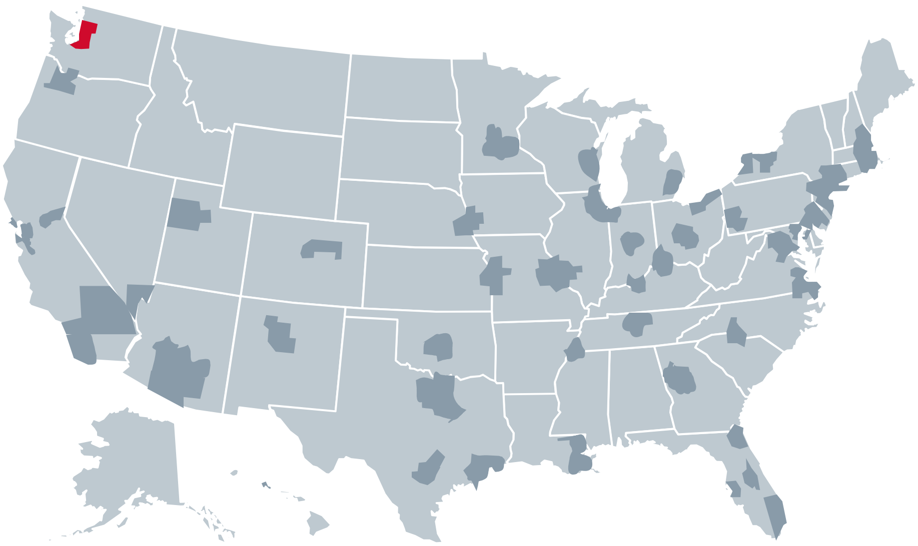
Market Profile

Published by Health Care Industry Committee

Seattle, WA



Counties Covered:

County	State
King	WA
Pierce	WA
Snohomish	WA

Total Population:

- 3,898,781

Market Summary

- **Overview**: The various stakeholders in the Seattle market are heavily focused on adopting value-based care models, including ACOs and clinically integrated networks. This is true across private and public payers alike.
- **Health Systems**: Major health systems in the Seattle market include Providence Health-affiliated Swedish – the largest nonprofit provider in the area - University of Washington Medicine, Virginia Mason, and CHI Franciscan. Washington state as a whole features an extensive network of safety net hospitals and FQHCs. Harborview Medical Center, the state's main safety net hospital, is located in Seattle.
- **Insurers**: Many of Seattle's commercial plans are narrow networks that fit in with the market's clinically integrated networks. The majority of Medicaid patients are enrolled in managed care plans, with Molina Healthcare owning the largest Medicaid plan. Leading insurers include Blue Cross Blue Shield and United Healthcare, but there are many players.
- **Physicians**: Many physicians in the Seattle market practice in ACOs and integrated networks. Independent physician groups continue to increase their influence in the market, pursuing provider consortiums to improve care coordination.
- **Employers**: Multiple major employers in the Pacific northwest are located in the Seattle market, such as Microsoft, Amazon, and Boeing.
- **Population**: Roughly half of the population of Washington state live in the Seattle market. While the general health of the Washington population is above the national average, the state fares comparatively poorly in mental health.

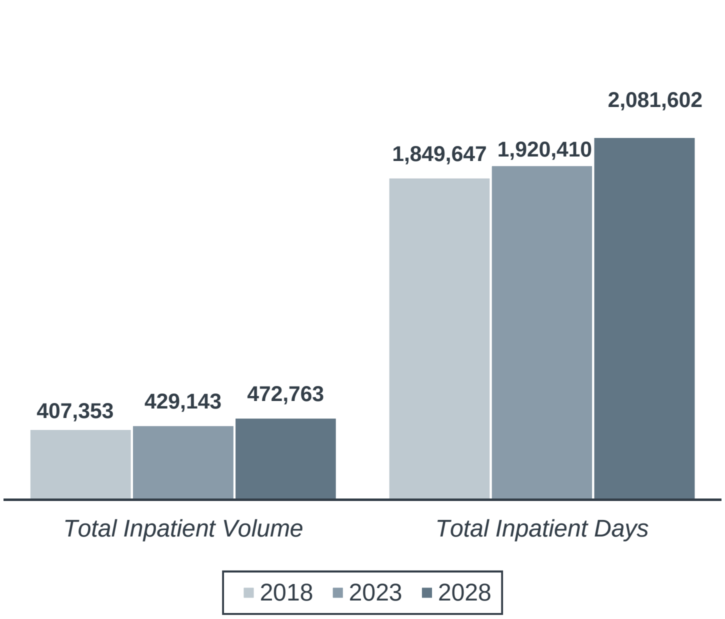
Source: Advisory Board research and analysis.

Market Glimpse

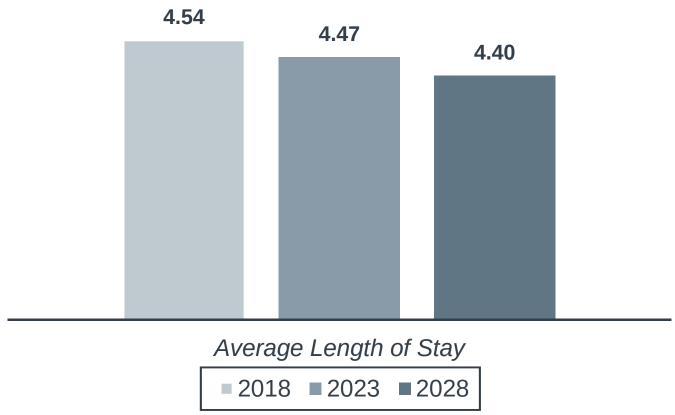
Key Figures

Category	Figure
Acute-Care Hospitals	25
Acute-Care Beds	5,219
Number of Clinicians[1]	33,062
Households Count	1,522,281
Median Age	37.0
Median Household Income	$86,493
Per Capita Income	$44,716
Patients Who Visited a Doctor in the Past Year	78.2%
Unemployment Rate	4.1%
Uninsured Rate	Low

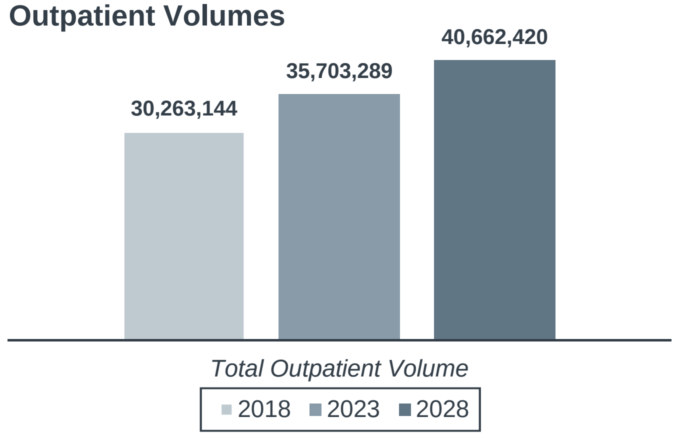
Inpatient Volume and Days



Average Length of Stay



Outpatient Volumes

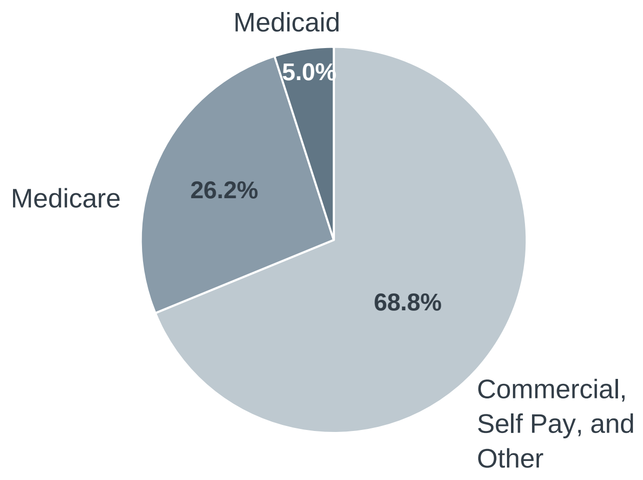


1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, you can use our Clinician Supply Profiler.

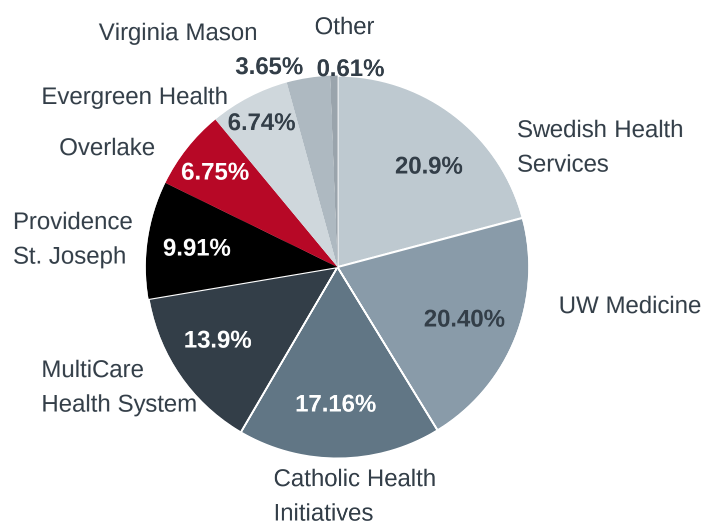
Source: Advisory Board research and analysis.

Overview of Payers, Inpatient Players, Major Ailments

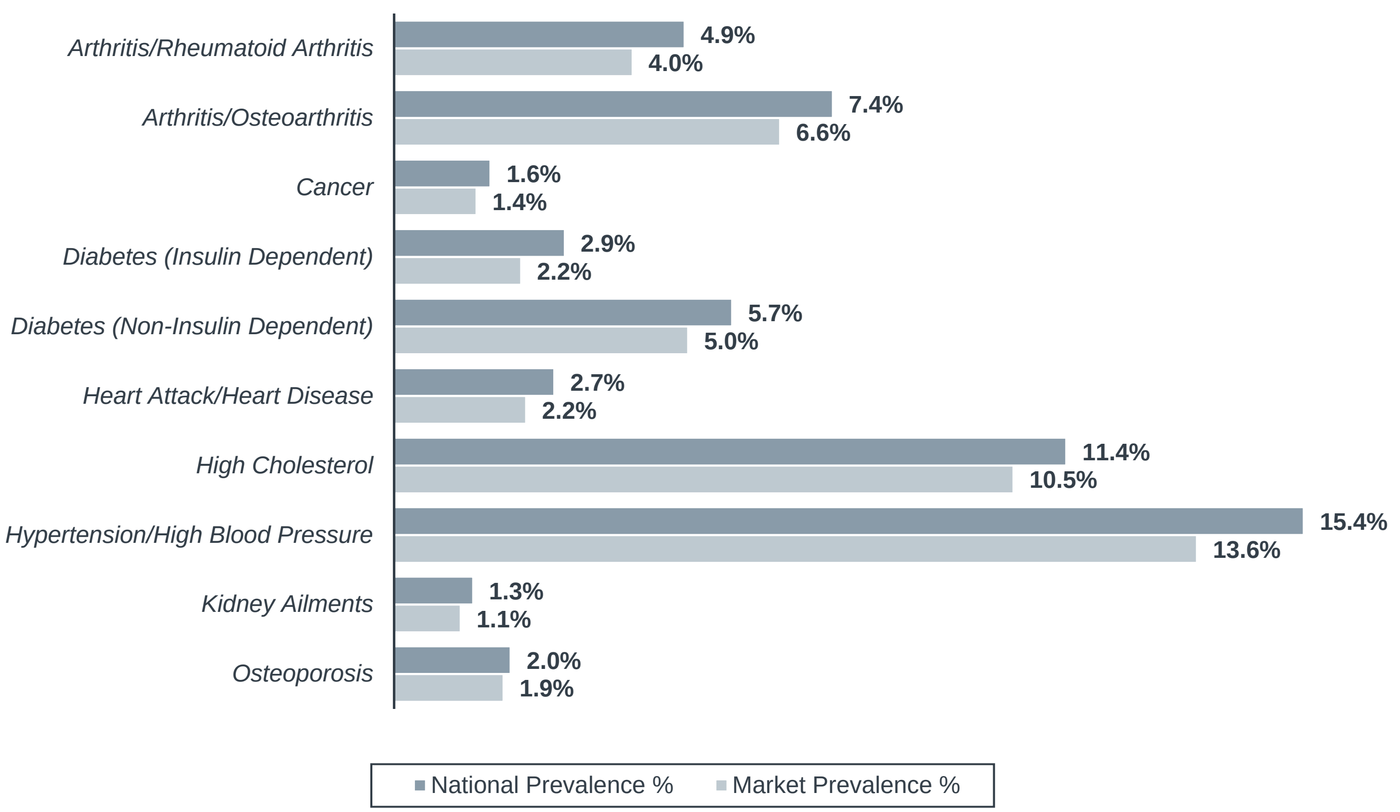
Discharge Mix



Inpatient Medicare Market Share Breakdown



Prevalence of Ailments



Source: Advisory Board research and analysis.

Population Stratification

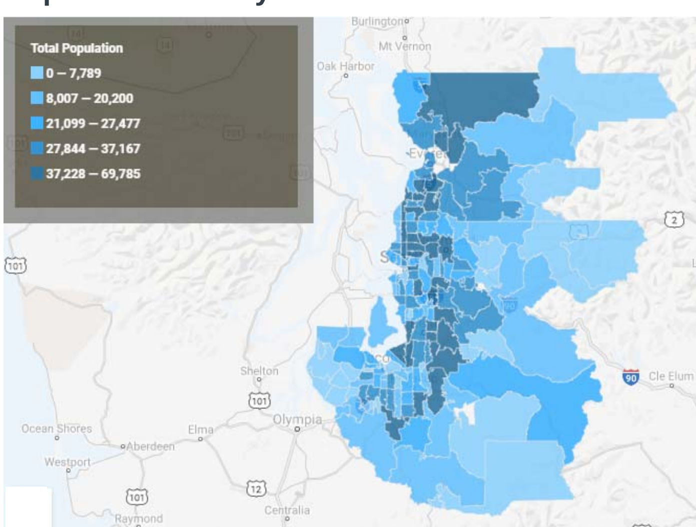
Segmentation by Age

Age Group	% of Population in 2018
0-9	12.3%
10-19	11.6%
20-29	14.0%
30-39	15.6%
40-49	13.5%
50-59	13.3%
60-69	10.8%
70-79	5.7%
80+	3.1%

Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Department	3,122,316	4,086,111
Emergency Department	1,427,868	2,037,548
Ambulatory Surgery	3,388,508	4,605,727
Office/Clinic	14,308,933	19,052,859
Endoscopy	533,275	729,212
Oncology Center	1,455,018	1,709,101
Sleep Studies	274,624	372,735
Independent Diagnostic Testing Facility	1,272,063	1,645,936
Physical Therapy	1,650,739	2,306,193
Lab	2,778,150	3,327,764
Other	51,649	84,672

Population Density



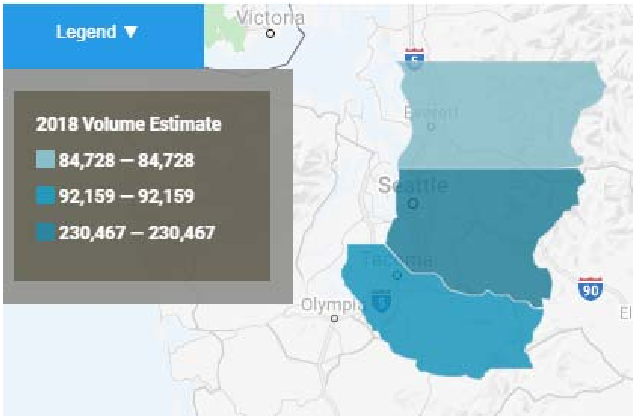
Segmentation by Gender

Gender	Population Count in 2018	Projected Population Count in 2023
Male	1,948,435	2,127,407
Female	1,950,343	2,139,594

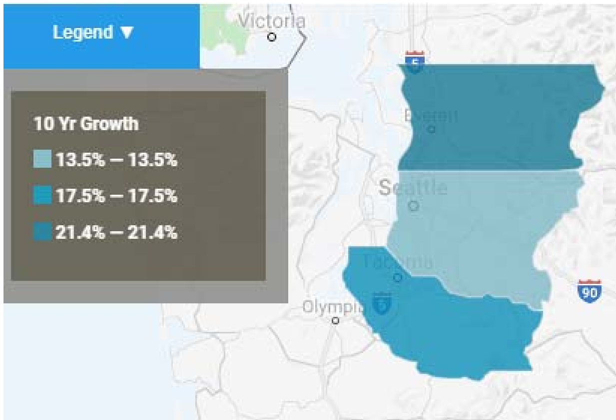
Source: Advisory Board research and analysis.

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



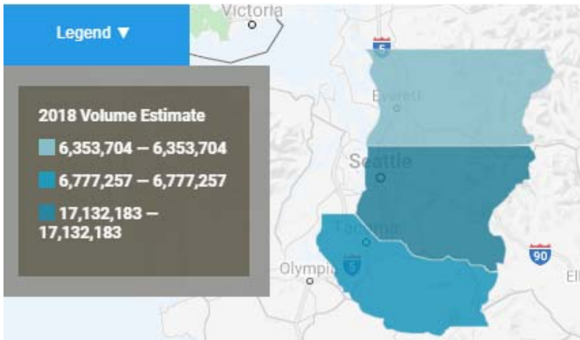
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	40,367	38,480	43,316	-4.7%	7.3%
+ ENT	4,203	4,146	4,497	-1.4%	7.0%
+ General Medicine	143,568	159,728	181,139	11.3%	26.2%
+ General Surgery	28,007	29,650	32,551	5.9%	16.2%
+ Gynecology	4,581	4,459	4,714	-2.7%	2.9%
+ Invalid	896	771	788	-14.0%	-12.1%
+ Neonatology	48,817	50,724	53,228	3.9%	9.0%
+ Neurology	16,543	17,813	20,339	7.7%	22.9%
+ Neurosurgery	2,827	3,398	3,960	20.2%	40.1%
+ Obstetrics	55,771	56,708	58,807	1.7%	5.4%
+ Oncology/Hematology (Medical)	11,351	11,943	13,178	5.2%	16.1%
+ Ophthalmology	474	450	466	-5.1%	-1.7%
+ Orthopedics	24,789	26,347	29,450	6.3%	18.8%
+ Other Trauma	3,344	3,690	4,243	10.3%	26.9%
+ Rehabilitation (Acute Care)	4,184	2,349	2,015	-43.9%	-51.8%
+ Spine	9,366	9,472	10,102	1.1%	7.9%
+ Thoracic Surgery	2,157	2,344	2,529	8.6%	17.2%
+ Urology	5,205	5,773	6,510	10.9%	25.1%
+ Vascular Services	903	898	932	-0.5%	3.2%

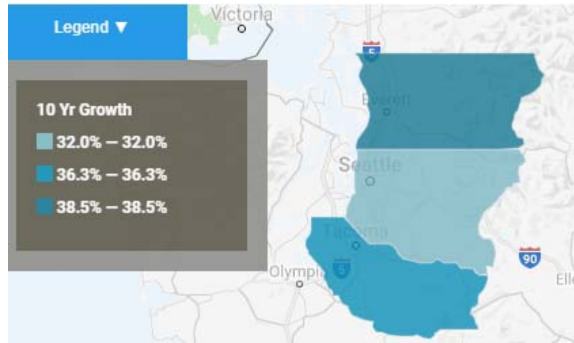
Source: Advisory Board research and analysis.

Outpatient Volume Projections

2018 Outpatient Volumes



2028 Outpatient Volumes (10-Year Growth)



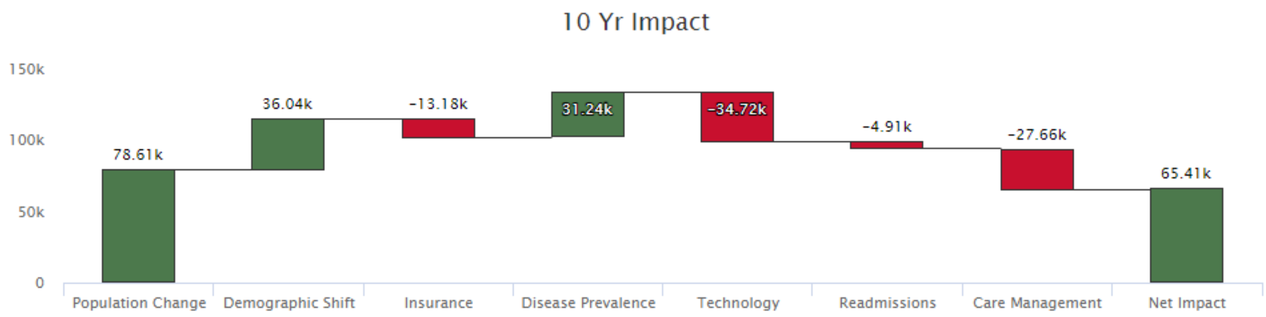
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	1,000,755	1,191,937	1,414,162	^ 19.1%	^ 41.3%
+ Cosmetic Procedures	87,495	109,409	119,465	^ 25.0%	^ 36.5%
+ Dermatology	604,449	738,100	865,618	^ 22.1%	^ 43.2%
+ Endocrinology	8,747	13,594	15,979	^ 55.4%	^ 82.7%
+ ENT	356,113	445,579	540,902	^ 25.1%	^ 51.9%
+ Evaluation and Management	11,229,561	12,753,049	14,326,059	^ 13.6%	^ 27.6%
+ Gastroenterology	291,469	374,442	444,369	^ 28.5%	^ 52.5%
+ General Surgery	86,944	106,199	122,671	^ 22.1%	^ 41.1%
+ Gynecology	134,088	145,887	154,656	^ 8.8%	^ 15.3%
+ Lab	4,236,822	5,069,894	5,809,921	^ 19.7%	^ 37.1%
+ Miscellaneous Services	2,146,661	2,652,704	3,024,692	^ 23.6%	^ 40.9%
+ Nephrology	88,268	109,555	131,451	^ 24.1%	^ 48.9%
+ Neurology	171,465	225,269	266,773	^ 31.4%	^ 55.6%
+ Neurosurgery	9,782	12,610	15,314	^ 28.9%	^ 56.6%
+ Obstetrics	62,337	63,464	65,369	^ 1.8%	^ 4.9%
+ Oncology	21,449	24,171	26,821	^ 12.7%	^ 25.0%
+ Ophthalmology	870,524	1,108,647	1,324,833	^ 27.4%	^ 52.2%
+ Orthopedics	436,142	584,827	689,570	^ 34.1%	^ 58.1%
+ Pain Management	111,164	143,987	170,643	^ 29.5%	^ 53.5%
+ Physical Therapy/Rehabilitation	2,727,869	3,297,906	3,754,857	^ 20.9%	^ 37.6%
+ Podiatry	156,100	211,162	258,587	^ 35.3%	^ 65.7%
+ Psychiatry	1,467,021	1,704,606	1,843,840	^ 16.2%	^ 25.7%
+ Pulmonology	293,918	368,220	432,526	^ 25.3%	^ 47.2%
+ Radiology	3,238,484	3,703,822	4,192,223	^ 14.4%	^ 29.5%
+ Spine	14,308	19,186	22,570	^ 34.1%	^ 57.7%
+ Thoracic Surgery	2,643	3,737	4,668	^ 41.4%	^ 76.6%
+ Trauma	113,751	127,028	140,743	^ 11.7%	^ 23.7%
+ Urology	163,436	224,657	275,504	^ 37.5%	^ 68.6%
+ Vascular	131,379	169,642	207,631	^ 29.1%	^ 58.0%

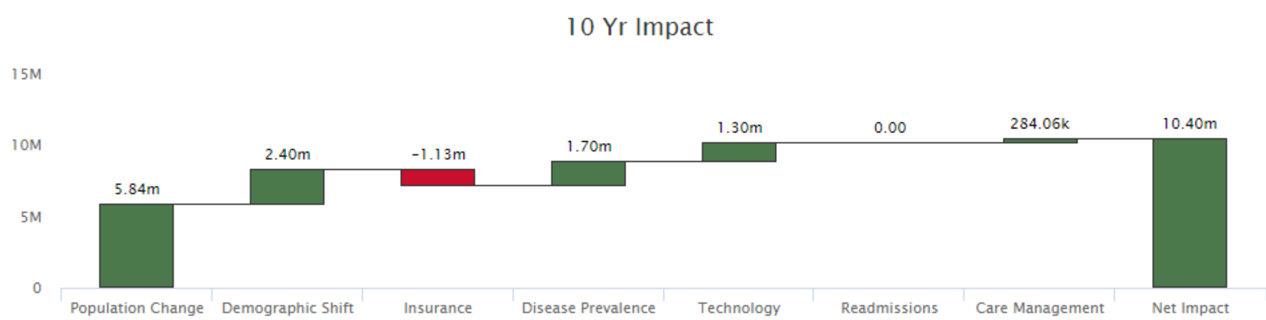
Source: Advisory Board research and analysis.

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.

Advisory Board

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