

# WOMEN'S HEALTH AND PEDIATRICS

Service Line Snapshots

# WOMEN'S HEALTH

In an age when value is vital, organizations must be bold in making decisions across service lines. In women's health, the landscape is rapidly moving to a value-driven environment with a need for integration across the System of CARE (Clinical Alignment and Resource Effectiveness). Obstetrics (OB) is marked with an increased focus on the link between OB care and neonatal outcomes. Subspecialty opportunities continue, such as in urogynecology, but a competitive advantage is contingent upon workforce alignment and engagement.

## TOP TRENDS

- Care redesign targets preterm delivery via focused and comprehensive prenatal care for at-risk pregnant women.
- Many pressures converge, requiring increased capabilities and higher volumes at high-level NICUs.
- The c-section rate is plateauing and will decline by the end of the decade, impacting facility needs.
- Urogynecology is growing due to aging women who are more aware of their options and desire a higher quality of life.
- Gender plays a key role in future planning, market development and managing population health.

## ACTION STEPS TO DRIVE VALUE

- Strengthen traditional ob/gyn services as a foundation for women's health, and determine the scope of women's services at your organization beyond ob/gyn.
- Seize the growth opportunity in pelvic floor disorders with an integrated workforce, including engagement of PCPs, obstetrician/gynecologists, urologists and urogynecologists.
- Reduce preterm birth rates with focused OB initiatives, standardization and payer partners.
- Conduct an organizational assessment to determine optimal location and levels of care for OB/NICU services.
- Maximize the limited supply of subspecialists and reduce the cost of care by leveraging telemedicine, standardizing care, and utilizing care providers to their fullest licensure and level of expertise.
- Partner with community care providers (eg, Federally Qualified Health Centers) to fill gaps across the System of CARE.

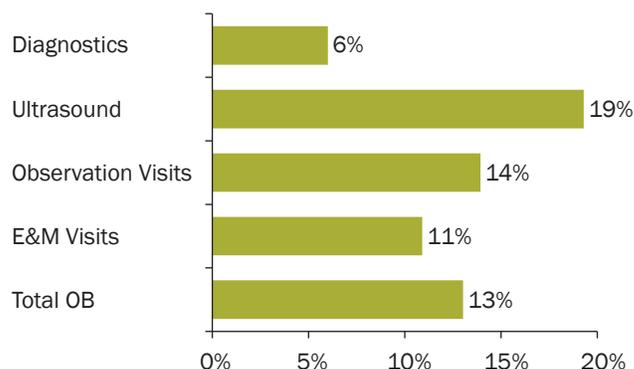
NICU = neonatal intensive care unit; ob/gyn = obstetrics/gynecology; PCP = primary care physician.

## US MARKET FORECAST, OBSTETRICS

### Inpatient Obstetrics Discharges 2013–2023

Measure	2013	2018	2023	5-Year % Change	10-Year % Change
<b>Deliveries (C-Section Rate)</b>	3.6M (35%)	3.7M (34%)	3.7M (29%)	3%	2%
<b>Total OB Volume</b>	4.0M	4.1M	4.1M	2%	2%
<b>Total OB LOS (Days)</b>	2.73	2.72	2.67	-1%	-2%

### Outpatient Obstetrics Volumes 2013–2018



Note: Analysis excludes 0–17 age group. Total OB Outpatient includes all outpatient encounters, not exclusive to those shown. Diagnostics includes nonstress tests and invasive fetal diagnostics. LOS = length of stay; E&M = evaluation and management.

Sources: Impact of Change® v13.0; NIS; PharMetrics; CMS; Sg2 Analysis, 2013.

# PEDIATRICS

Heightened focus on the right care in the right setting is rebalancing dynamics across the System of CARE. Effective regionalization through targeted program offerings, workforce solutions and telehealth will position children’s hospitals, community hospitals and outpatient sites to capture appropriate, sustainable volume.

## TOP TRENDS

- Emphasis on lower-cost care settings mitigates the shift from non-children’s hospitals to children’s hospitals.
- Inpatient pediatric discharges decline due to better disease management and a focus on prevention.
- Medical home models will remain foundational to any care redesign and payment initiatives.
- Telehealth increases access to a limited supply of pediatric subspecialists, across inpatient and outpatient settings, providing an opportunity for care closer to home.
- Increased use of observation services has spurred investment in observation units for children’s hospitals and some community hospitals with pediatric EDs.
- OB care redesign decreases NICU admissions, which improves value but also reverses historical growth and threatens revenue.
- Many pressures converge, including new AAP guidelines, state pressures and impending declines in NICU census, necessitating higher volumes, quality and capabilities to maintain OB/NICU level of care distinctions.

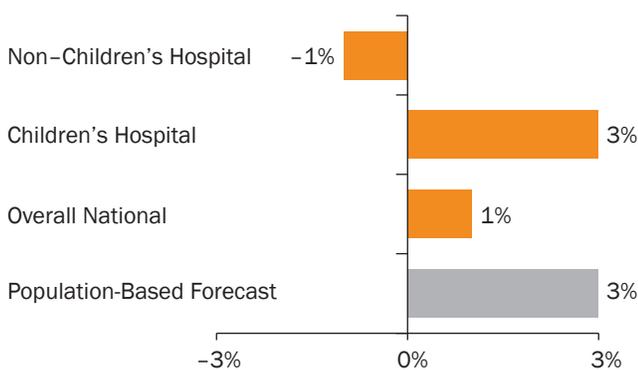
## ACTION STEPS TO DRIVE VALUE

- Carefully determine the scope of services by site of care and necessary enablers, such as subspecialist support.
- Invest in outpatient services, including disease management, imaging and observation care, for sustainable growth.
- Partner to improve care coordination and access to subspecialty and community care.
- Use telehealth to facilitate partnerships, increase access, and achieve both volume-based and value-based goals.

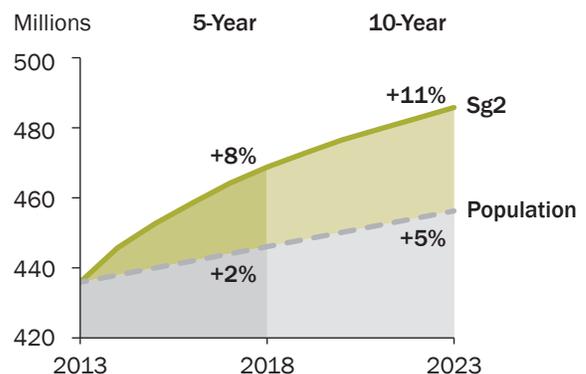
ED = emergency department; AAP = American Academy of Pediatrics.

## US MARKET FORECAST, PEDIATRICS

**Inpatient Pediatrics Discharges  
2013–2018**



**Outpatient Pediatrics Volumes  
2013–2023**



■ Sg2 Inpatient Forecast    ■ Population-Based Forecast    ■ Sg2 Outpatient Forecast

Note: Analysis includes 0–17 age group only. Inpatient pediatrics excludes psychiatry, normal newborns, neonatology, gynecology and obstetrics. Outpatient pediatrics excludes psychiatry, obstetrics and gynecology.  
Sources: Impact of Change® v13.0; NIS; PharMetrics; CMS; Sg2 Analysis, 2013.

## ● Anticipate the Impact of Change

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