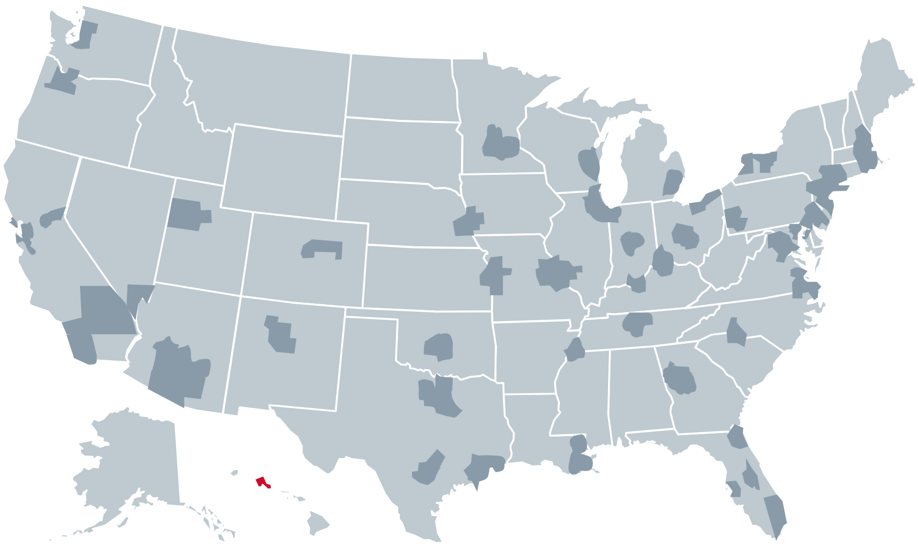
Market Profile

Published by Health Care Industry Committee

Honolulu, HI



County	State
Honolulu County	HI

Total Population:

- 991,160

Market Summary

- **Overview**: Honolulu is an innovative health care market with a largely young, healthy, affluent population. Despite highly consolidated health systems, health plans are the key market drivers.
- **Health Systems**: Honolulu health systems are highly consolidated, with Queen's Health Systems, Hawaii Pacific Health, and Kaiser Foundation Hospitals controlling roughly 80% of the market. Of these top three health systems, both Queen's Health System and Hawaii Pacific Health have entered ACOs.
- **Insurers**: Health plans are the key market drivers in Honolulu. On the commercial side, Kaiser and BlueCross BlueShield are the major players.
- **Physicians**: Physicians are moderately consolidated. Physician groups are not embracing ACOs, but several groups are keen on medical homes.
- **Employers**: The top three employers in Honolulu are local, state, and federal government. University of Hawaii and the health care industry round out the roster of the largest employers.
- **Population**: Honolulu's population has a low uninsured rate, is quite affluent, relatively healthy, and over half are below the age of 40. However, there is still a considerable elderly population. This means that Honolulu's population will demand multigenerational care and an invigorated focus on aging in place and palliative care as the elderly population grows. Unsurprisingly, population change and disease prevalence are the major growth drivers for both inpatient and outpatient procedures.

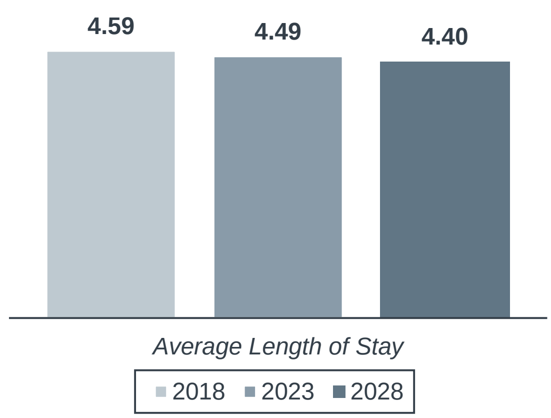
Source: Advisory Board research and analysis

Market Glimpse

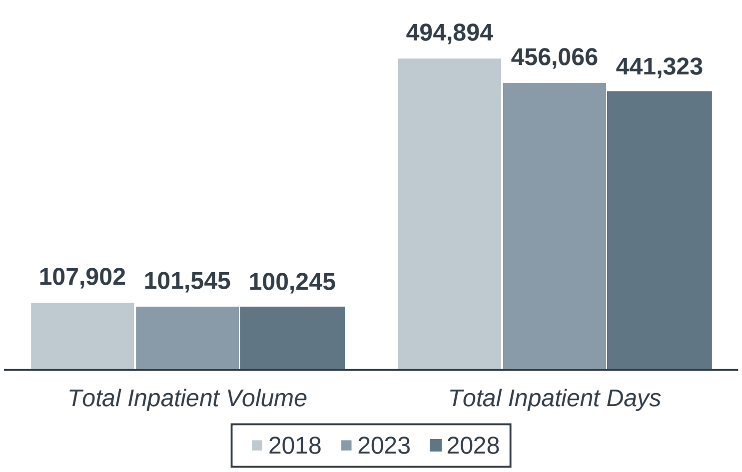
Key Figures

Category	Figure
Acute-Care Hospitals	7
Acute-Care Beds	1,560
Number of Clinicians[1]	3,437
Households Count	329,920
Median Age	36.9
Median Household Income	$87,013
Per Capita Income	$36,788
Patients Who Visited a Doctor in the Past Year	75.3%
Unemployment Rate	2.0%
Uninsured Rate	Low

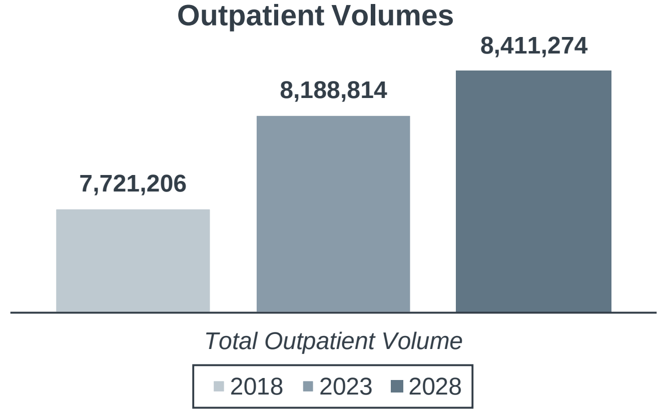
Average Length of Stay



Inpatient Volume and Days



Outpatient Volumes

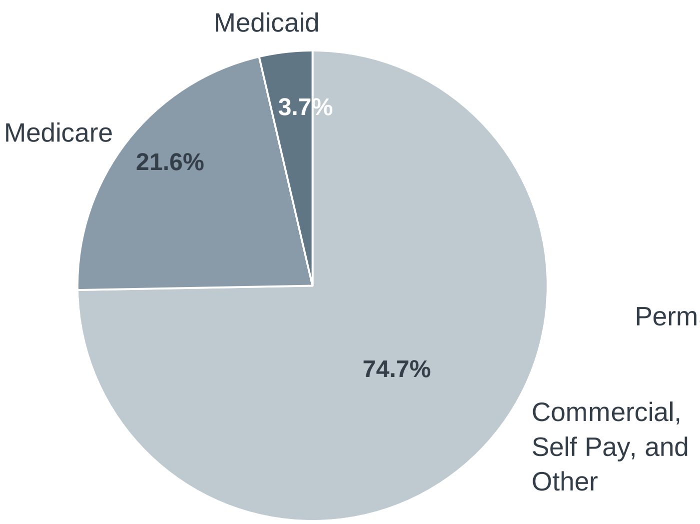


1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, use our Clinician Supply Profiler.

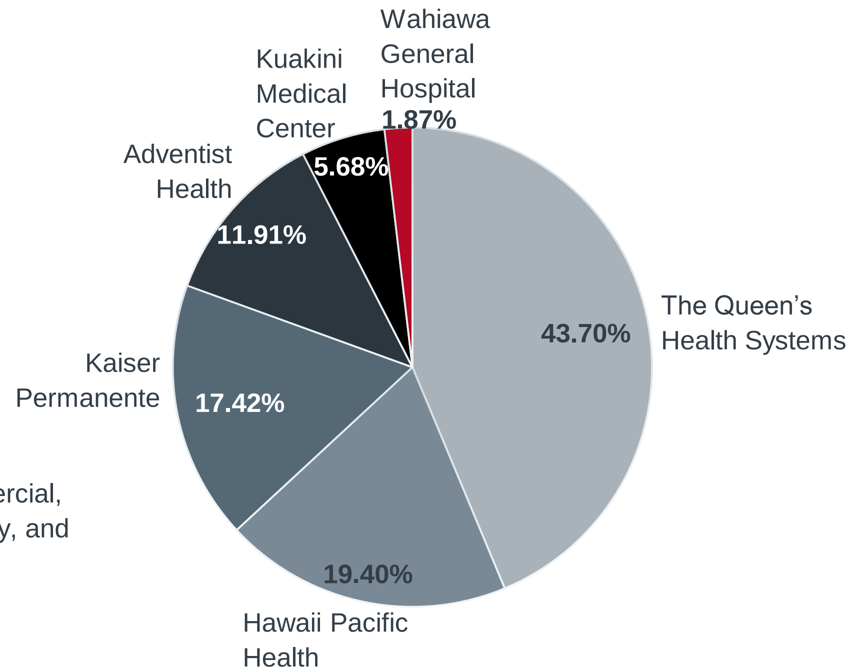
Source: Advisory Board research and analysis

Overview of Payers, Inpatient Players, Major Ailments

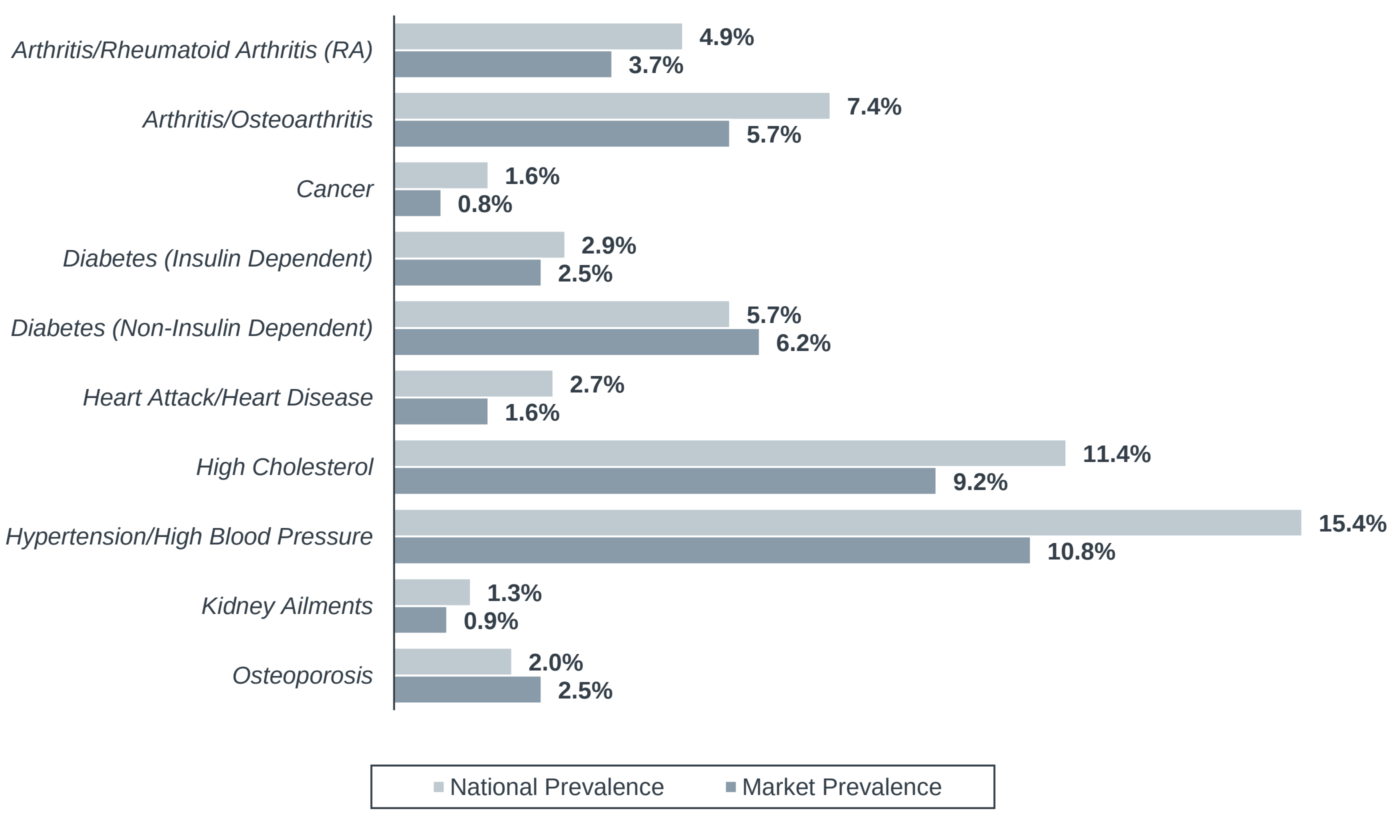
Discharge Mix



Inpatient Medicare Market Share Breakdown



Prevalence of Ailments



Source: Advisory Board research and analysis

Population Stratification

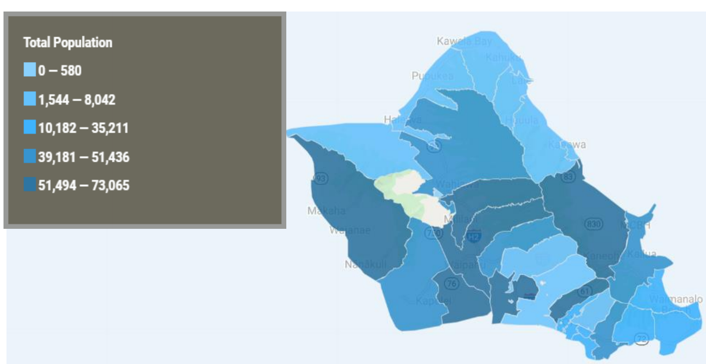
Segmentation by Age

Age Group	% of Population in 2018
0-9	12.8%
10-19	11.2%
20-29	15.2%
30-39	14.2%
40-49	11.9%
50-59	11.9%
60-69	10.8%
70-79	6.8%
80+	4.8%

Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Department	801,847	840,826
Emergency Department	385,477	435,653
Ambulatory Surgery	864,281	951,501
Physician Office/Clinic	3,628,434	3,942,163
Endoscopy	136,086	149,903
Oncology Center	371,374	400,584
Sleep Studies	69,750	76,741
Independent Diagnostic Testing Facility	326,701	339,726
Physical Therapy	404,340	467,726
Lab	719,422	788,929
Other	13,493	17,464

Population Density



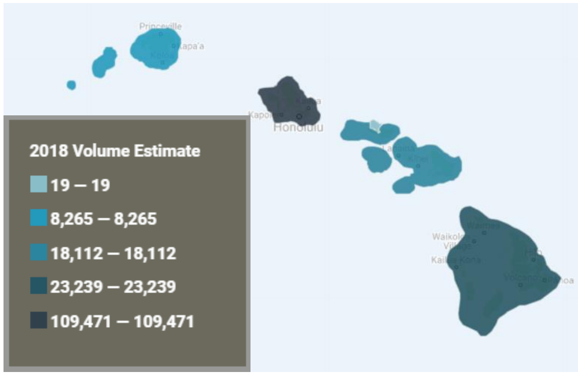
Segmentation by Gender

Gender	Current Population Count in 2018	Projected Population Count in 2023
Male	499,519	498,500
Female	491,638	492,222

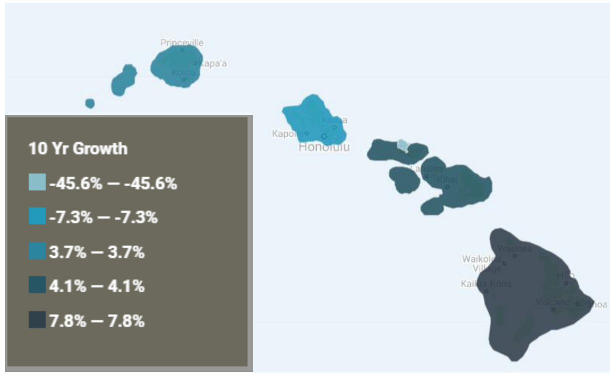
Source: Advisory Board research and analysis

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



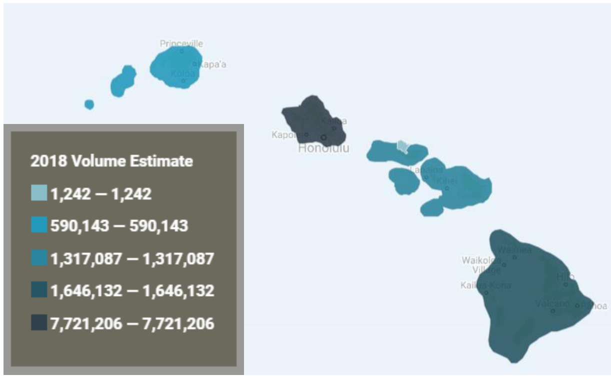
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	11,512	9,507	9,314	-17.4%	-19.1%
+ ENT	1,102	978	954	-11.2%	-13.4%
+ General Medicine	38,657	38,121	38,467	-1.4%	-0.5%
+ General Surgery	7,126	6,735	6,645	-5.5%	-6.7%
+ Gynecology	1,079	958	933	-11.1%	-13.5%
+ Invalid	246	187	170	-24.0%	-31.2%
+ Neonatology	12,841	12,206	11,712	-4.9%	-8.8%
+ Neurology	4,579	4,319	4,351	-5.7%	-5.0%
+ Neurosurgery	729	779	812	6.9%	11.5%
+ Obstetrics	13,224	12,697	12,318	-4.0%	-6.9%
+ Oncology/Hematology (Medical)	3,058	2,847	2,785	-6.9%	-9.0%
+ Ophthalmology	125	107	99	-14.9%	-21.0%
+ Orthopedics	6,852	6,346	6,221	-7.4%	-9.2%
+ Other Trauma	956	930	944	-2.7%	-1.3%
+ Rehabilitation (Acute Care)	1,220	590	439	-51.6%	-64.0%
+ Spine	2,413	2,157	2,048	-10.6%	-15.1%
+ Thoracic Surgery	571	541	515	-5.2%	-9.9%
+ Urology	1,361	1,323	1,327	-2.8%	-2.5%
+ Vascular Services	252	215	194	-14.7%	-23.2%

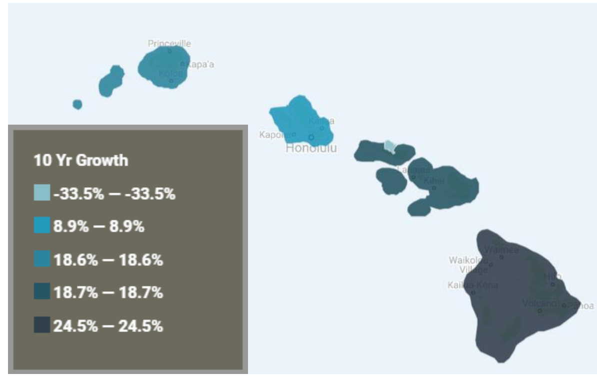
Source: Advisory Board research and analysis

Outpatient Volume Projections

2018 Outpatient Volumes



2028 Outpatient Volumes (10-Year Growth)

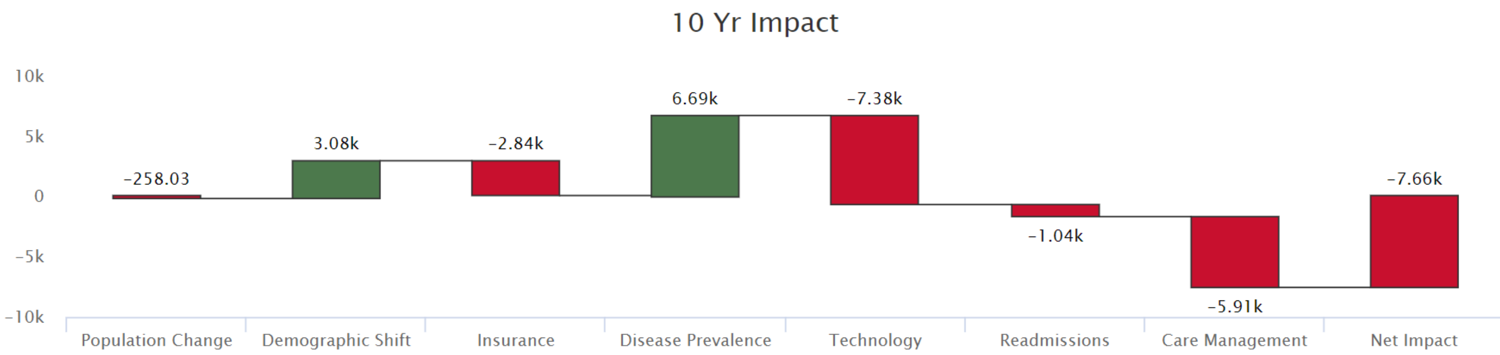


Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	272,942	283,244	294,788	3.8%	8.0%
+ Cosmetic Procedures	20,789	23,777	23,997	14.4%	15.4%
+ Dermatology	155,222	169,814	178,669	9.4%	15.1%
+ Endocrinology	2,130	2,978	3,170	39.8%	48.9%
+ ENT	91,579	104,105	114,872	13.7%	25.4%
+ Evaluation and Management	2,848,338	2,923,183	2,972,964	2.6%	4.4%
+ Gastroenterology	75,175	85,189	89,753	13.3%	19.4%
+ General Surgery	21,695	23,810	24,830	9.7%	14.5%
+ Gynecology	31,961	31,901	31,130	-0.2%	-2.6%
+ Lab	1,100,960	1,176,073	1,205,700	6.8%	9.5%
+ Miscellaneous Services	553,573	611,883	629,707	10.5%	13.8%
+ Nephrology	22,389	24,590	26,352	9.8%	17.7%
+ Neurology	42,610	50,542	54,330	18.6%	27.5%
+ Neurosurgery	2,375	2,779	3,078	17.0%	29.6%
+ Obstetrics	14,582	14,081	13,595	-3.4%	-6.8%
+ Oncology	5,507	5,446	5,349	-1.1%	-2.9%
+ Ophthalmology	243,589	269,446	280,828	10.6%	15.3%
+ Orthopedics	110,487	132,699	140,665	20.1%	27.3%
+ Pain Management	28,248	32,587	34,599	15.4%	22.5%
+ Physical Therapy/Rehabilitation	656,632	723,681	755,014	10.2%	15.0%
+ Podiatry	48,802	56,160	58,664	15.1%	20.2%
+ Psychiatry	345,129	371,783	374,568	7.7%	8.5%
+ Pulmonology	74,697	84,570	89,807	13.2%	20.2%
+ Radiology	837,067	855,475	868,623	2.2%	3.8%
+ Spine	3,655	4,387	4,625	20.0%	26.5%
+ Thoracic Surgery	743	906	982	22.0%	32.1%
+ Trauma	30,307	30,230	29,956	-0.3%	-1.2%
+ Urology	44,044	53,060	57,285	20.5%	30.1%
+ Vascular	35,982	40,435	43,375	12.4%	20.5%

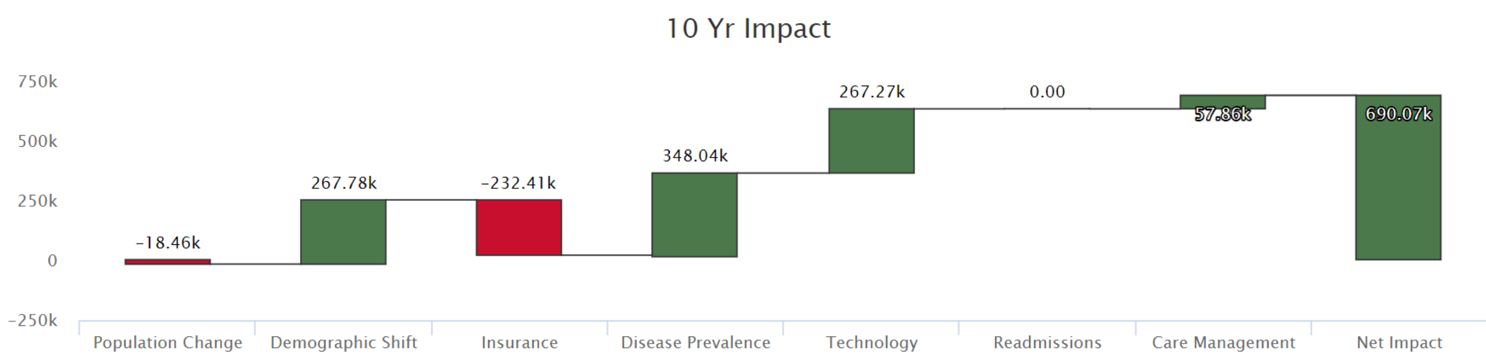
Source: Advisory Board research and analysis

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.

Advisory Board

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