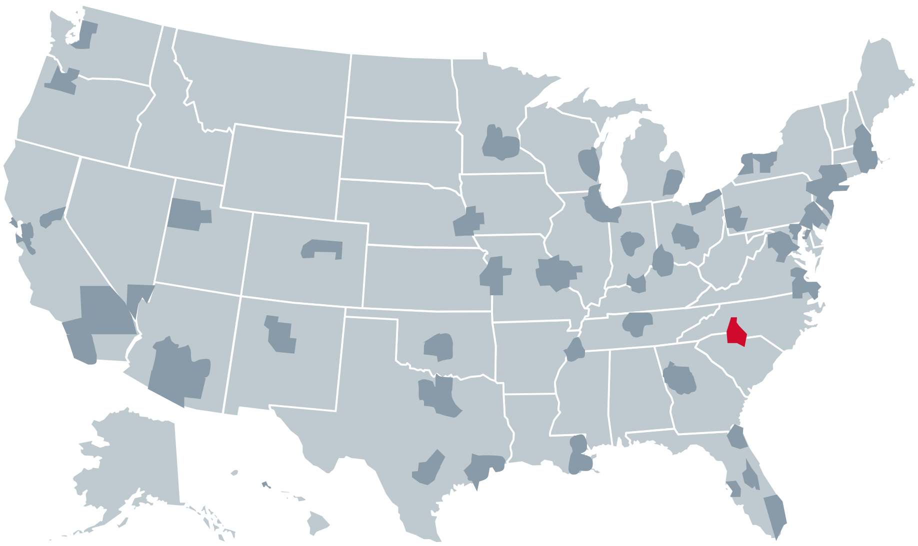
# Charlotte, NC



## Counties Covered:

| County | State |
|---|---|
| Cabarrus County | NC |
| Gaston County | NC |
| Iredell County | NC |
| Lincoln County | NC |
| Mecklenburg County | NC |
| Rowan County | NC |
| Union County | NC |
| Chester County | SC |
| Lancaster County | SC |
| York County | SC |

## Total Population:

- 2,615,362

*Market Summary*

- **Overview**: Charlotte is a growing, innovative market dominated by two large health systems. With a relatively high uninsured rate and an aging population, hospitals and health systems will need to capitalize on opportunities for comprehensive care management and outpatient chronic care.
- **Health Systems**: Charlotte health systems are highly consolidated, with Atrium Health (formerly Carolinas Healthcare) and Novant Health dominating nearly 75% of the market. As a result, health systems are a key driver of market growth.
- **Insurers**: Medicare and Medicaid together account for about a third of hospitals' discharge mix. Among commercial payers, BlueCross BlueShield and United Healthcare are the most popular.
- **Physicians**: In 2018, Atrium Health's largest physician group, Mecklenberg Medical Group, broke away from Atrium and formed its own independent practice, renamed Tryon Medical Partners.
- **Employers**: Health care and finance are two of the largest industries in Charlotte. Atrium Health is the largest healthcare employer in the area, and Wells Fargo is the largest finance employer. Charlotte is the second largest financial center in the US.
- **Population**: Nearly a third of Charlotte's population is over the age of 50. The demographic shift towards an older population will necessitate growth in chronic care services and age-related outpatient services, such as thoracic surgery and podiatry.

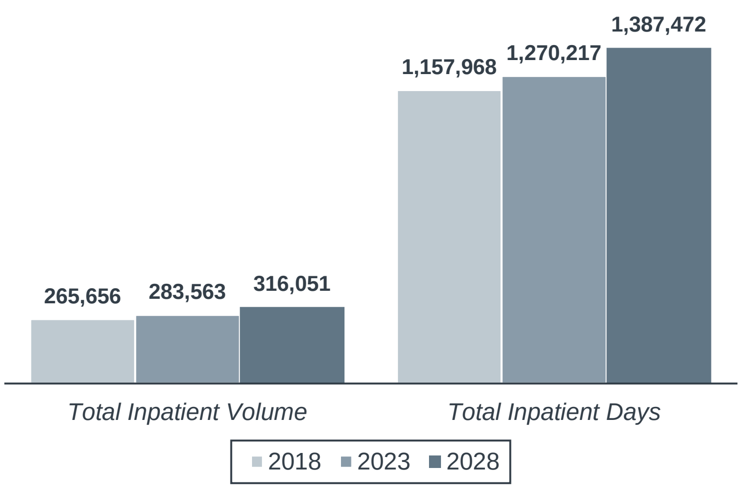
Source: Kacik, A. "Atrium Health's Mecklenburg doctors form independent group", Modern Healthcare, July 23, 2018, https://www.modernhealthcare.com/article/20180723/NEWS/180729971/atrium-health-s-mecklenburg-doctors-form-independent-group; "Charlotte's Major Employers", Charlotte Chamber, https://charlotteregion.com/clientuploads/Economic_pdfs/Charlotte_Major_Employers.pdf; Advisory Board research and analysis.

# Market Glimpse

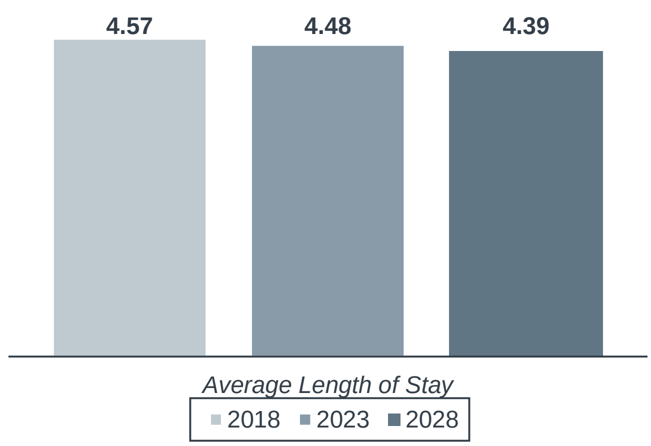
## Key Figures

| Category | Figure |
|---|---|
| Acute-Care Hospitals | 18 |
| Acute-Care Beds | 4,320 |
| Number of Clinicians[1] | 14,836 |
| Households Count | 1,006,760 |
| Median Age | 367.2 |
| Median Household Income | $64,335 |
| Per Capita Income | $32,918 |
| Patients Who Visited a Doctor in the Past Year | 76.0% |
| Unemployment Rate | 3.7% |
| Uninsured Rate | Medium |

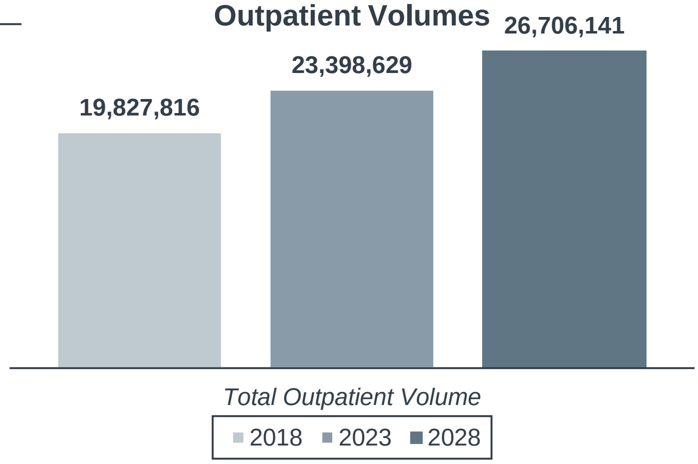
### Inpatient Volume and Days




### Average Length of Stay




### Outpatient Volumes

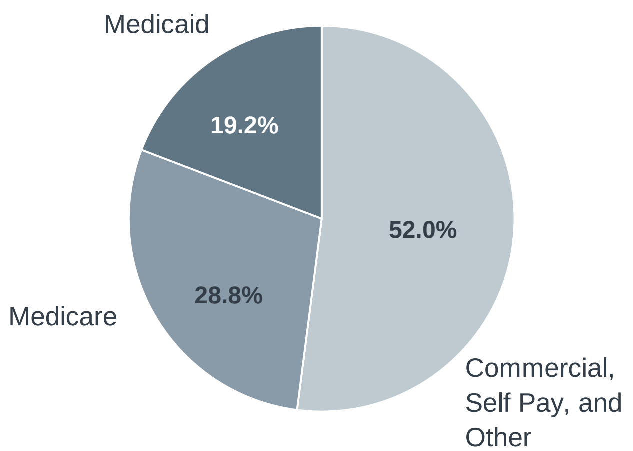



1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, you can use our Clinician Supply Profiler

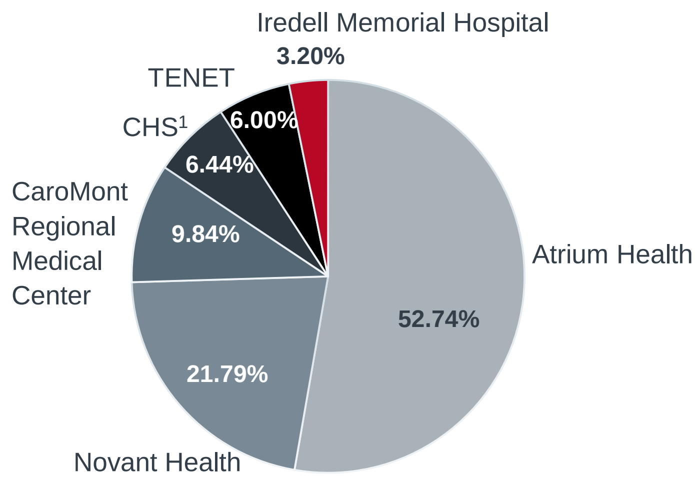
Source: Advisory Board research and analysis.

# Overview of Payers, Inpatient Players, Major Ailments

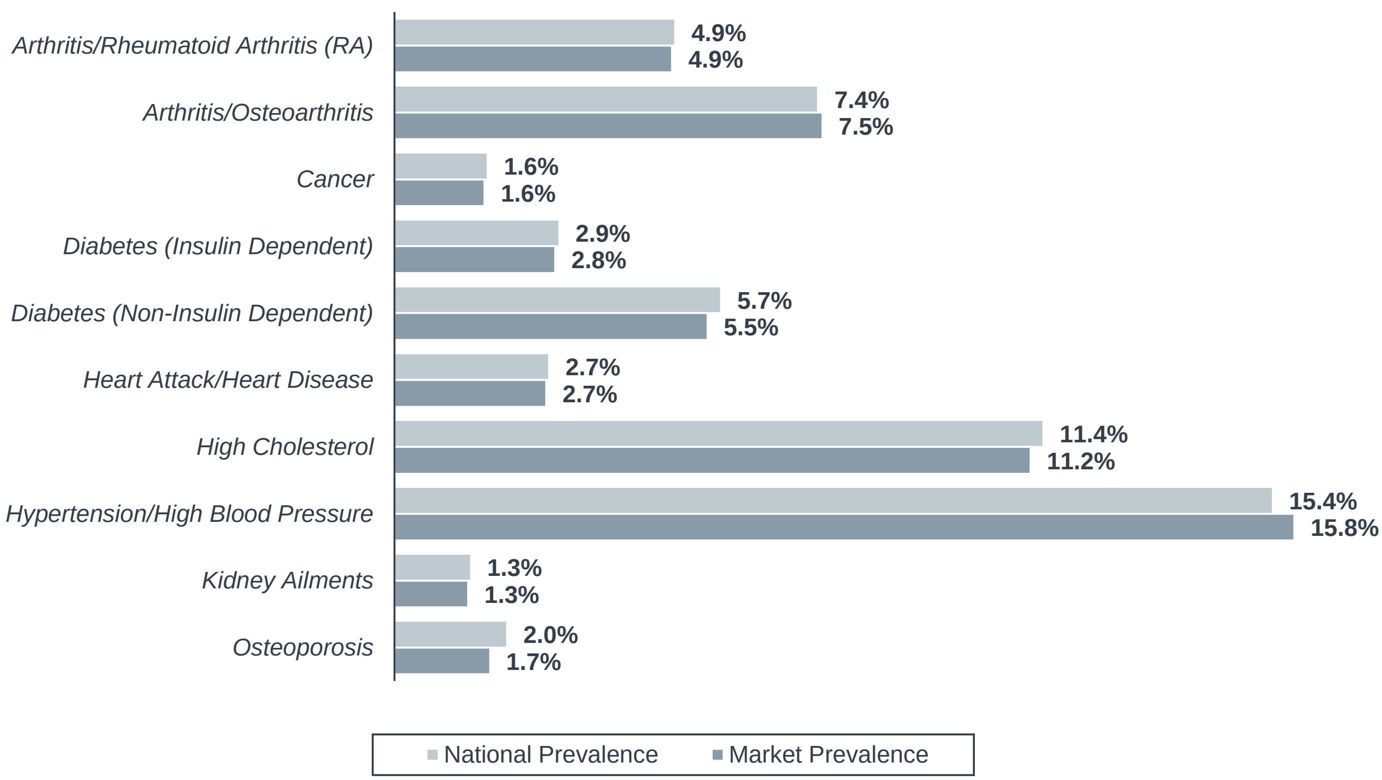
## Discharge Mix




## Inpatient Market Share Breakdown




## Prevalence of Ailments




1) Community Health Systems, Inc.

Source: Advisory Board research and analysis.

# Population Stratification

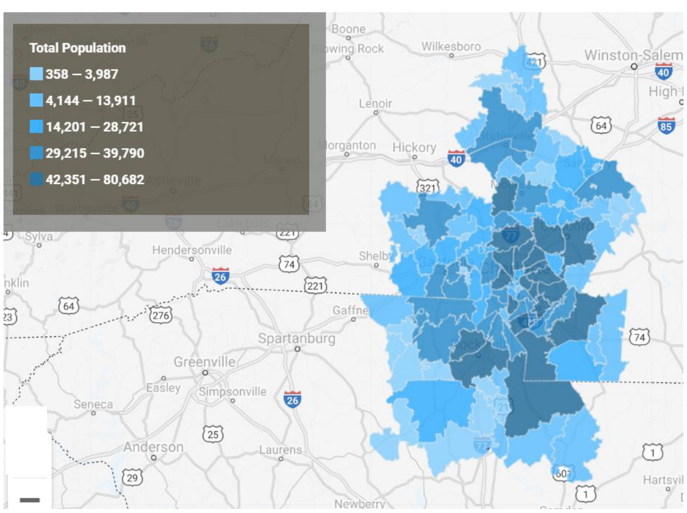
## Segmentation by Age

| Age Group | % of Population in 2018 |
|---|---|
| 0-9 | 12.7% |
| 10-19 | 13.5% |
| 20-29 | 13.1% |
| 30-39 | 13.6% |
| 40-49 | 14.0% |
| 50-59 | 13.5% |
| 60-69 | 10.5% |
| 70-79 | 6.0% |
| 80+ | 2.9% |

## Outpatient Sites of Care Volume Projections

| Site of Care | 2018 Volume | 2028 Volume |
|---|---|---|
| Hospital Outpatient Department | 2,044,744 | 2,681,509 |
| Emergency Department | 931,552 | 1,335,578 |
| Ambulatory Surgery | 2,221,812 | 3,026,956 |
| Physician Office/Clinic | 9,387,277 | 12,519,025 |
| Endoscopy | 349,360 | 478,932 |
| Oncology Center | 953,030 | 1,273,250 |
| Sleep Studies | 179,824 | 244,302 |
| Independent diagnostic testing facility | 835,950 | 1,081,212 |
| Physical Therapy | 1,081,740 | 1,512,350 |
| Lab | 1,809,044 | 2,497,555 |
| Other | 33,482 | 55,471 |

## Population Density




## Segmentation by Gender

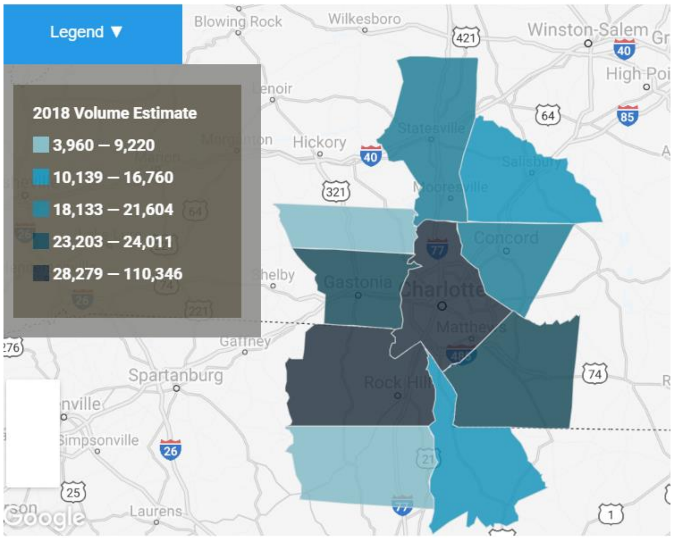
| Gender | Population Count in 2018 | Projected Population Count in 2023 |
|---|---|---|
| **Male** | 1,268,753 | 1,394,261 |
| **Female** | 1,348,607 | 1,480,533 |

Source: Advisory Board research and analysis.

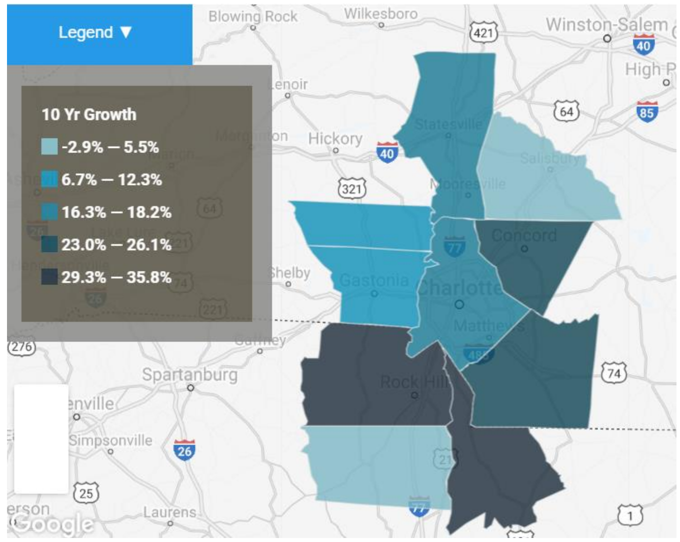
Charlotte, NC

# Inpatient Volume Projections

## 2018 Inpatient Volumes




## 2028 Inpatient Volumes (10-Year Growth)



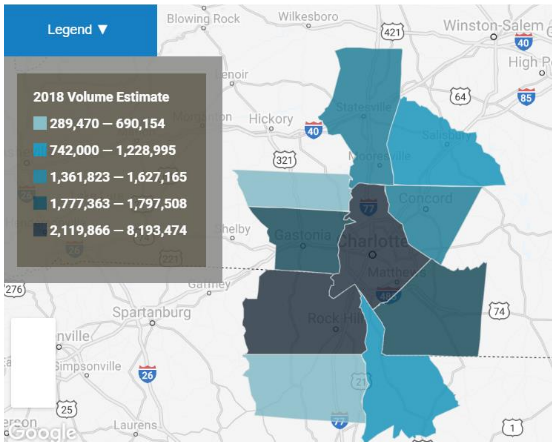

## Service Line Volume Projections

| Service Line | 2018 Volume Estimate | 2023 Volume Forecast | 2028 Volume Forecast | 5 Yr Growth | 10 Yr Growth |
|---|---|---|---|---|---|
| + Cardiac Services | 25,835 | 24,825 | 28,070 | -3.9% | 8.7% |
| + ENT | 2,735 | 2,716 | 2,962 | -0.7% | 8.3% |
| + General Medicine | 92,370 | 103,654 | 118,155 | 12.2% | 27.9% |
| + General Surgery | 18,123 | 19,311 | 21,320 | 6.6% | 17.6% |
| + Gynecology | 3,070 | 2,947 | 3,100 | -4.0% | 1.0% |
| + Invalid | 572 | 498 | 512 | -12.9% | -10.4% |
| + Neonatology | 32,195 | 34,142 | 36,567 | 6.0% | 13.6% |
| + Neurology | 10,662 | 11,573 | 13,277 | 8.5% | 24.5% |
| + Neurosurgery | 1,837 | 2,219 | 2,598 | 20.8% | 41.5% |
| + Obstetrics | 34,701 | 37,049 | 40,187 | 6.8% | 15.8% |
| + Oncology/Hematology (Medical) | 7,360 | 7,800 | 8,655 | 6.0% | 17.6% |
| + Ophthalmology | 306 | 293 | 305 | -4.3% | -0.3% |
| + Orthopedics | 16,071 | 17,246 | 19,435 | 7.3% | 20.9% |
| + Other Trauma | 2,123 | 2,375 | 2,747 | 11.9% | 29.4% |
| + Rehabilitation (Acute Care) | 2,679 | 1,518 | 1,308 | -43.3% | -51.2% |
| + Spine | 6,087 | 6,179 | 6,616 | 1.5% | 8.7% |
| + Thoracic Surgery | 1,400 | 1,531 | 1,663 | 9.3% | 18.7% |
| + Urology | 3,312 | 3,706 | 4,213 | 11.9% | 27.2% |
| + Vascular Services | 4,217 | 3,982 | 4,362 | -5.6% | 3.4% |

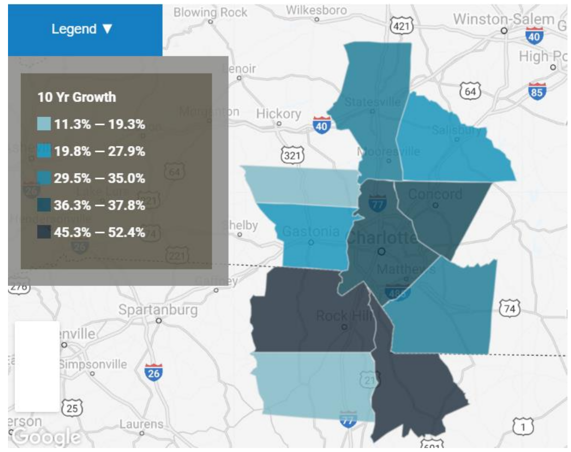
Source: Advisory Board research and analysis.

# Outpatient Volume Projections

## 2018 Outpatient Volumes




## 2028 Outpatient Volumes (10-Year Growth)




## Service Line Volume Projections

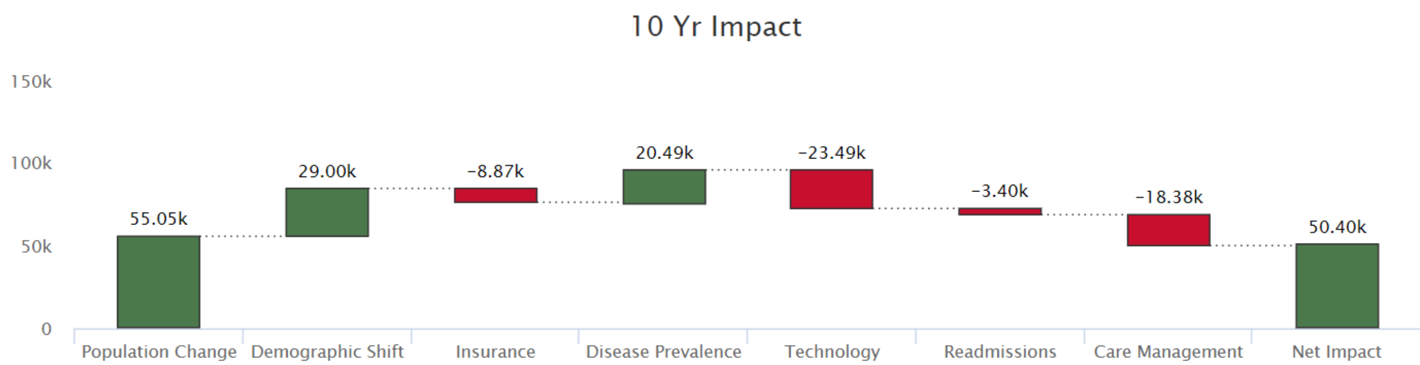
| Service Line | 2018 Volume Estimate | 2023 Volume Forecast | 2028 Volume Forecast | 5 Yr Growth | 10 Yr Growth |
|---|---|---|---|---|---|
| + Cardiology | 648,798 | 774,938 | 919,859 | ^ 19.4% | ^ 41.8% |
| + Cosmetic Procedures | 58,315 | 72,212 | 78,487 | ^ 23.8% | ^ 34.6% |
| + Dermatology | 394,492 | 481,801 | 564,390 | ^ 22.1% | ^ 43.1% |
| + Endocrinology | 5,694 | 8,880 | 10,476 | ^ 56.0% | ^ 84.0% |
| + ENT | 235,292 | 294,232 | 359,894 | ^ 25.0% | ^ 53.0% |
| + Evaluation and Management | 7,373,728 | 8,375,825 | 9,432,662 | ^ 13.6% | ^ 27.9% |
| + Gastroenterology | 190,800 | 245,717 | 291,748 | ^ 28.8% | ^ 52.9% |
| + General Surgery | 56,832 | 69,346 | 80,110 | ^ 22.0% | ^ 41.0% |
| + Gynecology | 88,354 | 96,189 | 102,926 | ^ 8.9% | ^ 16.5% |
| + Lab | 2,757,933 | 3,312,668 | 3,811,350 | ^ 20.1% | ^ 38.2% |
| + Miscellaneous Services | 1,413,065 | 1,744,476 | 1,995,460 | ^ 23.5% | ^ 41.2% |
| + Nephrology | 57,237 | 71,626 | 86,124 | ^ 25.1% | ^ 50.5% |
| + Neurology | 112,287 | 147,122 | 174,198 | ^ 31.0% | ^ 55.1% |
| + Neurosurgery | 6,374 | 8,218 | 9,991 | ^ 28.9% | ^ 56.8% |
| + Obstetrics | 38,450 | 40,750 | 44,298 | ^ 6.0% | ^ 15.2% |
| + Oncology | 13,964 | 15,806 | 17,548 | ^ 13.2% | ^ 25.7% |
| + Ophthalmology | 572,870 | 729,203 | 871,823 | ^ 27.3% | ^ 52.2% |
| + Orthopedics | 288,074 | 385,621 | 453,548 | ^ 33.9% | ^ 57.4% |
| + Pain Management | 72,890 | 94,187 | 111,474 | ^ 29.2% | ^ 52.9% |
| + Physical Therapy/Rehabilitation | 1,779,025 | 2,150,337 | 2,451,566 | ^ 20.9% | ^ 37.8% |
| + Podiatry | 100,963 | 137,628 | 168,647 | ^ 36.3% | ^ 67.0% |
| + Psychiatry | 969,070 | 1,115,249 | 1,201,921 | ^ 15.1% | ^ 24.0% |
| + Pulmonology | 194,273 | 242,896 | 286,011 | ^ 25.0% | ^ 47.2% |
| + Radiology | 2,123,479 | 2,430,711 | 2,758,497 | ^ 14.5% | ^ 29.9% |
| + Spine | 9,346 | 12,523 | 14,737 | ^ 34.0% | ^ 57.7% |
| + Thoracic Surgery | 1,715 | 2,425 | 3,032 | ^ 41.4% | ^ 76.8% |
| + Trauma | 74,343 | 83,168 | 92,245 | ^ 11.9% | ^ 24.1% |
| + Urology | 104,483 | 144,103 | 177,354 | ^ 37.9% | ^ 69.7% |
| + Vascular | 85,669 | 110,773 | 135,763 | ^ 29.3% | ^ 58.5% |

Source: Advisory Board research and analysis.

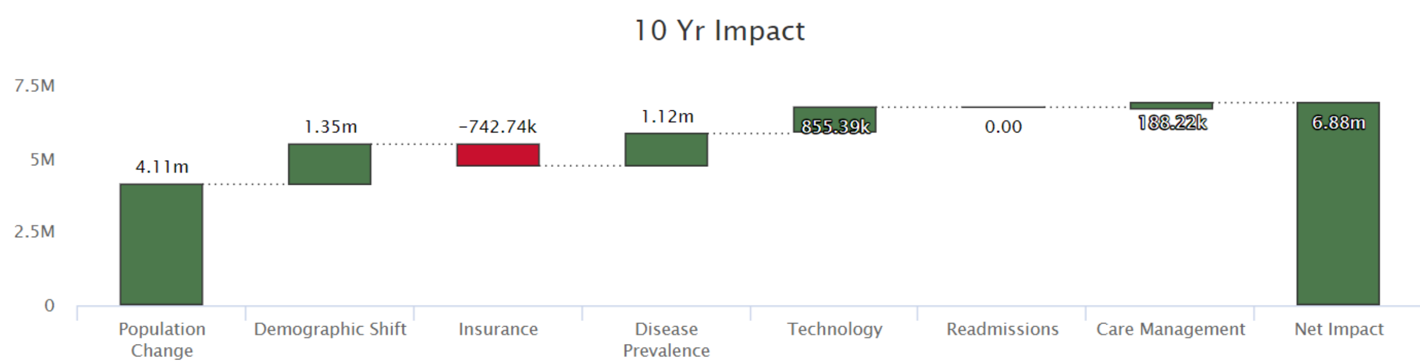
Charlotte, NC

# 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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