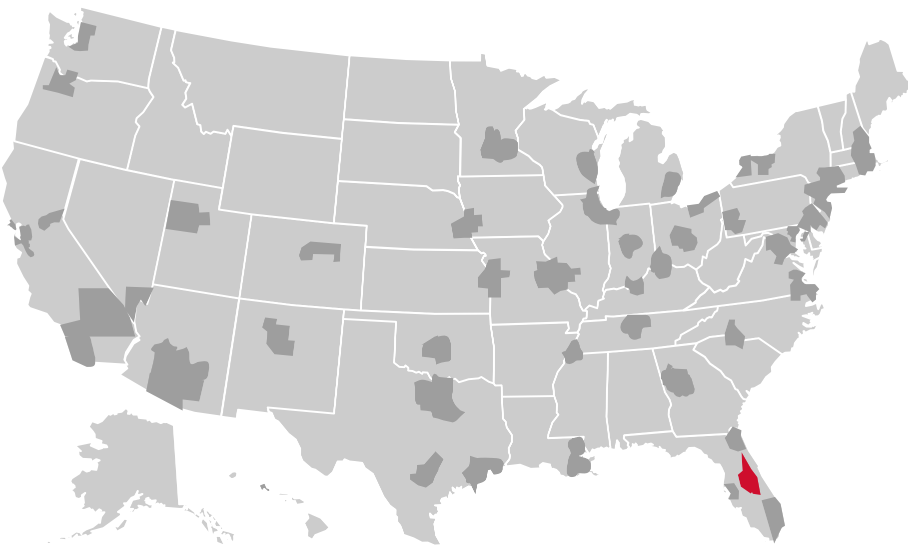
Market Profile

Published by Health Care Industry Committee

Orlando, FL



Counties Covered:

County	State
Lake	FL
Orange	FL
Osceola	FL
Seminole	FL

Total Population:

- 2,621,290

Market Summary

- **Overview**: Healthcare construction is rampant in central Florida. Many of the major health systems in the area are either in the process of, or have finished, new inpatient facility projects. With the completion of these projects imminent, these health systems are now focusing their attention on the construction of outpatient facilities. Physician consolidation continues as health systems are using affiliated clinically integrated physician networks to bring independent providers into their respective spheres
- **Health Systems**: Two health systems, AdventHealth Orlando (formerly Florida Hospital) and Orlando Health. control more than 80 percent of inpatient volume in central Florida. The top health systems have, in total, invested around $1 billion in brick-and-mortar projects, building new freestanding emergency departments, outpatient facilities, and acute care hospitals.
- **Insurers**: Four insurers—three national, one regional—dominate the local commercial market: UnitedHealth, Cigna, Florida Blue, and Aetna.
- **Physicians**: Orlando’s physician sector is consolidating through clinically integrated networks, either affiliated with the major health systems (AdventHealth Orlando and Orlando Health) or independent of them (Integrated Independent Physicians Network). All three have enough physician members to have clout in negotiations with payers and to also serve as ideal vehicles for insurers to contract with on value-based care arrangements.
- **Employers**: Employers are becoming more interested in self- and level-funded health plans as potential avenues for cost reduction. These and narrow-networks plans will continue to gain steam, as both offer more upside and costs savings than traditional open-network options.
- **Population**: Orlando has a large and diverse population with a thriving tourism industry. State and local initiatives are aimed towards reducing significant health disparities between Whites and other minorities, such as Blacks and Hispanics.

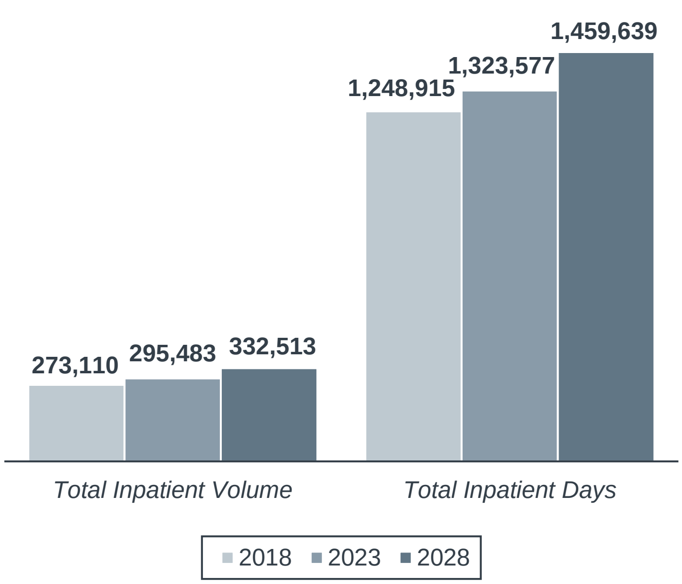
Sources: Miller, Naseem, “Central Florida health systems continue construction, expansion,” Orlando Sentinel, January 24, 2018; Advisory Board research and analysis.

Market Glimpse

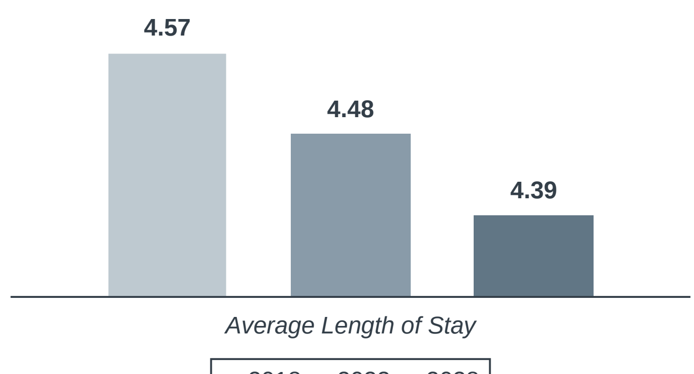
Key Figures

Category	Figure
Acute-Care Hospitals	11
Acute-Care Beds	5,804
Number of Clinicians[1]	7,236
Households Count	977,031
Median Age	37.4
Median Household Income	$57,300
Per Capita Income	$27,402
Patients Who Visited a Doctor in the Past Year	75.2%
Unemployment Rate	3.4%
Uninsured Rate	High

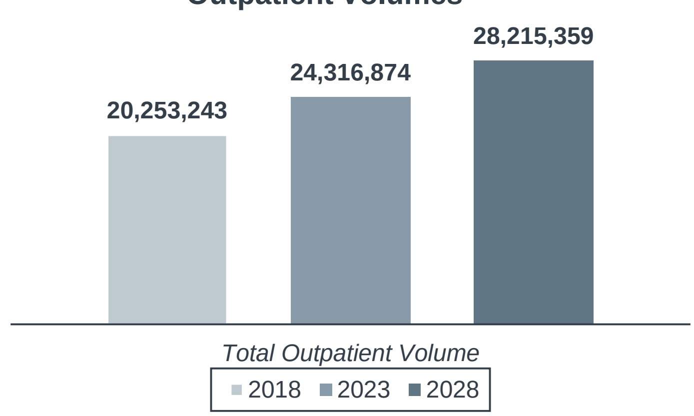
Inpatient Volume and Days



Average Length of Stay



Outpatient Volumes

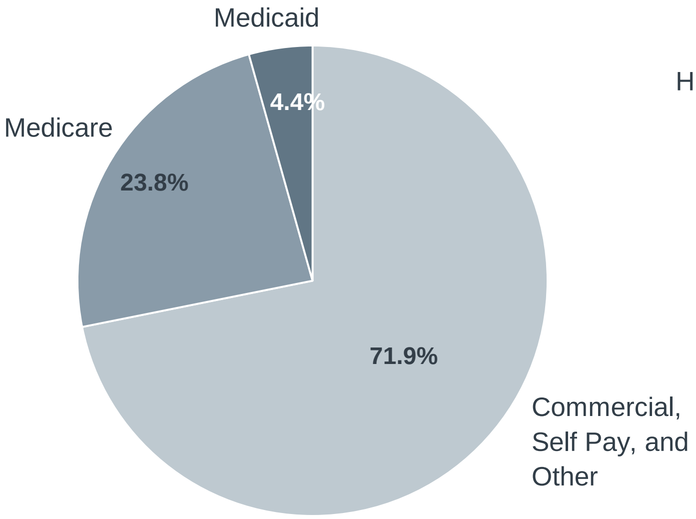


1. Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, you can use our Clinician Supply Profiler.

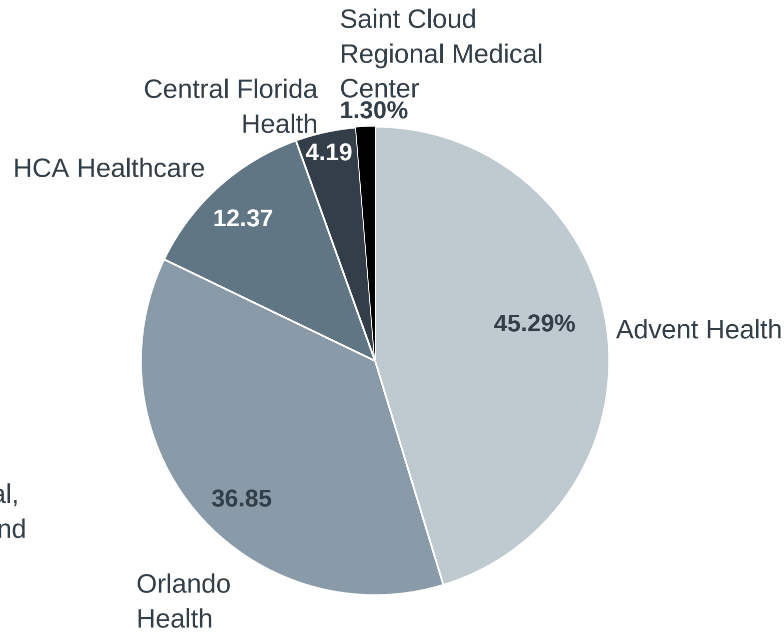
Source: Advisory Board research and analysis.

Overview of Payers, Inpatient Players, Major Ailments

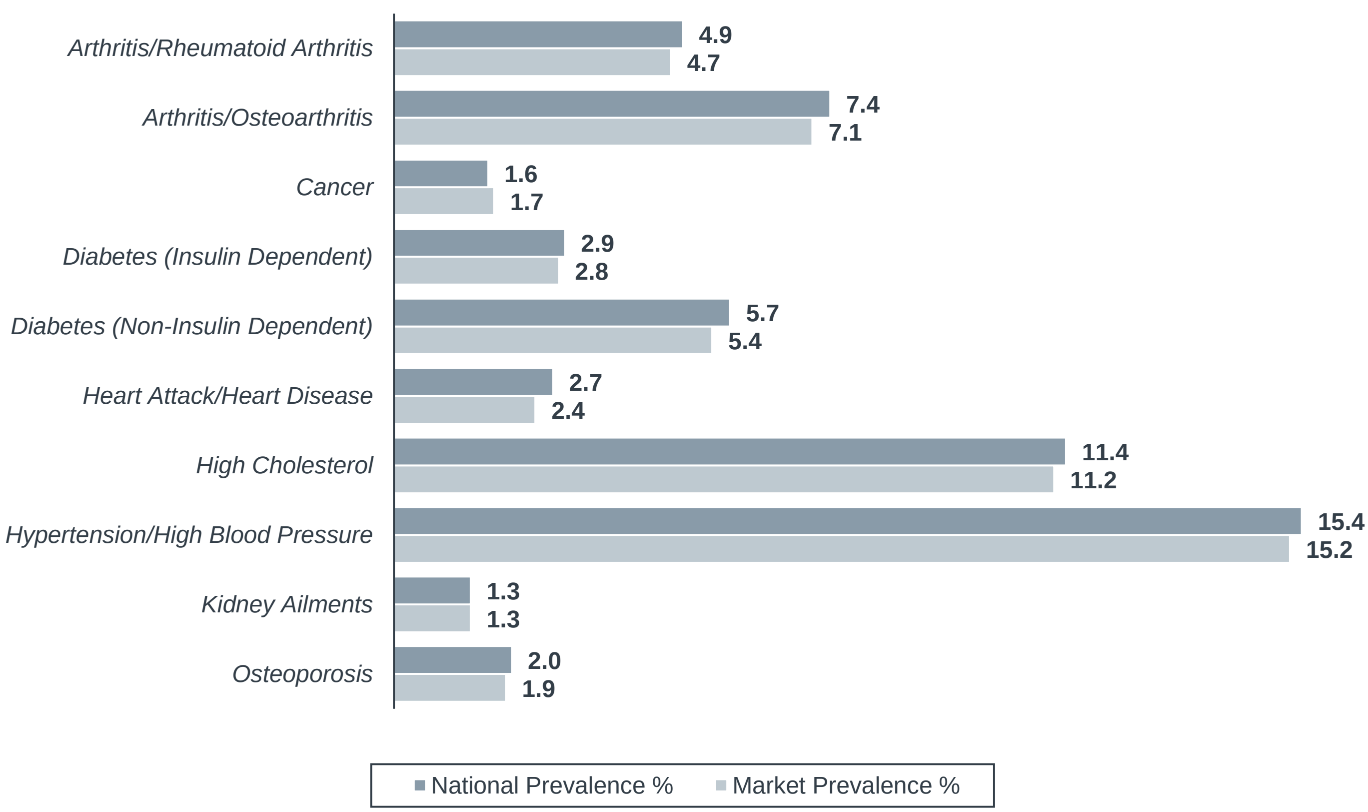
Discharge Mix



Inpatient Medicare Market Share Breakdown



Prevalence of Ailments



Source: Advisory Board research and analysis.

Population Stratification

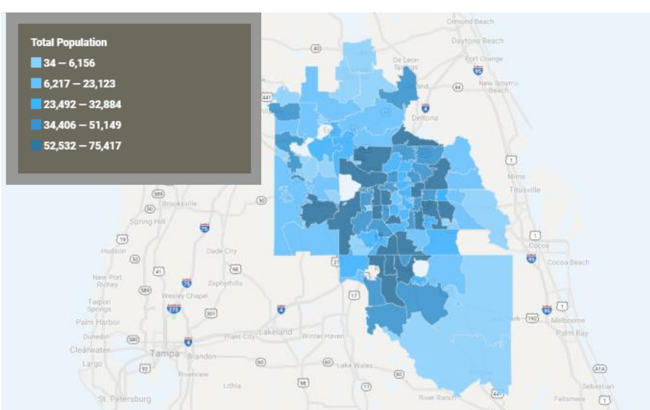
Segmentation by Age

Age Group	% of Population in 2018
0-9	11.9
10-19	12.5
20-29	14.6
30-39	14.1
40-49	13.0
50-59	12.9
60-69	10.6
70-79	6.7
80+	3.6

Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Department	2,103,146	2,836,619
Emergency Department	975,177	1,434,036
Ambulatory Surgery	2,266,387	3,191,737
Physician Office/Clinic	9,543,544	13,208,506
Endoscopy	356,781	503,930
Oncology Center	973,154	1,343,586
Sleep Studies	182,912	257,183
Independent Diagnostic Testing Facility	856,534	1,142,300
Physical Therapy	1,086,507	1,584,663
Lab	1,874,420	2,654,312
Other	34,681	58,488

Population Density



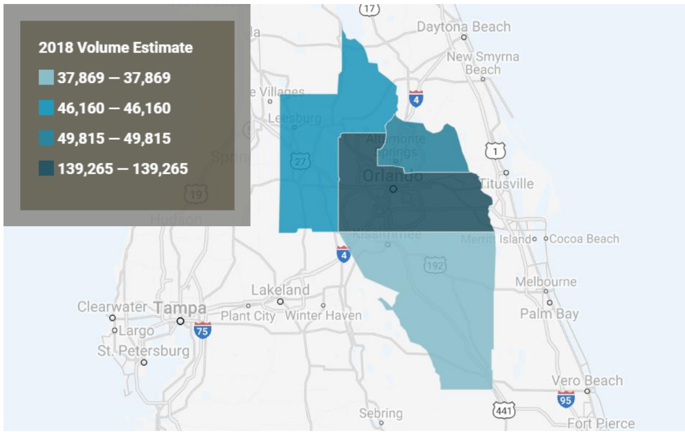
Segmentation by Gender

Gender	Population Count in 2018	Projected Population Count in 2023
Male	1,280,555	1,435,421
Female	1,340,741	1,504,634

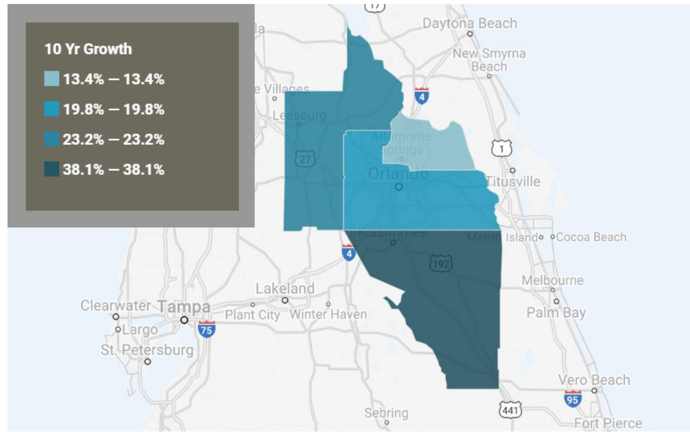
Source: Advisory Board research and analysis.

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



Service Line Volume Projections

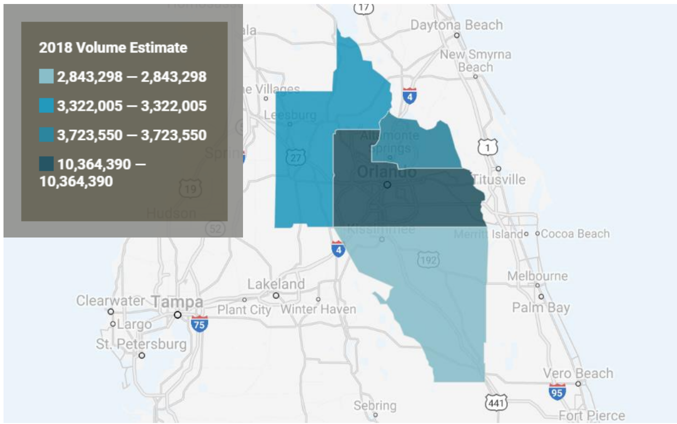
Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	27,946	26,964	30,539	-3.5%	9.3%
+ ENT	2,806	2,835	3,136	1.1%	11.8%
+ General Medicine	97,166	110,356	127,142	13.6%	30.9%
+ General Surgery	18,669	20,112	22,478	7.7%	20.4%
+ Gynecology	3,043	3,018	3,283	-0.8%	7.9%
+ Invalid	609	536	556	-12.0%	-8.7%
+ Neonatology	30,772	33,369	36,571	8.4%	18.8%
+ Neurology	11,333	12,396	14,325	9.4%	26.4%
+ Neurosurgery	1,898	2,313	2,735	21.9%	44.1%
+ Obstetrics	36,696	39,900	43,307	8.7%	18.0%
+ Oncology/Hematology (Medical)	7,728	8,264	9,229	6.9%	19.4%
+ Ophthalmology	317	309	326	-2.8%	2.7%
+ Orthopedics	17,042	18,301	20,638	7.4%	21.1%
+ Other Trauma	2,289	2,594	3,028	13.3%	32.3%
+ Rehabilitation (Acute Care)	2,938	1,665	1,432	-43.3%	-51.3%
+ Spine	6,283	6,422	6,937	2.2%	10.4%
+ Thoracic Surgery	1,472	1,604	1,741	9.0%	18.3%
+ Urology	3,479	3,902	4,465	12.2%	28.4%
+ Vascular Services	627	623	646	-0.5%	3.2%

Source: Advisory Board research and analysis.

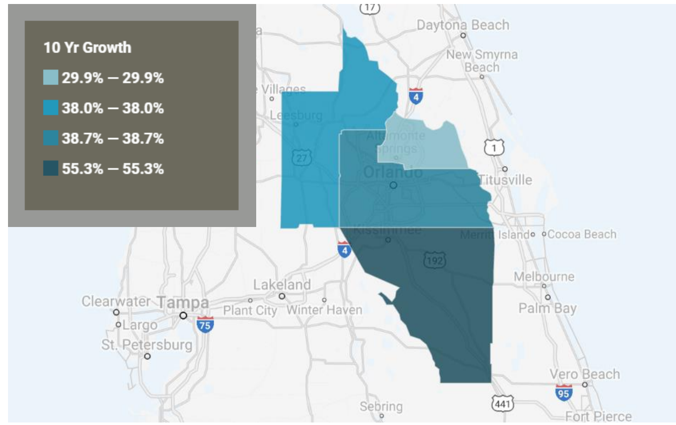
Orlando, FL

Outpatient Volume Projections

2018 Outpatient Volumes



2028 Outpatient Volumes (10-Year Growth)



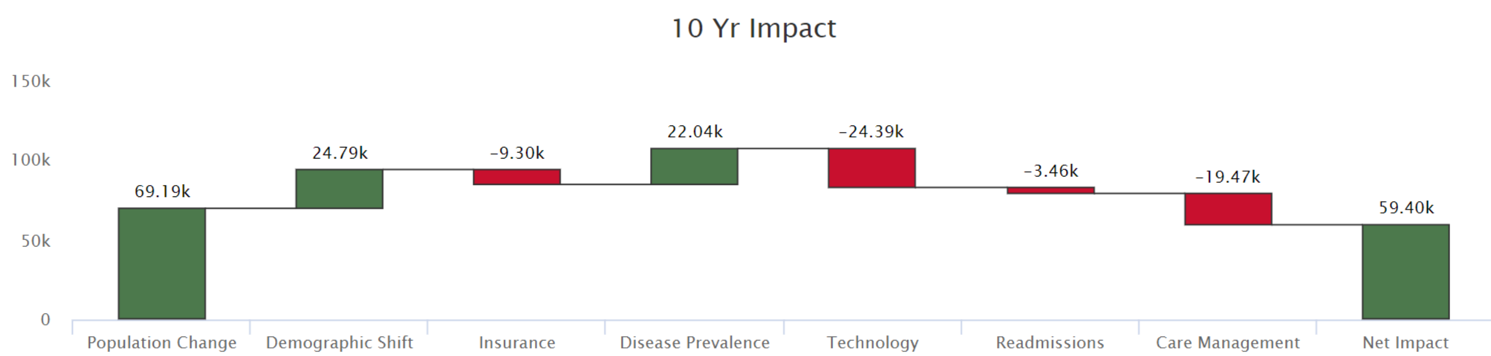
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	687,948	824,657	981,935	^ 19.9%	^ 42.7%
+ Cosmetic Procedures	58,123	73,935	82,917	^ 27.2%	^ 42.7%
+ Dermatology	406,760	504,319	599,235	^ 24.0%	^ 47.3%
+ Endocrinology	5,744	9,078	10,887	^ 58.0%	^ 89.5%
+ ENT	233,829	298,703	372,434	^ 27.7%	^ 59.3%
+ Evaluation and Management	7,476,639	8,657,620	9,930,545	^ 15.8%	^ 32.8%
+ Gastroenterology	197,051	254,949	304,988	^ 29.4%	^ 54.8%
+ General Surgery	57,934	71,911	84,560	^ 24.1%	^ 46.0%
+ Gynecology	89,383	99,903	109,308	^ 11.8%	^ 22.3%
+ Lab	2,863,223	3,485,305	4,054,995	^ 21.7%	^ 41.6%
+ Miscellaneous Services	1,433,299	1,798,313	2,093,050	^ 25.5%	^ 46.0%
+ Nephrology	58,773	73,842	89,598	^ 25.6%	^ 52.4%
+ Neurology	113,113	151,078	182,710	^ 33.6%	^ 61.5%
+ Neurosurgery	6,413	8,437	10,485	^ 31.6%	^ 63.5%
+ Obstetrics	40,354	44,031	48,081	^ 9.1%	^ 19.1%
+ Oncology	14,484	16,415	18,317	^ 13.3%	^ 26.5%
+ Ophthalmology	609,390	777,435	928,950	^ 27.6%	^ 52.4%
+ Orthopedics	292,462	397,253	474,914	^ 35.8%	^ 62.4%
+ Pain Management	74,732	97,902	117,580	^ 31.0%	^ 57.3%
+ Physical Therapy/Rehabilitation	1,784,726	2,206,304	2,578,026	^ 23.6%	^ 44.4%
+ Podiatry	112,783	153,919	187,584	^ 36.5%	^ 66.3%
+ Psychiatry	956,179	1,137,207	1,269,896	^ 18.9%	^ 32.8%
+ Pulmonology	195,751	249,180	298,628	^ 27.3%	^ 52.6%
+ Radiology	2,193,451	2,549,434	2,932,551	^ 16.2%	^ 33.7%
+ Spine	9,609	13,074	15,595	^ 36.1%	^ 62.3%
+ Thoracic Surgery	1,856	2,620	3,263	^ 41.2%	^ 75.8%
+ Trauma	76,622	87,078	97,977	^ 13.6%	^ 27.9%
+ Urology	111,527	154,829	191,262	^ 38.8%	^ 71.5%
+ Vascular	91,084	118,141	145,088	^ 29.7%	^ 59.3%

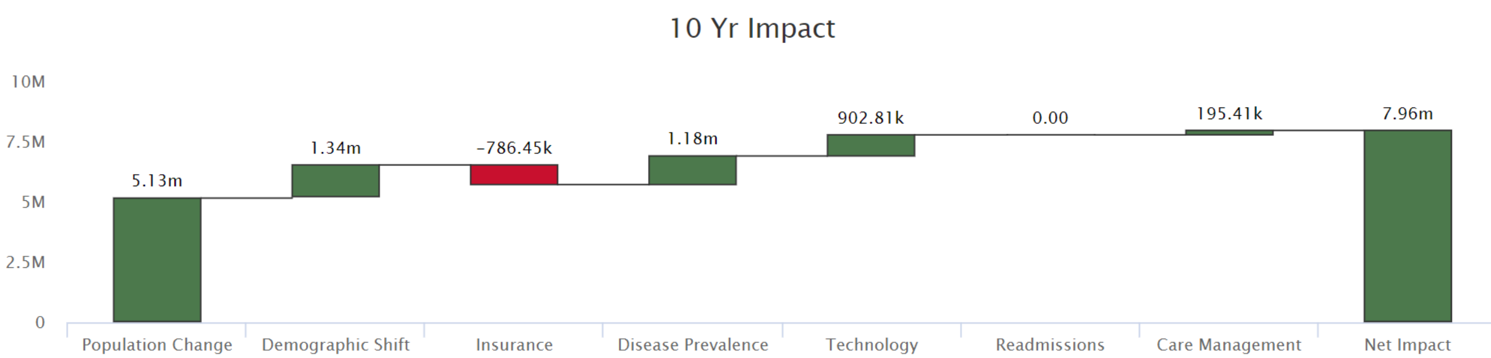
Source: Advisory Board research and analysis.

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 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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