

HealthLeaders *Media* FACT FILE

Service Line Performance

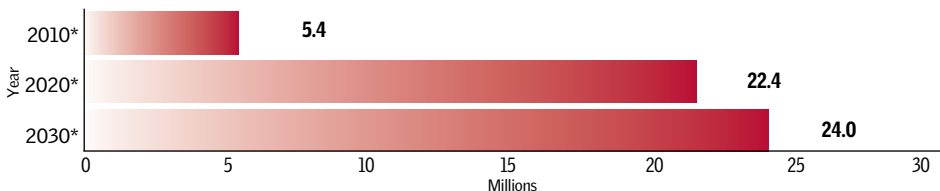
The days when general excellence was enough for hospitals are long gone. Payers and an increasingly savvy public want to know which facility is best in specific service areas, forcing hospital leaders to make difficult decisions about which service line to strengthen and which one is a dead end. Ensuring service line success is a challenge

for hospitals, which must balance the question of what they do best with the market realities of demand and competition. A shifting patient base, including a flood of aging baby boomers who will live longer than previous generations and need a multitude of procedures, only complicates the equation. **H**

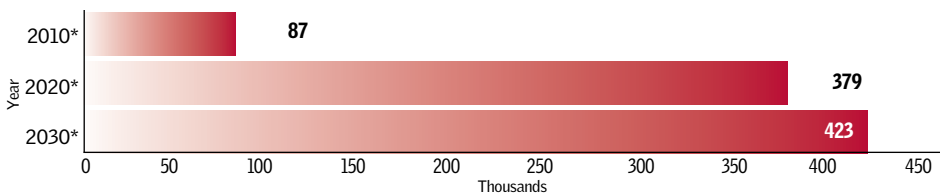
ORTHO RISING

The baby boom generation will likely have a significant effect on hospitals' service line business. For example, as the boomer generation ages, a growing number of falls and hip fractures will likely result—which means an increasing emphasis on orthopedics for many facilities.

Projected number of nonfatal falls per year among boomers



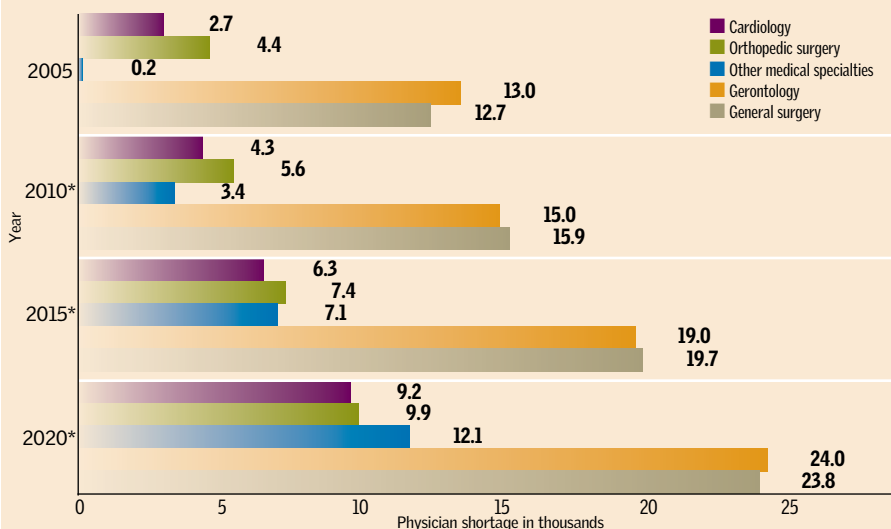
Projected number of hip fractures per year among boomers



SOURCE: American Hospital Association, *When I'm 64: How Boomers Will Change Healthcare* *Projected

PHYSICIANS WANTED

The industry's projected physician shortage will be greatest in service lines most used by baby boomers.



SOURCE: American Hospital Association, *When I'm 64: How Boomers Will Change Healthcare* *Projected

SERVICE LINE PERFORMANCE

MARCH 2008

Where Are the Patients?

The District of Columbia heads a list of hospital admissions per 1,000 residents:

| Rank | State | Admissions per 1,000 |
|------|----------------------|----------------------|
| 1 | District of Columbia | 241 |
| 2 | West Virginia | 161 |
| 3 | Alabama | 155 |
| 4 | Pennsylvania | 150 |
| 5 | Kentucky | 148 |
| 6 | Missouri | 144 |
| 7 | Mississippi | 142 |
| 8 | Tennessee | 139 |
| 9 | North Dakota | 138 |
| 10 | Louisiana | 137 |
| 11 | Arkansas | 137 |
| 12 | Florida | 133 |
| 13 | South Dakota | 132 |
| 14 | Ohio | 132 |
| 15 | New York | 131 |
| 16 | Oklahoma | 129 |
| 17 | New Jersey | 128 |
| 18 | South Carolina | 124 |
| 19 | Massachusetts | 124 |
| 20 | Illinois | 124 |
| 21 | Minnesota | 124 |
| 22 | Delaware | 123 |
| 23 | Iowa | 122 |
| 24 | Nebraska | 122 |
| 25 | Maryland | 122 |
| 26 | Kansas | 120 |
| 27 | Michigan | 119 |
| 28 | Rhode Island | 118 |
| 29 | North Carolina | 117 |
| 30 | Connecticut | 116 |
| 31 | Maine | 115 |
| 32 | Indiana | 115 |
| 33 | Montana | 114 |
| 34 | Arizona | 112 |
| 35 | Wisconsin | 111 |
| 36 | Texas | 109 |
| 37 | Georgia | 105 |
| 38 | Virginia | 103 |
| 39 | Wyoming | 101 |
| 40 | Nevada | 100 |
| 41 | California | 95 |
| 42 | Oregon | 92 |
| 43 | Idaho | 91 |
| 44 | New Hampshire | 90 |
| 45 | Utah | 90 |
| 46 | Colorado | 89 |
| 47 | Hawaii | 89 |
| 48 | New Mexico | 89 |
| 49 | Washington | 86 |
| 50 | Vermont | 83 |
| 51 | Alaska | 77 |

SOURCE: Kaiser Family Foundation, www.statehealthfacts.org

Upcoming Topic:
» Executive Leadership

FACT FILE PARTNER:

Thomson Healthcare
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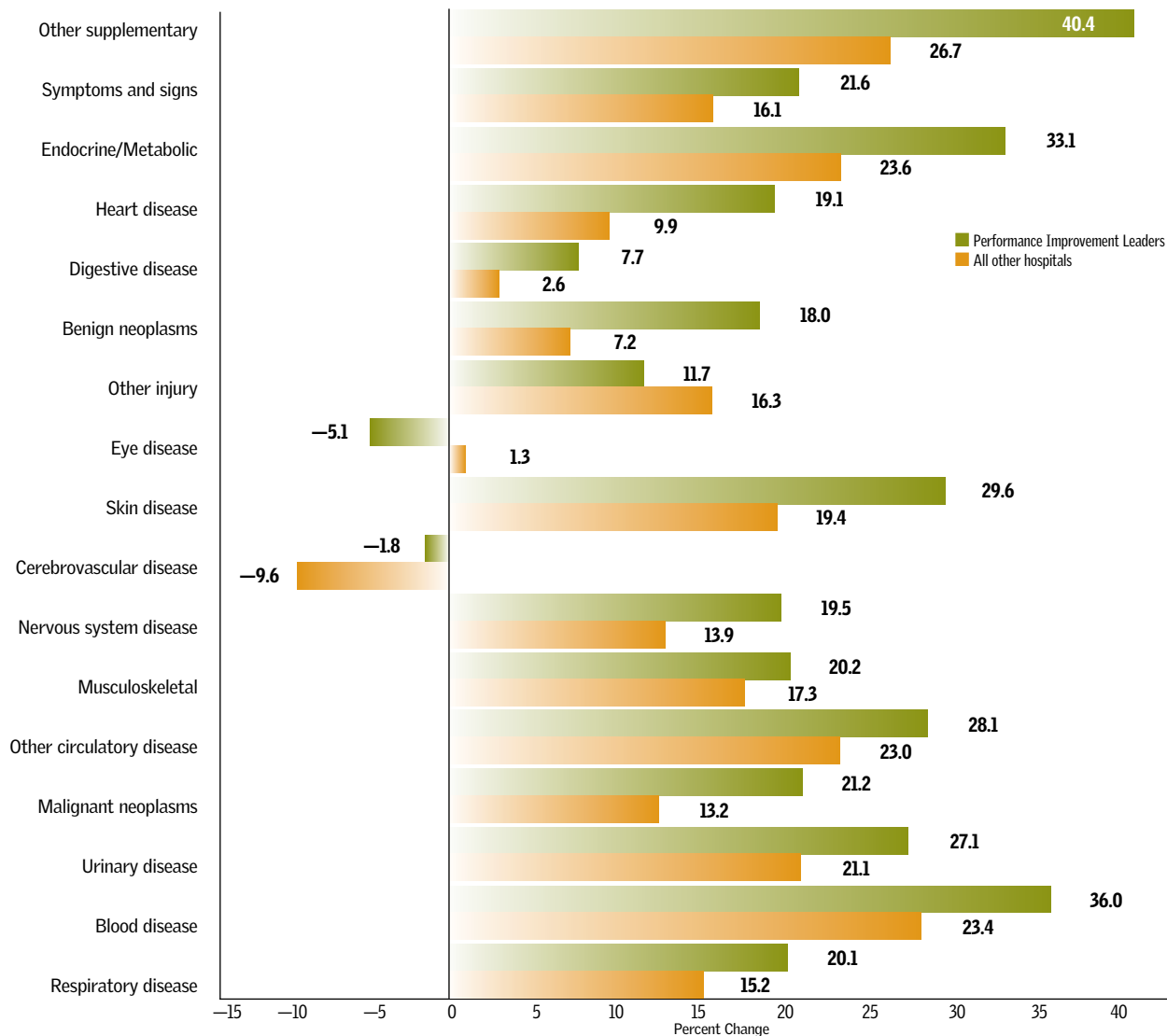
SPONSORED SUPPLEMENT



OUTPATIENTS ARE THE KEY

The *Thomson 100 Top Hospitals®: Performance Improvement Leaders* study identifies hospital management teams that have led their organizations to achieve the fastest rate of consistent annual organizational improvement over a five-year period. In an analysis of service line growth of the performance improvement leaders versus all other in-study hospitals (2,951 acute-care hospitals), the performance leaders showed a higher outpatient growth rate in 14 out of 17 service lines, suggesting that leading hospitals have actively focused on growing these services and have had the ability to attract more outpatients.

Growth in outpatient service lines, 2001-2005



Total hospital inpatient admissions

| Inpatient Service Line | Total Visits 2001-2005 | % Total Visits |
|------------------------|------------------------|----------------|
| Cardiology | 7,800,576 | 18.9% |
| Medicine | 6,995,027 | 16.9% |
| Pulmonary | 5,523,935 | 13.4% |
| Gastroenterology | 3,601,055 | 8.7% |
| Orthopedics | 3,408,919 | 8.3% |
| General Surgery | 2,812,134 | 6.8% |
| Neurology | 2,149,636 | 5.2% |
| Hematology/Oncology | 1,554,823 | 3.8% |
| Vascular surgery | 1,066,854 | 2.6% |
| Urology | 981,058 | 2.4% |
| Rehabilitation | 944,833 | 2.3% |
| Neurosurgery | 764,163 | 1.9% |
| Cardiac surgery | 739,011 | 1.8% |
| Psychiatry | 671,888 | 1.6% |
| All other | 2,292,219 | 5.5% |

Total hospital-based outpatient admissions

| Outpatient Service Line | Total Visits 2001-2005 | % Total Visits |
|---------------------------------------|------------------------|----------------|
| Other supplementary | 54,956,033 | 15.5% |
| Symptoms and signs | 47,423,512 | 13.4% |
| Endocrine/Nutrition/Metabolic disease | 38,130,452 | 10.8% |
| Heart disease | 33,152,855 | 9.4% |
| Musculoskeletal disease | 29,793,761 | 8.4% |
| Other Circulatory disease | 24,032,870 | 6.8% |
| Malignant neoplasms | 21,933,382 | 6.1% |
| Urinary disease | 14,214,699 | 4.0% |
| Blood disease | 12,652,494 | 3.6% |
| Respiratory disease | 12,260,571 | 3.5% |
| Digestive disease | 12,010,675 | 3.4% |
| Other injury | 8,123,417 | 2.3% |
| Eye disease | 7,247,098 | 2.1% |
| Skin disease | 5,850,320 | 1.7% |
| Benign neoplasms | 5,101,552 | 1.4% |
| Cerebrovascular disease | 4,990,326 | 1.4% |
| Nervous System disease | 3,323,972 | 0.9% |
| All other | 19,047,899 | 5.4% |

SOURCE: Thomson Healthcare, 2006 100 Top Hospitals®: Performance Improvement Leaders Study

