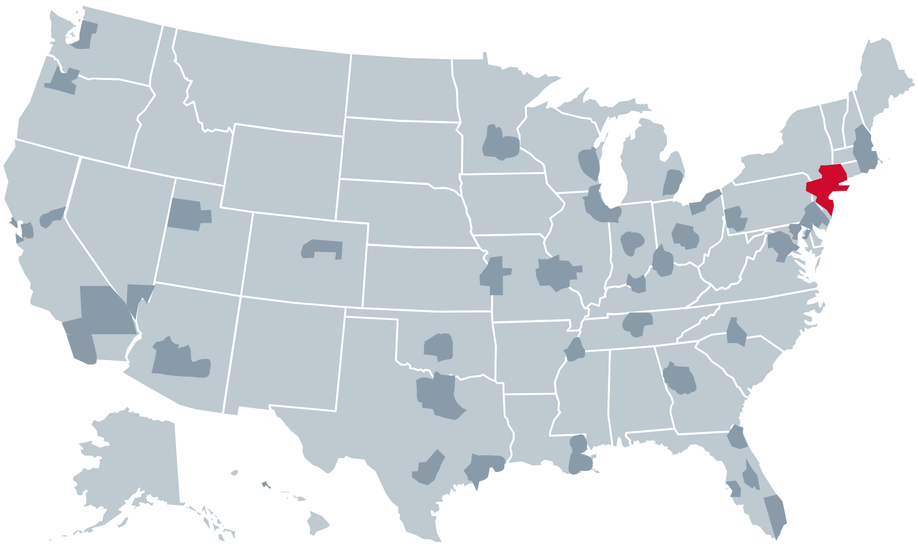
Advisory Board

Health Care Industry Committee

Market Profile

New York, NY



Counties Covered:

County	State
Fairfield County	CT
Litchfield County	CT
New Haven County	CT
Bergen County	NJ
Essex County	NJ
Hudson County	NJ
Hunterdon County	NJ
Mercer County	NJ
Middlesex County	NJ
Monmouth County	NJ
Morris County	NJ
Ocean County	NJ
Passaic County	NJ
Somerset County	NJ
Sussex County	NJ
Union County	NJ
Bronx County	NY
Dutchess County	NY
Kings County	NY
Nassau County	NY
New York County	NY
Orange County	NY
Putnam County	NY
Queens County	NY
Richmond County	NY
Rockland County	NY
Suffolk County	NY
Ulster County	NY
Westchester County	NY
Pike County	PA

Market Summary

- **Overview**: A massive market defined by increasing provider consolidation.
- **Health Systems**: Several health systems in the region, such as Northwell and Montefiore, have begun to actively integrate and pursue population health management. Many safety net hospitals in New York City have closed in recent years or are at risk of closure. Several specialized centers of excellence, such as Memorial Sloan Kettering Cancer Center, draw patients from other markets to receive care in New York.
- **Insurers**: All states in the region have expanded Medicaid.
- **Physicians**: Greater New York's physicians have historically been largely independent, but hospital-physician alignment has grown rapidly in the last few years. The region has a high concentration of primary care providers.
- **Employers**: A strongly unionized environment, the region also has a high concentration of government employees. Benefits are generally sound, but New York City's government has recently begun pushing insurers for greater value. A substantial number of employers are self-insured.
- **Population**: The region's population is linguistically diverse, presenting extensive marketing opportunities but also communication challenges at provider sites of care.

Total Population:

- 22,985,293

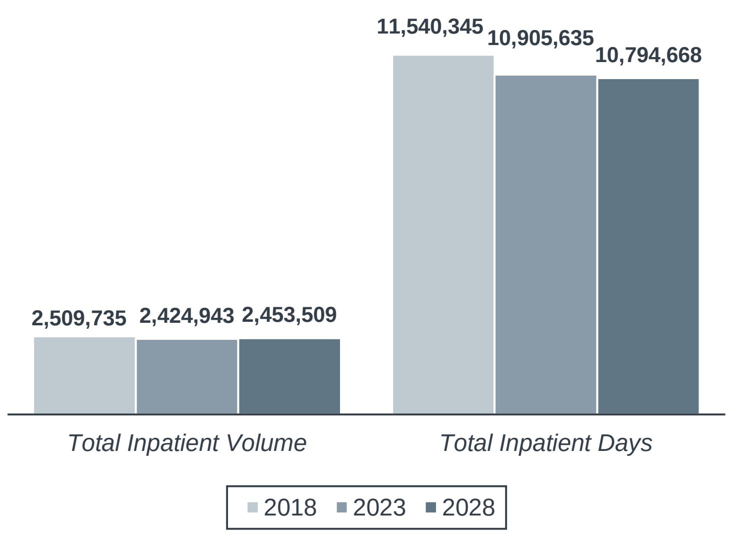
Source: Fehr, R. et. Al., *Insurer Participation on ACA marketplaces, 2014-2019,* Kaiser Family Foundation, Nov 14,2018, available at https://www.kff.org/health-reform/issue-brief/insurer-participation-on-aca-marketplaces-2014-2019/; Advisory Board research and analysis.

Market Glimpse

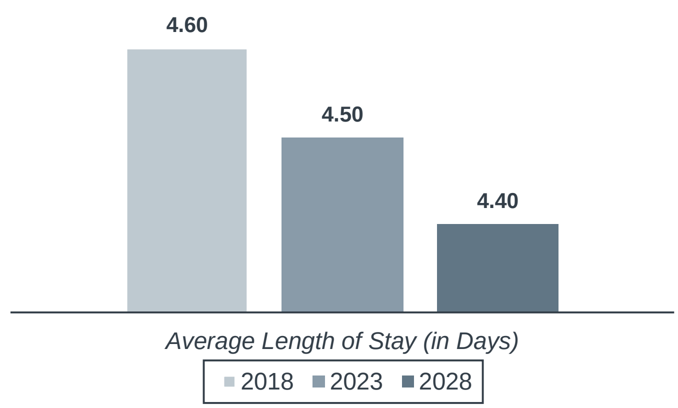
Key Figures

Category	Figure
Acute-Care Hospitals	163
Acute-Care Beds	44,918
Number of Clinicians[1]	89,456
Households Count	8,527,956
Median Age	38.2
Median Household Income	$89,903
Per Capita Income	$42,789
Patients Who Visited a Doctor in the Past Year	78.1%
Unemployment Rate	4.4%
Uninsured Rate	Low

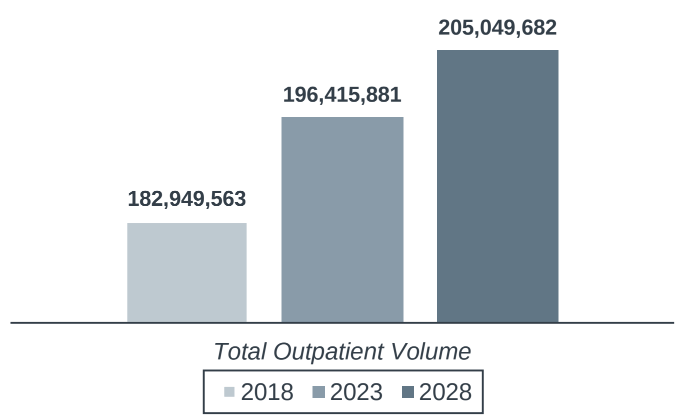
Inpatient Volume and Days



Average Length of Stay



Outpatient Volumes

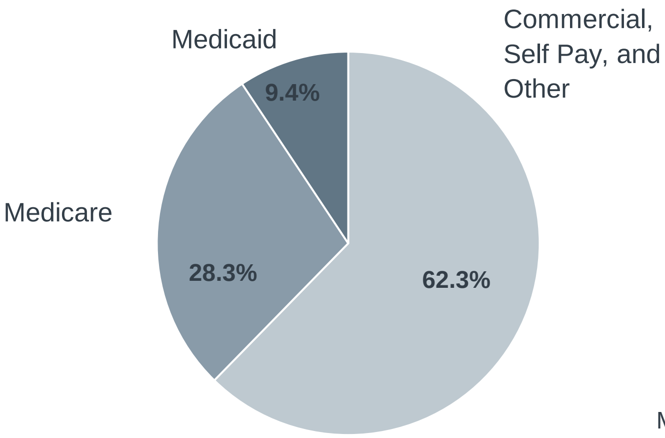


1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, you can use our Clinician Supply Profiler

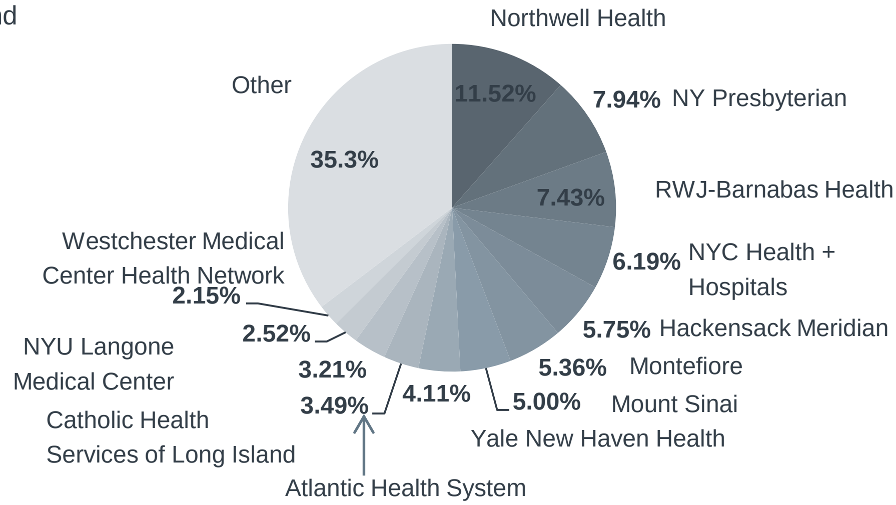
Source: U.S. Census Bureau; Advisory Board research and analysis.

Overview of Payers, Inpatient Players, Major Ailments

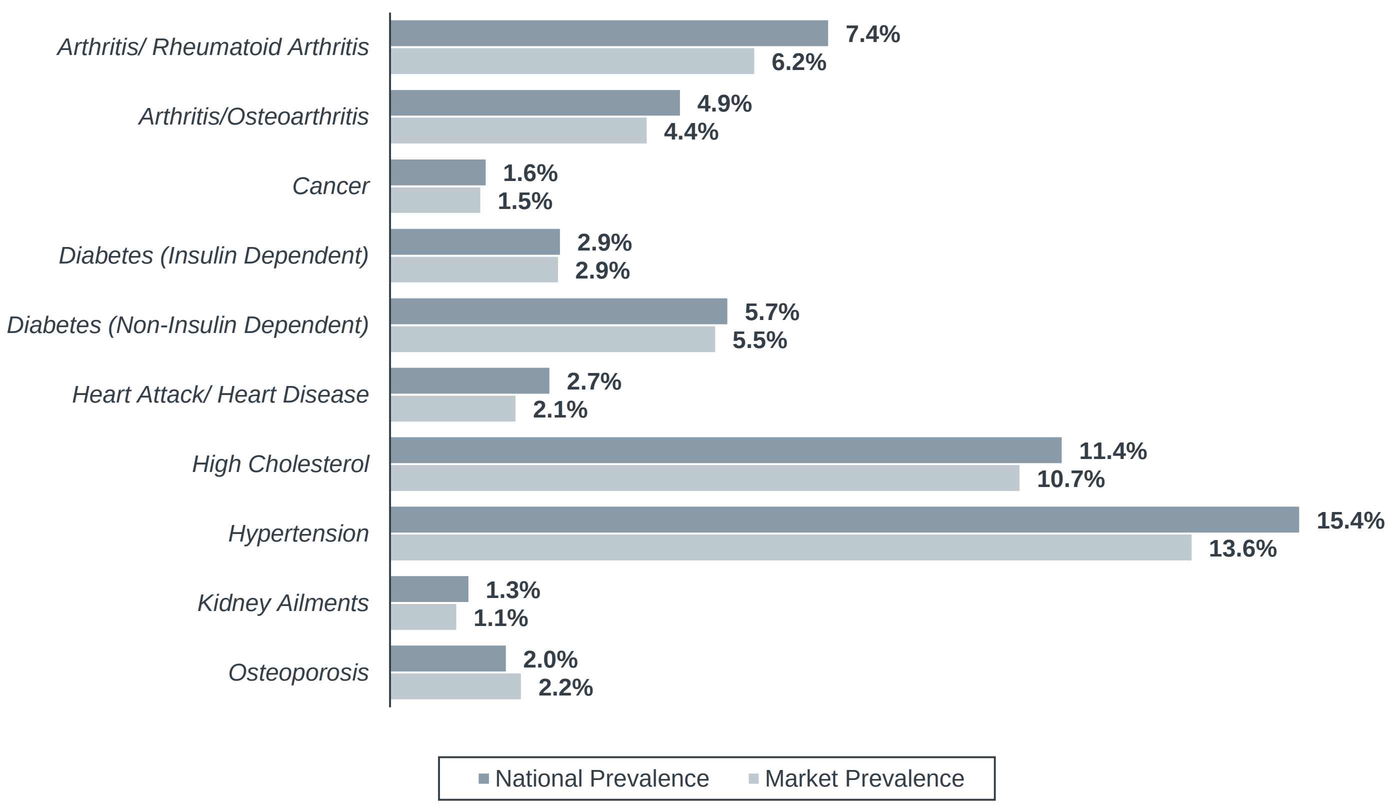
Discharge Mix



Inpatient Market Share Breakdown



Prevalence of Ailments



Source: Advisory Board research and analysis.

Population Stratification

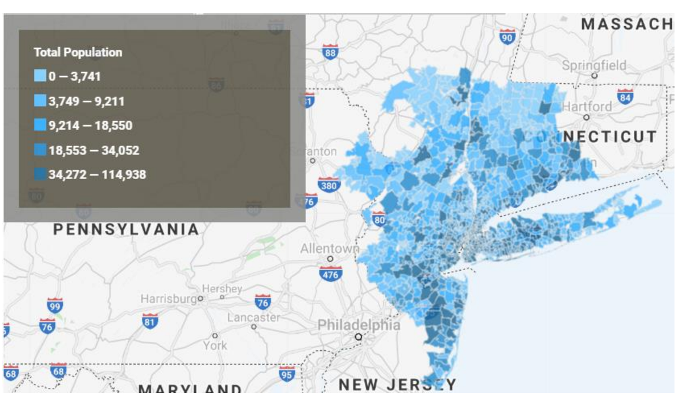
Segmentation by Age

Age Group	% of Population (2018)
0-9	11.8%
10-19	12.2%
20-29	13.9%
30-39	13.8%
40-49	13.0%
50-59	13.8%
60-69	11.1%
70-79	6.4%
80+	4.0%

Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Dept.	19,069,587	20,647,304
ED	8,831,268	10,474,269
Ambulatory Surgery	20,476,353	23,203,379
Physician Office/Clinic	86,028,881	95,883,594
Endoscopy	3,229,908	3,669,112
Oncology Center	8,783,278	9,765,435
Sleep Studies	1,651,827	1,868,216
Independent Diagnostic Testing Facility	7,768,316	8,321,168
Physical Therapy	9,810,865	11,454,817
Lab	16,983,540	19,334,277
Other	318,563	428,112

Population Density



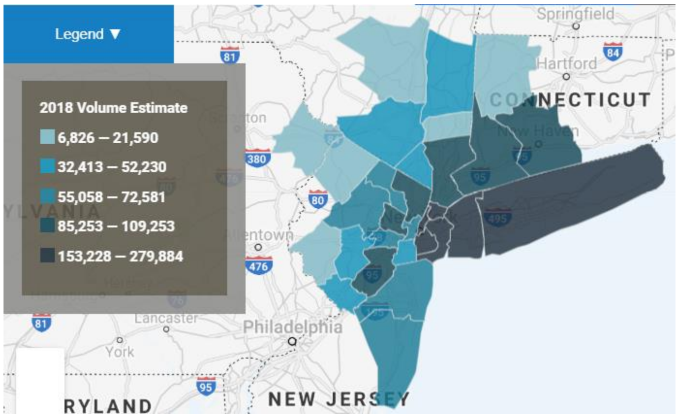
Segmentation by Gender

Gender	Current Population Count (2018)	Projected Population Count (2023)
Male	11,141,835	11,249,960
Female	11,843,431	11,924,910

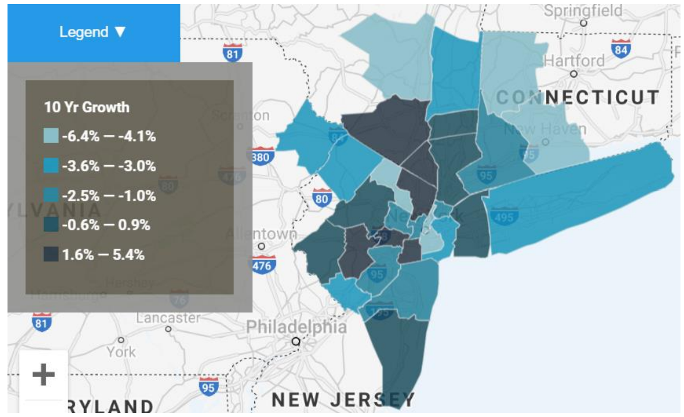
Source: Advisory Board research and analysis.

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



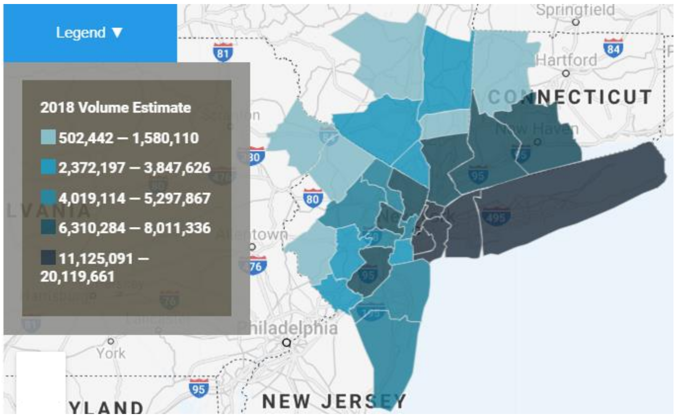
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	258,710	221,566	224,291	-14.4%	-13.3%
+ ENT	25,401	23,022	22,897	-9.4%	-9.9%
+ General Medicine	888,533	898,674	927,093	1.1%	4.3%
+ General Surgery	169,302	163,077	163,459	-3.7%	-3.5%
+ Gynecology	27,407	24,182	23,563	-11.8%	-14.0%
+ Invalid	5,583	4,374	4,063	-21.7%	-27.2%
+ Neonatology	274,542	271,174	270,543	-1.2%	-1.5%
+ Neurology	104,247	101,358	104,855	-2.8%	0.6%
+ Neurosurgery	17,174	18,745	19,915	9.2%	16.0%
+ Obstetrics	316,047	310,742	307,185	-1.7%	-2.8%
+ Oncology/Hematology (Medical)	70,381	67,341	67,522	-4.3%	-4.1%
+ Ophthalmology	2,883	2,506	2,375	-13.1%	-17.6%
+ Orthopedics	157,834	151,421	152,955	-4.1%	-3.1%
+ Other Trauma	21,059	21,179	22,106	0.6%	5.0%
+ Rehabilitation (Acute Care)	27,025	13,628	10,508	-49.6%	-61.1%
+ Spine	57,371	52,412	50,752	-8.6%	-11.5%
+ Thoracic Surgery	13,361	13,083	12,787	-2.1%	-4.3%
+ Urology	31,444	31,572	32,394	0.4%	3.0%
+ Vascular Services	41,431	34,885	34,247	-15.8%	-17.3%

Source: Advisory Board research and analysis.

Outpatient Volume Projections

2018 Outpatient Volumes



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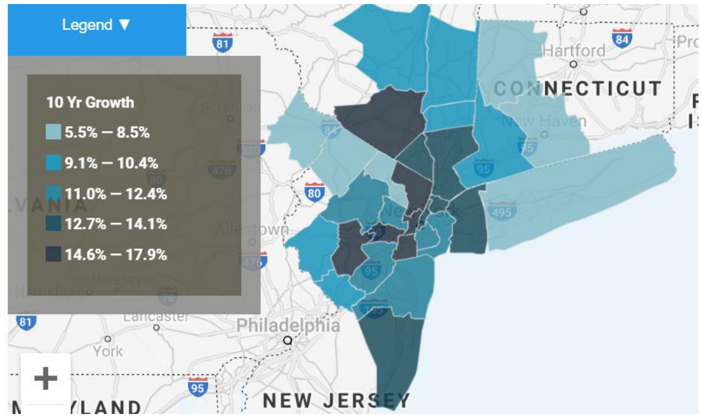


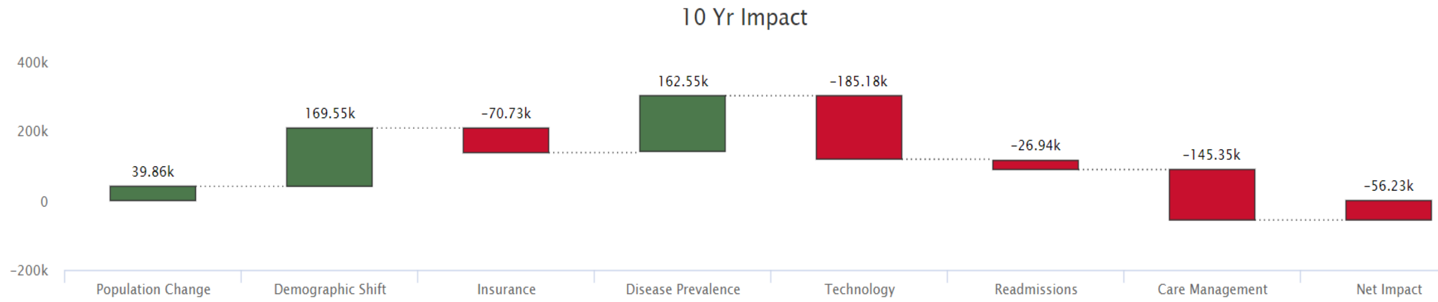
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	6,303,706	6,730,686	7,198,031	^ 6.8%	^ 14.2%
+ Cosmetic Procedures	520,030	590,783	593,442	^ 13.6%	^ 14.1%
+ Dermatology	3,675,640	4,067,524	4,342,319	^ 10.7%	^ 18.1%
+ Endocrinology	52,165	73,598	79,052	^ 41.1%	^ 51.5%
+ ENT	2,106,852	2,418,848	2,723,408	^ 14.8%	^ 29.3%
+ Evaluation and Management	67,349,520	69,840,136	72,137,390	^ 3.7%	^ 7.1%
+ Gastroenterology	1,802,337	2,082,565	2,237,072	^ 15.5%	^ 24.1%
+ General Surgery	524,635	581,126	613,236	^ 10.8%	^ 16.9%
+ Gynecology	797,468	797,818	786,052	^ 0.0%	v -1.4%
+ Lab	25,952,539	28,223,698	29,542,491	^ 8.8%	^ 13.8%
+ Miscellaneous Services	12,905,697	14,522,914	15,242,910	^ 12.5%	^ 18.1%
+ Nephrology	539,054	603,292	654,319	^ 11.9%	^ 21.4%
+ Neurology	1,022,790	1,219,864	1,324,982	^ 19.3%	^ 29.5%
+ Neurosurgery	57,715	67,843	75,651	^ 17.5%	^ 31.1%
+ Obstetrics	348,478	343,101	340,691	v -1.5%	v -2.2%
+ Oncology	132,110	133,475	133,393	^ 1.0%	^ 1.0%
+ Ophthalmology	5,579,437	6,367,700	6,867,985	^ 14.1%	^ 23.1%
+ Orthopedics	2,666,911	3,232,939	3,467,403	^ 21.2%	^ 30.0%
+ Pain Management	681,133	795,409	857,758	^ 16.8%	^ 25.9%
+ Physical Therapy/Rehabilitation	16,069,883	17,715,870	18,554,491	^ 10.2%	^ 15.5%
+ Podiatry	1,062,524	1,278,785	1,395,037	^ 20.4%	^ 31.3%
+ Psychiatry	8,504,276	9,028,744	9,054,682	^ 6.2%	^ 6.5%
+ Pulmonology	1,760,241	2,011,281	2,173,450	^ 14.3%	^ 23.5%
+ Radiology	19,895,258	20,643,074	21,349,423	^ 3.8%	^ 7.3%
+ Spine	86,996	105,841	113,616	^ 21.7%	^ 30.6%
+ Thoracic Surgery	16,853	21,298	23,955	^ 26.4%	^ 42.1%
+ Trauma	698,395	708,975	716,771	^ 1.5%	^ 2.6%
+ Urology	1,003,919	1,244,136	1,384,112	^ 23.9%	^ 37.9%
+ Vascular	832,999	964,557	1,066,561	^ 15.8%	^ 28.0%

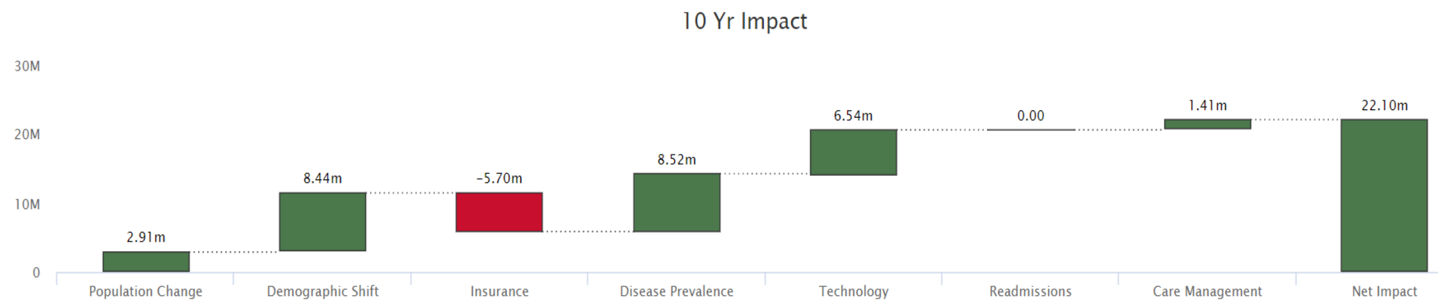
Source: Advisory Board research and analysis.

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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