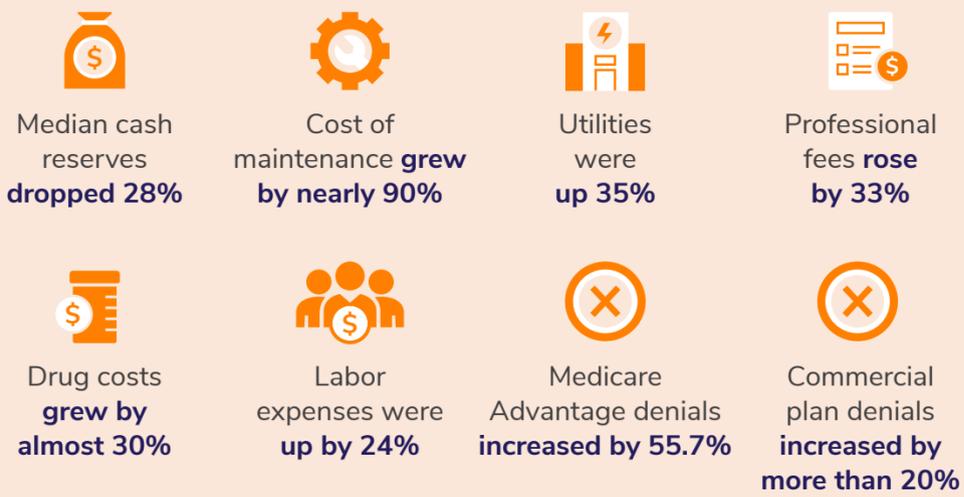# Breaking Through Financial Uncertainties in the Year Ahead

The 2024 financial outlook for hospitals is deteriorating according to some industry experts.[1] Layoffs, shuttering of service lines, and facility closures are not the answer.

Hospital Cost Comparison Between January 2022 and June 2023[2]

Median cash reserves **dropped 28%**

Cost of maintenance **grew by nearly 90%**

Utilities were **up 35%**

Professional fees **rose by 33%**

Drug costs **grew by almost 30%**

Labor expenses were **up by 24%**

Medicare Advantage denials **increased by 55.7%**

Commercial plan denials **increased by more than 20%**

Advanced practice providers—nurse practitioners and physician assistants—are changing the game.

In a global review of 39 studies on the use of advanced practice providers (APPs)[3]:

- 15 showed that physician assistants delivered care equal to that of the physician.
- 18 showed that they delivered care that exceeded that of the physician.
- 29 in total showed that labor and resource costs were lower when care was provided by a physician assistant.
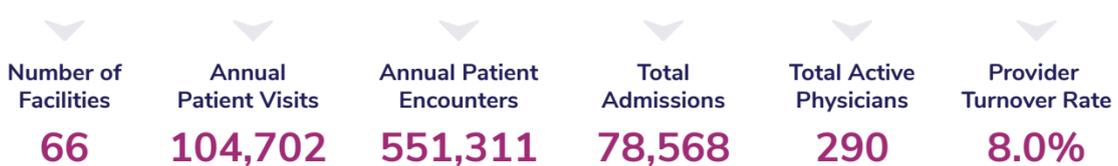
83%

Over 83% of hospitalist groups surveyed said they worked with at least one advanced practice provider in 2020.[4]

Hospitals leveraging Adfinitas Health advanced practice providers have achieved:

1,458
reported national median annual work RVU for APP hospitalists

3,536
median annual work RVU for Adfinitas APP hospitalists

$198,750
average financial support (not including salary/benefits) per FTE

$124,000
average financial support per Adfinitas provider FTE

Why Adfinitas Health

As a physician-led, trusted provider of exceptional clinical care, Adfinitas Health offers customizable staffing services and value-based collaborative care. Adfinitas Health works closely with partners to improve outcomes, increase productivity, and extend quality services in each partner hospital and post-acute care center.

Number of Facilities	Annual Patient Visits	Annual Patient Encounters	Total Admissions	Total Active Physicians	Provider Turnover Rate
66	104,702	551,311	78,568	290	8.0%

Compared to Industry Average of 20%

Learn how Adfinitas Health's advanced practice providers can help your organization navigate financial uncertainty in 2024.

SOURCES

1. https://www.fitchratings.com/research/banks/most-north-american-sector-outlooks-deteriorating-on-slowing-economy-05-01-2024#:~:text=Fitch%20Ratings%2DNew%20York%2D05,U.S.%20banks%2C%20leveraged%20finance%2C%20retailing

2. https://www.haponline.org/News/HAP-News-Articles/Latest-News/the-financial-challenges-us-hospitals-face

3. https://pubmed.ncbi.nlm.nih.gov/34723999/

4. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9305217/#:~:text=The%20percent%20of%20hospital%20medicine,patient%20outcomes%20as%20hospitalist%20physicians.&text=APPs%20undergo%20variable%20training%20in%20hospital%20medicine%20prior%20to%20entering%20the%20workforce.