


HealthLeaders^{Media} FACT FILE

Physician Demand

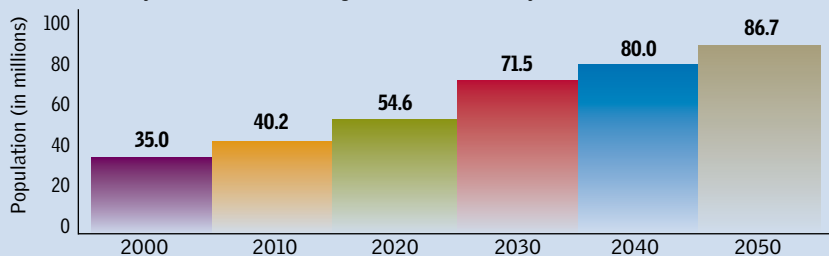
The first baby boomers enter retirement age within the next three to five years, signaling the beginning of a U.S. aging trend that will last for decades. As the number of older Americans grows, so will the demand for physicians. The U.S. Census Bureau estimates that the number of Americans 65 and over will surpass 86 million by 2050. With the elder-

ly reporting higher numbers of chronic conditions that require persistent treatment, physicians from multiple specialties will be in greater demand. And as the industry faces mounting challenges on the supply side of the work force equation, physician demand will continue to be a critical issue for health-care leaders trying to offer quality care while controlling costs. 

CARING FOR AN AGING AMERICA

Rising numbers

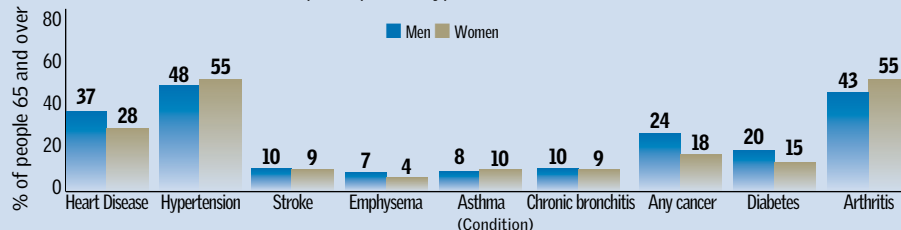
An aging U.S. population will mean increasing demand for physicians in the coming decades. The number of Americans 65 years old and over will grow to 86.7 million by 2050.



SOURCE: U.S. Census Bureau

Chronic conditions

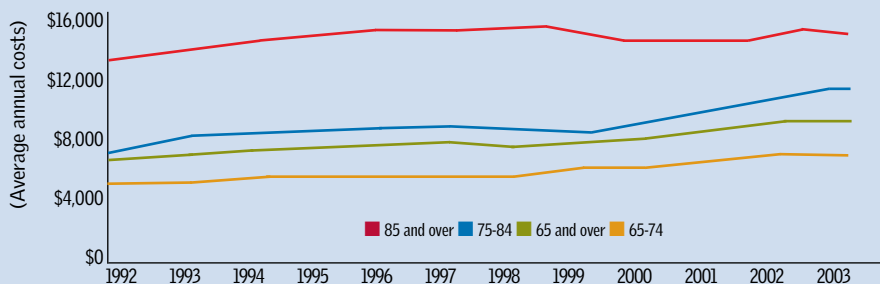
As the elderly population increases, so will the number of people who face chronic health conditions that will further raise the demand for physicians. A 2006 report that looked at the average percentage of people 65 and over who reported having select chronic conditions during a two-year period showed more than half of women, for example, reported hypertension or arthritis.



SOURCE: Federal Interagency Forum on Aging Related Statistics, *Older Americans Update 2006*

More demand means more costs

The same 2006 report tracked the average annual healthcare costs for Medicare enrollees 65 and over during a 12-year span. Figures are in 2003 dollars.



SOURCE: Federal Interagency Forum on Aging Related Statistics, *Older Americans Update 2006*

PHYSICIAN DEMAND

OCTOBER 2007

How Many Docs?

Following are the number of nonfederal physicians by state as of December 2006. Nonfederal physicians include all doctors not employed by the federal government, which represent 98 percent of all physicians.

Rank	Total Nonfederal Physicians
1	California 111,221
2	New York 86,618
3	Texas 56,695
4	Florida 55,858
5	Pennsylvania 47,800
6	Illinois 41,116
7	Ohio 37,918
8	Michigan 33,333
9	New Jersey 32,858
10	Massachusetts 32,785
11	North Carolina 25,280
12	Maryland 24,658
13	Virginia 23,021
14	Georgia 22,523
15	Washington 19,894
16	Tennessee 17,888
17	Missouri 17,434
18	Minnesota 16,880
19	Wisconsin 16,608
20	Arizona 16,269
21	Indiana 15,912
22	Connecticut 14,746
23	Colorado 14,716
24	Louisiana 12,644
25	Oregon 11,914
26	South Carolina 11,291
27	Alabama 11,147
28	Kentucky 11,017
29	Oklahoma 8,448
30	Kansas 7,534
31	Iowa 7,494
32	Arkansas 6,496
33	Utah 6,200
34	Mississippi 5,984
35	Nevada 5,637
36	New Mexico 5,382
37	West Virginia 5,263
38	Nebraska 4,926
39	Maine 4,755
40	District of Columbia 4,752
41	Hawaii 4,489
42	Rhode Island 4,478
43	New Hampshire 4,174
44	Idaho 3,016
45	Vermont 2,686
46	Delaware 2,641
47	Montana 2,570
48	South Dakota 1,974
49	North Dakota 1,747
50	Alaska 1,650
51	Wyoming 1,159

SOURCE: Kaiser Family Foundation, www.statehealthfacts.org

Upcoming Topic:
» Disease Management

FACT FILE PARTNER:



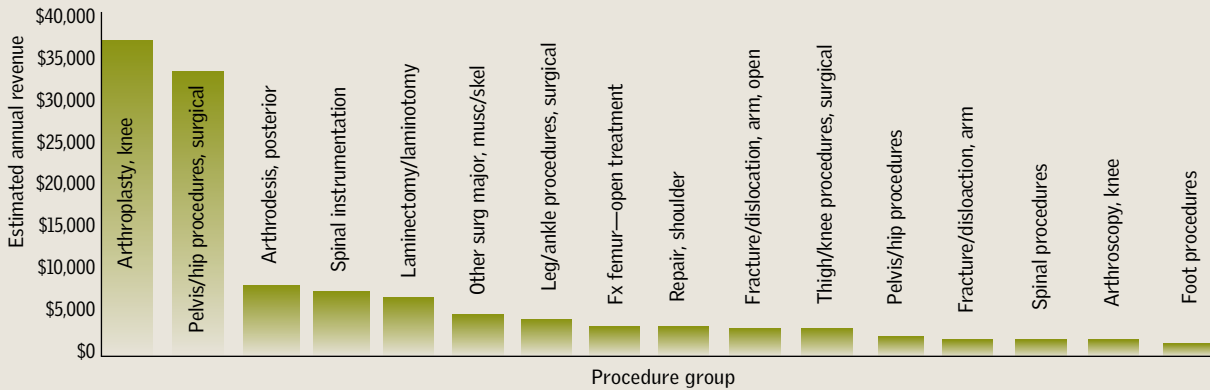
www.thomsonhealthcare.com



CASE STUDY: ORTHOPEDIC SURGEONS

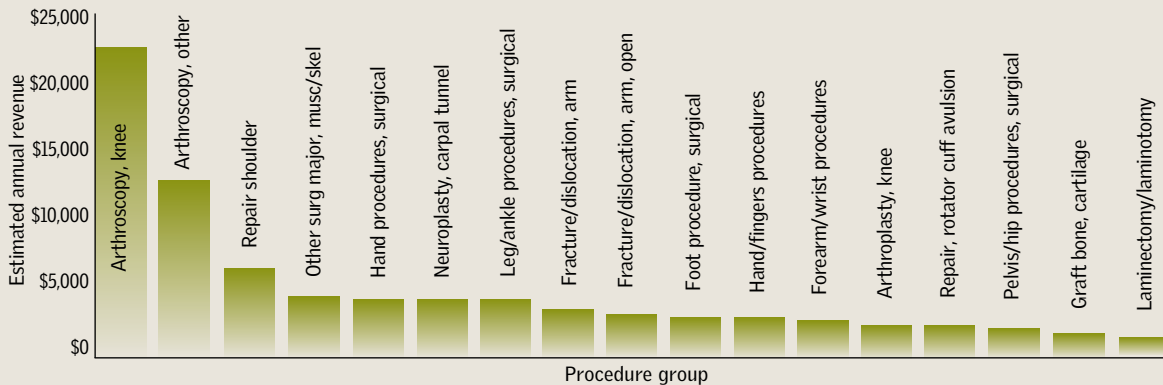
Inpatient

Annual revenue is a strong indicator of the demand for individual services and the specialists who perform those services. Data from the Thomson Center for Healthcare Improvement reveals the estimated annual revenue for the leading orthopedic procedures in an inpatient setting. Annual revenue is based on the average Medicare payment to the physician for the procedure itself and does not include revenue from consultations, office visits or facility-related charges. As the graph indicates, knee and hip replacement procedures are the dominant revenue drivers.



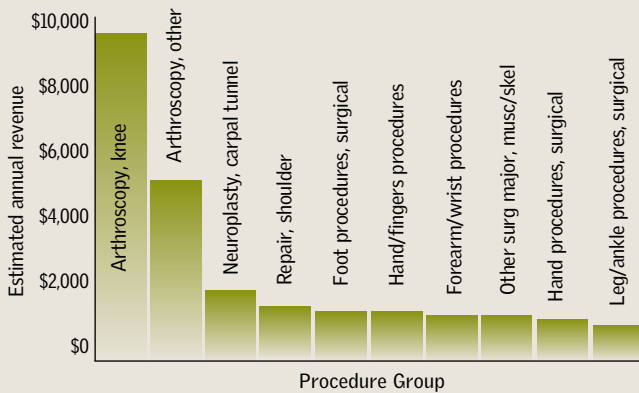
Outpatient

Thomson data also shows the estimated annual revenue for the leading orthopedic procedures performed in a hospital outpatient setting. Revenue is based on the average Medicare payment to the physician for the procedure itself, and excludes all non-surgical charges. Knee arthroscopy is the dominant revenue driver.



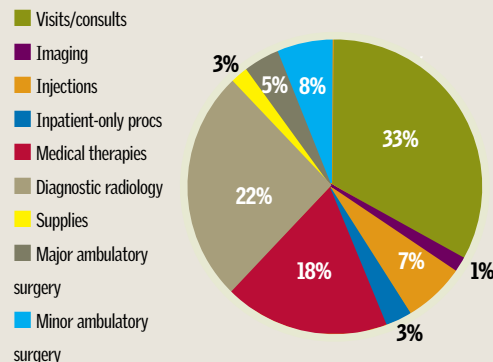
Ambulatory surgery

Additionally, Thomson data reveals the estimated annual revenue for the leading orthopedic procedures at ambulatory surgery centers. Revenue again is based on the average Medicare payment to the physician for the procedure itself, and excludes all non-surgical charges. As the graph indicates, arthroscopic procedures are the largest revenue drivers.



Inpatient

Finally, Thomson data reveals the comparative demand for key billed procedures by orthopedic surgeons across all settings—inpatient, outpatient, and ambulatory. Visits and consultations account for a full third of these procedures, while diagnostic radiology accounts for more than 21 percent.



SOURCE: Thomson Healthcare

