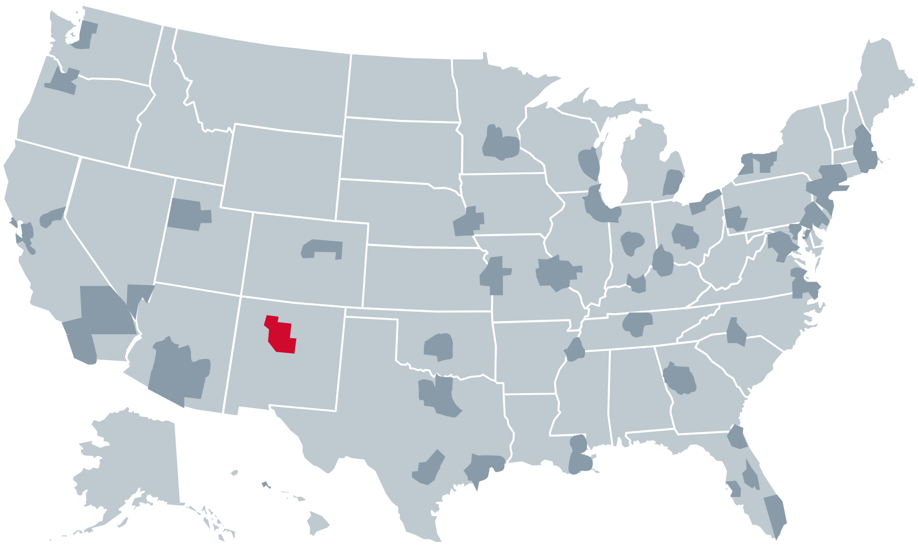
Albuquerque



Counties Covered:

County	State
Bernalillo County	NM
Los Alamos County	NM
Sandoval County	NM
Santa Fe County	NM
Torrance County	NM
Valencia County	NM

Total Population:

- 1,095,606

Market Summary

- **Overview**: As the Albuquerque population ages, Albuquerque's health care institutions continue to invest in innovation and biomedical research.
- **Health Systems**: Albuquerque's hospital market is highly consolidated, with four major health systems accounting for nearly all inpatient business: Presbyterian Healthcare Services, University of New Mexico Hospitals, Ardent Health Services, and CHRISTUS Health. In 2015, Presbyterian entered an ACO arrangement with United Healthcare and in 2017 CMS selected Presbyterian and University of New Mexico Health Sciences Center to participate in the Accountable Health Communities model.
- **Insurers**: Insurer participation on the New Mexico exchanges has remained fairly steady since 2014. There are now four insurers offering plans statewide (Molina, Christus, New Mexico Health Connections, Blue Cross Blue Shield of New Mexico) and the state plans to have its own enrollment platform in place by fall of 2020.
- **Physicians**: Like hospitals, physician groups in Albuquerque are fairly consolidated. University of New Mexico's medical group has around 800 physicians, Presbyterian's has around 656, and DaVita and Christus' St. Vincents' each employ around 200.
- **Employers**: Major employers in Albuquerque include Ethicon-Endo Surgery, General Mills, Honeywell, and Intel Corporation. In 2013, Intel entered into a shared-risk, value-based direct contract with Presbyterian.
- **Population**: The Albuquerque population is growing around 1-2% each year. The population is mostly middle-aged but home to an active senior community. As the population ages, they will require more at-home and age-in-place care.

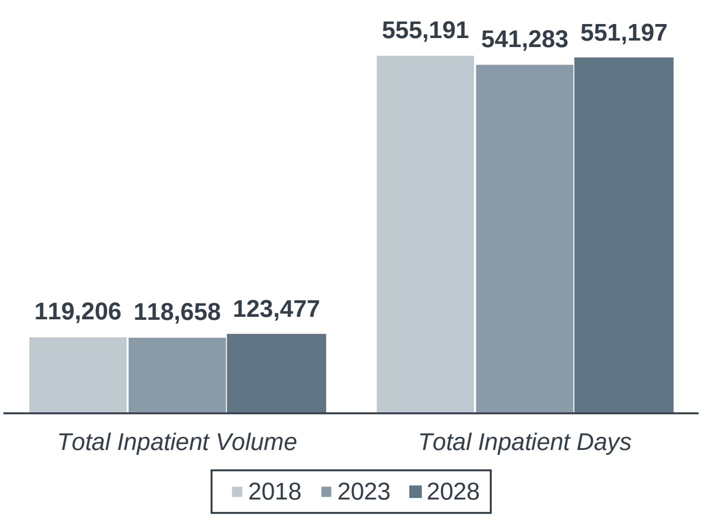
Source: "*Albuquerque Economic Development,* available at https://www.abq.org/healthcare.aspx; Livingston, Shelby, "Left out of the game: Health systems offer direct-to-employer contracting to eliminate insurers," *Modern Healthcare,* available at https://www.modernhealthcare.com/article/20180127/NEWS/180129919/left-out-of-the-game-health-systems-offer-direct-to-employer-contracting-to-eliminate-insurers; "CMS Selects Presbyterian and Other New Mexico Partners to Test Innovative Model," *Presbyterian,* available at https://www.phs.org/about-us/news/Pages/news-details.aspx?ListID=%7B1f0f05e8_4f46_4f4f_8e39_5fbb1c01a895%7D&ItemID=202; "New Mexico health insurance marketplace: history and news of the state's exchanges," *Healthinsurance.org,* available at https://www.healthinsurance.org/new-mexico-state-health-insurance-exchange/; "New Mexico's Largest Physician Groups," *Albuquerque Business First,* August 2018, available at https://www.bizjournals.com/albuquerque/subscriber-only/2018/08/17/physician-groups.html; Advisory Board research and analysis.

Market Glimpse

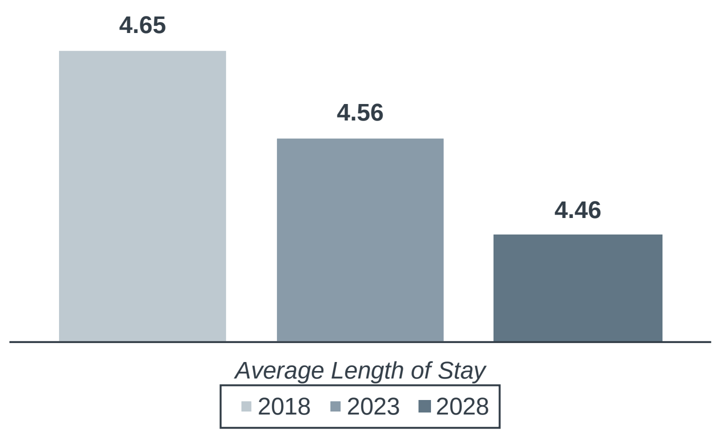
Key Figures

Category	Figure
Acute-Care Hospitals	12
Acute-Care Beds	1,948
Number of Clinicians[1]	10,267
Households Count	447,117
Median Age	39.1
Median Household Income	$56,487
Per Capita Income	$30,563
Patients Who Visited a Doctor in the Past Year	74.3%
Unemployment Rate	5.9%
Uninsured Rate	Low-Medium

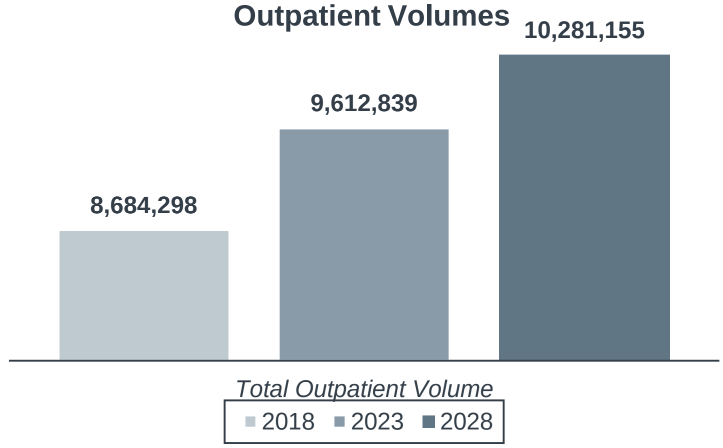
Inpatient Volume and Days



Average Length of Stay



Outpatient Volumes

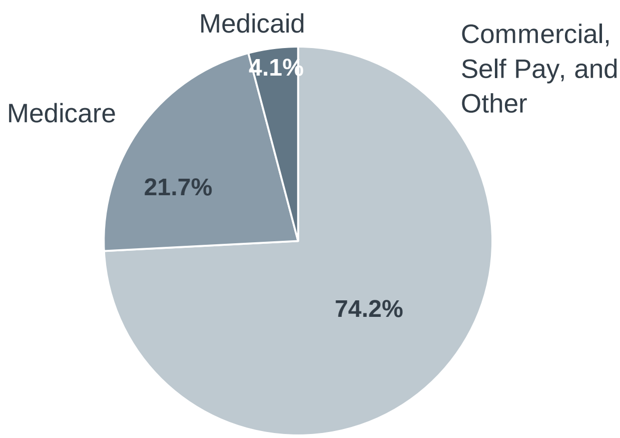


1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, you can use our Clinician Supply Profiler.

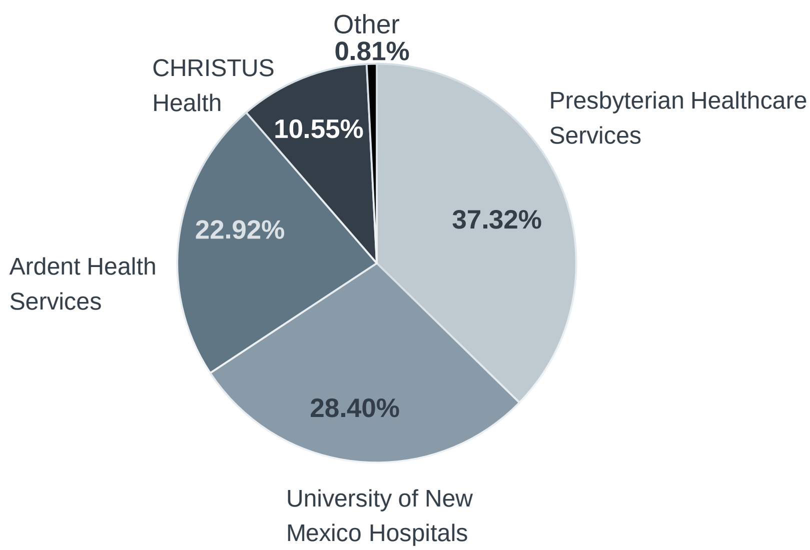
Source: Advisory Board research and analysis.

Overview of Payers, Inpatient Players, Major Ailments

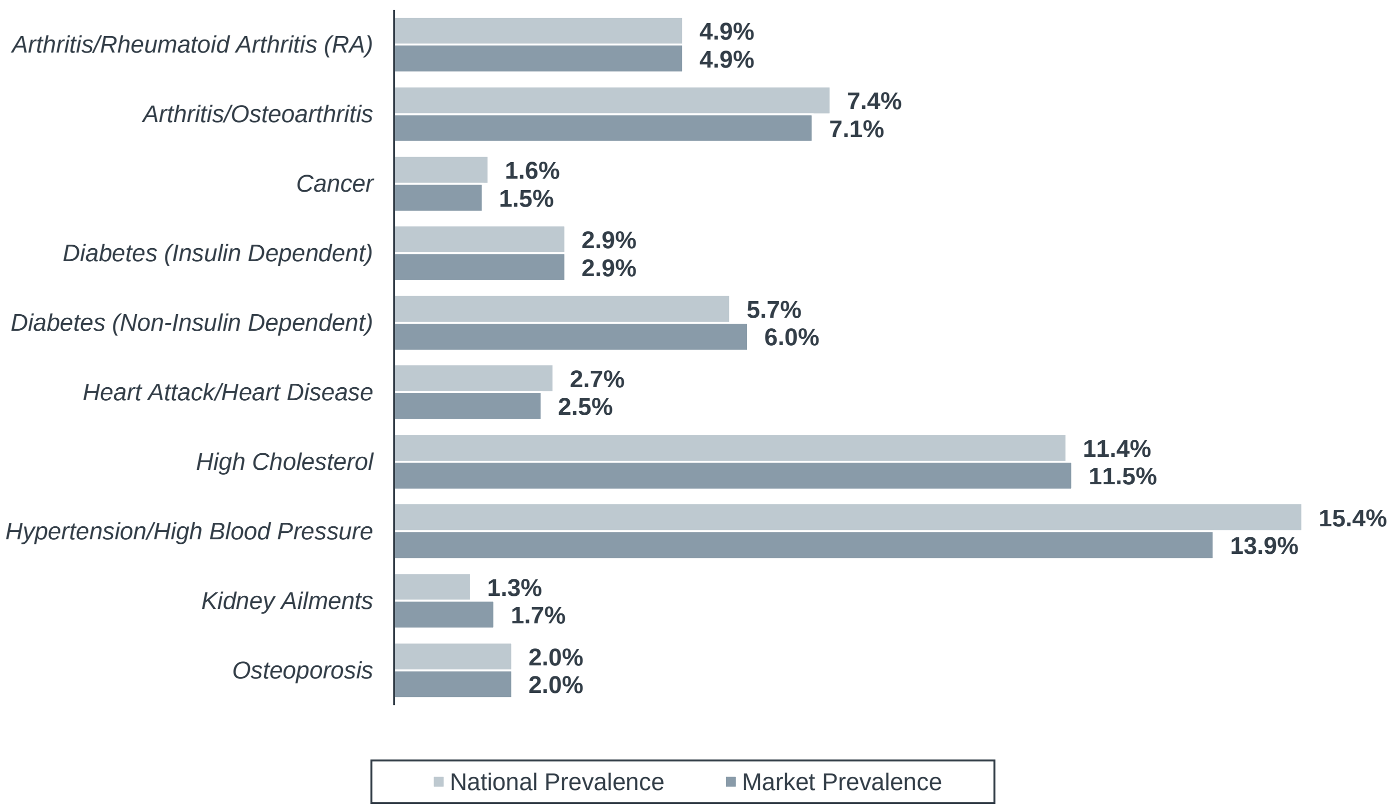
Discharge Mix



Inpatient Market Share Breakdown



Prevalence of Ailments



Source: Advisory Board research and analysis.

Population Stratification

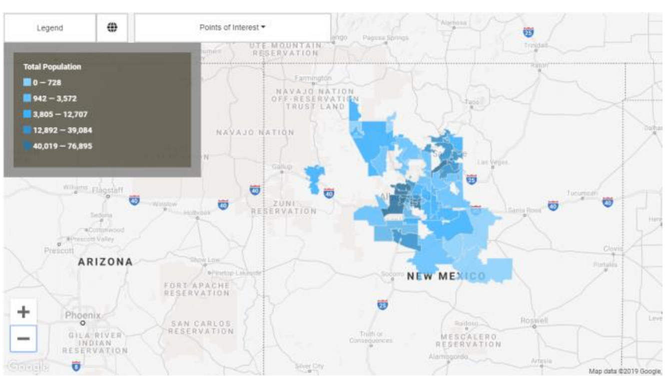
Segmentation by Age

Age Group	% of Population in 2018
0-9	11.7%
10-19	12.7%
20-29	13.1%
30-39	13.2%
40-49	12.0%
50-59	13.2%
60-69	12.6%
70-79	7.5%
80+	3.9%

Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Department	911,719	1,047,423
Emergency Department	423,136	538,256
Ambulatory Surgery	973,075	1,163,402
Physician Office/Clinic	4,069,109	4,774,927
Endoscopy	154,241	185,053
Oncology Center	417,334	489,363
Sleep Studies	78,503	93,364
Independent Diagnostic Testing Facility	370,480	421,179
Physical Therapy	459,767	561,907
Lab	811,478	984,182
Other	15,456	22,100

Population Density



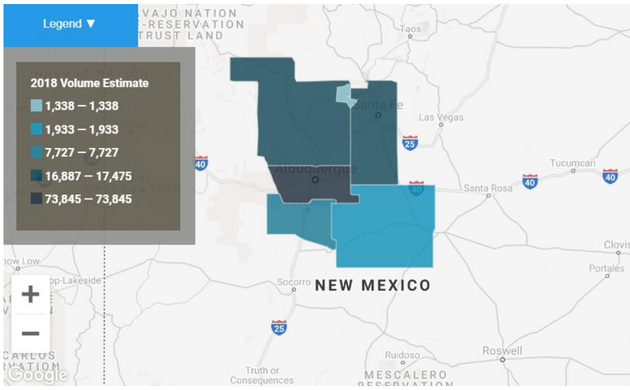
Segmentation by Gender

Gender	Population Count in 2018	Projected Population Count in 2023
Male	537,882	550,422
Female	557,726	572,357

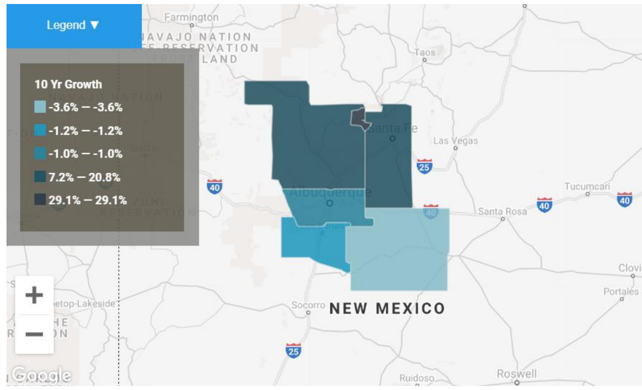
Source: Advisory Board research and analysis.

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



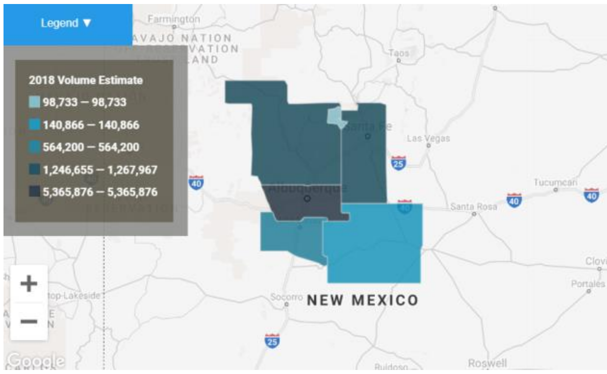
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	12,797	11,483	12,113	-10.3%	-5.3%
+ ENT	1,208	1,129	1,154	-6.6%	-4.5%
+ General Medicine	42,661	44,845	47,942	5.1%	12.4%
+ General Surgery	8,149	8,069	8,282	-1.0%	1.6%
+ Gynecology	1,243	1,130	1,124	-9.1%	-9.6%
+ Invalid	268	219	212	-18.2%	-21.0%
+ Neonatology	12,261	12,008	11,870	-2.1%	-3.2%
+ Neurology	5,050	5,115	5,492	1.3%	8.7%
+ Neurosurgery	837	938	1,017	12.1%	21.6%
+ Obstetrics	13,874	13,937	14,030	0.5%	1.1%
+ Oncology/Hematology (Medical)	3,431	3,397	3,507	-1.0%	2.2%
+ Ophthalmology	137	123	121	-10.1%	-12.1%
+ Orthopedics	7,811	7,745	8,065	-0.8%	3.3%
+ Other Trauma	1,004	1,061	1,162	5.7%	15.8%
+ Rehabilitation (Acute Care)	1,341	710	570	-47.1%	-57.5%
+ Spine	2,807	2,638	2,611	-6.0%	-7.0%
+ Thoracic Surgery	673	675	671	0.4%	-0.2%
+ Urology	1,567	1,610	1,689	2.7%	7.8%
+ Vascular Services	2,086	1,824	1,843	-12.6%	-11.6%

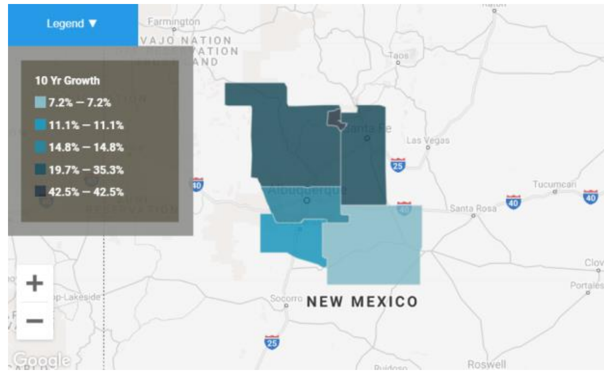
Source: Advisory Board research and analysis.

Outpatient Volume Projections

2018 Outpatient Volumes



2028 Outpatient Volumes (10-Year Growth)



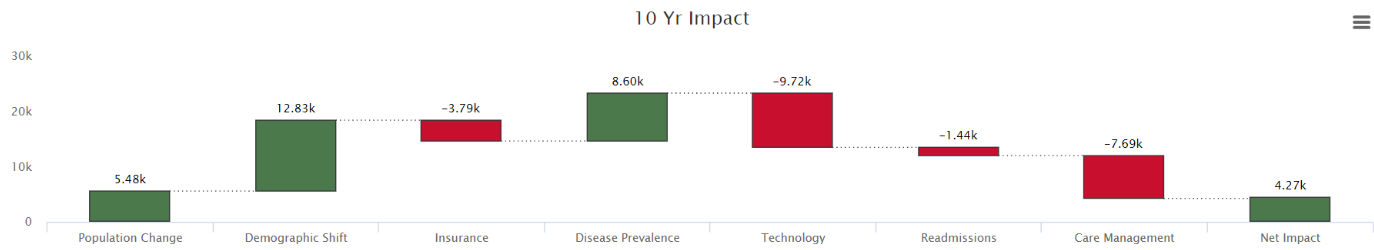
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	309,513	345,017	381,332	^ 11.5%	^ 23.2%
+ Cosmetic Procedures	23,921	27,869	28,468	^ 16.5%	^ 19.0%
+ Dermatology	177,007	202,833	222,645	^ 14.6%	^ 25.8%
+ Endocrinology	2,490	3,594	3,937	^ 44.3%	^ 58.1%
+ ENT	99,236	115,524	131,446	^ 16.4%	^ 32.5%
+ Evaluation and Management	3,182,364	3,391,693	3,580,447	^ 6.6%	^ 12.5%
+ Gastroenterology	88,291	105,361	115,936	^ 19.3%	^ 31.3%
+ General Surgery	24,908	28,505	30,851	^ 14.4%	^ 23.9%
+ Gynecology	36,283	37,339	37,476	^ 2.9%	^ 3.3%
+ Lab	1,241,715	1,400,254	1,508,263	^ 12.8%	^ 21.5%
+ Miscellaneous Services	614,182	707,129	755,173	^ 15.1%	^ 23.0%
+ Nephrology	26,380	30,294	33,650	^ 14.8%	^ 27.6%
+ Neurology	48,391	59,298	65,825	^ 22.5%	^ 36.0%
+ Neurosurgery	2,710	3,268	3,714	^ 20.6%	^ 37.0%
+ Obstetrics	15,268	15,316	15,501	^ 0.3%	^ 1.5%
+ Oncology	6,568	6,823	6,974	^ 3.9%	^ 6.2%
+ Ophthalmology	276,537	329,328	365,795	^ 19.1%	^ 32.3%
+ Orthopedics	127,455	159,430	175,459	^ 25.1%	^ 37.7%
+ Pain Management	32,610	39,480	43,749	^ 21.1%	^ 34.2%
+ Physical Therapy/Rehabilitation	748,004	845,592	904,640	^ 13.0%	^ 20.9%
+ Podiatry	51,453	66,382	76,552	^ 29.0%	^ 48.8%
+ Psychiatry	388,025	420,700	428,785	^ 8.4%	^ 10.5%
+ Pulmonology	83,884	97,927	107,567	^ 16.7%	^ 28.2%
+ Radiology	947,617	1,018,396	1,083,037	^ 7.5%	^ 14.3%
+ Spine	4,156	5,249	5,782	^ 26.3%	^ 39.1%
+ Thoracic Surgery	850	1,122	1,297	^ 32.0%	^ 52.6%
+ Trauma	33,437	35,123	36,579	^ 5.0%	^ 9.4%
+ Urology	49,962	64,368	73,688	^ 28.8%	^ 47.5%
+ Vascular	41,081	49,625	56,584	^ 20.8%	^ 37.7%

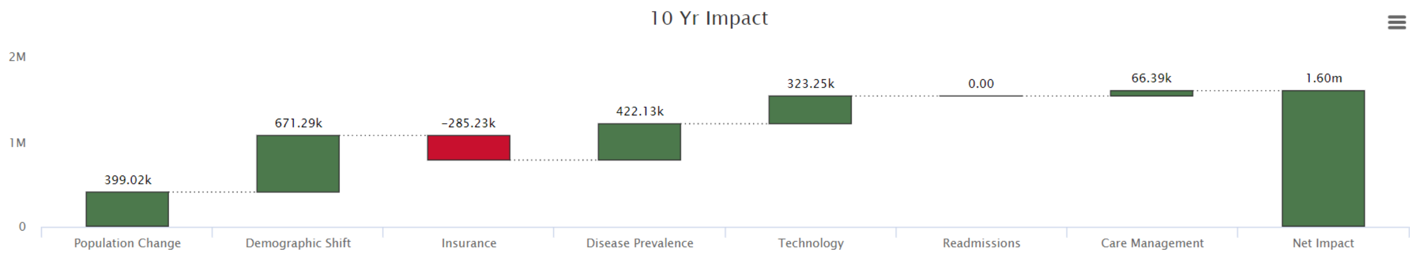
Source: Advisory Board research and analysis.

Volume Growth Drivers

2018-2028, Factors Influencing Inpatient Procedure Growth



2018-2028, Factors Influencing Outpatient Procedure Growth



- **Population Change:** Considers changes in total population of the market
- **Demographic Shift:** Considers changes in major demographic factors, such as age and gender
- **Insurance:** Considers insurance market factors, such as coverage expansion, increased cost-sharing, and payer scrutiny of medical necessity
- **Disease Prevalence:** Considers the growing population of chronic and multi-morbid patients
- **Technology:** Considers the role technology plays in changing demand and shifting site of care
- **Readmissions:** Considers the ongoing focus on driving down avoidable readmissions
- **Care Management:** Considers investments in care management designed to reduce inpatient utilization

Source: Advisory Board research and analysis.

This Advisory Board resource is part of a series of Market Profiles offered to health care industry members through the Health Care Industry Committee. We have used information and data from Advisory Board's Market Scenario Planner, Clinician Supply Profiler, and Demographic Profiler alongside US government databases including CMS Medicare Cost Reports. Please note that CMS Medicare Cost Reports data are submitted by individual facilities and are thus prone to some degree of inaccuracy due to inconsistent reporting practices and user error. The specific fiscal year reporting period for each provider varies slightly, but all data represent a single-year period for each provider.

These profiles are aimed to help suppliers and service firms better understand provider customers and patients in various markets.

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