

California's Senior Boom

Implications for Hospital Utilization and Capacity

California Association of Health Plans
Annual Conference

October 21, 2008

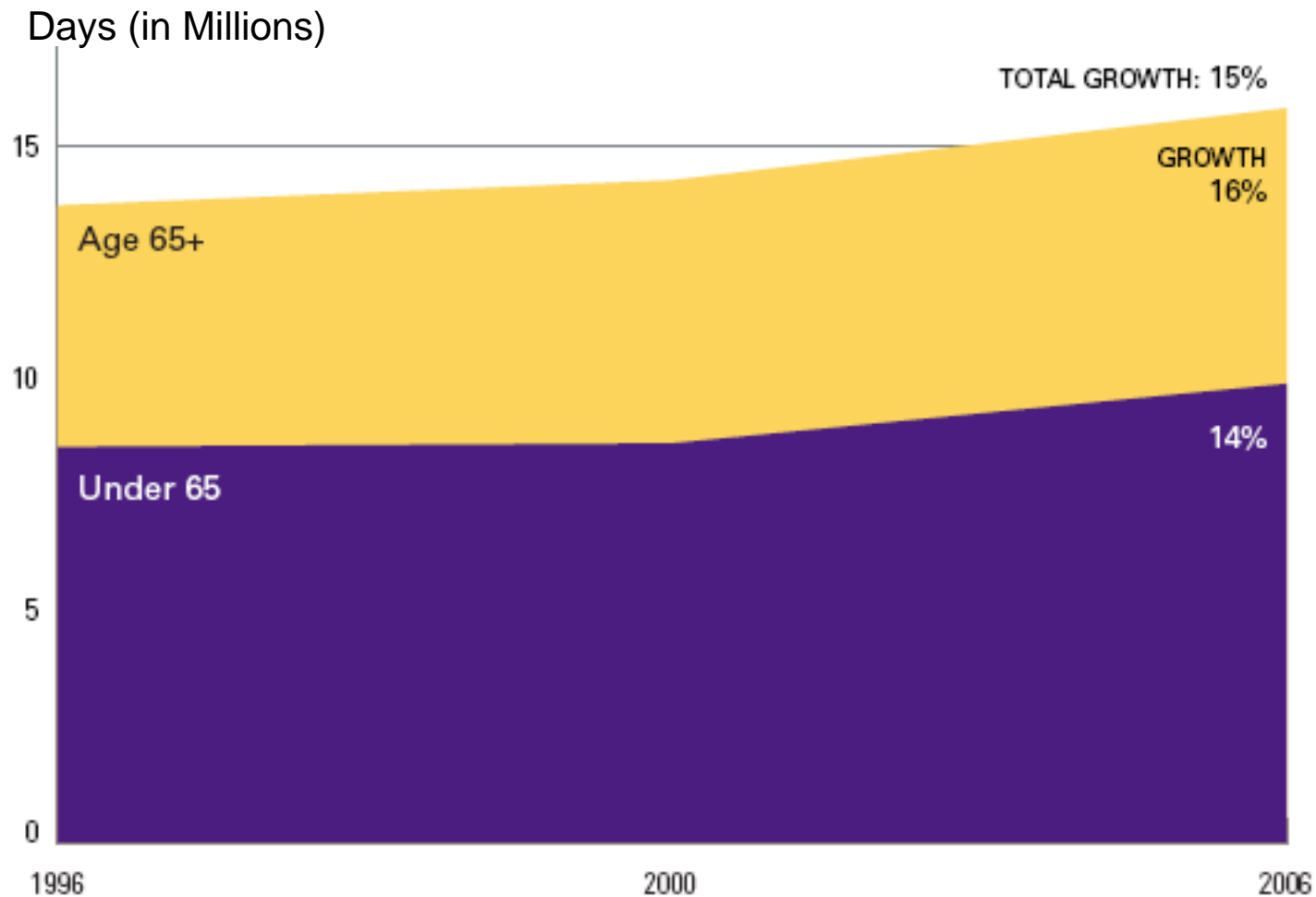
Presented by: Jennifer Joynt

Overview

- California's projected population growth
- Seniors' use of hospital beds
- Projected need for acute care beds
- Potential mitigating factors

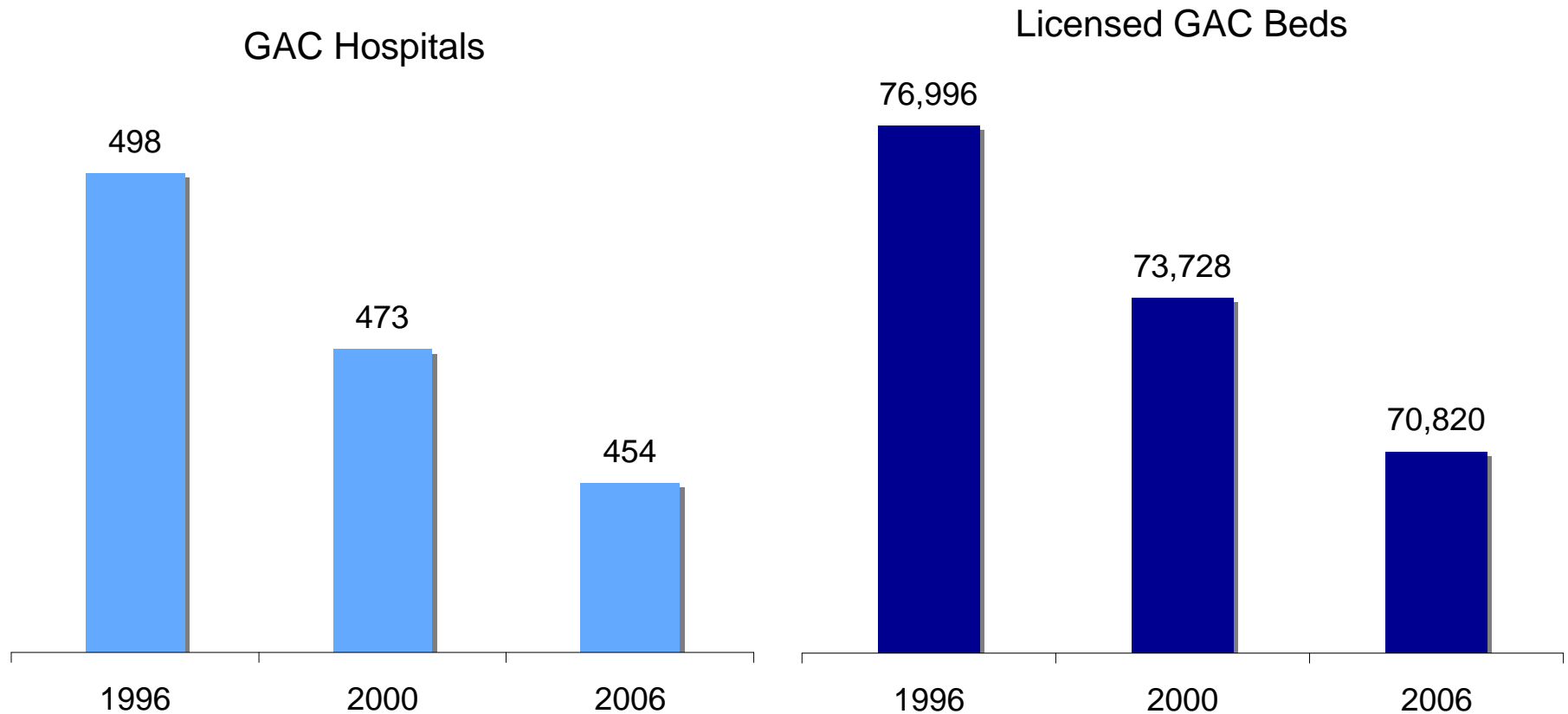
Hospital Demand Increasing

Acute Care Days, by Age Group, California



In Face of Shrinking Supply

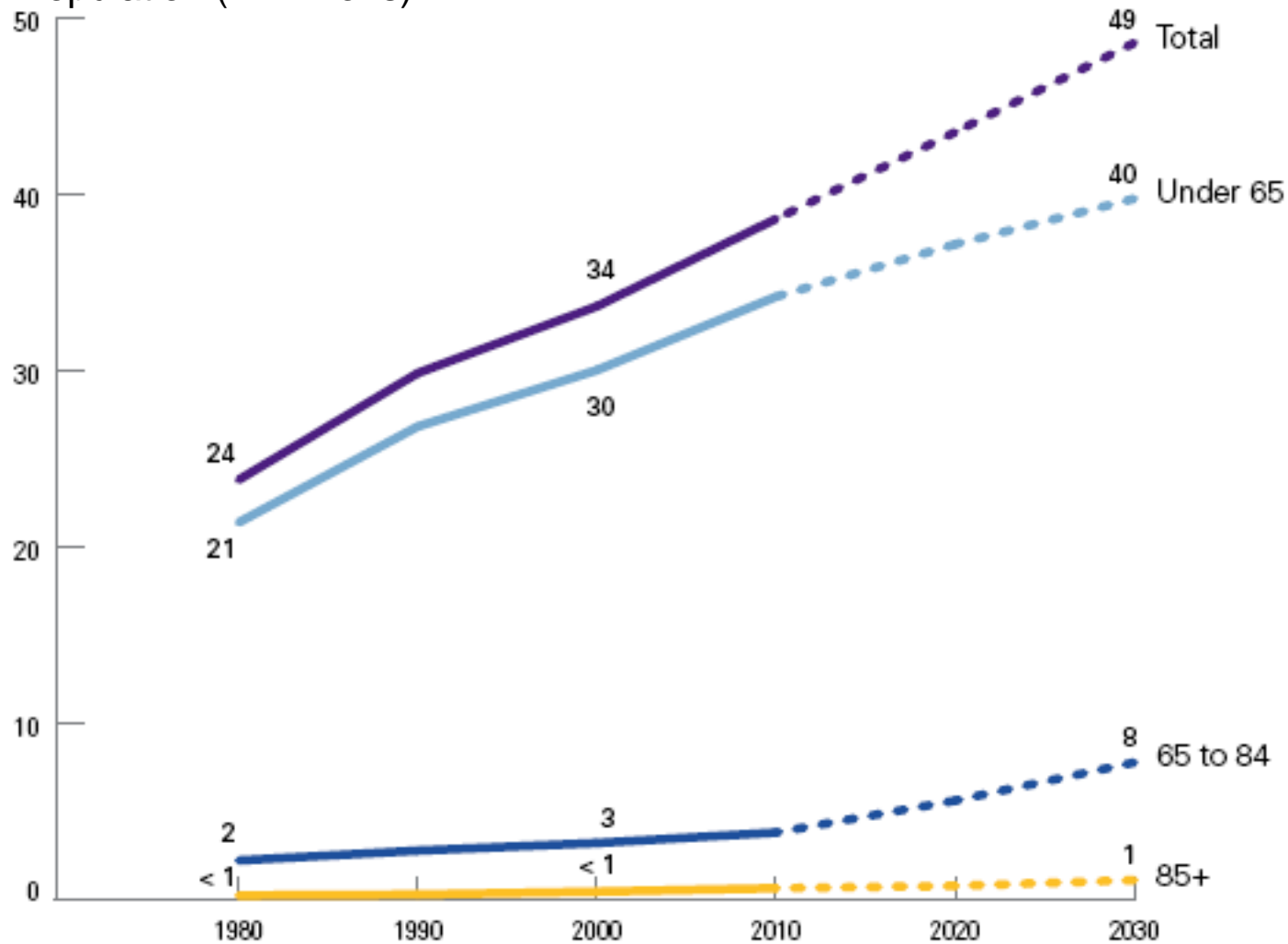
General Acute Care Hospital Supply, California



Population Boom Expected

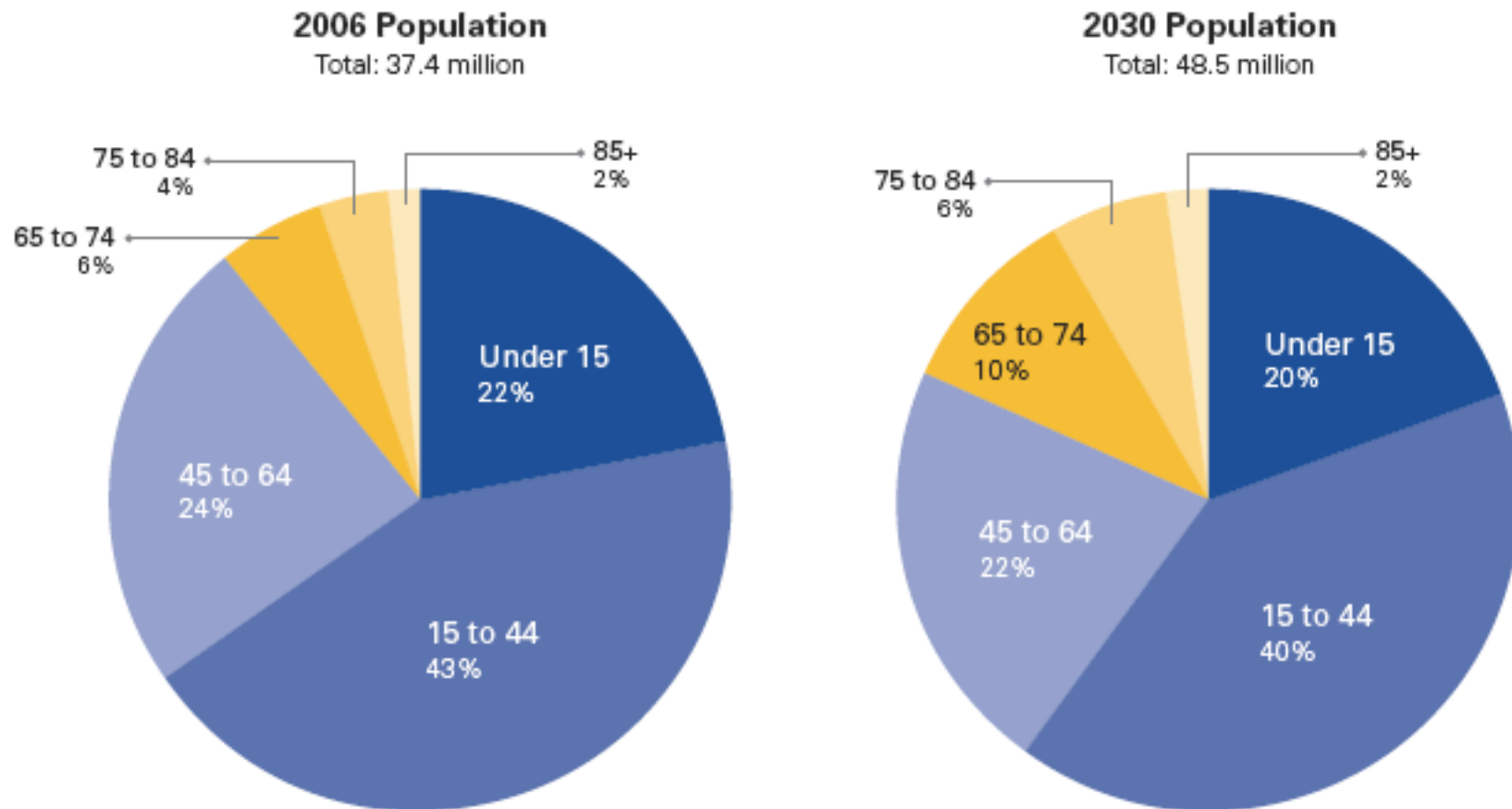
Projected Growth in California's Population

Population (in Millions)



California's Aging Population

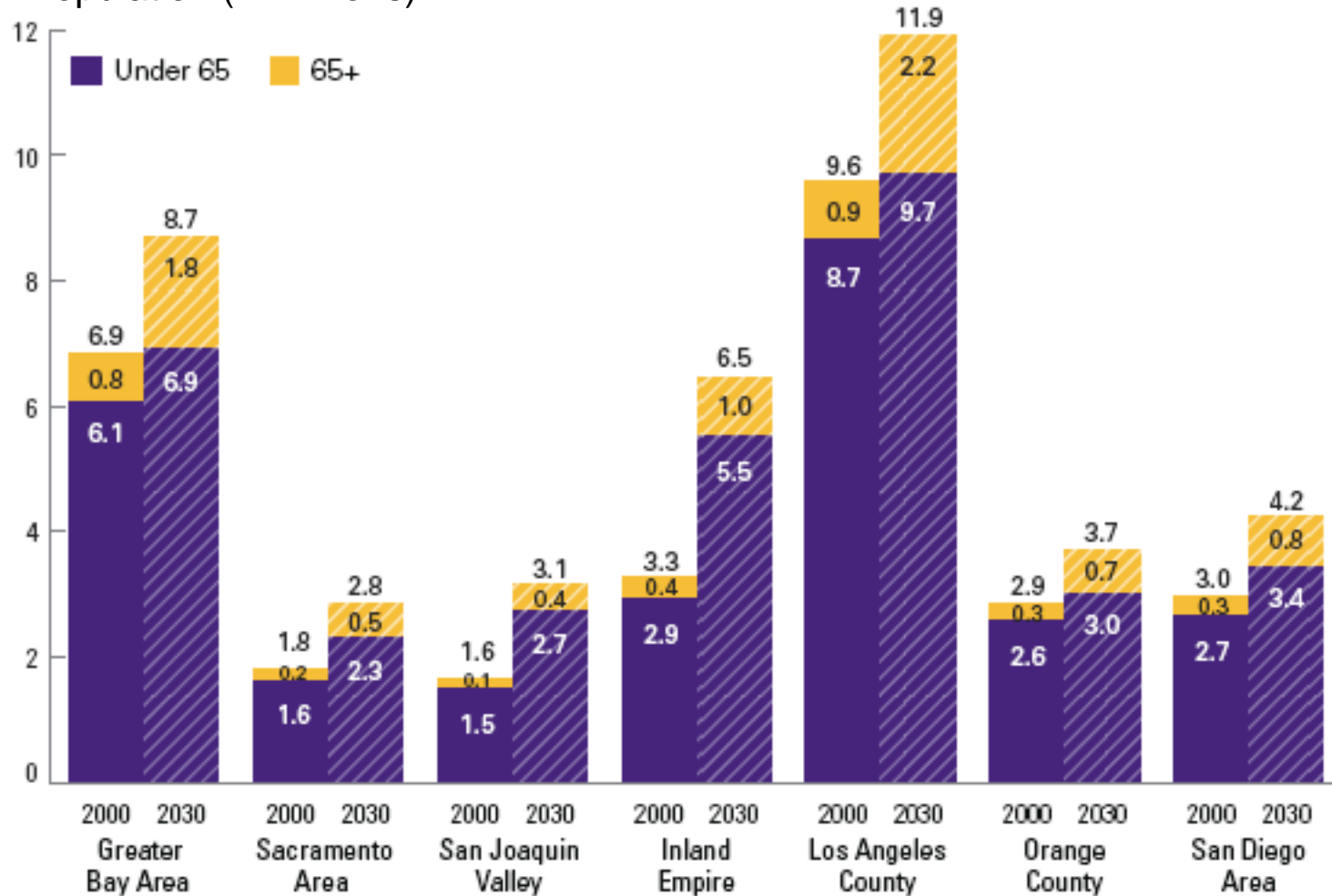
California Current and Projected Population, by Age Group, 2006 and 2030



Regional Growth Will Vary

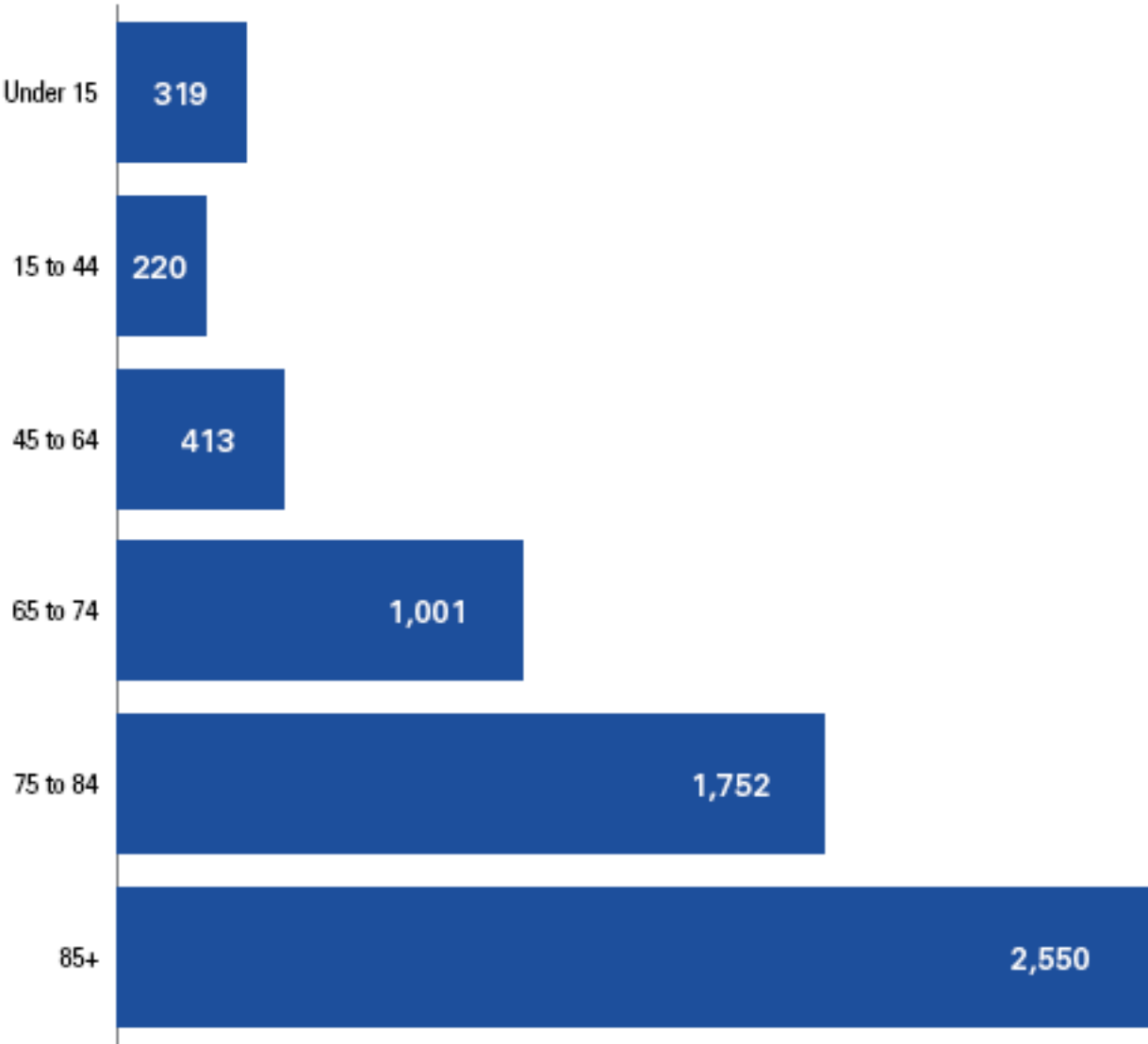
Projected Growth in Regional Populations, 2000-2030

Population (in Millions)



High Utilization Rates for Seniors

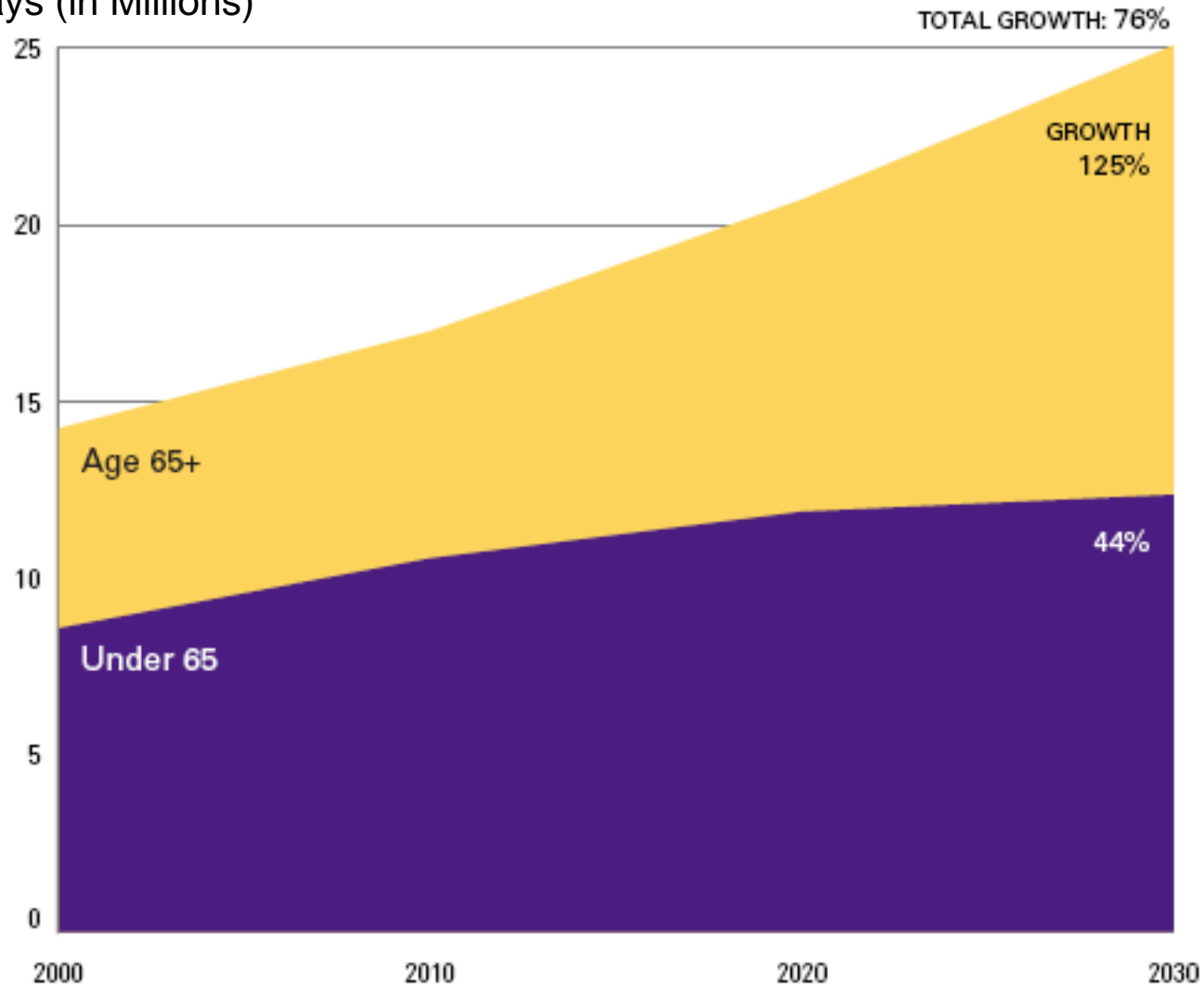
Acute Care Days per 1,000 Population, California, 2006



Seniors Drive Growth in Days

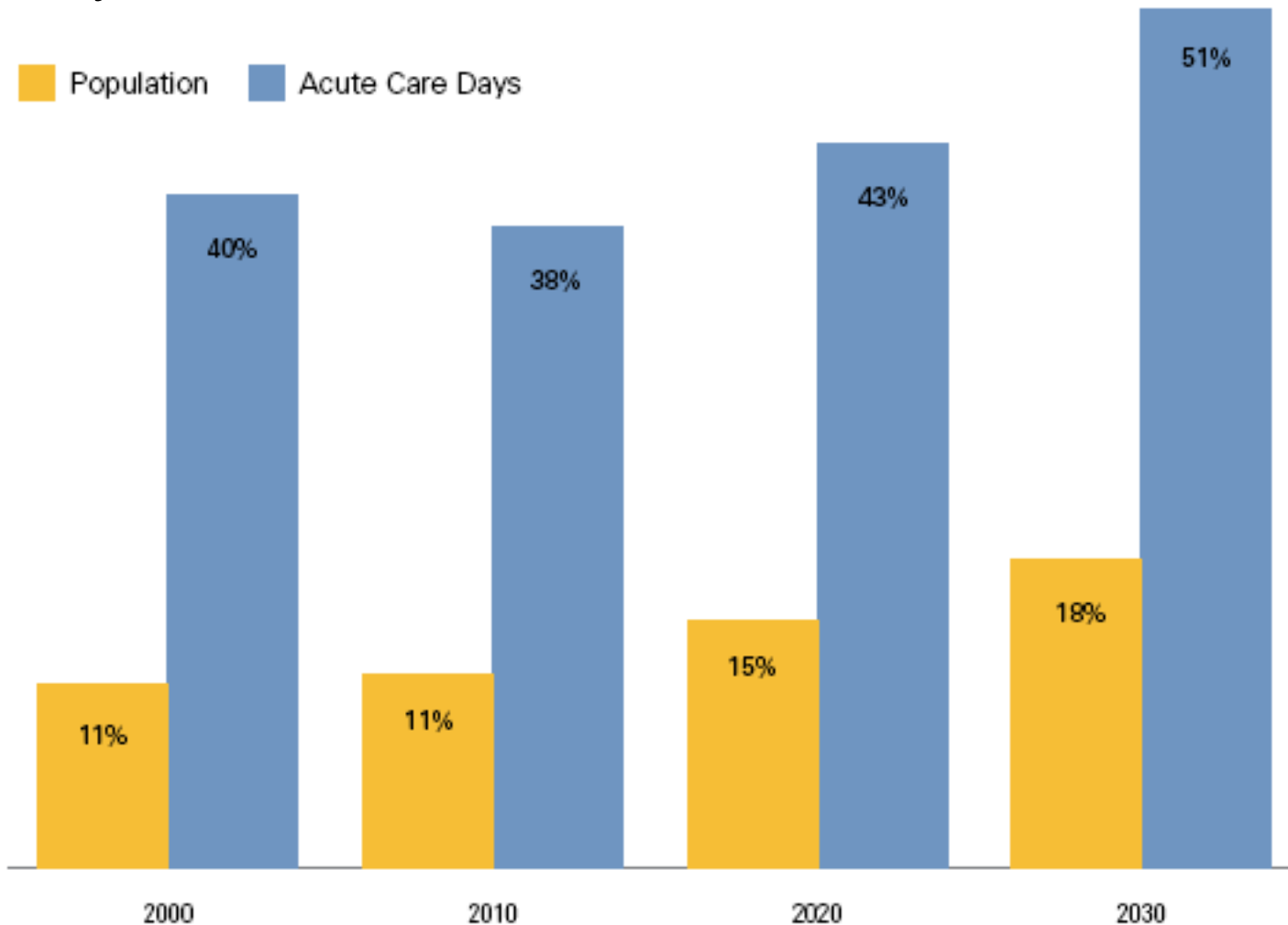
Projected Acute Care Days, California, 2000-2030

Days (in Millions)



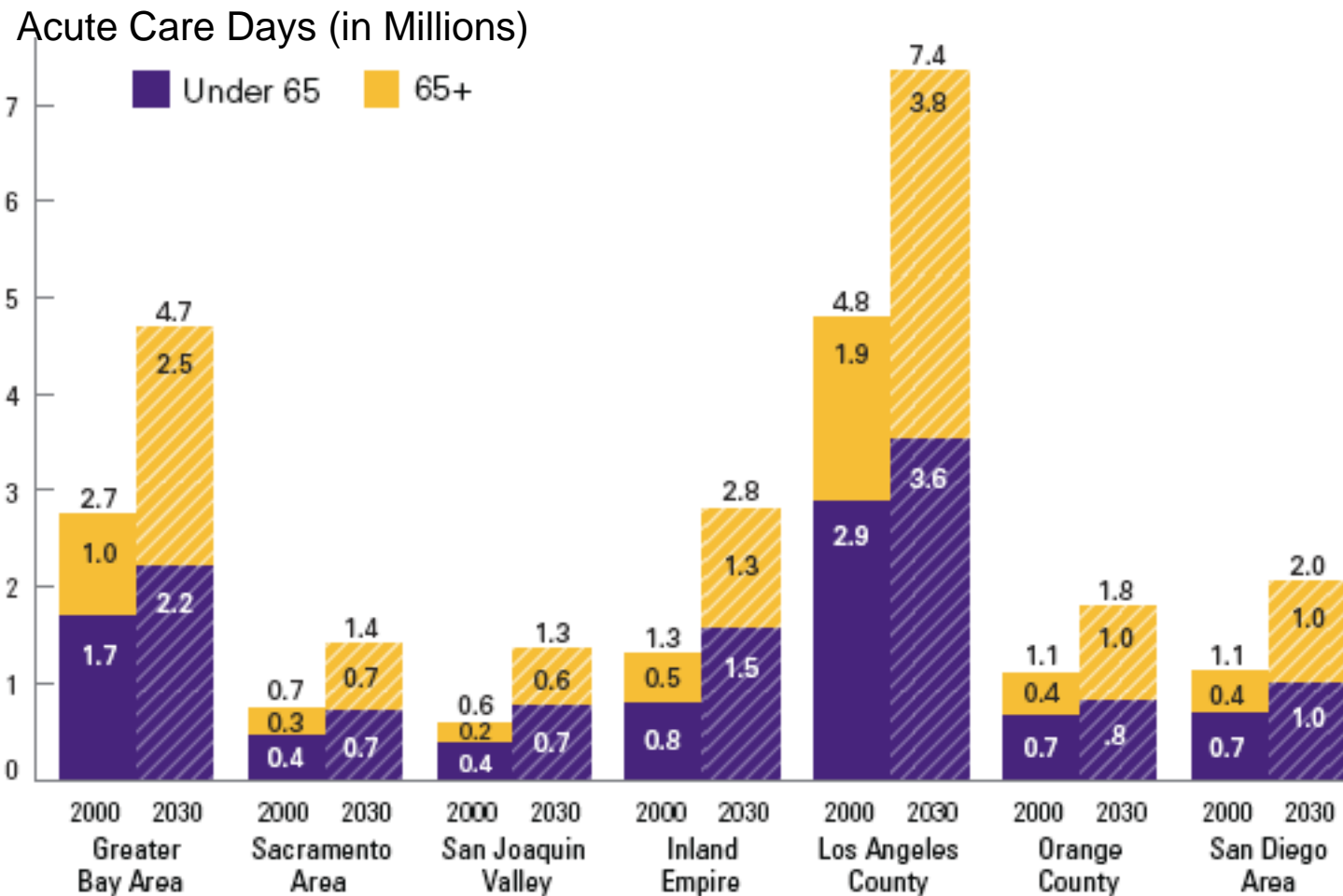
Seniors Fill Half the Beds

Projected 65+ Share of Population and Acute Care Days, California, 2000-2030



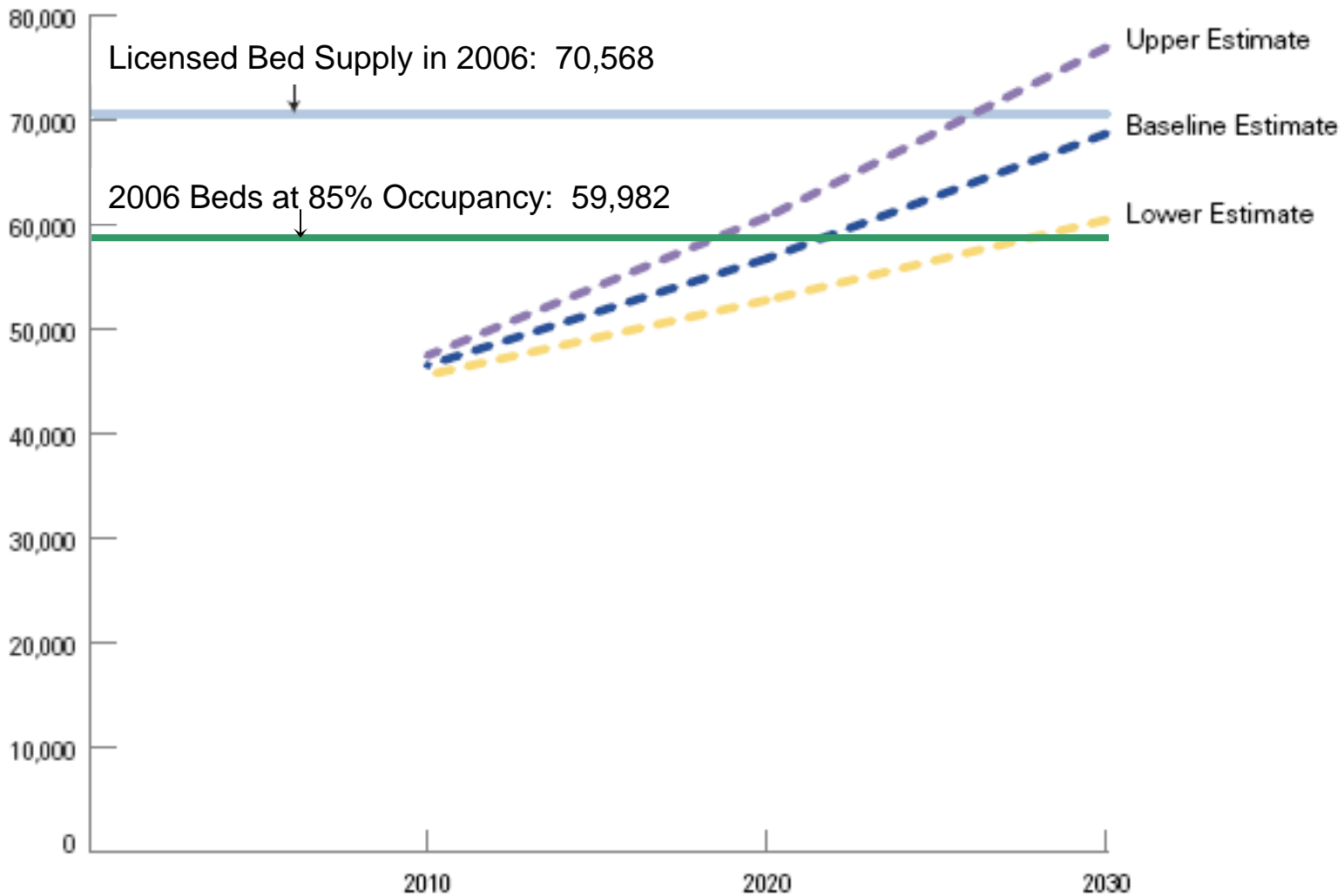
65+ Impact Varies by Region

Projected Growth in Acute Care Hospital Days,
Selected Regions, 2000-2030



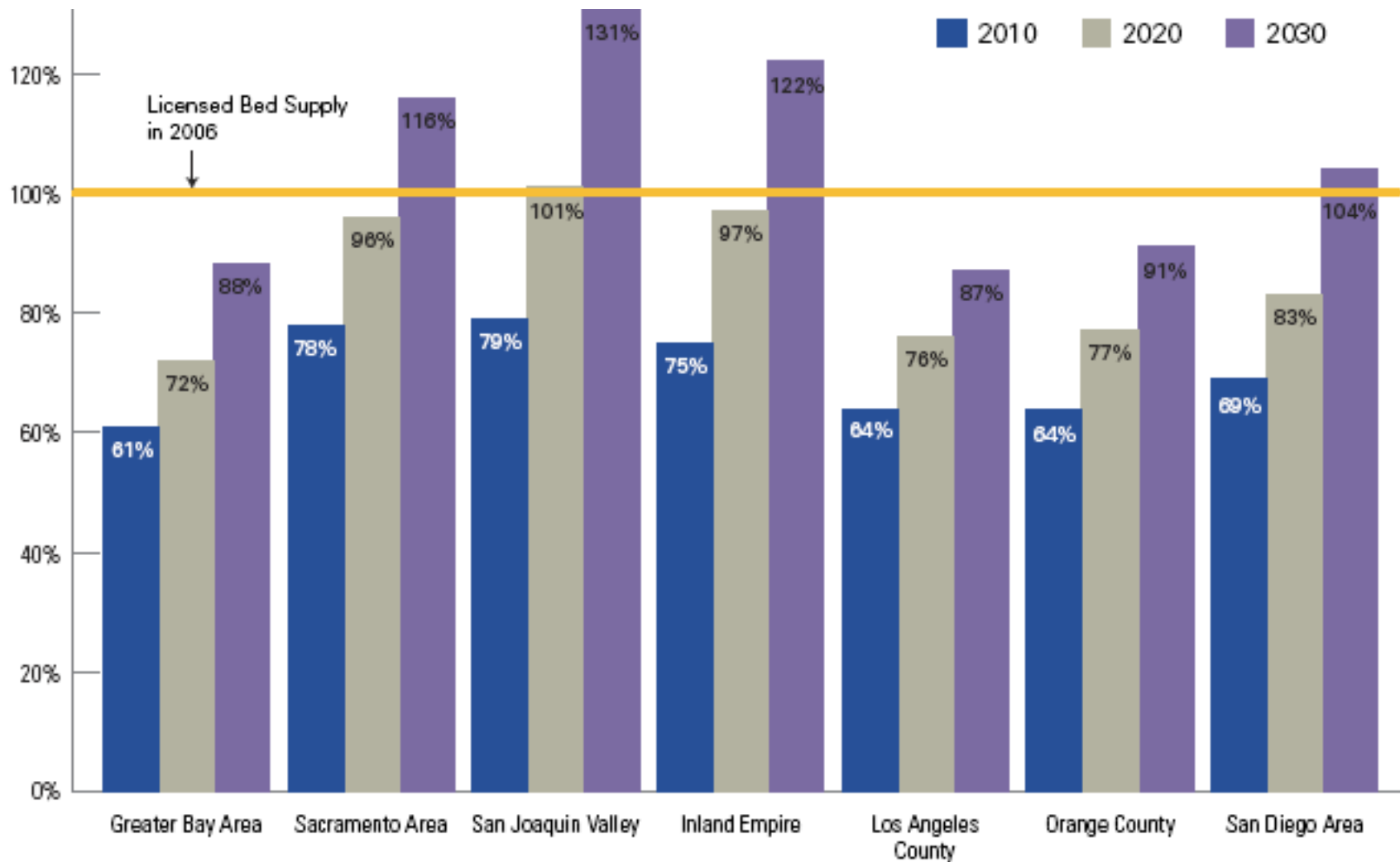
Running Up Against Supply

Projected Acute Care Beds Needed, California



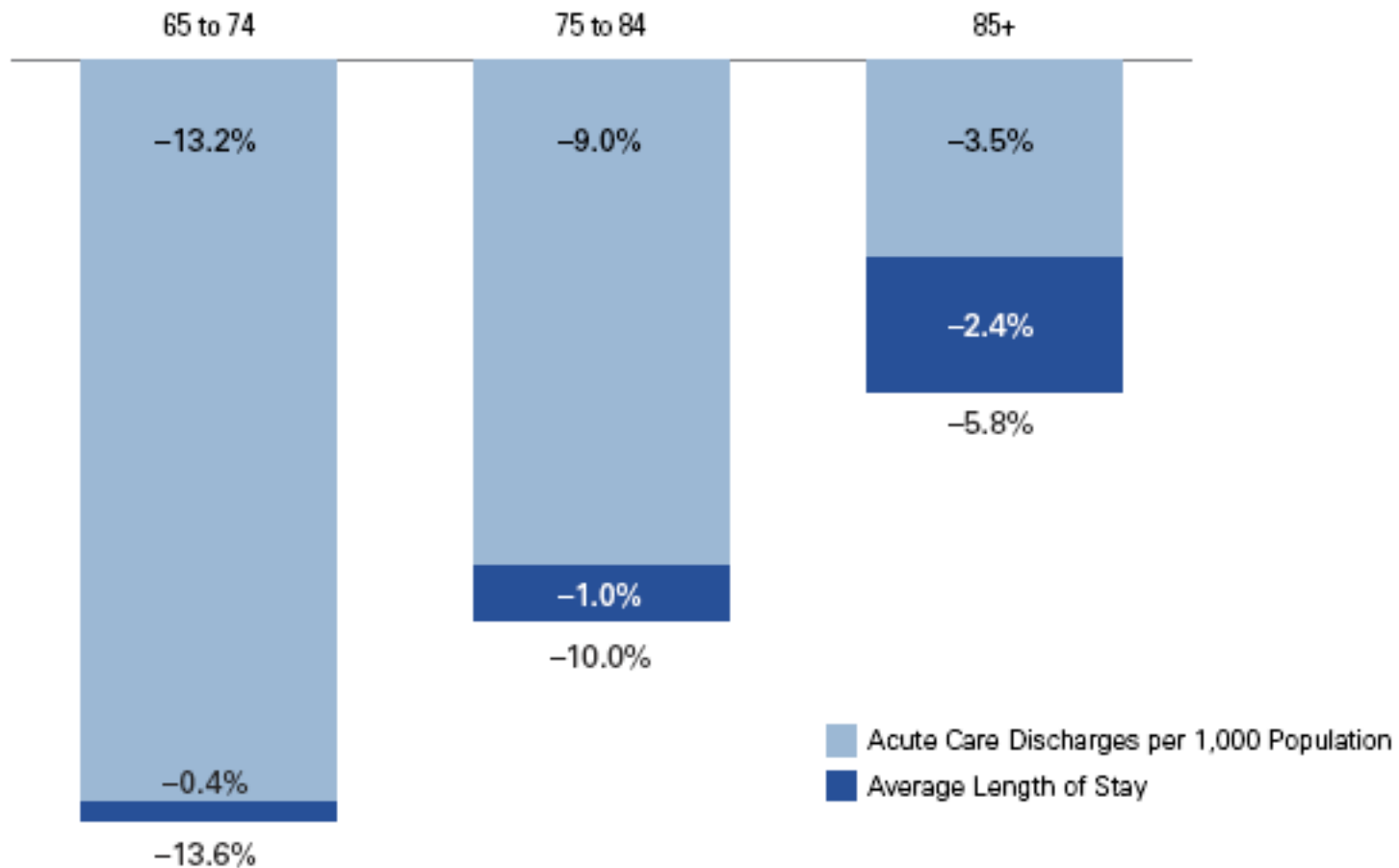
Regional Supply Challenged

Projected Acute Care Beds as Share of 2006 Supply



Senior Utilization Dropping

Decrease in Acute Care Days per 1,000 Population, by Age Group, California, 1996-2006



Room for Efficiency Gains

Variation in Efficiency of Hospital Care, Select Regions

Percentile of Dartmouth Atlas' Hospital Care Intensity Index

Los Angeles	99.3%	San Mateo County	43.2%
Orange County	92.4%	Modesto	34.0%
Ventura	87.5%	Stockton	31.1%
San Bernadino	78.6%	Chico	28.8%
Palm Springs/Rancho Mirage	73.1%	Fresno	28.1%
Alameda County	69.8%	Redding	20.9%
Contra Costa County	65.2%	Sacramento	19.3%
San Diego	62.9%	Santa Cruz	17.0%
San Francisco	61.6%	San Luis Obispo	15.0%
Bakersfield	58.0%	Napa	13.4%
San Jose	51.1%	Santa Rosa	13.1%
Salinas	45.9%	Santa Barbara	12.1%

Sources and Methodology

- The California state and regional analysis is based on OSHPD utilization data for general acute care discharges and days and California population data and projections from the California Department of Finance
- Projections of future demand for acute care bed days are built using author-calculated 2006 days per 1000 population utilization rates for 19 age groups.
- The baseline estimate of future bed demand is calculated by applying the 2006 days per 1000 population rates by age group to projections of future population.
- The bed supply estimate is based on 2006 licensed general acute care beds.
- For more detail, please see the the California HealthCare Foundation (CHCF) report, *Beds for Boomers: Will Hospitals Have Enough?* available at www.chcf.org.