



Key Healthcare Market Trends In 2024

Healthcare Market Insights & Trends In Products Sold Through Distribution

Key Trends At Hospital And Health Systems



Hospitals Increase Technology Budgets Amid Cyberattacks

Key 2024 Hospital and Health System Trends:

- Cybersecurity
- Decline in inpatient procedure volumes
- Staff shortages



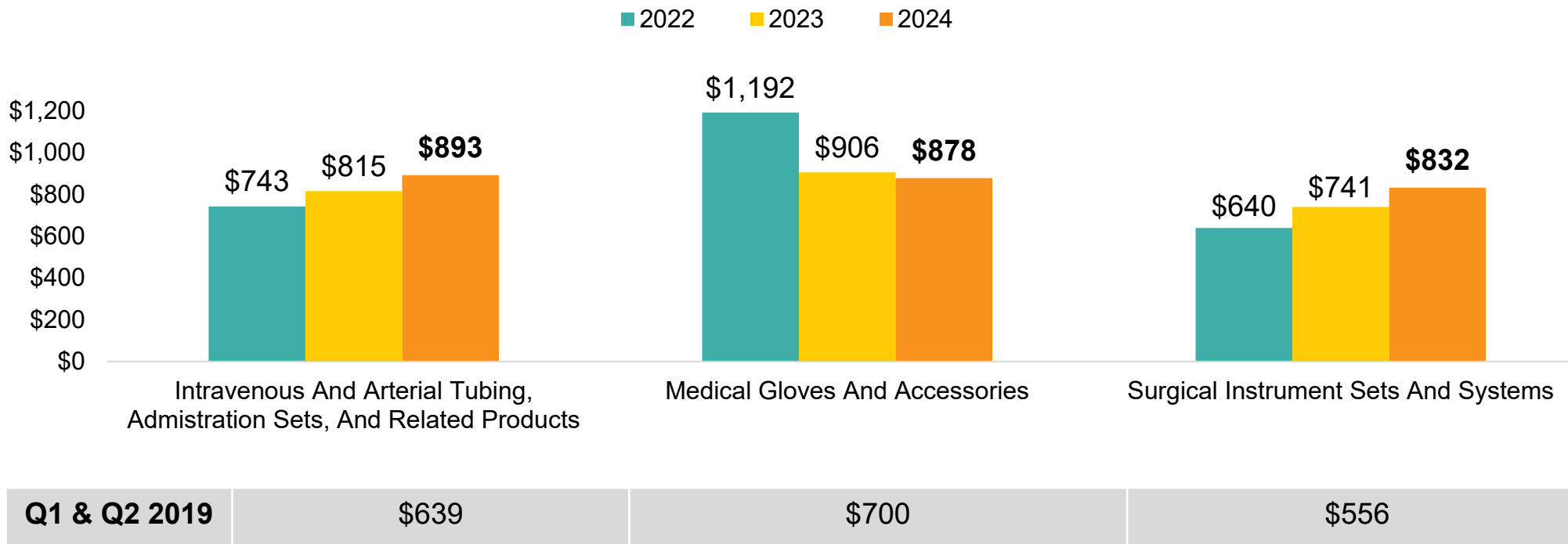
The average cost of a U.S. healthcare data breach

2020	2023
\$7.1M	\$10.9M

Source: Definitive Healthcare. Most Common Types Of Healthcare Data Breaches. August 23, 2024

Products Sold Through Distribution To Hospitals Increase Year-Over-Year

Top Three Product Categories: Revenue (In Millions)
Quarters 1 & 2



Source: HIDA/Clarivate Distribution Data Program. August, 2024

Total Dollars Sold Through Distribution To Hospitals

First Half Of 2024: **\$17.4 Billion**

6% Increase From Same Time Last Year

Key Trends At Ambulatory Surgical Centers

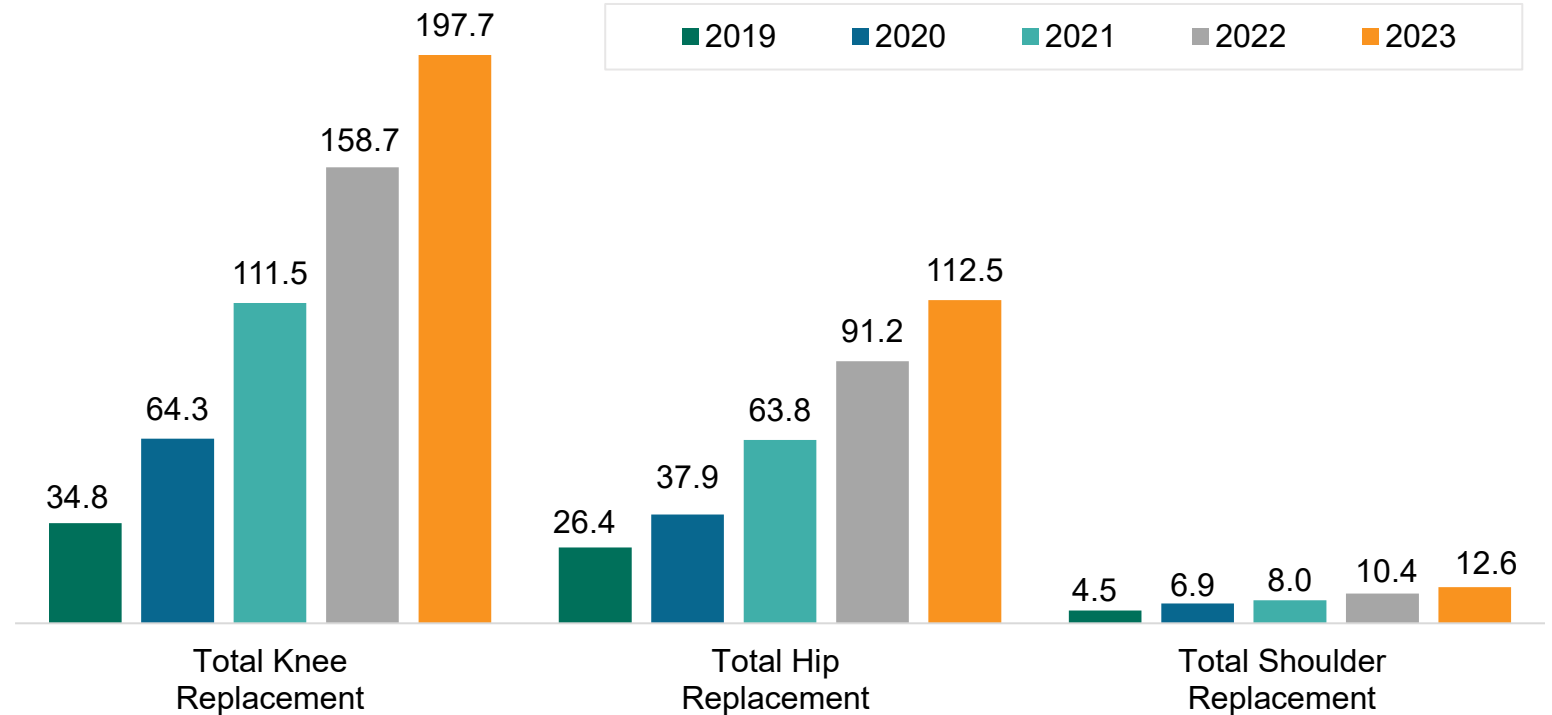


Site Of Care Shifts Leading To ASC Growth

Key 2024 ASC Trends:

- Care shifting from inpatient to outpatient settings
- States loosening certificate of need laws
- Growing demand for hybrid ASC/OBL facilities

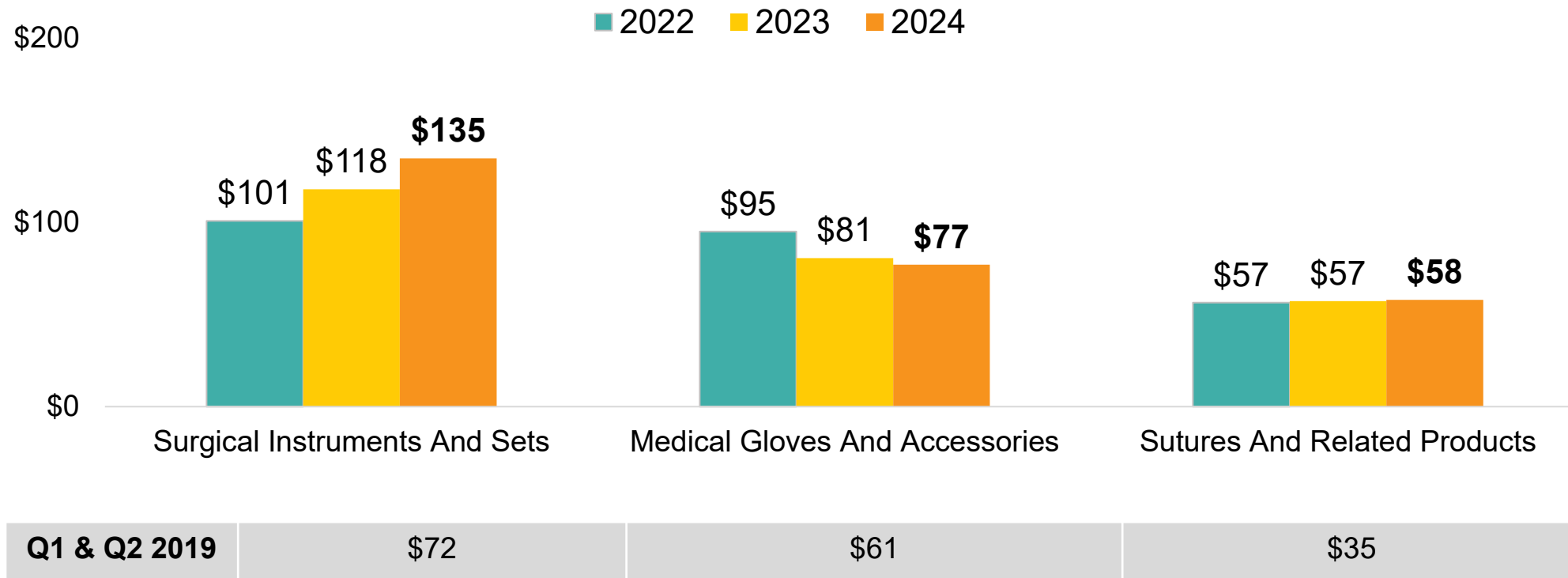
ASC Joint Procedure Volumes, 2019–2023 (In Thousands)



Source: Clarivate. Total Joint National Totals. 2024

Sales Of Surgical Instruments And Sets Sold Through Distribution To ASCs Increase Post-Pandemic

Top Three Product Categories: Revenue (In Millions)
Quarters 1 & 2



Total Dollars Sold Through Distribution To ASCs

First Half Of 2024:
\$1.3 Billion

5% Increase From Same Time Last Year

Source: HIDA/Clarivate Distribution Data Program. August, 2024.

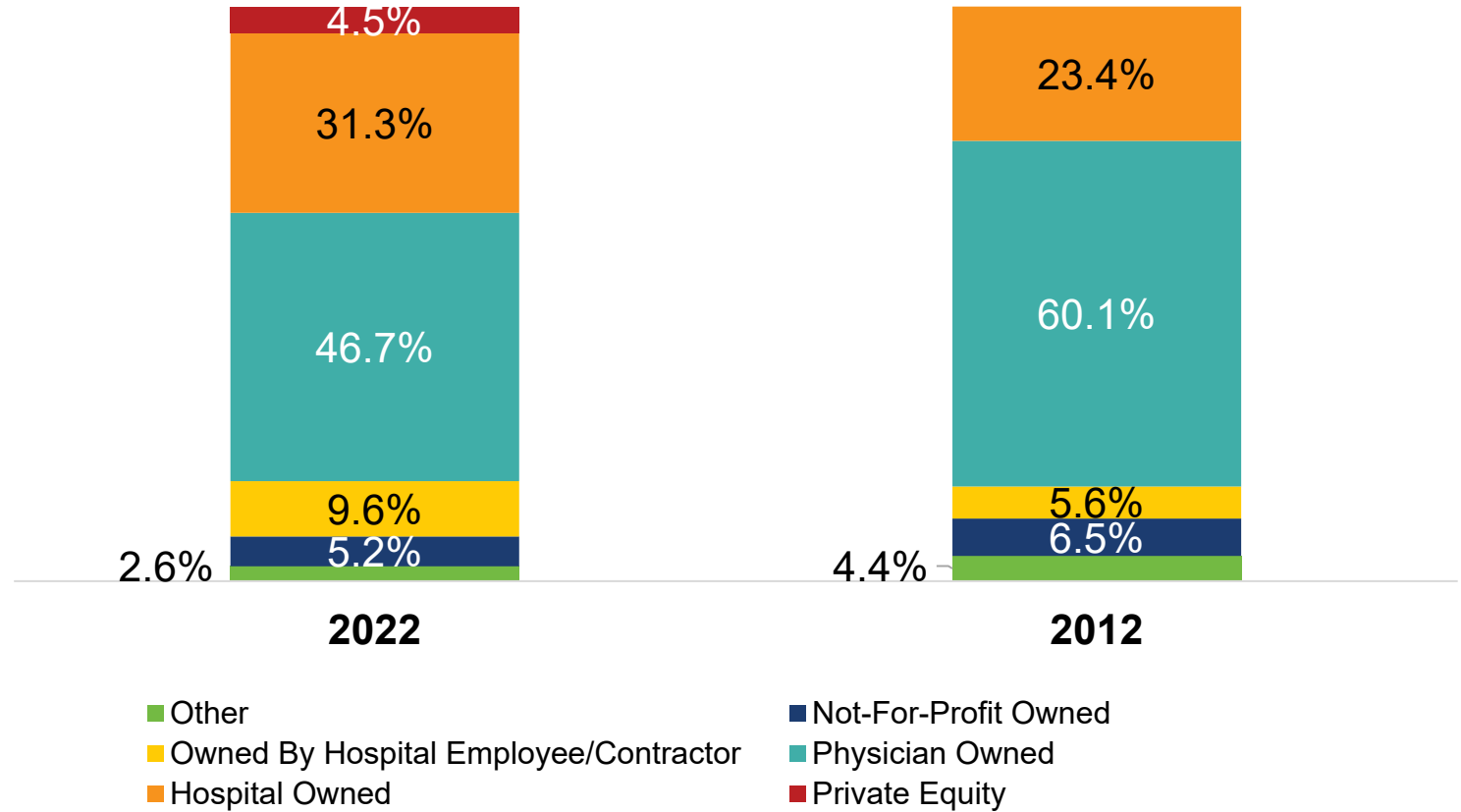
Key Trends At Physician Offices



Key 2024 Physician Offices Trends:

- Changing physician ownership structures
- Cyberattacks causing physician office disruptions
- Rising urgent care revenue and patient volumes

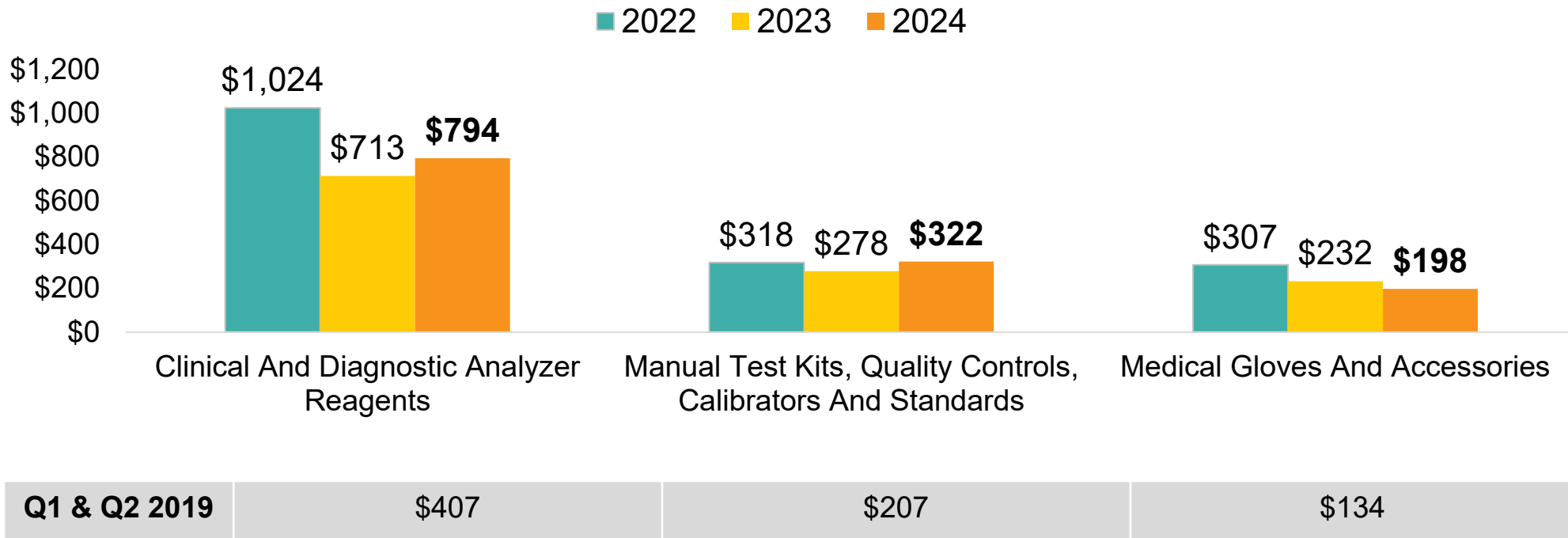
Physician Ownership Of Practices At All Time Low



Source: AMA. Recent Changes In Physician Practice Arrangements. November, 2023

Some Top Product Categories Sold Through Distribution To Physician Offices Decline In Revenue

Top Three Product Categories (Non-Pharmaceutical): Revenue (In Millions)
Quarters 1 & 2



Total Dollars Sold Through Distribution To Physician Offices

First Half Of 2024:
\$4.6 Billion

4% Increase From Same Time Last Year

Source: HIDA/Clarivate Distribution Data Program. August, 2024.

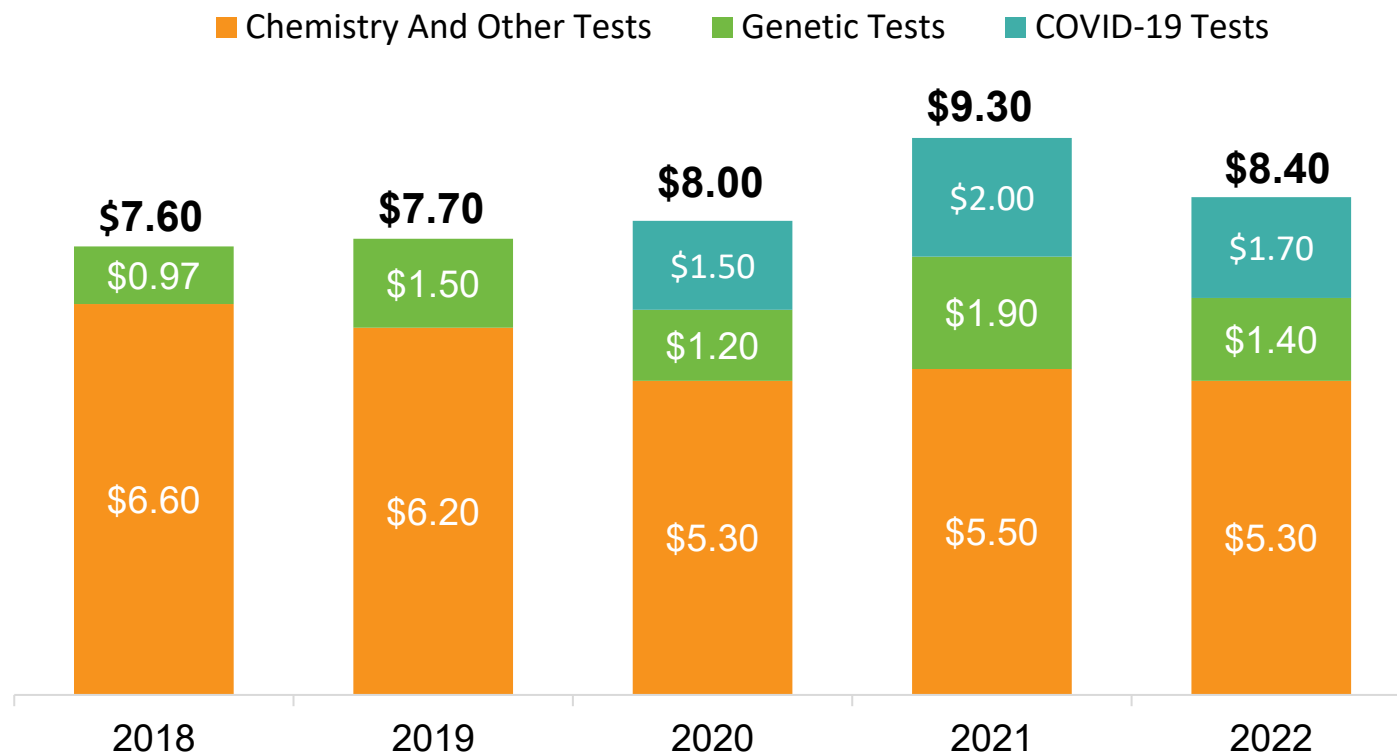
Key Trends At Laboratories



Medicare Spending On Lab Tests Falls

Key 2024 Laboratory Trends:

- Decline in Medicare spending on laboratory tests
- At-home point-of-care testing demand growing
- Technology advancements

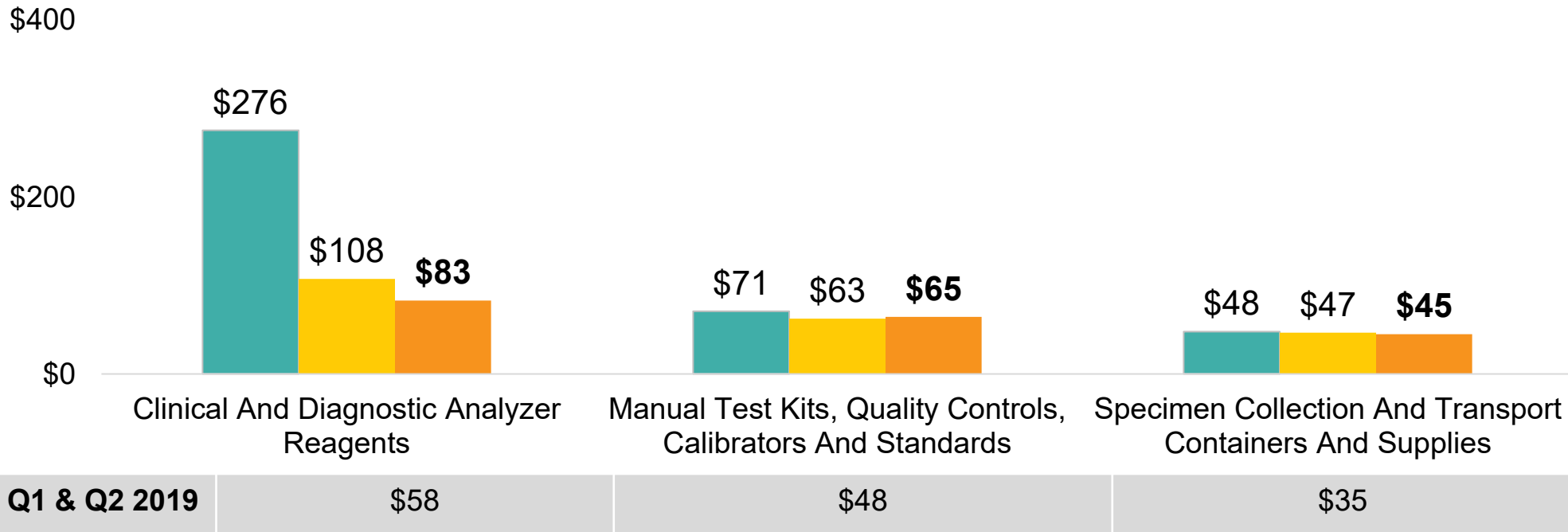


Source: HHS OIG. Medicare Part B Spending On Clinical Diagnostic Laboratory Tests In 2022. December, 2023

Top Products Categories Sold Through Distribution To Laboratories Decline Post-Pandemic

Top Three Product Categories: Revenue (In Millions)
Quarters 1 & 2

■ 2022 ■ 2023 ■ 2024



Total Dollars Sold Through Distribution To Laboratories

First Half Of 2024: **\$546 Million**

5% Decrease From Same Time Last Year

Source: HIDA/Clarivate Distribution Data Program. August, 2024.

Key Trends At Skilled Nursing Facilities

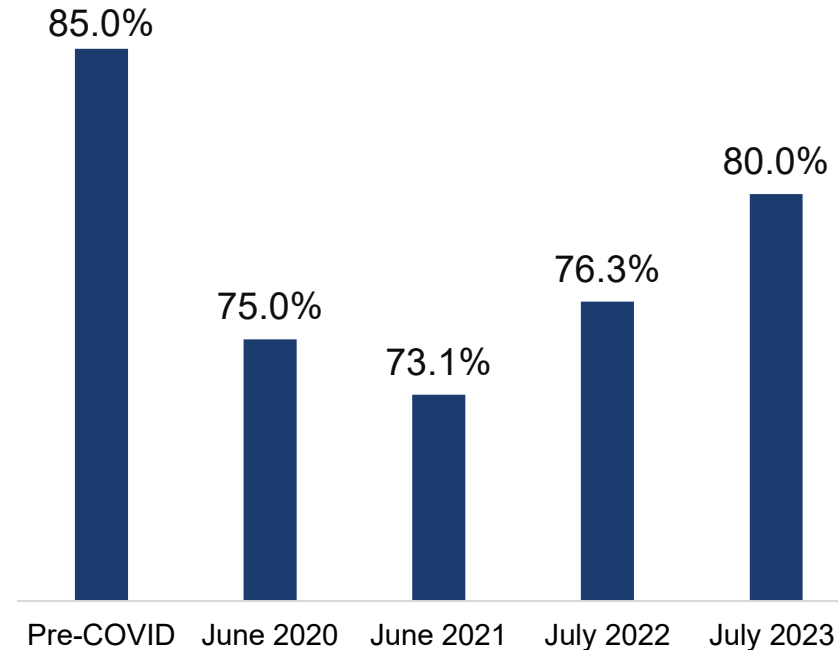


Skilled Nursing Facilities Near Pre-Pandemic Patient Volumes

Key 2024 SNF Trends:

- SNF occupancy rates hit a post-pandemic high
- New federal staffing mandate imposes nursing home requirements
- Referral volumes surpass pre-pandemic levels

SNF Median Occupancy



Source: Clifton Larsen Allen LLP. 38th SNF Cost Comparison And Industry Trends Report. 2023
Source: Lument. 2024 Senior Living Outlook Survey And Report. 2024

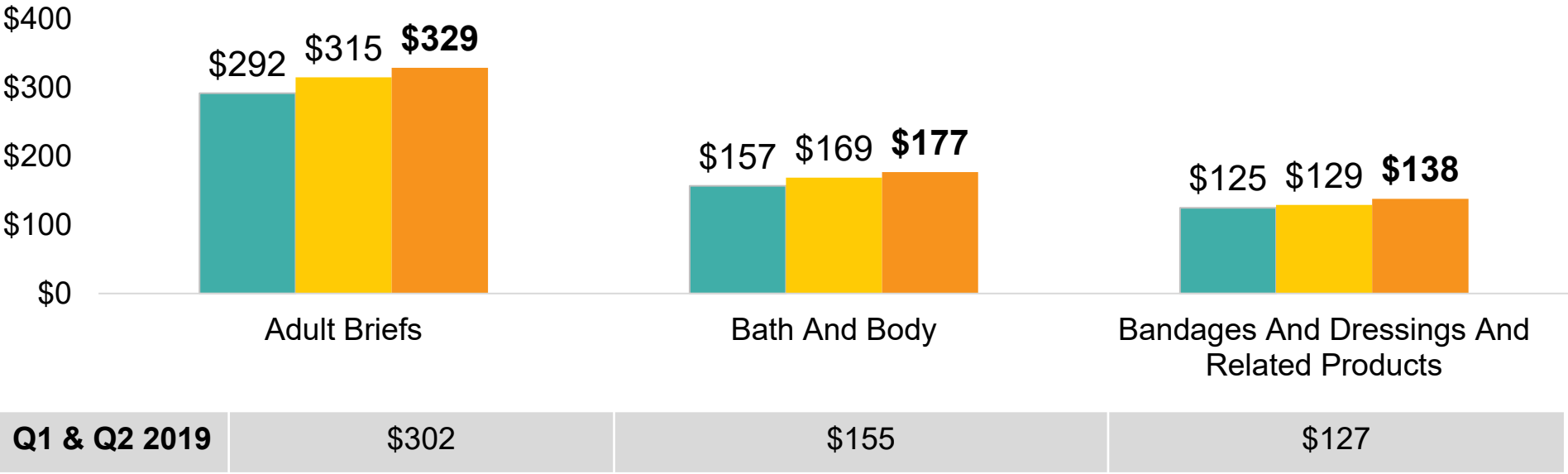


32%
of senior housing executives expect occupancy to rebound to Pre-COVID levels in 2025.

Products Sold Through Distribution To Long-Term Care Grow Year-Over-Year

Top Three Product Categories: Revenue (In Millions)
Quarters 1 & 2

■ 2022 ■ 2023 ■ 2024



Total Dollars Sold Through Distribution To Long-Term Care

First Half Of 2024:
\$1.5 Billion

6% Increase From Same Time Last Year

Source: HIDA/Clarivate Distribution Data Program. August, 2024.

Key Trends In Home Care

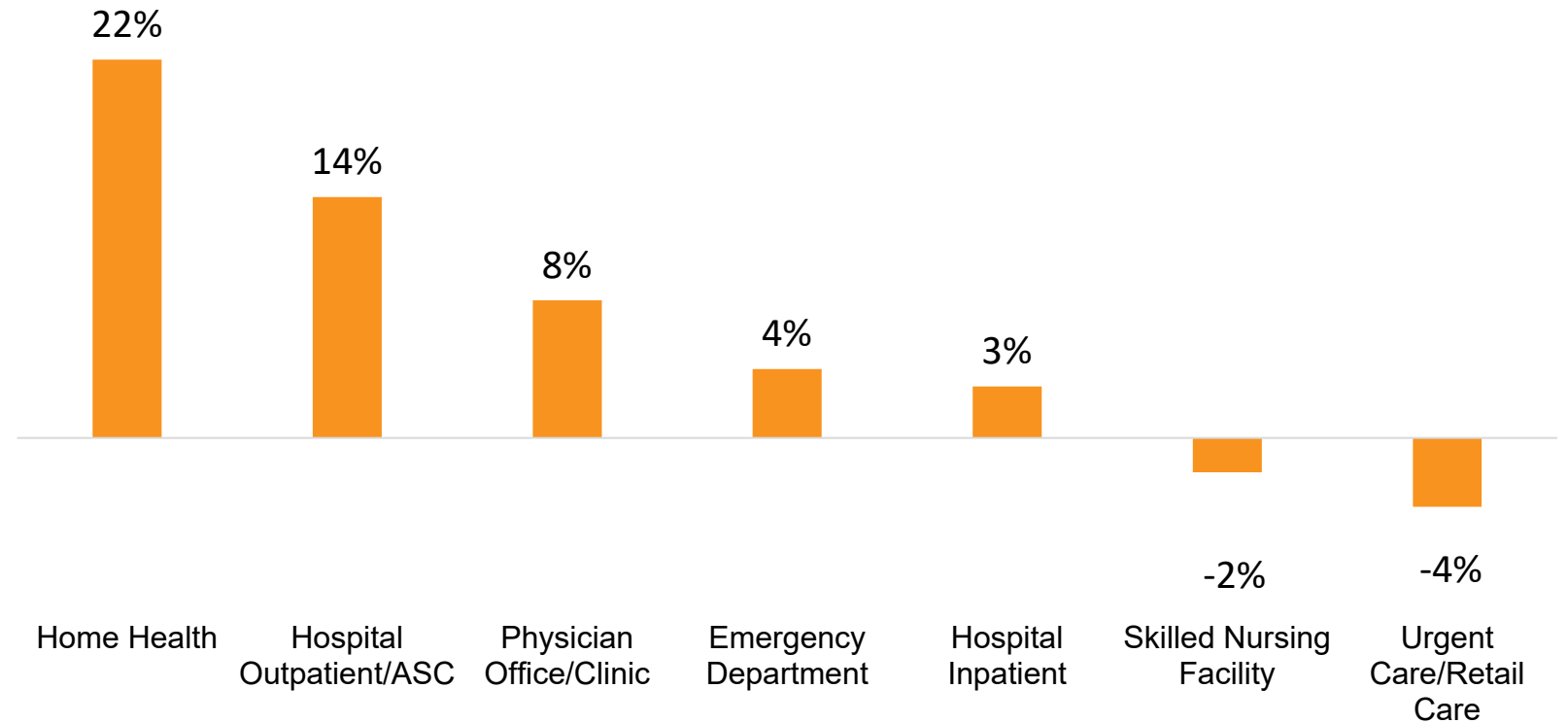


Home Health Volumes Projected To Grow 22% By 2034

Key 2024 Home Care Trends:

- Demand for at-home care rising
- Telehealth expansion and smart home integration
- Home access modifications (ramps, chair lifts, etc.) market growth

Projected Percent Change In Volume, 2024 Vs. 2034

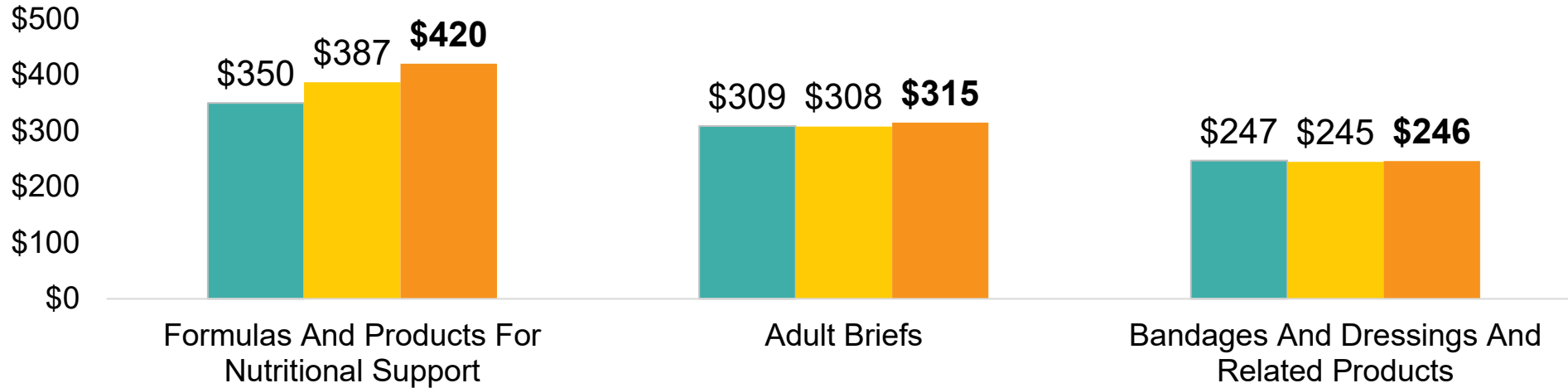


Source: Sg2. 2024 Impact Of Change Forecast Highlights. June, 2024

Sales Of Nutritional Support Through Distribution To Home Care Increase Thirty Percent Since 2019

Top Three Product Categories: Revenue (In Millions)
Quarters 1 & 2

■ 2022 ■ 2023 ■ 2024



Q1 & Q2 2019	2022	2023	2024
	\$322	\$275	\$188

Source: HIDA/Clarivate Distribution Data Program. August, 2024.

Total Dollars Sold Through Distribution To Home Care

First Half Of 2024: **\$2.1 Billion**

4% Decrease From Same Time Last Year