

2025 Impact of Change Forecast

Sg2 is a Vizient company





June 2025

2025 Impact of Change Forecast Key Takeaways

- The 2025 Impact of Change Forecast provides 10-year projections for anticipated shifts in sites of care delivery across the nation, including:
 - Outpatient (OP) care patient volumes projected to grow 18%
 - Inpatient (IP) care patient discharges to grow 5%
 - Pediatric OP volume growth forecasted at 8%
 - Cancer OP volumes expected to grow 18%, while IP remains flat
 - GLP-1s will contribute to slowing growth in IP discharges for type 2 diabetes patients to 8%
 - Post-Acute Care to grow 31%

2025 Impact of Change Highlights: Growth Expected Across Key Forecasts Over the Decade



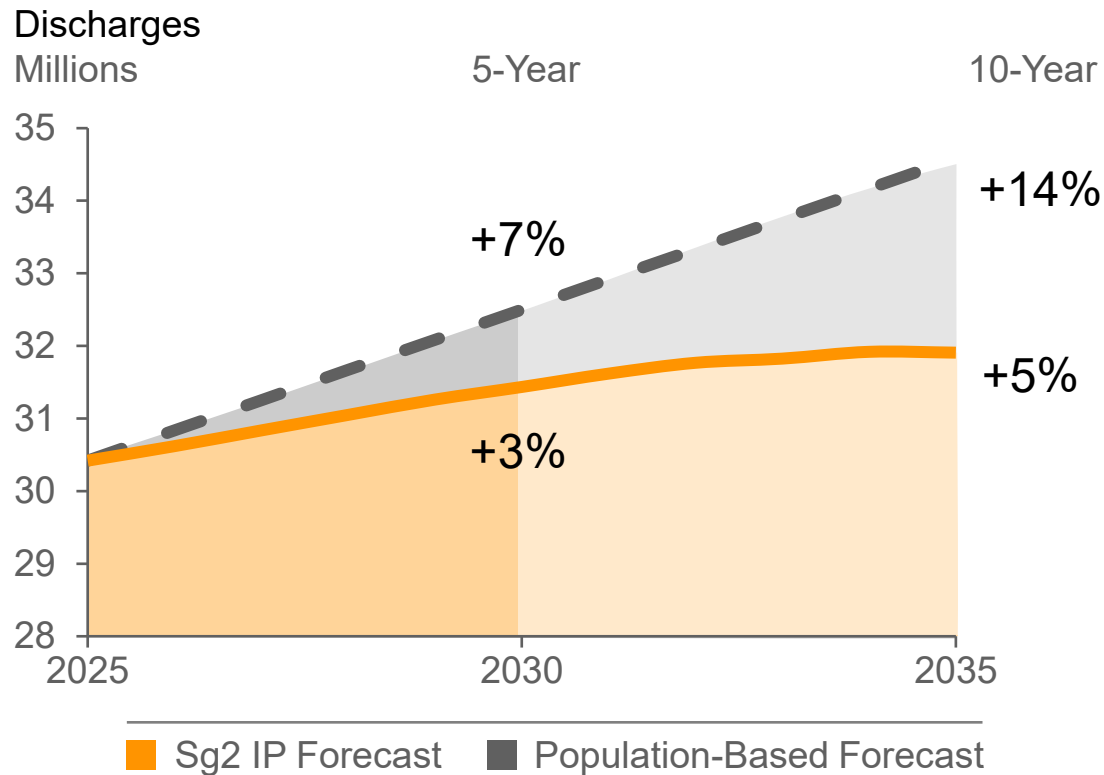
 = Inpatient  = Outpatient

Note: Analysis excludes 0–17 age group. ED defined as visits—emergent and visits—urgent procedure group. OP surgery defined as procedures—major and endoscopy procedure groups. E&M visits defined as visits—evaluation and management, established patient visits—in person, established patient visits—virtual, new patient visits—in person, new patient visits—virtual; post-acute care defined as post-acute services: home and domiciliary hospice visits; home nurse visit; home visits other; hospice stays; SNF stays; procedures—minor: home infusion—chemotherapy; procedures—minor: home infusion—medications; rehab: home physical/occupational therapy treatments; visits—evaluation and management: home and domiciliary evaluation and management visits. E&M = evaluation and management; PAC = post-acute care; SNF = skilled nursing facility; surg = surgery. **Sources:** Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.

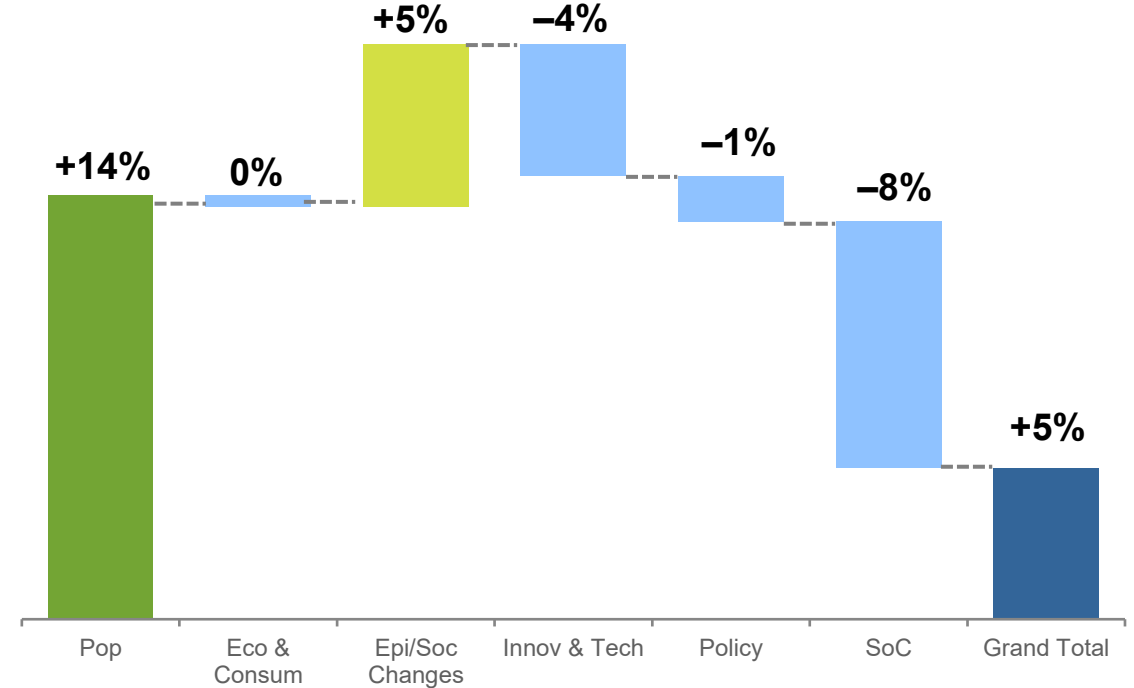


Modest Rises in Inpatient Volumes Expected Due to Rising Patient Acuity

Adult Inpatient Forecast US Market, 2025–2035



Adult Inpatient Forecast Impact Factors US Market, 2025–2035



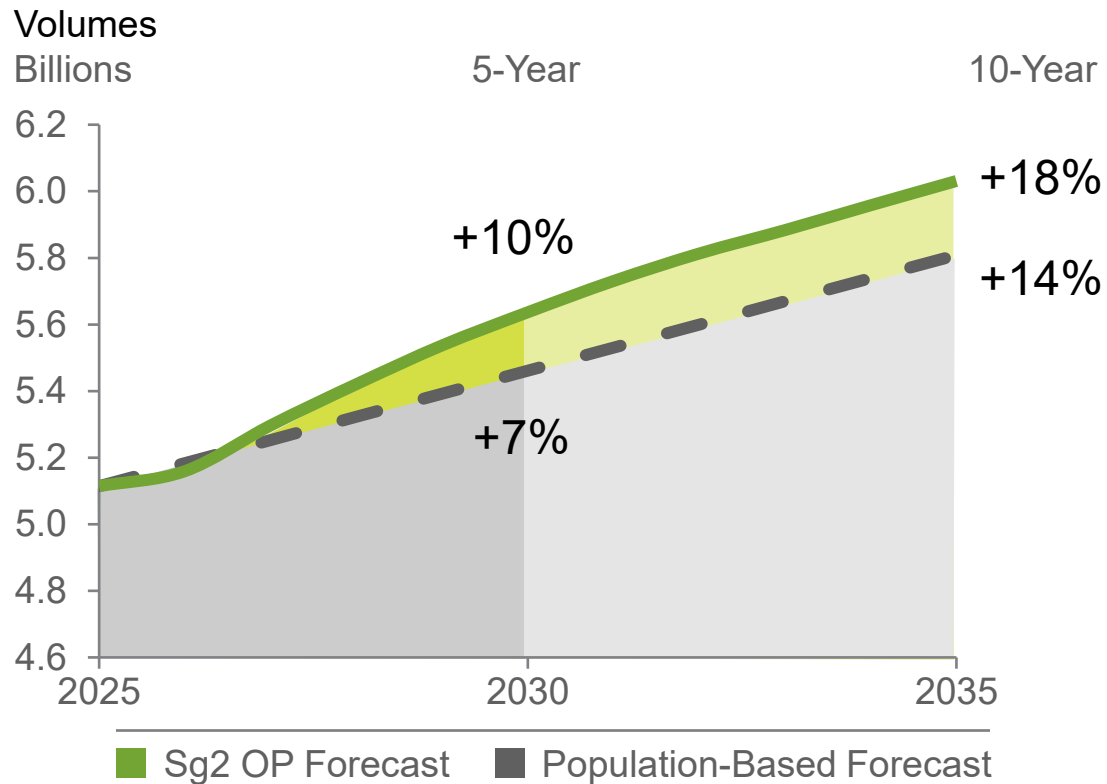
Note: Analysis excludes 0–17 age group. 0% indicates the forecast is flat (less than $\pm 1\%$). Eco & Consum = Economy and Consumerism; Epi/Soc Changes = Epidemiology/Sociocultural Changes; Innov & Tech = Innovation and Technology; Pop = Population; SoC = Systems of CARE. **Sources:** Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



Outpatient Demand Outpaces Population-Based Demand Projections

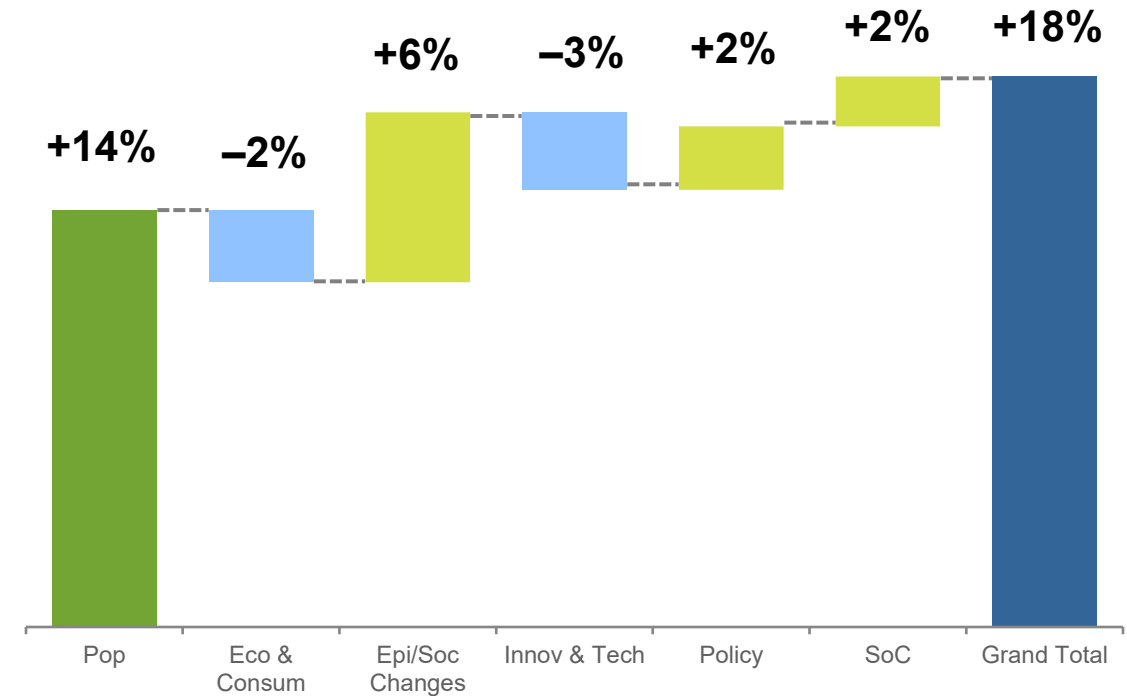
Adult Outpatient Forecast

US Market, 2025–2035



Adult Outpatient Forecast Impact Factors

US Market, 2025–2035



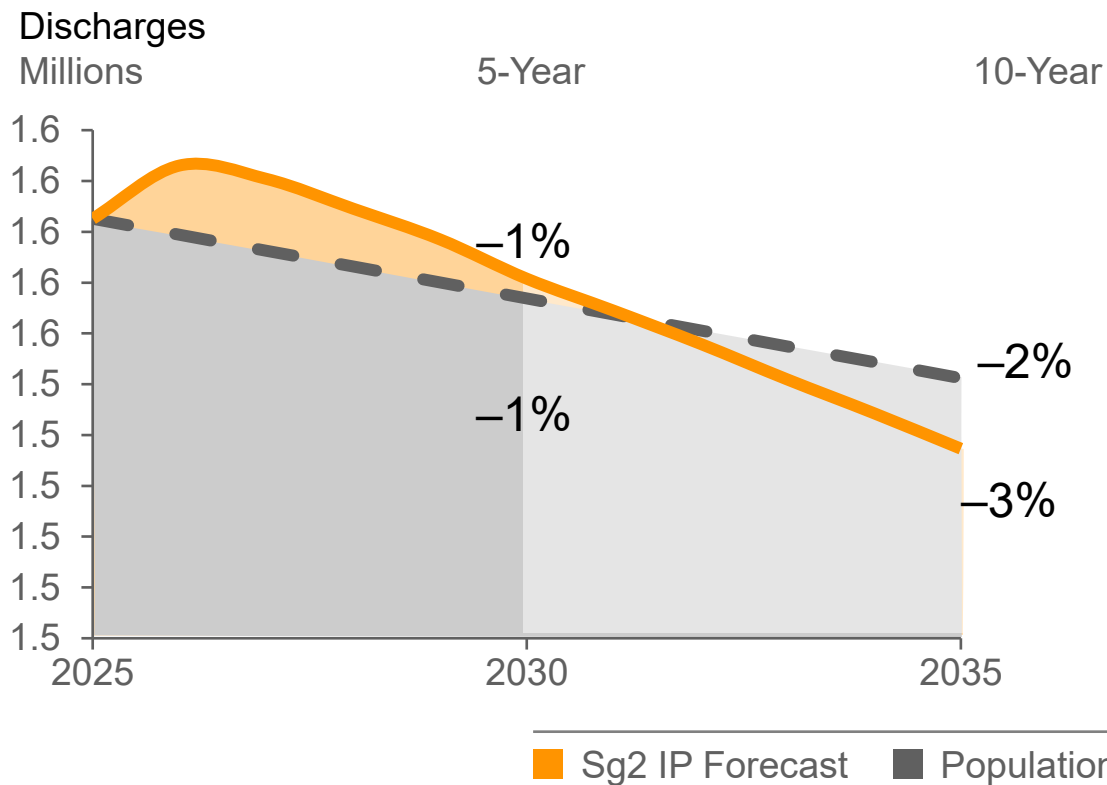
Note: Analysis excludes 0–17 age group. Eco & Consum = Economy and Consumerism; Epi/Soc Changes = Epidemiology/Sociocultural Changes; Innov & Tech = Innovation and Technology; Pop = Population; SoC = Systems of CARE. **Sources:** Impact of Change®, 2025; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



Inpatient Pediatric Forecast Declines as Outpatient Pediatric Growth Climbs

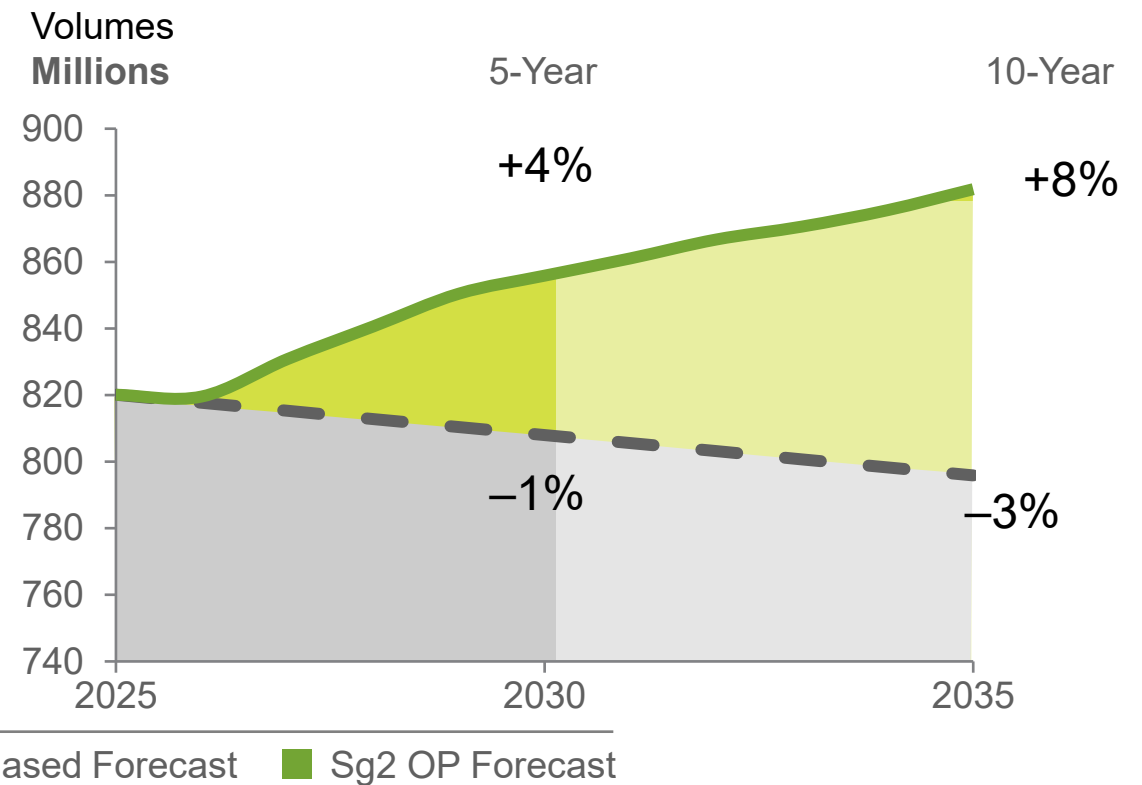
Pediatric Inpatient Forecast

US Market, 2025–2035



Pediatric Outpatient Forecast

US Market, 2025–2035

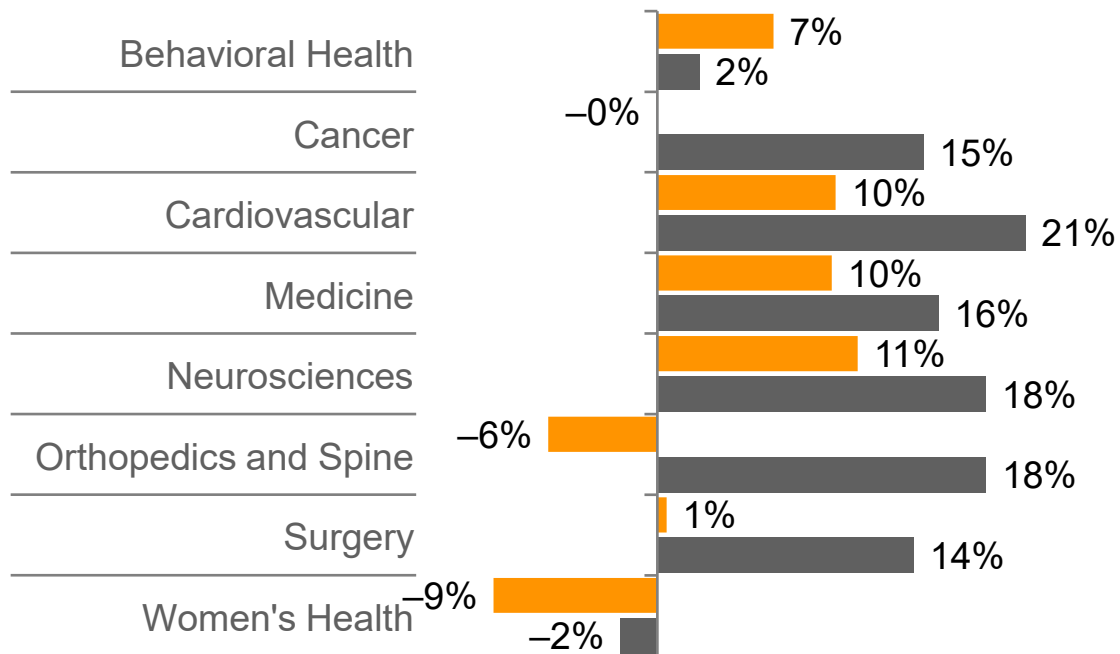


Note: Analysis includes 0–17 age group only. Inpatient forecast excludes live births. **Sources:** Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.

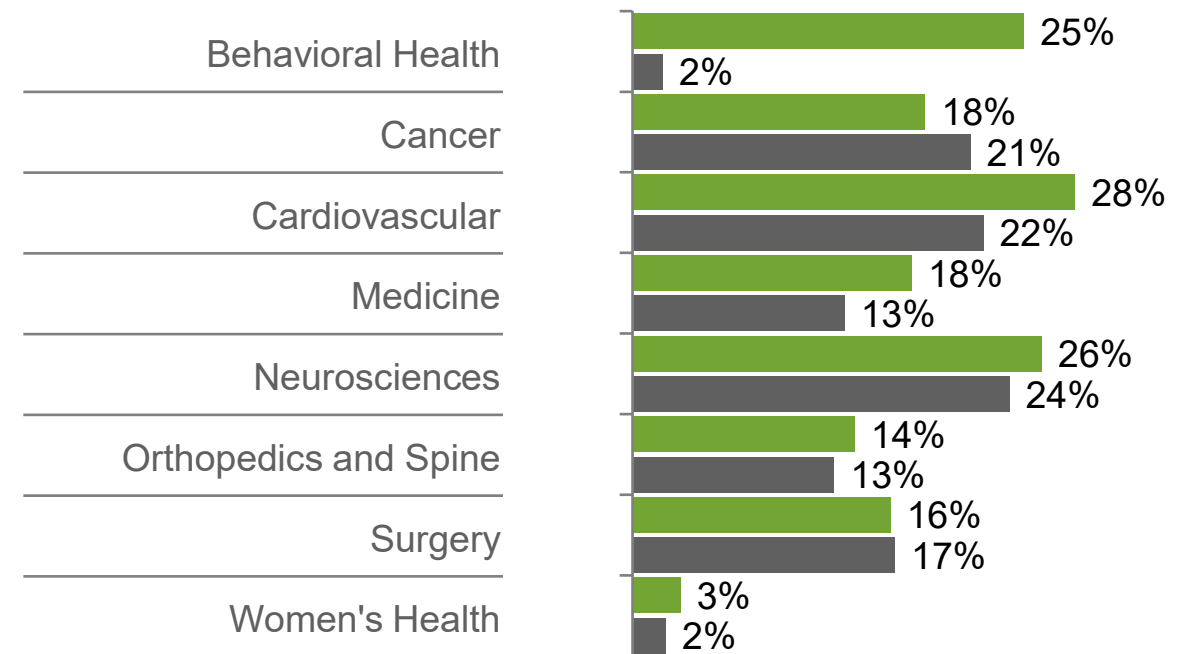


Utilization Trends Vary Across Service Lines

Inpatient Service Line Growth US Market, 2025–2035



Outpatient Service Line Growth US Market, 2025–2035



■ Sg2 IP Forecast
 ■ Population-Based Forecast
 ■ Sg2 OP Forecast

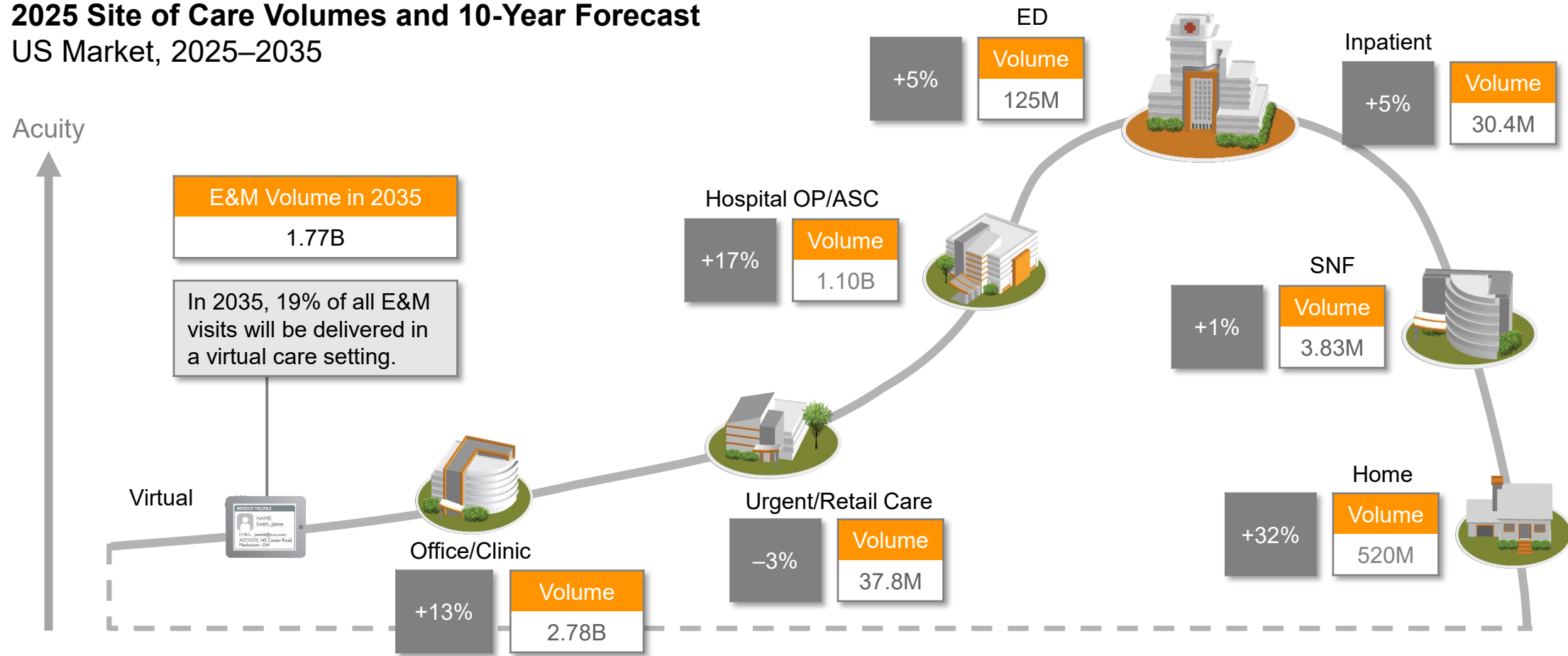
Note: Analysis excludes 0–17 age group. 0% indicates the forecast is flat (less than $\pm 1\%$). Behavioral Health includes behavioral health service line and Poisonings—Commonly Abused Drugs CARE Family. Cardiovascular includes cardiology and vascular. Medicine includes allergy and immunology, dermatology, endocrinology, gastroenterology, genetics, general medicine, hematology, hepatology, infectious diseases, nephrology, pulmonology, and rheumatology. Surgery includes burns and wounds, otolaryngology, general surgery, ophthalmology, and urology. **Sources:** Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



Orchestrate Seamless Care Across the Care Continuum

2025 Site of Care Volumes and 10-Year Forecast

US Market, 2025–2035



Notes: Analysis excludes 0–17 age group. ED forecast defined as urgent and emergent visits. E&M visits defined as visits—evaluation and management, established patient visits—in person, established patient visits—virtual, new patient visits—in person, new patient visits—virtual. ASC = ambulatory surgery center; SNF = skilled nursing facility. **Sources:** Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



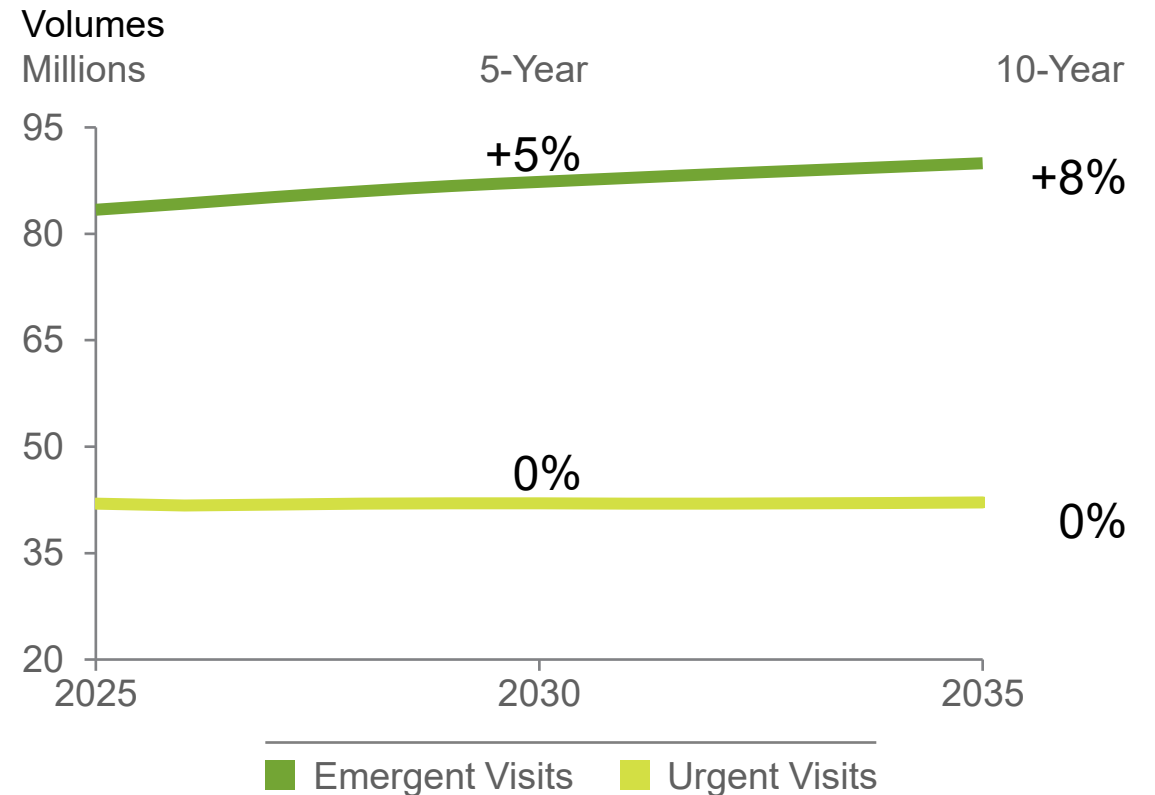
ED Volumes Grow as Acuity Rises and Shift of Low-Acuity Urgent Visits Slows

ED volumes
to grow

5%

by 2035

Adult Emergency Department Visits Forecast US Market, 2025–2035



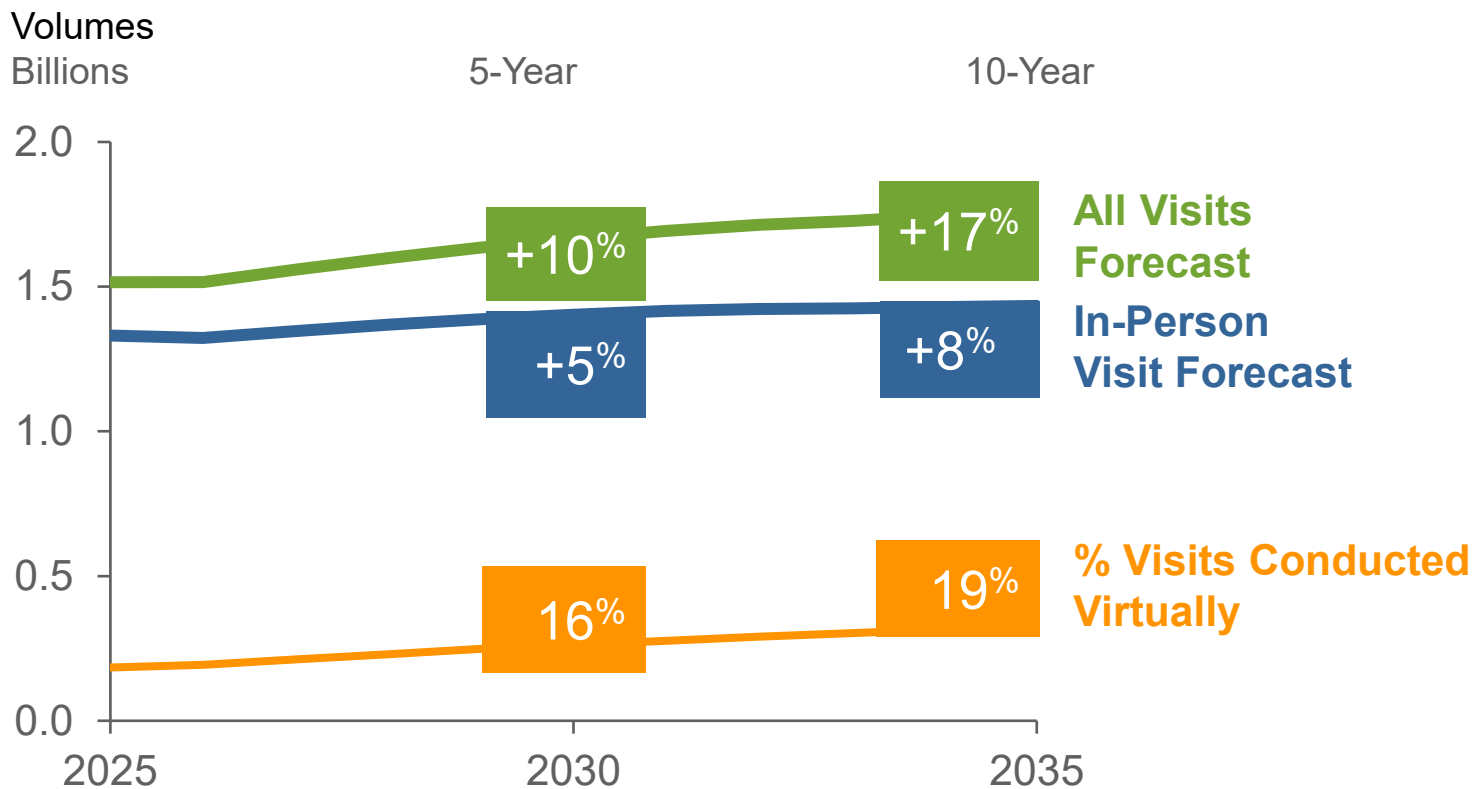
Notes: Analysis excludes 0–17 age group. 0% indicates the forecast is flat (less than $\pm 1\%$). ED forecast defined as urgent and emergent visits. **Sources:** Impact of Change®, 2025; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



Shift to Virtual Continues Despite Payment and Investment Headwinds

E&M Visits Forecast

US Market, 2025–2035



In-Person Visits 10-Year Forecast	
13%	7%
New Patient Visits	Established Patient Visits

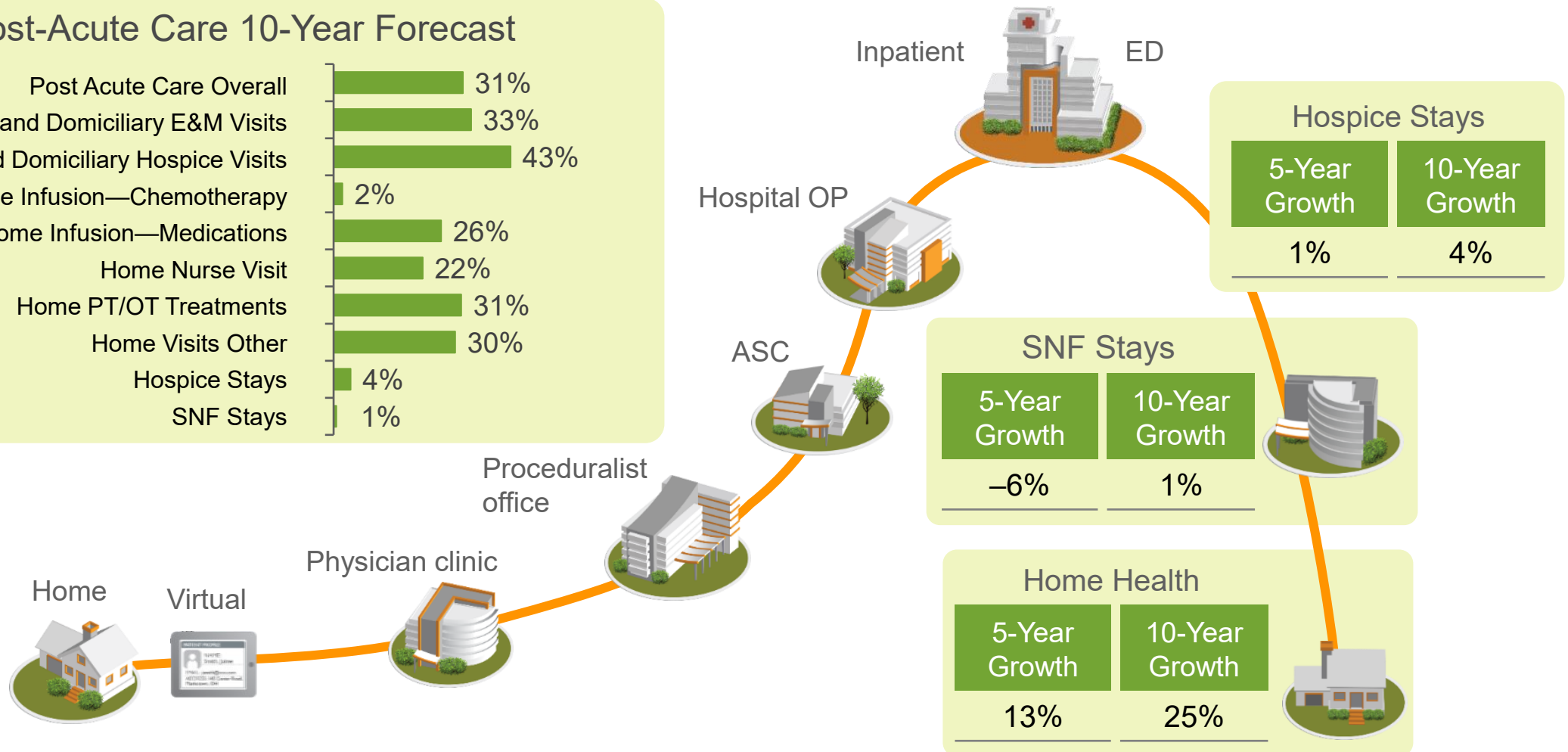
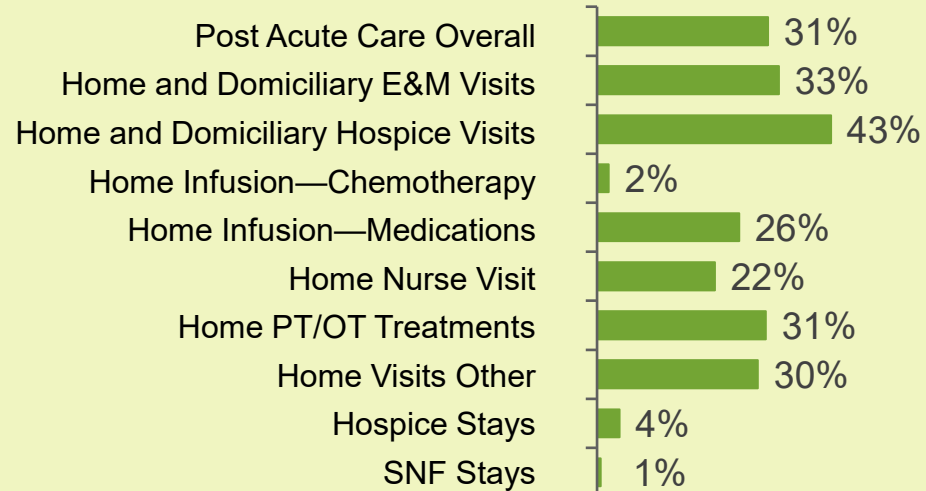
Virtual Visits Penetration by 2035	
11%*	20%*
New Patient Visits	Established Patient Visits

*Percentage of E&M visits occurring virtually. **Note:** Analysis excludes 0–17 age group. E&M visits defined as visits—evaluation and management, established patient visits—in person, established patient visits—virtual, new patient visits—in person, new patient visits—virtual. **Sources:** Impact of Change®, 2025; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.



Post-Acute Growth Fueled by Innovation and Adoption of Emerging Care Models

Post-Acute Care 10-Year Forecast



Note: Analysis excludes 0–17 age group. Home Health is defined as procedures home nurse visits and home visits other. ASC = ambulatory surgery center; SNF = skilled nursing facility. **Sources:** Impact of Change®, 2025; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025. Confidential and Proprietary © 2025 Sg2

METHODOLOGY

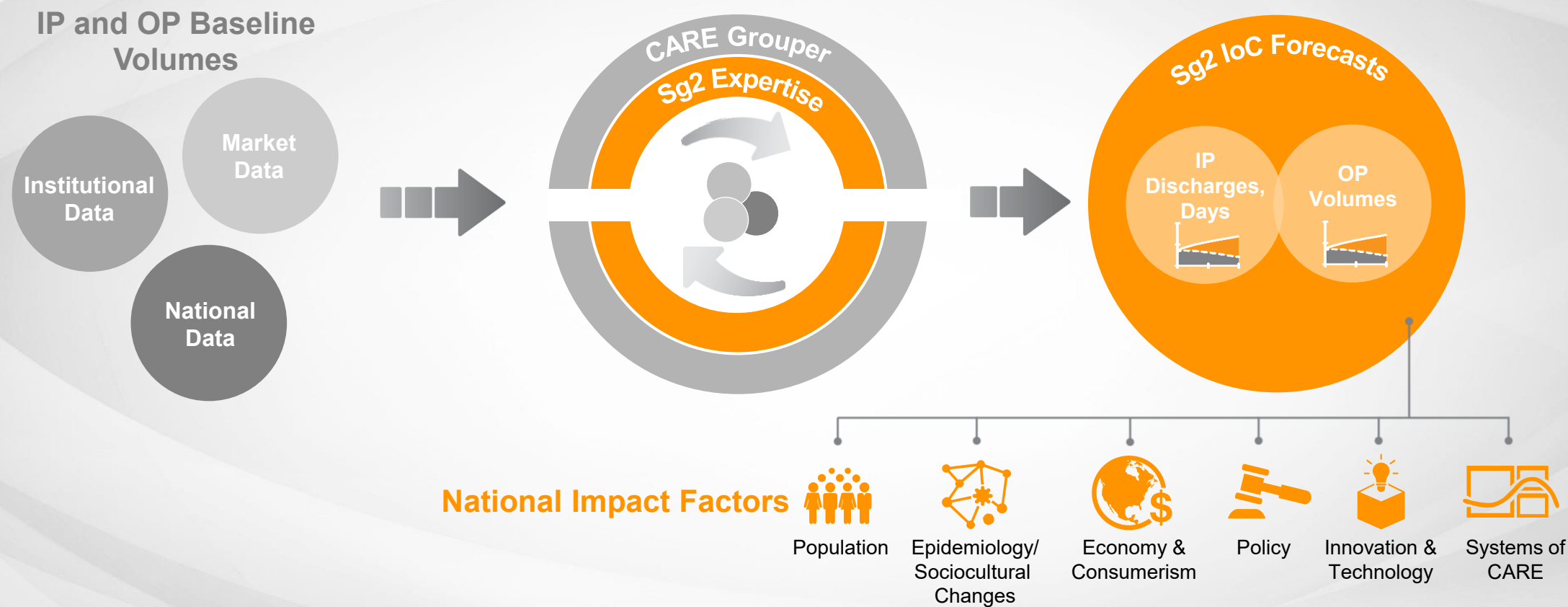
THE POWER OF DISEASE-BASED FORECASTING

Sg2's Impact of Change model forecasts demand for health care services over the next decade, examining the cumulative effects and interdependencies of key impact factors driving change in utilization. Using both disease-based and MS-DRG-based analyses, the forecast provides a comprehensive picture of how patients will access inpatient and outpatient services along the continuum of care.

SOURCES

Impact of Change®, 2025; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2021. Agency for Healthcare Research and Quality, Rockville, MD; Proprietary Sg2 All-Payer Claims Data Set, 2023; The following 2023 CMS Limited Data Sets (LDS): Carrier, Denominator, Home Health Agency, Hospice, Outpatient, Skilled Nursing Facility; Claritas Pop-Facts®, 2025; Sg2 Analysis, 2025.

Sg2's Impact of Change Forecast Methodology



IoC = Impact of Change.

Categorize Your Data Across **27,000+** Unique CARE Group Combinations, Including...

30

Service Lines
(Across the
System of
CARE)

253

CARE Families
(Disease
Conditions)

79

Inpatient
Procedures

216

Outpatient
Procedures

Sg2, a Vizient company, is the health care industry's trusted partner for accelerating growth and improving financial results. Our analytics and expertise help health care leaders achieve sustainable growth and maintain market relevance by optimizing System of CARE, payer and consumer strategies.

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