

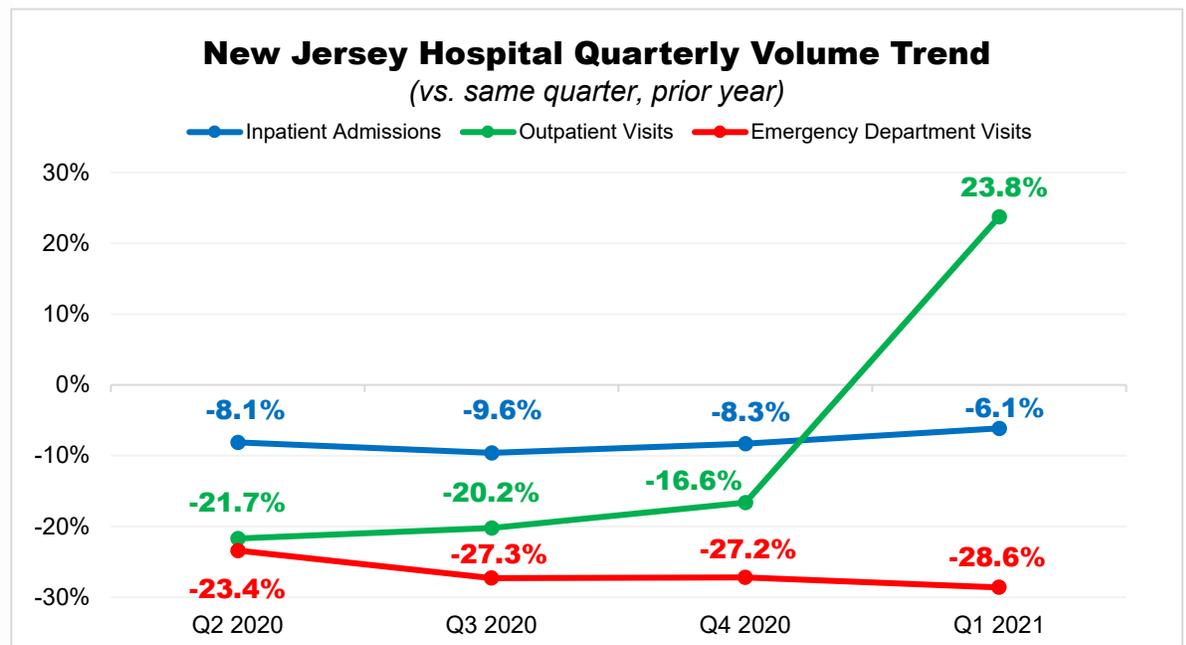
# A New Normal? After a Year of COVID, Hospital Volume Still Slow to Return

COVID-19 has had significant impacts on hospital operations, including increased expenses, decreased revenues and unprecedented reductions in individuals using hospital services. NJHA's Center for Health Analytics, Research & Transformation (CHART) has performed quarterly tracking of these challenges since the pandemic began. Now, with a full year of data available since the state's first COVID case in March 2020, this latest report reveals that the use of hospital services remains below pre-COVID levels, except for one exception – a rapid rebound in outpatient visits at New Jerseyans flocked to hospitals to get vaccinated against COVID-19.

The latest data shows that:

- inpatient admissions for the first three months of 2021 are down 6.1 percent compared to the same time frame in 2020
- visits to hospital emergency departments are nearly 30 percent lower than visits in Q1 2020
- outpatient visits for the quarter are up by approximately 24 percent versus last year thanks to hospitals serving as key points of dispensing for the COVID-19 vaccine.

This report uses Uniform Billing data through March 31, 2021 – or, the close of the first quarter (Q1) of 2021 – and benchmarks it against 2020. The following graph present the cumulative, year-to-date changes in patient volume in the hospital inpatient, outpatient and emergency department settings on a quarterly basis. The comparison point for each quarter is the same quarter from one year earlier (for example, the -8.1 percent decline in YTD inpatient admissions shown for Q2 2020 is relative to total admissions for the period Jan. 1 - June 30, 2019).



Each line summarizes the previous results (for the second, third and fourth quarters of 2020) published in earlier CHART bulletins in the series (available online at <https://www.njha.com/chart/>) and adds the latest data for Q1 2021. With this approach, general trends – or anomalous activity – become easily discerned.

Based on the inpatient trend in the above graph, hospital admissions remain below pre-COVID levels but appear to be improving compared with prior quarters. Relative to the same months in 2019, year-to-date admissions were 9.6 percent lower at the end of the third quarter of 2020. Over the full calendar year, inpatient hospitalizations in 2020 were 8.3 percent lower than in 2019. By the close of the first quarter of 2021, the negative variance had improved again, with statewide admissions just 6.1 percent below the quarterly total from the prior year.

The emergency department continues to be the setting most adversely affected by COVID, with the greatest reductions in patient activity occurring among ED visits. Emergency department volume is also the slowest to return to pre-pandemic levels, with Q1 2021 visits 28.6 percent lower than emergency department volume for the same period last year. The line graph above reveals that hospitals experienced a reduction in ED activity of roughly 25 percent in the initial months (April – June 2020) following the start of the pandemic in New Jersey, and have not regained any of that volume through March 31, 2021. While many reasons could have contributed to lower utilization of the emergency department, a recent study published by [Health Affairs](#) found that for ED visits for emergent, nonpreventable conditions, the top reasons for avoidance include fear of contracting COVID-19 in a healthcare setting and stay-at-home orders.

The significant increase in hospital outpatient visits represents an unexpected anomaly, especially in light of the suppressed levels of patient volume in the inpatient and ED settings evidenced at the start of 2021. Total outpatient visits for January to March 2021 increased 23.8 percent compared to Q1 2020. In order to explain this finding, CHART staff interviewed individuals at several hospitals responsible for submitting the quarterly utilization data. It was determined that – similar to the underlying factor responsible for the steep declines in patient volumes during the preceding year – the sharp increase in outpatient activity was also attributable to COVID-19. Hospitals played a major role in administering COVID vaccinations, especially during the initial months of the large-scale vaccination efforts undertaken throughout the state. CHART confirmed that administration of COVID vaccines by New Jersey hospitals were appropriately recorded as outpatient visits. The timing of the observed increase in outpatient activity is consistent with the rollout of the state's vaccination program. Data from the state's [COVID-19 Data Dashboard](#) shows the number of doses administered by day. Beginning in December 2020, the number of vaccination shots increased rapidly from January through March 2021 before peaking in early April.

## Update on Elective Procedures

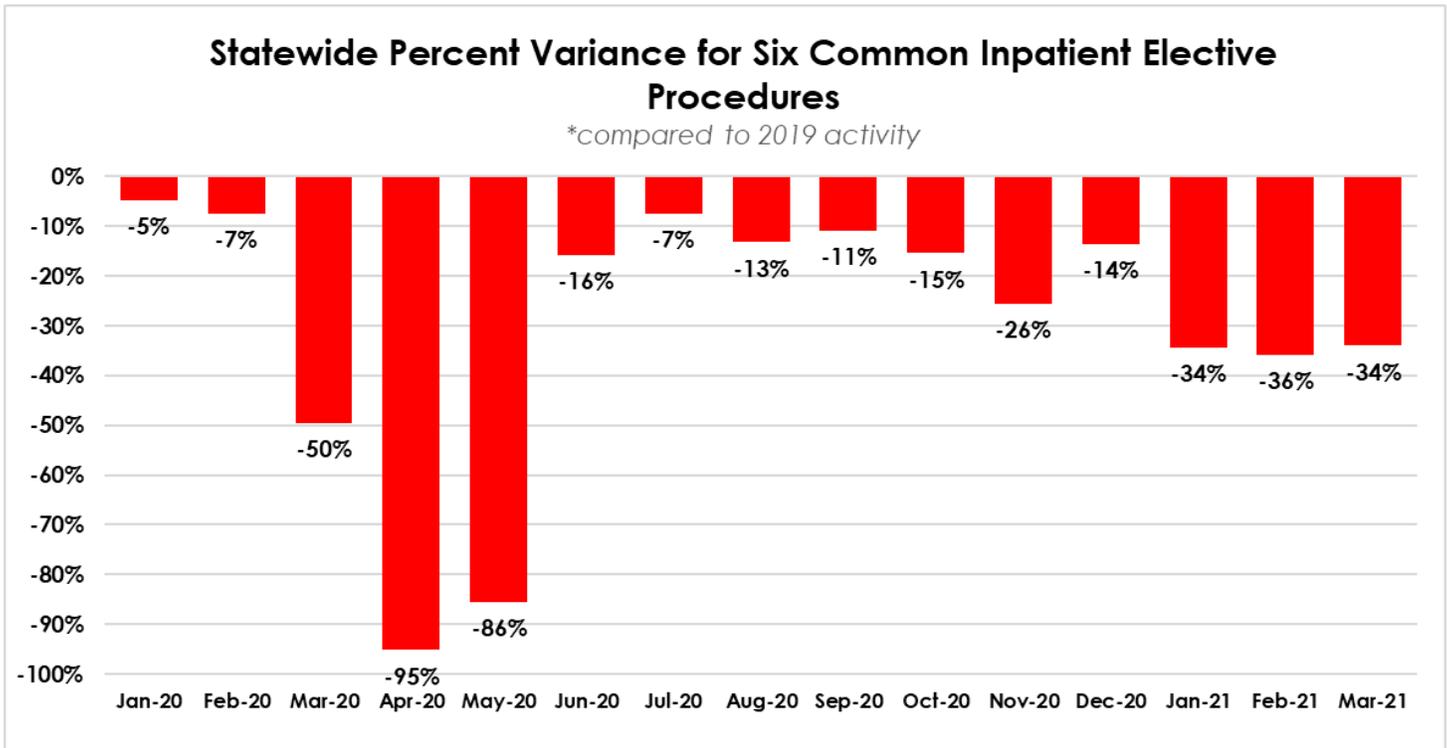
To determine whether elective procedures were returning to pre-COVID-19 levels following the Governor's temporary yet mandatory ban on electives<sup>1</sup>, CHART updated its ongoing review of patient volumes for six common inpatient procedures (Bariatric Sleeve Gastrectomy, Pacemaker Insertion, Spinal Fusion, Right Knee Replacement, Left Knee Replacement, and Hernia Repair).

From the patient-level Uniform Billing claims in the N.J. Discharge Data Collection System database, updated monthly volumes were determined for 2019 and 2020, as well as new counts for the first three months of 2021. For the 15-month period January 2020 through March 2021, the number of procedures performed for these electives was compared to the comparable monthly number from the pre-COVID baseline year (2019).

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<sup>1</sup>Gov. Murphy's Executive Order 109, which called for a suspension of medical and dental "elective" procedures during the COVID-19 response, was in effect from March 27 through May 26, 2020. In order to simplify the discussion about volume trends, CHART considered the months of April and May 2020 in their entirety to represent the two-month period the ban was in effect, even though it began in late March and ended in late May. The order defined an elective procedure as "any surgery or invasive procedure that can be delayed without undue risk to the current or future health of the patient as determined by the patient's treating physician or dentist."

From January through December 2020, the trend based on the updated data reaffirms our prior findings: Elective procedures rebounded following the lifting of the mandated ban, but remained well below prior year levels. Following the end of the statewide ban on electives, this activity started to rebound in June 2020, and by July volume for these procedures was only 7 percent lower than in July 2019.



However, beginning in January 2021 volumes again started to decline to approximately 35 percent below baseline levels. This trend continues through February and March as well.

It is not clear what the main driver of this decline is. The decrease in electives volume in the first quarter of 2021 parallels the increase in COVID hospitalizations overall, suggesting that the winter surge may have led more individuals to postpone or delay unnecessary care. At the national level, New Jersey hospitals were not unique in suspending electives at some point during the pandemic. More recently (in late 2020/early 2021), more than 100 hospitals throughout the county indicated that they were suspending elective procedures to free up beds and resources and ensure enough personal protective equipment to care for increases in patients hospitalized for COVID-19.

Even one year after the COVID-19 pandemic hit, New Jersey hospitals are far from full recovery to pre-pandemic levels. Inpatient, outpatient and emergency department volumes are still down, raising the question whether the current level of healthcare activity is the “new normal.” If so, hospitals – and all healthcare providers – will need to adapt their allocation of resources, both financial and human, to this new reality.

Visit [www.njha.com/chart/](http://www.njha.com/chart/) for additional resources.