

LABOR SHORTAGE

- As the workforce ages, the current training program capacity will not match the needs.
- Georgia ranks 37th in the nation in per capita physician capacity.
- Only 50% of graduates from Georgia's residency programs remain in the state.
- RN vacancy rates average more than 10%. Respiratory therapists, medical technologists and pharmacists are also in short supply.



OTHER PRESSURES FACED BY HOSPITALS

- In 2006, inpatient admissions increased to more than 1.1 million patients; outpatient and emergency admissions increased to more than 4.8 million patients.
- By 2010, more than 10% of Georgia's total population will be age 65 or older and require additional and expensive health services; by 2030, that percentage increases to nearly 16%.
- The 2005 tort reforms, including liability protections for hospital emergency departments, are under assault.
- Hospitals are mandated to implement costly reporting data to CMS and commercial payers, which affects reimbursement rates.
- Medicare Recovery Audit Contractors (RACs), through a contingency-fee arrangement with CMS to identify improperly paid claims, place an additional burden on hospitals costs.
- The average age of acute hospital facilities is more than 10 years old, greater than the U.S. average.

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GHA Hospital Talking Points

Promoting the health and welfare of the public through the development of better hospital care for all of Georgia's citizens, the Georgia Hospital Association serves more than 170 hospitals in the state by addressing key health care issues, including :

- ✓ Economic Impact
- ✓ Uninsured
- ✓ Disaster Preparedness
- ✓ Statewide Trauma System
- ✓ Uncompensated Care
- ✓ Labor Shortages



ECONOMIC ENGINE AND SOURCE OF EMPLOYMENT

- The economic impact of Georgia hospitals exceeds \$30 billion annually.
- Georgia hospitals directly employ more than 137,000 Georgians and indirectly account for thousands of additional jobs in the state.



A GROWING UNINSURED POPULATION

- The number of uninsured in Georgia—already 1.7 million (18% of Georgia's population)—will continue to grow as rising costs force employers to drop health insurance plans.
- The number of uninsured increased 45% in Georgia from 1999 to 2008.
- Of Georgia's uninsured, more than 340,000 are children and more than 1.3 million are working adults.

WHEN DISASTER STRIKES

- Georgia hospitals prepare for natural disasters, mass casualties, bioterrorism and pandemics—all at great financial costs.
- Federal Hospital Preparedness Program funding has decreased more than 28% (up to 25% of these funds can go to the state and other non-hospital health care providers).

GEORGIA NEEDS A STATEWIDE TRAUMA SYSTEM

- The existing trauma care network is overutilized and underfunded.
- Georgia has only 15 designated trauma centers, leaving large geographical gaps in trauma care throughout the state.
- In 2008, \$58.5 million in state trauma funds were distributed to various trauma stakeholders (hospitals, physicians, EMS, etc.) to aid Georgia's ailing trauma system.

MORE THAN \$1 BILLION ANNUALLY IN UNCOMPENSATED CARE

- Georgia ranks 39th in Medicaid spending per beneficiary.
- In 2005, Georgia hospitals provided more than \$1 billion in uncompensated care to patients:
 - Uninsured—\$484 million
 - Bad debt—\$455 million
 - Additional free care—\$75 million
- In 2006, more than 19% of hospital admissions were Medicaid patients and almost 20% were Medicare patients.
- From 2003 to 2006, the number of Medicare and Medicaid patients increased almost 7%, and Self-Pay (the uninsured) increased almost 29%.
- Hospitals are reimbursed only 84% of the costs of treating Medicaid patients and receive less than 95 cents for every dollar spent caring for Medicare patients.

- Implementation of Medicaid Managed Care (CMOs) has strained the limited staff resources of Georgia's hospitals, especially rural facilities.

