

## SECTION 1 OVERVIEW STATISTICS FOR INPATIENT HOSPITAL STAYS

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### HIGHLIGHTS

- The number of hospital discharges increased from 34.7 million in 1997 to 39.5 million in 2007, a 14-percent increase overall, or an average increase of 1.3 percent annually.
- The average length of stay (ALOS) in 2007 was 4.6 days—almost 20 percent shorter than in 1993, when the ALOS was 5.7 days. The ALOS declined throughout most of the 1990s and has stabilized during the current decade.
- Between 1997 and 2007, the aggregate inflation-adjusted costs for hospitalizations (the actual costs of producing hospital services) rose from \$222.4 billion to \$343.9 billion—an increase of 55 percent.
- While people 65 years and older represented 13 percent of the population in 2007, they comprised 33 percent of all hospitalizations.
- The number of discharges to home health care grew by 55 percent (up 1.3 million discharges). Discharges to nursing homes and long term care increased by 32 percent (1.2 million discharges). The number of patients who left the hospital against medical advice, although small, rose by 39 percent (up 103,700 discharges) — the second fastest increase of any discharge type.
- Circulatory conditions were the most frequent major cause of hospital stays in 2007, accounting for 6.4 million stays and 16 percent of all discharges. These stays were for diagnoses such as coronary artery disease, congestive heart failure, heart attack, and irregular heart beat.
- Pregnancy and childbirth was the reason for more than 1 out of every 5 female hospitalizations (5 million stays) in 2007. Even when pregnancy and childbirth stays are excluded, females accounted for more stays than males—18.2 million stays for females compared to 16.2 million stays for males.

## EXHIBIT 1.1 Characteristics of U.S. Community Hospitals

### Characteristics of U.S. Community Hospitals, 1997 and 2007

UTILIZATION, CHARGES, AND COSTS	1997	2007
<b>Discharges</b>		
Total discharges in millions	34.7	39.5
Number of discharges per 1,000 population*	127.8	131.1
Total days of care in millions	168.1	181.7
Average length of stay in days	4.8	4.6
<b>Percent of discharges from:</b>		
Metropolitan hospitals	84%	87%
Teaching hospitals	47%	47%
<b>Hospital ownership</b>		
Non-Federal government hospitals	14%	14%
Private not-for-profit hospitals	73%	72%
Private for-profit hospitals	13%	13%
<b>Charges and costs<sup>†</sup></b>		
<b>Charges</b>		
Average charges per stay	\$11,300	\$26,100
Average inflation-adjusted charges per stay in 2007 dollars <sup>‡</sup>	\$14,200	\$26,100
<b>Costs</b>		
Total aggregate costs in billions	\$177.1	\$343.9
Average costs per stay	\$5,100	\$8,700
Inflation-adjusted costs in 2007 dollars <sup>‡</sup>		
Total aggregate costs in billions	\$222.4	\$343.9
Average costs per stay	\$6,400	\$8,700

\* Calculated using population from the U.S. Bureau of the Census (<http://www.census.gov/popest/national/asrh/2007-nat-res.html>).

† Charges represent amounts billed by hospitals. These amounts are seldom paid in full by insurers or patients. Costs are calculated from charges using reported cost-to-charge ratios calculated from information on Medicare Cost Reports, submitted by hospitals to the Centers for Medicare and Medicaid Services (CMS).

‡ Adjusted for inflation using the GDP deflator (<http://www.bea.gov/national/nipaweb/SelectTable.asp>, Table 1.1.4. Price Indexes for Gross Domestic Product).

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2007.

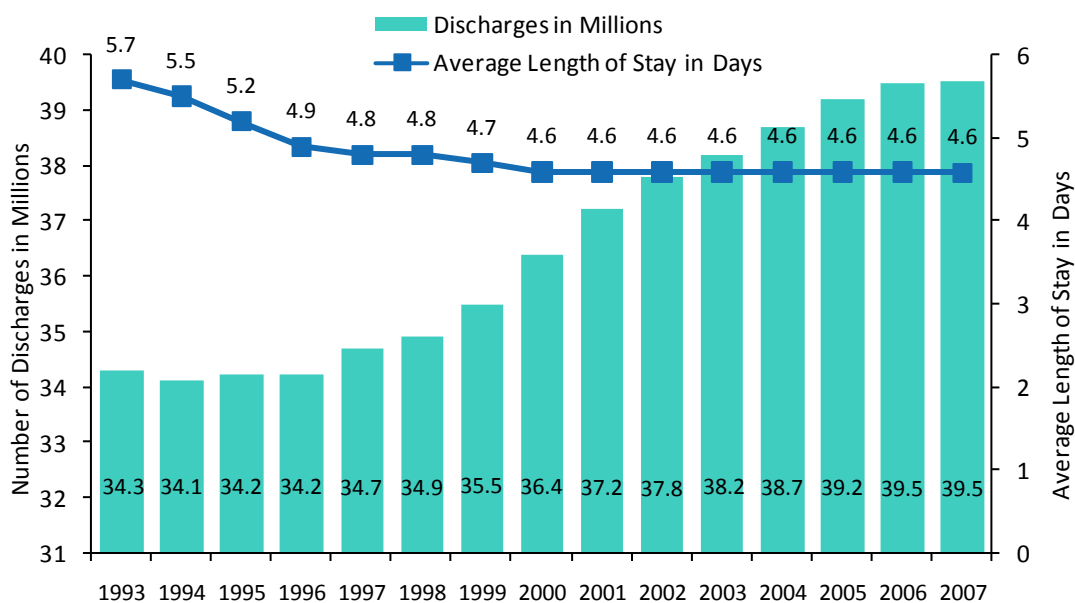
Hospital costs rose rapidly and most hospital characteristics changed slowly over time.

- The number of hospital discharges increased from 34.7 million in 1997 to 39.5 million in 2007, a 14-percent increase overall, or an average increase of 1.3 percent annually.
- The percent of community hospital discharges has changed little in terms of metropolitan location, teaching status, and type of ownership between 1997 and 2007. Most (87 percent) of hospitals are located in metropolitan areas, about half are teaching hospitals, and almost three-quarters are private not-for-profit facilities.
- There were 128 hospital stays for every 1,000 persons in the United States in 1997 and 131 stays per 1,000 persons in 2007.

- Average charges per stay—what patients are billed for their rooms, nursing care, diagnostic tests, and other services—rose from \$11,300 in 1997 to \$26,100 in 2007. Few patients or insurers paid those amounts because of discounts negotiated with hospitals.
- Between 1997 and 2007, the aggregate inflation-adjusted costs for hospitalizations (the actual costs of producing hospital services) increased 55 percent. Costs rose from \$222.4 billion to \$343.9 billion—an average annual increase of 4.5 percent over the period.

## EXHIBIT 1.2 Inpatient Hospital Stays and Average Length of Stay

Number of Inpatient Hospital Stays and Average Length of Stay, 1993-2007

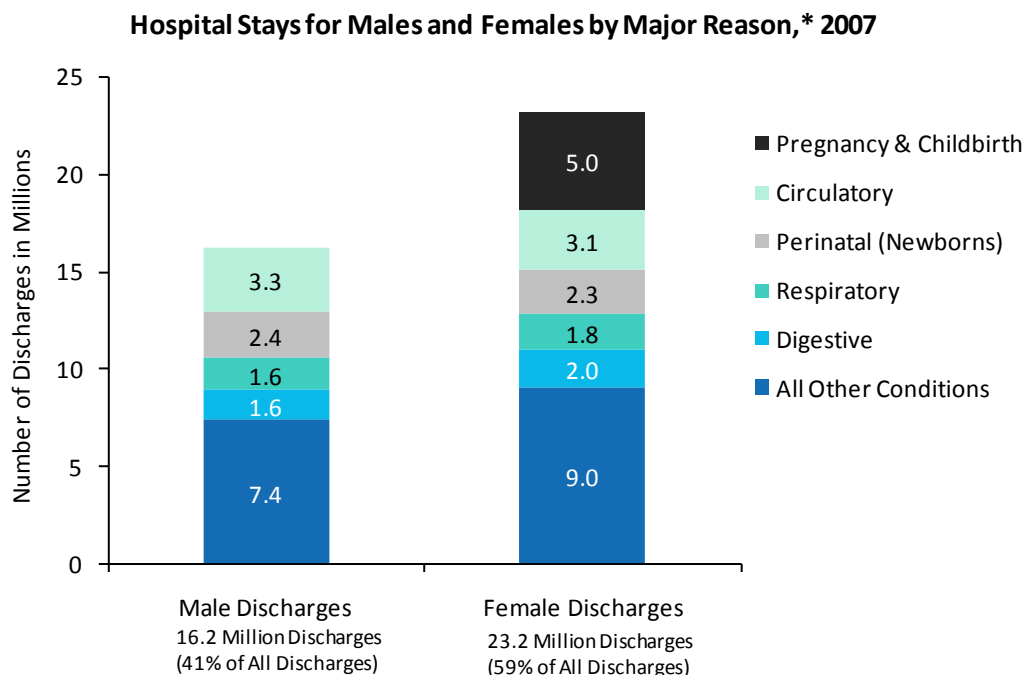


Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1993-2007.

The average length of stay in U.S. community hospitals stabilized beginning in 2000, while the number of hospital stays continued to slowly rise.

- The average length of stay (ALOS) in 2007 was 4.6 days—almost 20 percent shorter than in 1993, when the ALOS was 5.7 days. The ALOS declined throughout most of the 1990s and has stabilized during the current decade.
- From 1993 to 1998, the number of discharges grew very slowly, increasing by only 0.6 million.
  - Growth in the number of discharges (an average of 0.3 percent annually) did not keep pace with the growth in population (1.2 percent annually).
- From 1998 through 2006, the number of discharges rose by 4.6 million.
  - Growth in the number of discharges (an average of 1.6 percent annually) exceeded population growth (1.0 percent annually).
- In 2007, growth in the number of discharges slowed to just 0.2 percent, once again increasing at a slower pace than population growth (1.0 percent).

## EXHIBIT 1.3 Reasons for Hospital Stays



\* Based on principal diagnosis defined by CCS body system ([www.hcup-us.ahrq.gov/toolssoftware/ccs/ccs.jsp](http://www.hcup-us.ahrq.gov/toolssoftware/ccs/ccs.jsp)).

Note: Excludes a small number of discharges (108,000 or 0.3 percent) with missing gender.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2007.

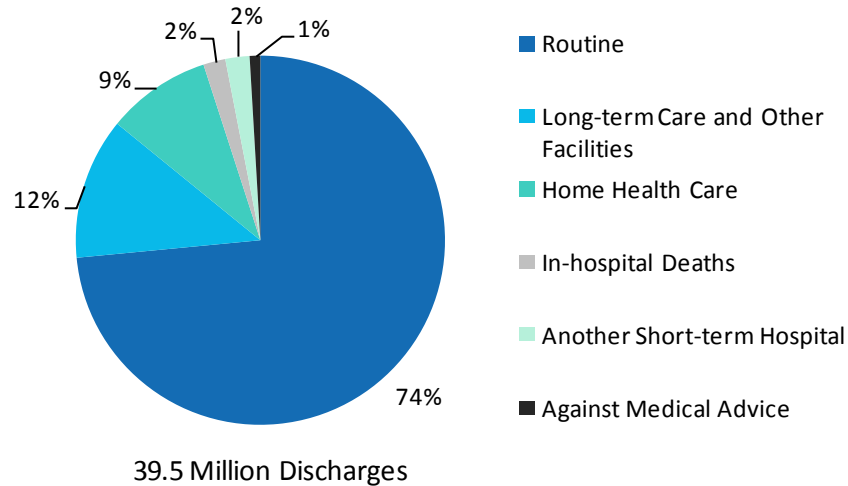
Males accounted for 16.2 million stays in 2007 and females experienced 23.2 million hospitalizations in 2007—7 million more stays than males.

- Circulatory conditions were the most frequent major cause of hospital stays in 2007, accounting for 6.4 million stays and 16 percent of all discharges. These stays were for diagnoses such as coronary artery disease, congestive heart failure, heart attack, and irregular heart beat.
- If pregnancy and childbirth are excluded, the largest differences between males and females in reasons for hospitalization were for diseases of the digestive system, which accounted for 2.0 million female stays, but only 1.6 million male stays, and for diseases of the respiratory system, where females accounted for 1.8 million stays and males for 1.6 million stays.
- Even when pregnancy and childbirth stays are excluded, females accounted for more stays than males—18.2 million stays for females compared to 16.2 million stays for males.
- Males accounted for 41 percent of all hospitalizations in 2007.
  - Of these stays, 20 percent (3.3 million discharges) were for circulatory conditions, 15 percent (2.4 million discharges) were for stays during the perinatal period, and 10 percent (1.6 million discharges) each were for respiratory and digestive system conditions.
  - These four major conditions amounted to 55 percent of all hospitalizations for males.
- Females accounted for 59 percent of all hospitalizations in 2007.
- Pregnancy and childbirth was the reason for more than 1 out of every 5 female hospitalizations (5 million stays).

- Other major reasons for female hospitalizations included conditions related to the circulatory system (14 percent or 3.1 million stays), respiratory system (8 percent or 1.8 million stays), and digestive system (8 percent or 2.0 million stays).

## EXHIBIT 1.4 Discharge Status

Distribution of Inpatient Hospital Stays by Discharge Status,\* 2007

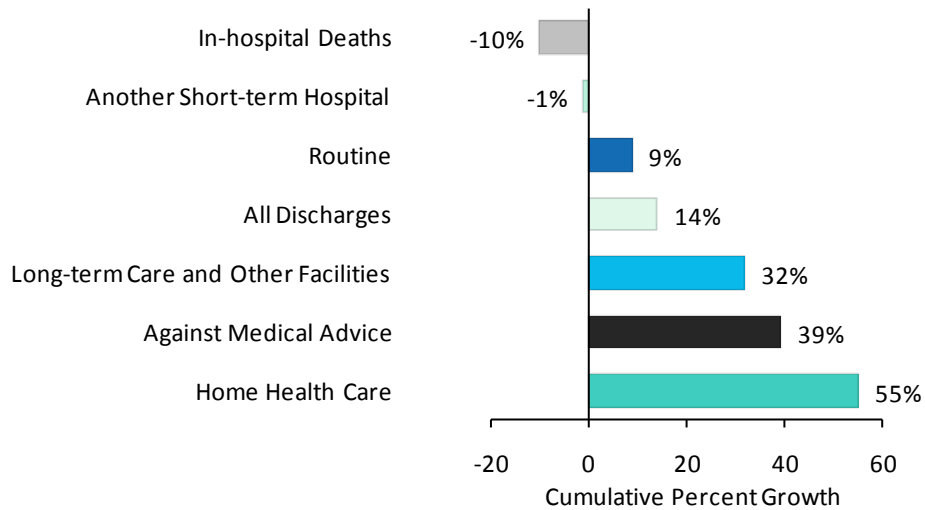


\* Excludes less than 9,000 discharges (0.01 percent) with missing discharge status.  
Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2007.

Discharge status indicates the circumstance surrounding the discharge or where the patient went after discharge from the hospital. Most discharges were routine in nature, but discharges to follow-on care were also frequent.

- The most common patient discharge status was routine (74 percent, or 29 million discharges), with the patient being sent home without closely supervised health care.
- Discharge to a long-term care facility (4.9 million discharges) was the second most common type of discharge, accounting for 12 percent of discharges.
- Discharge to the home with home health care supervision accounted for 9 percent (3.6 million discharges).
- Remaining discharge circumstances each accounted for 2 percent or less of discharges. These included in-hospital death or discharge to another short-term hospital, each with 0.8 million discharges, or discharge against medical advice (0.4 million discharges).

### Growth in Number of Hospital Stays by Discharge Status, 1997-2007



Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2007.

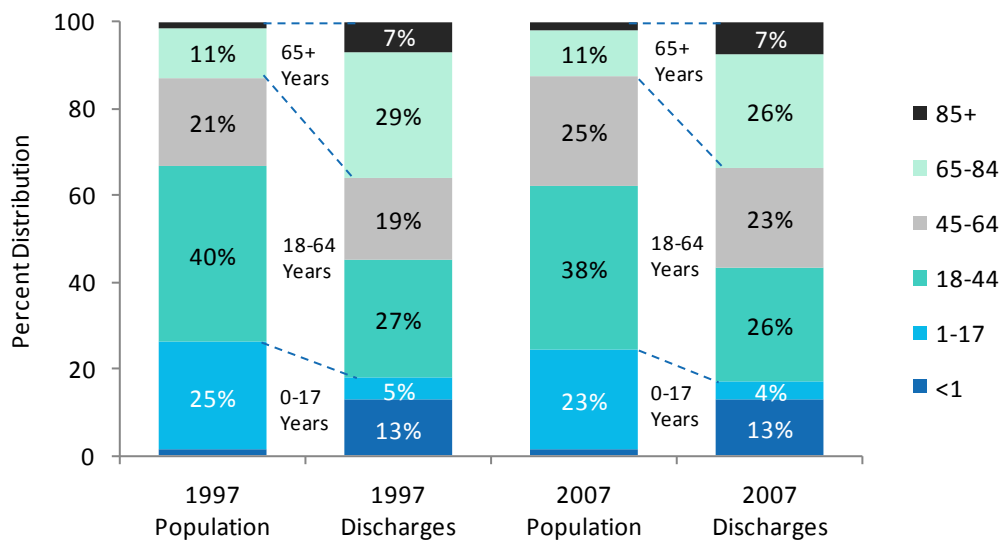
The number of discharges increased by 14 percent (up 4.9 million discharges) from 1997 to 2007, but growth varied by discharge status.

- The number of discharges to follow-on care in nursing homes and other rehabilitation facilities and to home care has increased as the average length of stay has fallen.
  - The number of discharges to home health care grew by 55 percent (up 1.3 million discharges).
  - Discharges to nursing homes and long term care increased by 32 percent (1.2 million discharges).
- The number of in-hospital deaths decreased by 10 percent (down 86,000 discharges).
- The number of patients who left the hospital against medical advice, although small, rose by 39 percent (up 103,700 discharges)—the second fastest increase of any discharge type.



## EXHIBIT 1.5 Patient Age

Distribution of U.S. Population and Hospital Discharges by Age, 1997 and 2007



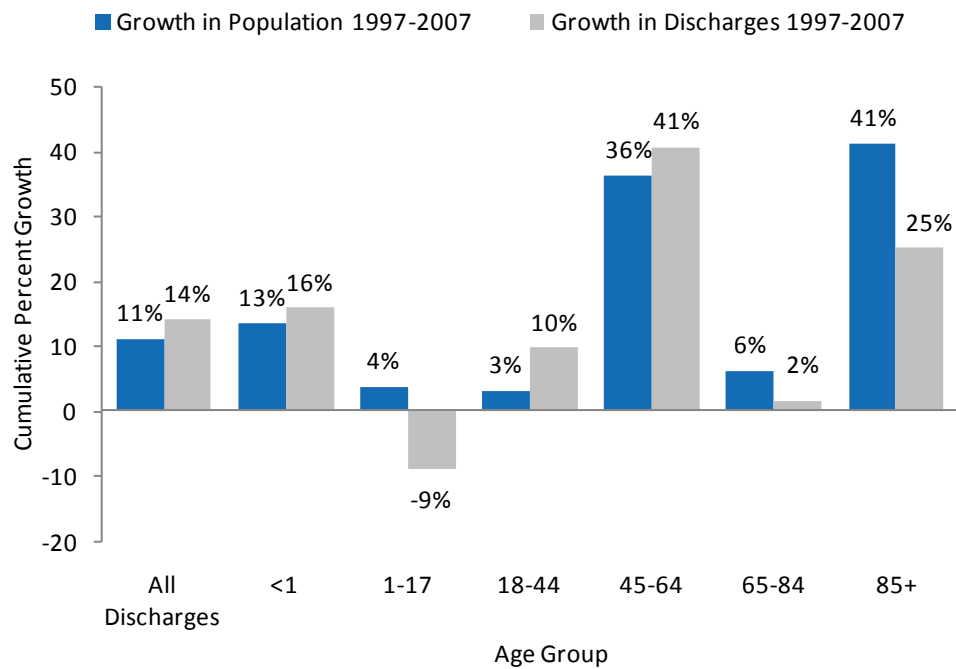
Note: Bar segments representing 2 percent or less have not been labeled. Excludes less than 41,000 discharges (0.1 percent) with missing age.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2007.

In both 1997 and 2007, older people accounted for a disproportionately larger share of hospitalizations compared to their proportion in the population.

- While people 65 years and older represented 13 percent of the population in 1997 and 2007, they comprised 36 and 33 percent of all hospitalizations in those years.
- The younger patient age groups had a lower proportion of hospitalizations relative to their representation in the population.
  - In 1997 and 2007, patients 18-64 years of age, at 61 and 63 percent of the population, accounted for 46 and 49 percent of hospitalizations.
  - Those under age 18, at roughly a quarter of the population in 1997 and 2007, accounted for 18 percent or less of the hospital stays.

### Growth in Discharges and U.S. Population by Age, 1997-2007



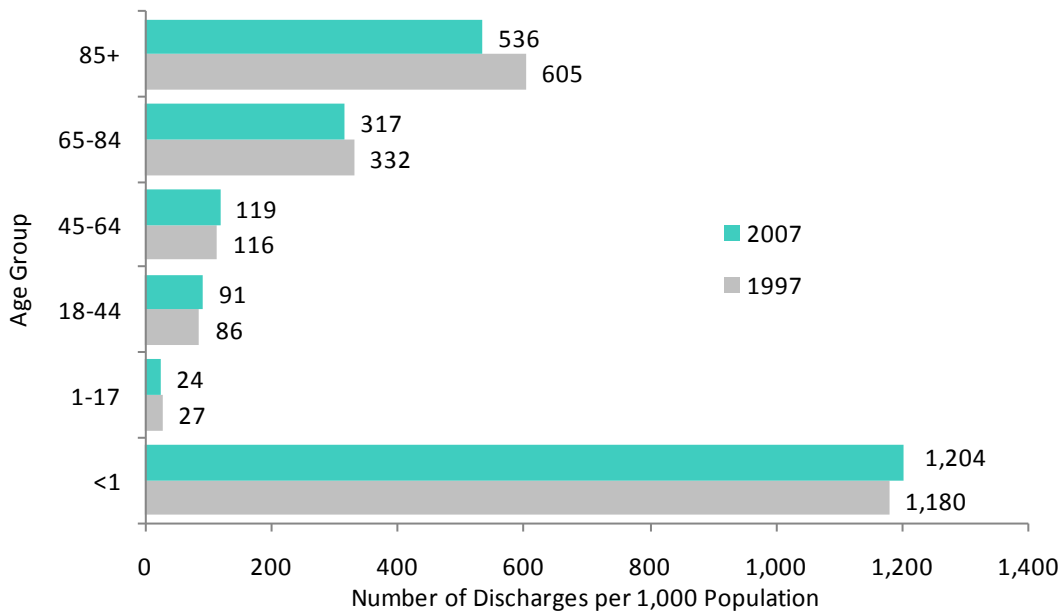
Note: Excludes less than 41,000 discharges (0.1 percent) with missing age.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2007.

Overall, the number of discharges grew 14 percent from 1997 to 2007 and the total U.S. population grew at a similar rate—11 percent. Growth in the number of discharges and the overall population varied among age groups over this period.

- The 45-64 year old group (including baby boomers) and those 85 years and older grew rapidly—36 percent and 41 percent, respectively, outpacing growth in other age groups. For 45-64 year olds, growth in hospitalizations (41 percent) kept pace with population increases. For individuals 85 years and older, however, population growth at 41 percent exceeded the 25-percent growth in hospitalizations.
- Population grew more moderately for younger age groups (0-44 year olds) and for those 65-84 years old. With the exception of the 1-17 age group in which hospitalizations declined by 9 percent, growth in hospitalizations was similar to population growth.

### Discharges per 1,000 Population by Age, 1997 and 2007



Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 1997 and 2007.

Discharges for an age group divided by the number of people in that age group (discharges per 1,000 population) show that older age is associated with a greater chance of hospitalization.

- Across all age groups, there were 131 discharges for every 1,000 persons in the United States in 2007, little changed from the rate of 128 discharges in 1997.
- There were less than 30 hospital stays for every 1,000 children 1 to 17 years old in 1997 and 2007.
- For adults 85 and older, there were 605 stays in 1997 and 536 stays in 2007 per 1,000 persons.
- The one exception to the rising rate of hospitalization as the population ages was for infants younger than 1 year of age. This group experienced roughly 1,200 hospitalizations per 1,000 infants in 1997 and 2007. This high rate of hospital stays occurs because nearly all births occur in the hospital and some infants require additional hospitalization in the first year of life.