	86%
1985	16%	84%
1986	18%	82%
1987	19%	81%
1988	21%	79%
1989	21%	79%
1990	23%	77%
1991	24%	76%
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%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Data for Chart 4.3

Table 4.3: Annual Change in Hospital Operating Revenue and Expenses per Adjusted Admission,⁽¹⁾ 1981 – 2006

Year	Expenses per Adjusted Admission	Operating Revenue per Adjusted Admission	Percent Change Expenses	Percent Change Operating Revenue
1981	\$2,171	\$2,203	17.3%	17.3%
1982	\$2,501	\$2,547	15.2%	15.6%
1983	\$2,789	\$2,841	11.5%	11.5%
1984	\$2,995	\$3,080	7.4%	8.4%
1985	\$3,245	\$3,359	8.3%	9.1%
1986	\$3,533	\$3,639	8.9%	8.3%
1987	\$3,850	\$3,929	9.0%	8.0%
1988	\$4,207	\$4,245	9.3%	8.1%
1989	\$4,588	\$4,628	9.1%	9.0%
1990	\$4,947	\$5,034	7.8%	8.8%
1991	\$5,360	\$5,481	8.3%	8.9%
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%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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, 1981 – 2006

Year	Medicare	Medicaid ⁽¹⁾	Private Payer
1981	97.8%	94.0%	112.2%
1982	96.1%	91.5%	115.8%
1983	96.8%	92.1%	116.8%
1984	98.7%	91.9%	118.5%
1985	102.0%	94.3%	117.1%
1986	101.7%	91.8%	116.3%
1987	98.3%	83.0%	119.8%
1988	94.2%	79.0%	121.7%
1989	92.1%	78.8%	124.4%
1990	89.4%	80.1%	127.8%
1991	88.5%	81.9%	130.8%
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%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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 – 2006⁽¹⁾

Year	Medicare (billions)	Medicaid (billions)	Other Government (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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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 per 1,000 Persons by State, 2004 and 2005

State	Physicians per 1,000 Persons		State	Physicians per 1,000 Persons	
	04	05		04	05
Alabama	2.11	2.14	Montana	2.27	2.30
Alaska	2.32	2.41	Nebraska	2.35	2.38
Arizona	2.22	2.25	Nevada	1.92	1.96
Arkansas	2.05	2.04	New Hampshire	2.62	2.67
California	2.52	2.57	New Jersey	3.16	3.26
Colorado	2.66	2.68	New Mexico	2.38	2.39
Connecticut	3.50	3.54	New York	3.71	3.80
Delaware	2.59	2.61	North Carolina	2.45	2.48
District of Columbia	7.42	7.56	North Dakota	2.38	2.42
Florida	2.51	2.53	Ohio	2.72	2.77
Georgia	2.20	2.20	Oklahoma	2.03	2.05
Hawaii	3.10	3.12	Oregon	2.63	2.69
Idaho	1.77	1.79	Pennsylvania	3.17	3.20
Illinois	2.72	2.75	Rhode Island	3.46	3.58
Indiana	2.16	2.19	South Carolina	2.26	2.30
Iowa	2.10	2.11	South Dakota	2.21	2.23
Kansas	2.32	2.36	Tennessee	2.54	2.61
Kentucky	2.27	2.29	Texas	2.12	2.17
Louisiana	2.53	2.45	Utah	2.10	2.12
Maine	2.96	3.01	Vermont	3.51	3.54
Maryland	3.93	3.99	Virginia	2.65	2.68
Massachusetts	4.17	4.28	Washington	2.62	2.66
Michigan	2.71	2.74	West Virginia	2.46	2.52
Minnesota	2.75	2.79	Wisconsin	2.53	2.57
Mississippi	1.84	1.81	Wyoming	1.92	1.94
Missouri	2.57	2.59			

Source: CDC, NCHS, *Health United States*, 2007.

(1) 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 in Training in Community Hospitals, 1981 – 2006

Year	Residents
1981	57,776
1982	58,439
1983	59,990
1984	61,888
1985	59,171
1986	63,200
1987	60,909
1988	63,608
1989	64,478
1990	64,530
1991	67,189
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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Data for Chart 5.3

Table 5.3: Total Full-time Equivalent Employees Working in Hospitals and Full-time Equivalents per Adjusted Admission,⁽¹⁾ 1981 – 2006

Year	FTE Personnel	FTE per Adjusted Admission
1981	3,028,154	0.073
1982	3,305,136	0.079
1983	3,095,579	0.074
1984	3,016,665	0.073
1985	2,996,846	0.075
1986	3,024,320	0.076
1987	3,106,082	0.078
1988	3,195,168	0.080
1989	3,297,947	0.082
1990	3,415,622	0.083
1991	3,530,623	0.084
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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

⁽¹⁾ 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, 1987 – 2006

Year	RN FTEs (thousands)	RN FTEs per Adjusted Admission	RN FTEs as a Percent of Total FTEs
1987	759.0	0.0192	24.4%
1988	770.6	0.0192	24.1%
1989	791.5	0.0196	24.0%
1990	809.9	0.0197	23.7%
1991	840.5	0.0200	23.8%
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%

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Data for Charts 5.6 and 5.7

Table 5.5: Number of Physicians by Age, 1980, 1990, and 2006

Age Group	1980	1990	2006
Under 35	128,506	134,872	141,492
35-44	118,840	184,743	213,311
45-54	88,063	116,803	223,864
55-64	68,239	83,614	166,005
65 & Over	64,031	95,389	177,232
Total # of Physicians	467,679	615,421	921,904

Source: American Medical Association. (2008 Edition). *Physician Characteristics and Distribution in the US*.
Data for Chart 5.8

Table 5.6: RN Employment by Type of Provider, 1980 – 2004

	1980	1984	1988	1992	1996	2000	2004
Percent Employed by Hospitals	65.7%	68.1%	67.9%	66.5%	60.1%	59.1%	56.2%
Percent Employed by Nursing Homes/ Extended Care Facilities	8.0%	7.8%	6.6%	7.0%	8.1%	6.9%	6.3%
Percent Employed by Public/Community Health	6.6%	6.8%	6.8%	9.7%	13.2%	18.3%	14.9%
All Other	19.8%	17.3%	18.7%	16.8%	18.7%	15.7%	22.6%

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/>.

Data for Chart 5.9

Table 5.7: Distribution of RN Workforce by Age Group, 1980 – 2020 (projected)

Age Group	1980	1990	2000	2004	2010 (proj.)	2020 (proj.)
20s	321,316	252,890	247,123	233,437	261,672	266,514
30s	320,101	536,442	614,728	532,707	539,981	554,090
40s	224,468	419,766	935,866	916,956	723,147	651,459
50s	171,240	206,647	585,497	801,643	896,206	697,039
60s	36,716	46,372	313,675	395,450	373,573	535,371
Total # of RNs	1,073,841	1,462,117	2,696,890	2,880,193	2,794,580	2,704,473

Source: Bureau of Health Professions, Health Resources and Services Administration. (1980-2004). *Findings from the National Survey of Registered Nurses*. Link: <https://bhpr.hrsa.gov/healthworkforce/nursing.htm>. 2010 and 2020 projections derived from The Lewin Group analysis of the *National Sample Survey of Registered Nurses*, 2000.

Data for Chart 5.10

Table 5.8: National Supply and Demand Projections for FTE RNs, 2000 – 2020

Year	RN FTE Supply	RN FTE Demand
2000	1,890,700	2,001,500
2005	1,942,500	2,161,300
2010	1,941,200	2,347,000
2015	1,866,100	2,569,800
2020	1,808,000	2,824,900

Source: National Center For Health Workforce Analysis, Bureau of Health Professions, Health Resources and Services Administration. (2004). *What Is Behind HRSA's Projected Supply, Demand, and Shortage of Registered Nurses?* Link: <ftp://ftp.hrsa.gov/bhpr/workforce/behindshortage.pdf>.

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 – 2006

Year	Employees (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

Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2006, for community hospitals.

Data for Chart 6.2

Table 6.2: Hospital Employment vs. Employment in Other Industries, 2007⁽¹⁾

Title	Employment (thousands)
Full-service Restaurants	4617.9
General Medical & Surgical Hospitals	4300.6
Limited-service Eating Places	4192.4
Employment Services	3639.5
Grocery Stores	2551.3
Offices of Physicians	2264.4
Building Equipment Contractors	2039.4
Department Stores	1671.0

Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2008, Link: <http://www.bls.gov/ces>.

⁽¹⁾2007 annual projections based on data as of November 2007.

Data for Chart 6.4

Table 6.3: Average Weekly Earnings of Workers, Hospitals⁽¹⁾ vs. All Service-providing Industries, 1990 – 2006

Year	Hospitals	All Service-providing Industries
1990	\$399.45	\$315.49
1991	\$423.51	\$325.31
1992	\$443.18	\$335.46
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

Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2008. Link: <http://www.bls.gov/ces>.

⁽¹⁾ Includes physicians employed by hospitals.

Data for Chart 6.5



APPENDIX 7

Supplementary Data Tables
Community Health Indicators

Table 7.1: U.S. Population Trends and Projections⁽¹⁾ by Age, 1980-2050

Year	Population 0-19 Years (thousands)	Population 20-64 Years (thousands)	Population 65-84 Years (thousands)	Population 85+ Years (thousands)
1980	72,416	128,634	23,306	2,193
1990	71,322	146,146	28,162	3,080
2000	80,549	166,515	30,794	4,267
2010	83,236	185,456	34,120	6,123
2020	88,887	192,285	47,363	7,269
2030	95,104	197,027	61,850	9,603
2040	101,625	210,270	64,640	15,409
2050	109,147	224,001	65,844	20,861

Source: US Department of Commerce, Bureau of the Census. (2004). *U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin, 2004*.

⁽¹⁾ Years 2010 through 2050 are projections.

Data for Chart 7.1

Table 7.2: U.S. Population Trends and Projections⁽¹⁾ by Race⁽²⁾, 2000-2050

Year	White, Non-Hispanic (thousands)	Black (thousands)	White, Hispanic (thousands)	Asian (thousands)	All Other ⁽³⁾ (thousands)
2000	195,729	35,818	32,819	10,684	7,075
2010	201,112	40,454	43,883	14,241	9,246
2020	205,936	45,365	54,693	17,988	11,822
2030	209,176	50,442	66,555	22,580	14,831
2040	210,331	55,876	79,359	27,992	18,388
2050	210,283	61,361	92,343	33,430	22,437

Source: US Department of Commerce, Bureau of the Census. (2004). *U.S. Interim Projections by Age, Sex, Race, and Hispanic Origin, 2004*.

⁽¹⁾ Years 2010 through 2050 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⁽¹⁾, 2004

Cause of Death	All Persons (per 100,000)	White (per 100,000)	Black (per 100,000)
Diseases of the Heart	217.0	213.3	280.6
Cerebrovascular Disease	50.0	48.0	69.9
Malignant Neoplasms	185.8	184.4	227.2
Chronic Lower Respiratory Diseases	41.1	43.2	28.2
Influenza and Pneumonia	19.8	19.6	22.3
Diabetes Mellitus	24.5	22.3	48.0
HIV Infection	4.5	2.3	20.4

Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

Data for Chart 7.3

Table 7.4: Number of Persons with Asthma, 1980-2005

Year	Total (thousands)
1980	6,975
1985	8,611
1990	10,310
1995	14,838
2000	26,895
2005	32,621

Sources: Centers for Disease Control and Prevention (2002). "Asthma Surveillance – United States, 1980-1999." National Center for Health Statistics. National Health Interview Survey 2001, 2005.

Data for Chart 7.6

Table 7.5: Percent of Adults Who Are Overweight⁽¹⁾ and Obese, 1960-2004

Years	Overweight ⁽¹⁾	Obesity
1960-1962	44.8%	13.3%
1976-1980	47.4%	15.1%
1988-1994	56.0%	23.3%
2001-2004	66.0%	32.1%

Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

⁽¹⁾ Overweight includes obese.

Data for Chart 7.8

Table 7.6: Percent Uninsured by Race⁽¹⁾⁽²⁾, 1984-2005

Year	All	White	Black	Asian	Hispanic
1984	14.5%	12.0%	19.6%	18.5%	29.5%
1989	15.6%	12.2%	21.4%	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%
2005	16.4%	12.0%	18.3%	17.1%	33.0%

Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

⁽²⁾ 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⁽¹⁾, 1993-2005

Year	White	Black	Asian	Hispanic
Adults				
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	14.6	17.9	19.2	30.9
2004-2005	14.6	19.0	18.8	34.0
Children Under 18 Years				
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
2004-2005	3.2	6.1	7.7	11.1

Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

⁽¹⁾ 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

Table 7.8: Percent of Children with No Healthcare Visits by Race⁽¹⁾, Insurance Status, 1997 and 2005

	1997	2005
Race		
White	10.7%	9.1%
Black	14.5%	11.8%
Asian	16.3%	17.9%
Hispanic	19.3%	17.8%
Insurance Status		
Any Insurance	10.4%	9.6%
Private Insurance	10.4%	9.5%
Medicaid	10.1%	9.7%
Uninsured	28.8%	30.9%

Source: National Center for Health Statistics. (2007). *Health, United States, 2007 with Chartbook on Trends in the Health of Americans*. Hyattsville, MD.

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

Data for Chart 7.19



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.