



2025 State of the Region Healthcare

John Chapman

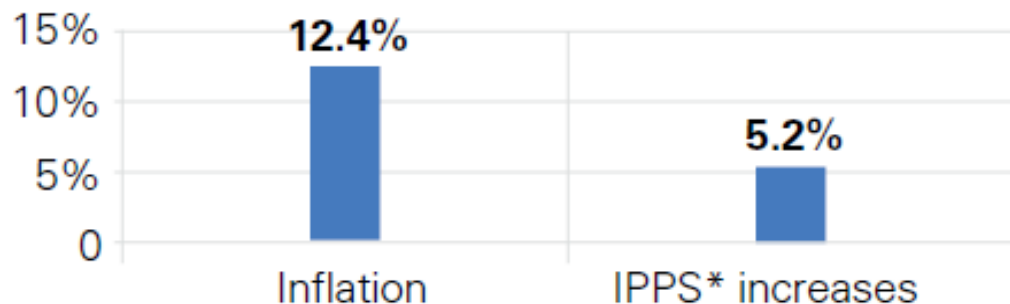
President & CEO San Antonio Regional Hospital
Regional CEO, HASC Southern California



Hospital Stability

California Hospital Crisis

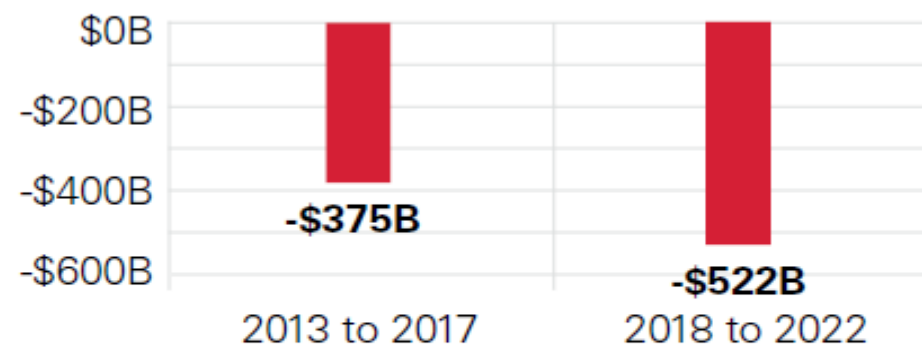
INFLATION GROWTH MORE THAN DOUBLE THE GROWTH IN MEDICARE INPATIENT REIMBURSEMENT, 2021-2023



*IPPS: Inpatient Prospective Payment System

"America's Hospitals and Health Systems Continue to Face Escalating Operational Costs and Economic Pressures as They Care for Patients and Communities," April 2024

CUMULATIVE MEDICAID AND MEDICARE HOSPITAL UNDERPAYMENTS*



- Hospitals received payment of **only 82 cents for every dollar** spent caring for Medicare patients in 2022.[†]
- **67% of hospitals had negative Medicare margins** in 2022.[†]



Hospital Stability

California Hospital Crisis

LABOR CONSTITUTES LARGEST PERCENTAGE OF HOSPITAL EXPENSES

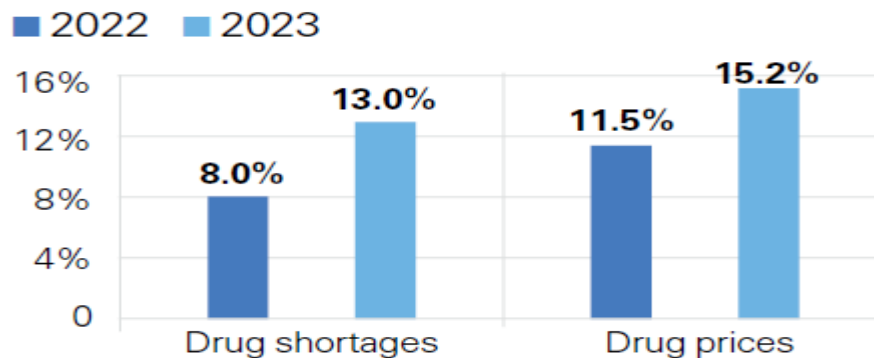
	Cost	% of hospital expenses
Labor	\$839B	60%
Other	\$269B	19%
Supplies	\$181B	13%
Drugs	\$115B	8%

- Examples of other expenses include maintaining and upgrading technology infrastructure and cybersecurity.
- Wage rates across all hospital jobs **jumped by 10.1%** in 2023.

Note: Median 2023 values across all hospital spending; labor includes purchased services and professional fees.

"America's Hospitals and Health Systems Continue to Face Escalating Operational Costs and Economic Pressures as They Care for Patients and Communities," AHA, April 2024

INCREASE IN DRUG SHORTAGES AND DRUG PRICES, 2022-2023*



- In **Q1 2024, drug shortages reached an all-time high**, and Q2 2024 marks the sixth straight quarter



Workforce

Nursing & Allied Health

NURSING SCHOOLS

- Enrollment in baccalaureate nursing programs **increased by 0.3%** in 2023.
- Enrollment in Ph.D. and master's nursing programs **decreased by 3.1% and 0.9%**, respectively.
- U.S. nursing schools **turned away 65,766 qualified applications** in 2023 due to an insufficient number of clinical sites, faculty and clinical preceptors as well as budget constraints.
- The national nurse faculty **vacancy rate was 7.8%**.

"Fact Sheet: Nursing Shortage," American Association of Colleges of Nursing, May 2024



Projected shortfall of primary care clinicians

	2025	2030		
Region		Demand	Supply	Shortage
Statewide		39,645	34,909	-11.9%
Greater Bay Area		8,987	8,646	-3.8%
Sacramento, Sierra, Northern		3,793	3,419	-9.8%
Central Valley, Central Coast		6,149	4,998	-18.7%
Los Angeles, Orange County, Inland Empire		17,169	15,005	-12.6%
Southern Borders		3,563	2,973	-16.6%



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U.S. News & World
Report's 2024-2025
Best Hospitals



New Residency Programs



San Antonio was recognized in the following areas:

	San Antonio Ranking (of 4,728 hospitals)
Best Hospital for Heart Care	Top 2%
Best Hospital for Cancer Care	Top 6%
Best Hospital for Orthopedics	Top 7%
Best Hospital for Stroke Care	Top 9%
Best Hospital for Emergency Care	Top 10%



Behavioral Health

Lack of Resources

Figure D.1. Projected Supply of Psychiatrists, 2016-2028

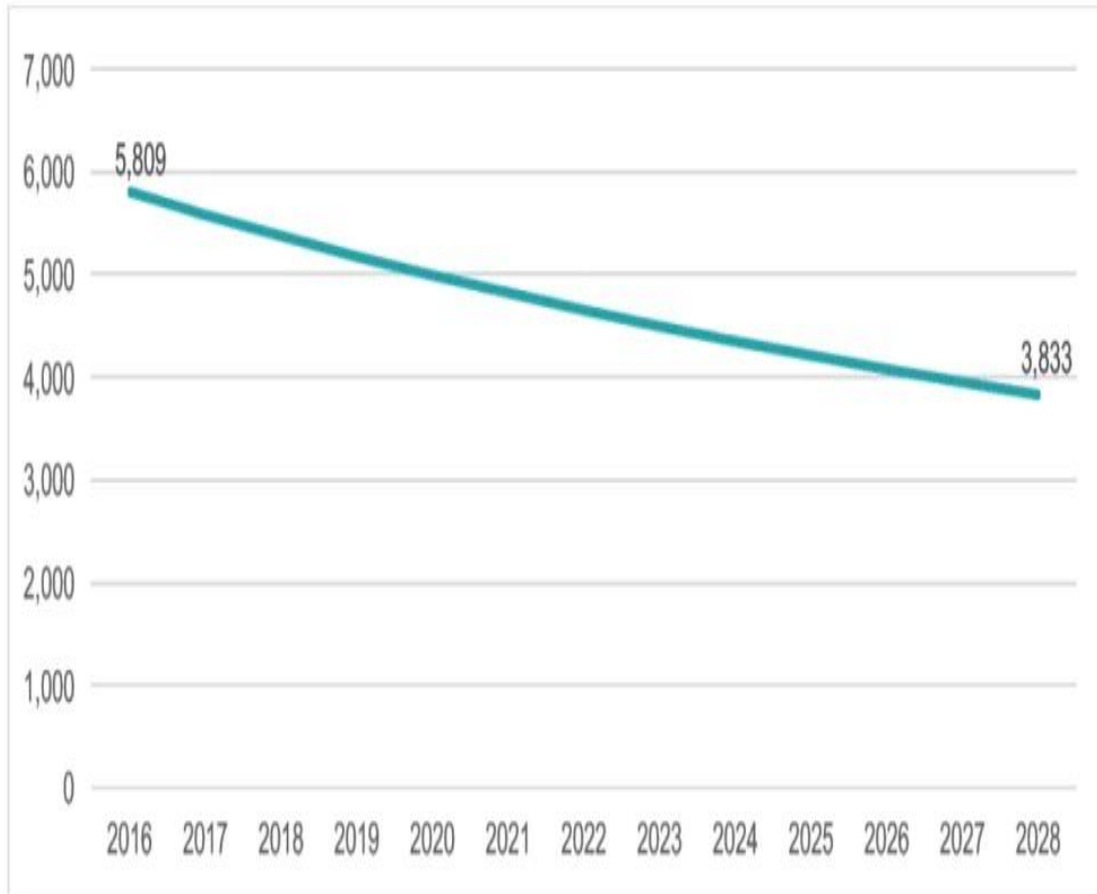
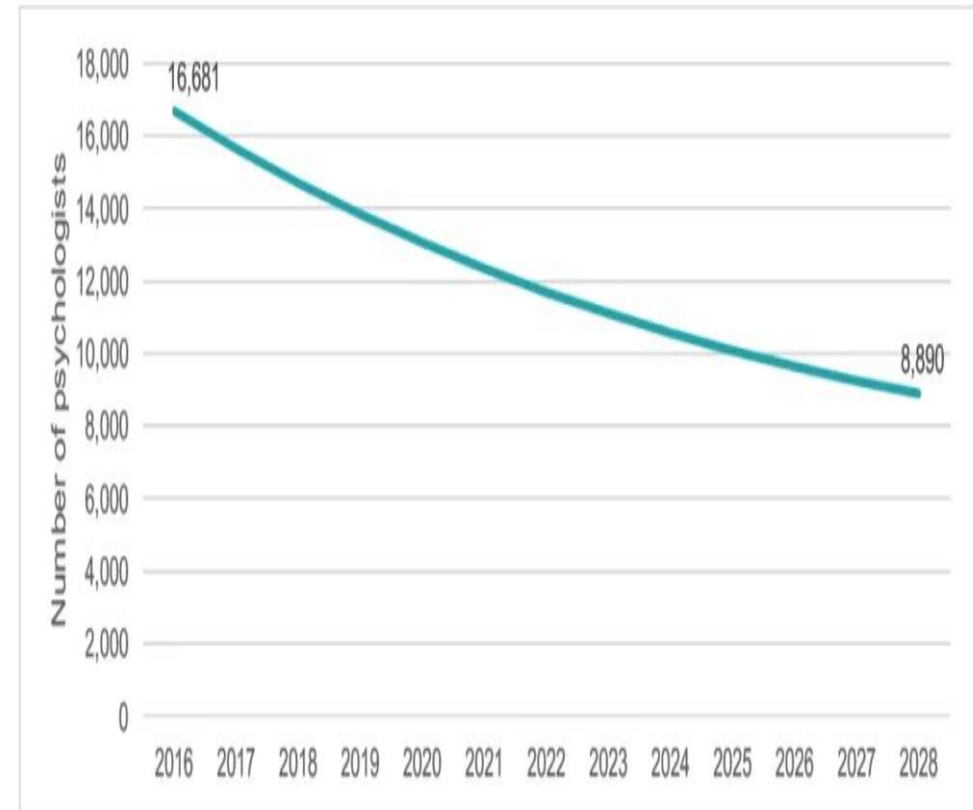


Figure D.2. Projected Supply of Psychologists, 2016-2028



(Healthforce Center at UCSF)



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Behavioral Health Urgent Care

Behavioral Health
Urgent Care Center

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Maternity Crisis

Loss of Maternity Units



PART 1

Vast stretches of California lose maternity care as dozens of hospitals shut labor wards



PART 4

California hospitals keep closing their labor wards. Can lawmakers do anything about it?



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SARH NEW MATERNITY UNIT

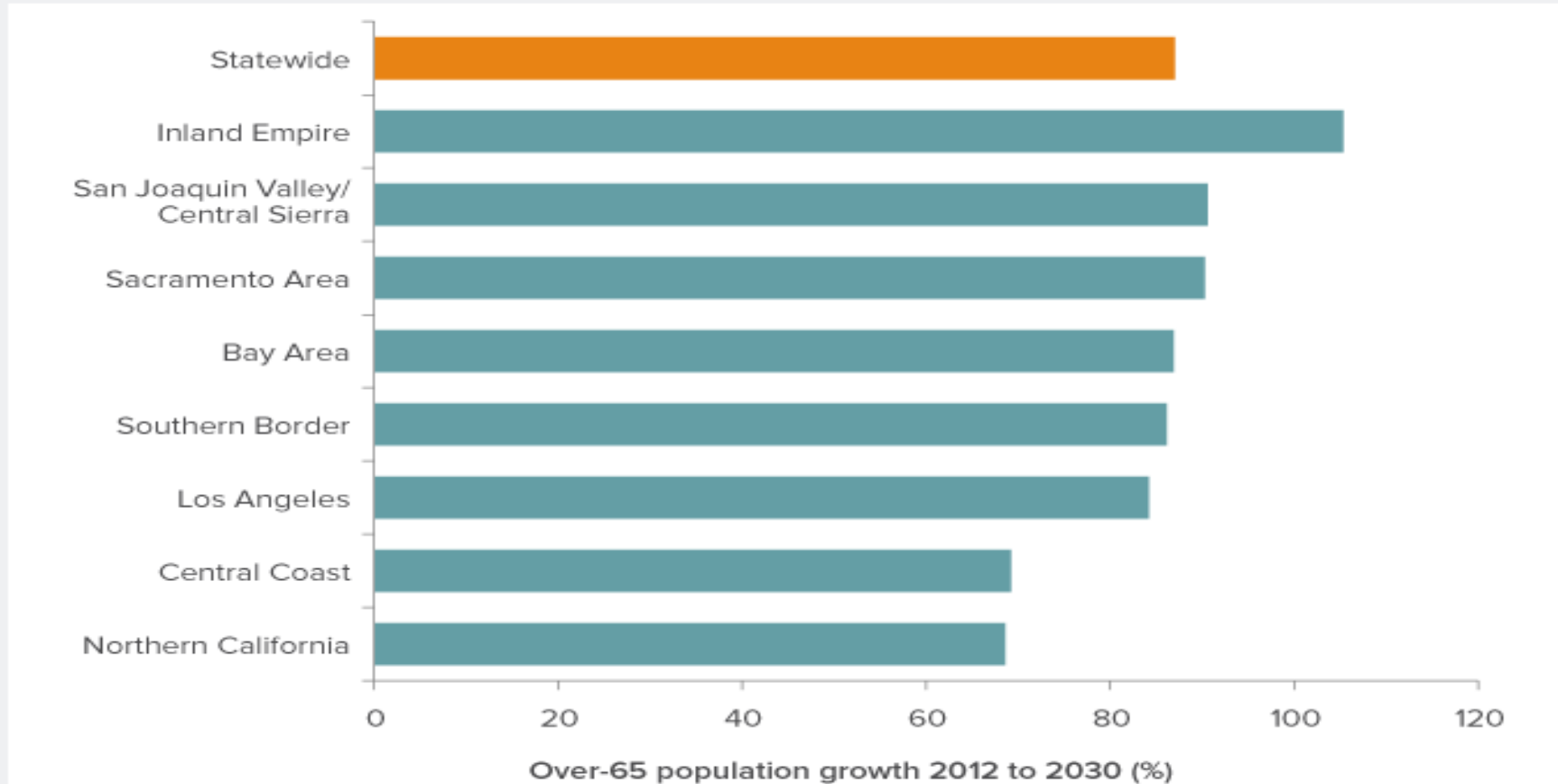




Population Health

Senior Care Concerns

Figure 1. Growth in the senior population will vary across regions





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Center of Aging

