White Paper

From Market Share to Share of Care: Why Health Systems Need a New Measurement System

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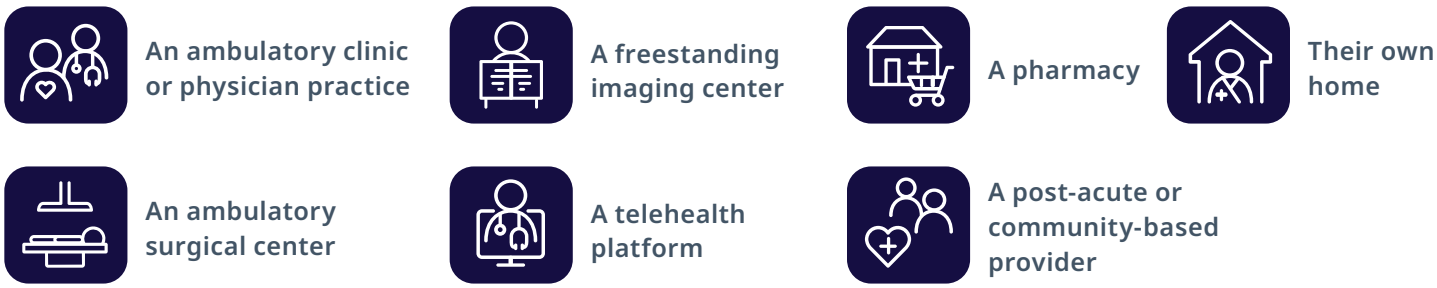
Executive summary

Market share remains an important performance measure for health systems, but it captures only part of an increasingly distributed care ecosystem. As treatment moves across ambulatory, virtual, pharmacy, post-acute and home-based settings, health system leaders need a broader view. Share of Care measures the proportion of treatment events delivered across the continuum, including medical encounters, procedures, diagnostics, therapies and prescriptions. This broader view helps leaders understand where care is occurring and how much of it remains connected to the health system.

-19%	+31%	63x	+24.3M
Inpatient admissions per 1,000 in 2000-2023	Hospital outpatient visits per 1,000 in 2000-2023	Medicare FFS telehealth visits, 2019-2020	Adults age 65-plus projected, 2022-2050

For decades, market share was one of healthcare's most trusted measures of strategic performance. It made sense in a healthcare system centered on hospitals, where success was measured by those who captured the most high-value procedures and admissions. In this environment, understanding volume offered a reliable way to gauge competitive position, market leadership and growth opportunity. This measure ties market leadership to who performed the most procedures, not necessarily who managed the most patient care.

Today, care is increasingly delivered across a mix of physical and virtual settings. A single patient's care might now touch:



This is not simply a broader set of care settings. It is a redistribution of influence. Payers, physicians, pharmacies, digital platforms, community providers and patients themselves increasingly shape where treatment occurs and what happens next.

Yet many organizations continue to evaluate growth and performance using market share, a measurement usually limited to what happens within the hospital and sourced from state data, AHA or CMS data sets. Broader data sets enable a share-of-care view that captures treatment delivered across the care continuum. Here's a clear definition of each term:

Market share measures the portion of defined services a health system delivered within a market. It remains valuable for understanding historical volume and hospital-based competitive position.

Share of Care measures the proportion of defined treatment events associated with a patient population, service line or market that are delivered by a health system across care settings. Treatment events may include medical encounters, procedures, diagnostics, therapies and prescriptions.

A related concept, **Share of wallet**, looks at the same treatment events through a financial lens by incorporating how much of a patient's total healthcare spending stays with a given health system and how much of that spending the system can reasonably expect to capture next.

Market share remains important because it tells leaders which procedures were performed in their hospitals. Increasingly, health system leaders need to answer two broader questions:

What share of the patient's relevant treatment events are we delivering across settings?

Where is care occurring outside our system?

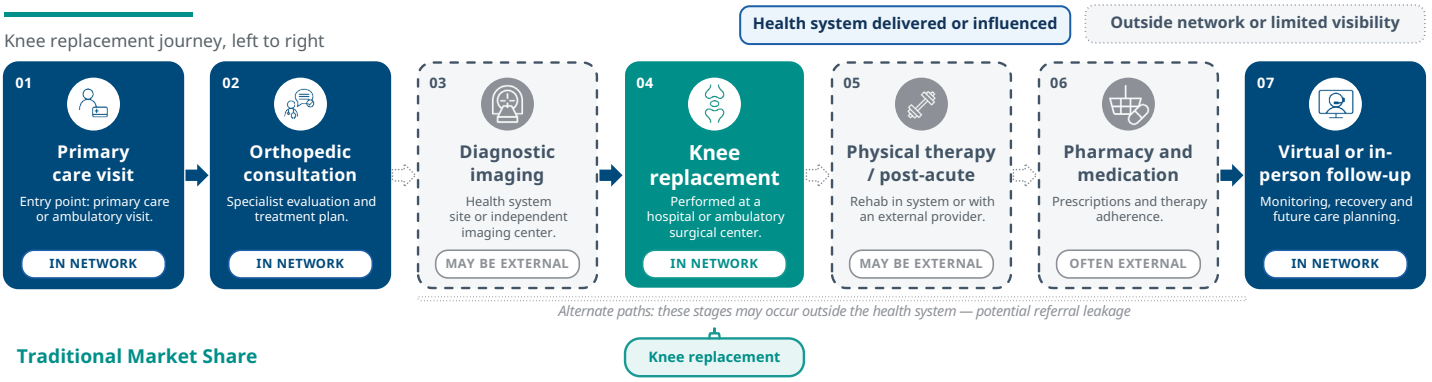
Market share measures selected services within a defined market for hospital based services. Share of Care measures a broader set of treatment events across settings in the market.



Healthcare's center of gravity is shifting

Healthcare delivery is no longer organized primarily around the hospital encounter. Treatment extends across physician practices, ambulatory facilities, pharmacies, virtual channels and the home and in many cases never occurring in the hospital. Four shifts make the limitations of a hospital-centered measurement system especially clear.

One patient, many touchpoints: Understanding Share of Care across the journey



"How much of the patient's care journey did the health system deliver, coordinate or influence?"

A health system may capture the procedure but still lose visibility into much of the patient's surrounding care. **Share of care reveals whether the relationship continues across referrals, settings and stages of treatment.**

Four signals requiring a new measurement approach

Signal 1: Care is moving beyond hospital walls

The migration of care outside the hospital is not simply a shift from inpatient to outpatient. It reflects a broader movement of services into lower-cost, more convenient settings. Procedures, diagnostics and follow-up care that once occurred within hospitals are being delivered across ambulatory facilities, physician practices and community-based settings.

From 2000 to 2023, hospital inpatient admissions per 1,000 people declined 19%, while hospital outpatient visits per 1,000 people increased 31%, according to KFF analysis of American Hospital Association Annual Survey data and U.S. Census Bureau population estimates.[1]

As more care moves to outpatient and community settings, a hospital-centered measure can understate where demand is developing, where referrals are flowing and where health systems are building patient relationships.

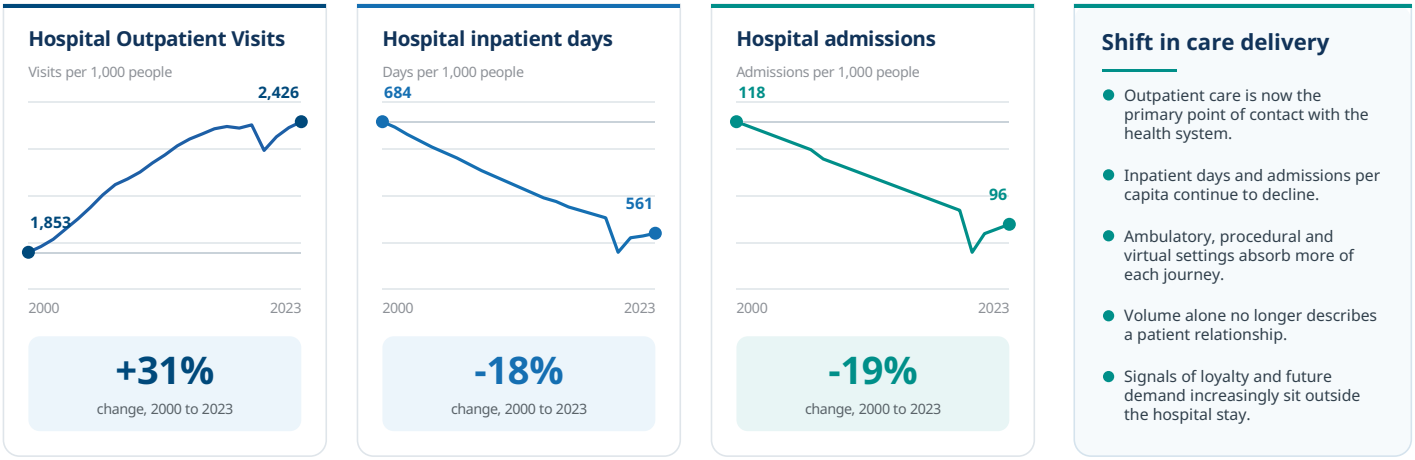
Executive insight

Competitive advantage increasingly depends on remaining connected to patients as care moves across settings.

Figure 1. The center of gravity Is shifting beyond the hospital

Hospital utilization is shifting from inpatient to outpatient care

Community hospital utilization per 1,000 people, 2000–2023



Per 1,000 people, hospital outpatient visits rose while inpatient days and admissions fell — a structural change in where care is delivered, not simply a change in volume.

Source: KFF, "Key Facts about Hospitals" — Use of Hospital Care: Outpatient Utilization. kff.org/health-costs/key-facts-about-hospitals

Signal 2: Virtual care expanded patient treatment pathways

Medicare fee-for-service telehealth visits increased from approximately 840,000 visits in 2019 to 52.7 million visits in 2020, a 63-fold increase after expanded access and regulatory flexibility during the COVID-19 public health emergency.[2,3]

Telehealth utilization has normalized since pandemic peaks, but virtual care permanently expanded the geography of the patient relationship. Patients embraced the convenience and accessibility of virtual care. Many people now expect digital access as part of their healthcare experience. Health systems therefore need to understand whether digital interactions strengthen continuity, redirect patients elsewhere or influence the next care decision.



Executive insight

Virtual care is no longer a separate channel. It is part of how patients access care and decide where to go next.

Signal 3: Medical management is changing where treatment occurs

Advances in medical management are changing how patients manage conditions that historically generated significant procedural and inpatient utilization. Obesity is one of the clearest examples of this. Between 2022 and 2024, use of GLP-1 therapies among patients with obesity or diabetes who are overweight increased 140.4%, while metabolic and bariatric surgery utilization declined 34.1%.[4]

The relationship is complex, and bariatric surgery remains an important treatment option for many patients. The trend does illustrate how quickly effective therapy can influence patient preferences, treatment pathways and demand for established procedural service lines.

Across the healthcare system, treatment for a variety of conditions and diseases is moving toward ongoing medication management rather than admission or surgical intervention. An IQVIA Institute report found that Americans received 210 billion days of medication therapy in 2025, up 13% over five years, while net

medicine spending rose 10.6% that year alone, reaching $606 billion.[5]

GIP/GLP-1 therapies contributed $14 billion of that growth, including $9.6 billion from obesity-related indications. Looking ahead, IQVIA expects continued growth to be driven by innovative therapies across obesity, diabetes, oncology, immunology, neurology and other specialty disease areas.

As treatment shifts from episodic intervention to ongoing medical management, health systems must look beyond admissions and procedures. Diagnosis, therapy selection, prescription activity, adherence, follow-up and referral behavior can show whether the system continues to influence treatment and maintain the patient relationship.

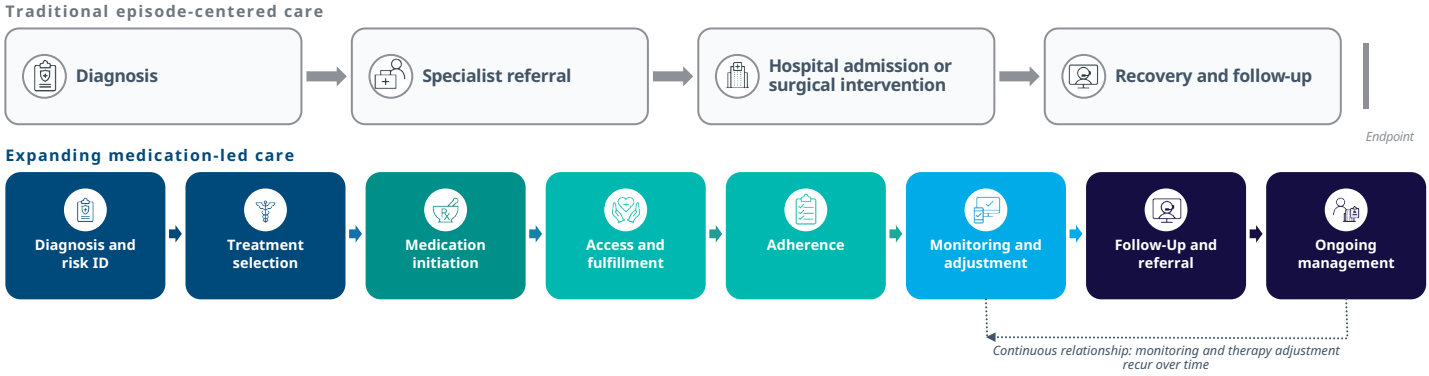
Executive insight

When treatment shifts from a procedure to ongoing therapy, demand does not disappear. It moves, and the measures must move with it.

Figure 2. As effective medical management expands, care shifts beyond traditional settings

The expanding patient care ecosystem

How medication-led care is extending a discrete hospital episode into continuous disease management



140.4%
increase in GLP-1 use, 2022 to 2024

34.1%
decline in metabolic and bariatric surgery utilization

210 billion
days of medication therapy received by Americans in 2025, up 13% over five years

As care shifts from episodic intervention to longitudinal disease management, important signals of patient relationships and future demand increasingly occur before, after and between traditional encounters.

Sources: IQVIA Institute for Human Data Science, U.S. Medicine Use Trends 2026; Harvard T.H. Chan School of Public Health.

Signal 4: America's aging population is driving care closer to home

Based on U.S. Census data from 2023, the U.S. population age 65 and older is projected to grow from 57.8 million in 2022 to approximately 82.1 million in 2050, an increase of about 24.3 million older adults.[6]

At the same time, AARP's 2024 Home and Community Preferences Survey found that 75% of adults age 50 and older wish to remain in their current homes as they age, with 73% hoping to remain in their communities.[7]

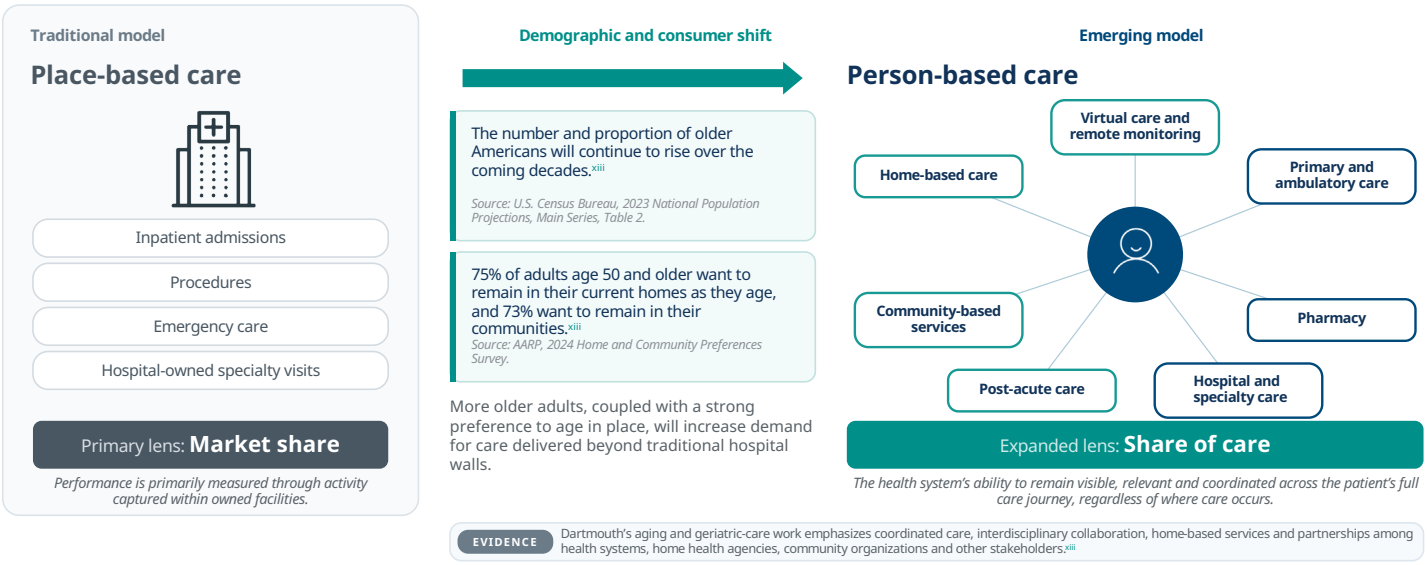
Dartmouth Health's expanding home-based care model demonstrates how coordinated services that bring together primary care, palliative care, caregiver

support, and research can better support older adults in their homes while improving access, outcomes, and continuity of care.[8]

Population aging and the preference to remain at home are increasing demand for remote monitoring, caregiver support and hospital-at-home services. Because these models often involve multiple organizations, health systems need a reliable way to track care delivery and maintain continuity beyond their facilities.



Figure 3. From Place-based care to person-based care



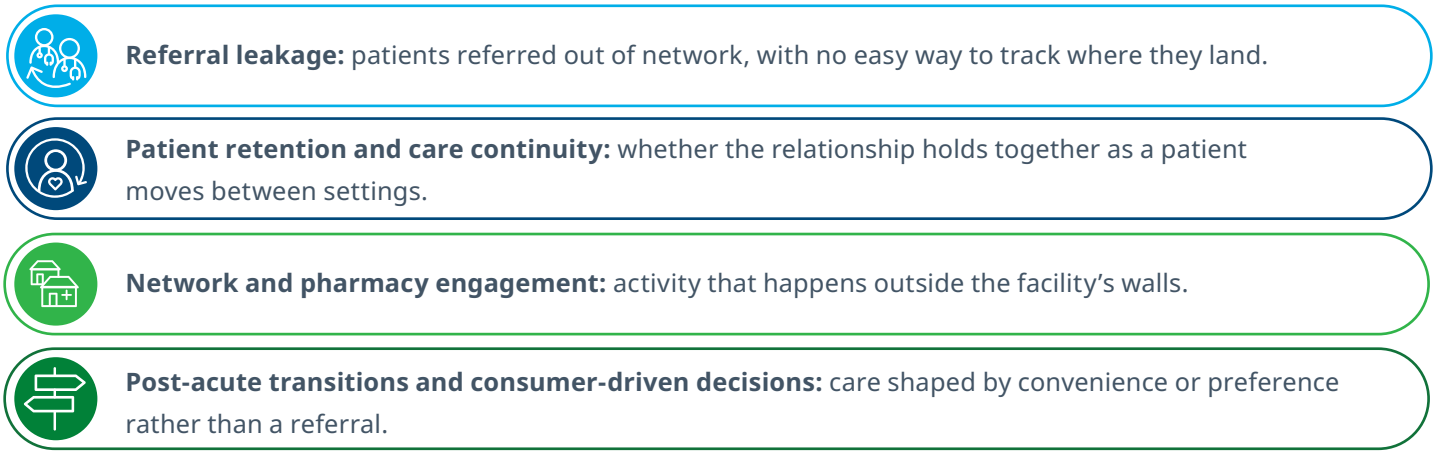
As care follows an aging population into homes and communities, winning requires more than capturing encounters within owned facilities. It requires coordinating and influencing care across the entire ecosystem.

Source: IQVIA conceptual framework.

Why market share has become insufficient

Market share remains valuable for assessing inpatient volume and competitive position within a defined market. It's limited in scope because it was designed for a healthcare system organized around facilities, procedures and encounters.

Market-Share metrics provide little visibility into what's happening around the edges of the hospital encounter, specifically:



Facility volume alone can obscure how well a health system retains patients and coordinates care across settings. Two organizations with similar inpatient market share may have very different referral leakage, network engagement and continuity of care. Market share cannot reveal those differences on its own.

Looking beyond market share to Share of Care

Share of Care expands traditional market-share methodology by measuring a broader set of treatment events that occur across care settings. Where market share may calculate a health system's portion of selected admissions or procedures in a defined market, Share of Care calculates its portion of relevant medical and prescription treatment events for a defined patient population, service line, geography and period.

Patient retention, referral patterns, network performance and care continuity provide complementary views that help leaders understand why Share of Care is growing or declining and where treatment is moving outside the system.

MARKET SHARE	SHARE OF CARE
Measures selected admissions, procedures or encounters	Measures a broader set of treatment events
Primarily facility-based	Cross-setting
Focuses on care delivered in a defined market	Focuses on care delivered across the continuum
Often procedure-centric	Includes procedure, medical and prescription activity
Reveals competitive position	Reveals breadth of care participation

Market share might measure the percentage of hospital-based knee replacements performed by a health system within a defined market. As more procedures move to ambulatory surgery centers, hospital-focused data can understate the system's competitive position and the total volume of care delivered in that market.

A Share-of-Care analysis could broaden the measurement to include relevant orthopedic visits, imaging, surgery, physical therapy, follow-up care and prescriptions, based on the treatment events included in the defined methodology.

As healthcare's center of gravity shifts beyond traditional facilities, the ability to understand patient movement becomes a competitive advantage. Health systems that can identify where patients remain engaged, where they seek care elsewhere and where relationships are strengthening or weakening will be better positioned to retain patients, coordinate care and anticipate future demand.

Executive insight

Market share explains where care occurred. Share of Care shows how broadly a health system participates in patients' treatment across settings. Referral, retention and continuity measures help explain why that share changes.



What Share of Care looks like in practice

The transition to Share of Care begins by connecting fragmented views of providers, patients, referrals and market activity. One health system's experience illustrates how this foundation can change the way leaders understand network performance.

The following IQVIA case study shows how one organization moved from fragmented views of physician activity and market performance to a more connected understanding of patient movement, referral behavior and network opportunity.

Situation

A leading not-for-profit U.S. health system had recently completed a multistate merger,[9] creating a network with dozens of hospitals and more than a thousand sites of care. The merger expanded the system's reach, but it also made it harder to see how patients, physicians and referrals moved across geographies and specialties.

Strategy and physician liaison teams needed to understand where providers were referring patients, which service lines were gaining or losing momentum, and where leakage threatened patient retention and growth.

Approach

The health system worked with IQVIA to connect provider reference data, referral intelligence and market analytics into a more actionable view of its network. Three IQVIA solutions supported the work:

OneKey: created a consistent enterprise view of physicians, advanced practitioners, organizations and affiliations by drawing on IQVIA's global provider reference database, which includes real-time data for more than 11.3 million healthcare providers and 743,000 organizations.

PSS (Provider Strategy Solution): identified referral patterns and provider behaviors across the network using more than 1.8 billion medical claims, helping teams see where patients were referred, recognize the first treatment event with a new provider and intervene earlier when patients were likely to leave the network.

MSS (Market Strategy Solution): added market-level context on patient demand, service-line performance, care patterns and payer reimbursement, giving leaders a clearer view of where growth was occurring and where competitive pressure was increasing.

Together, these capabilities turned disconnected provider and claims data into a shared operating view of the referral ecosystem. Strategy, physician liaison, growth planning and business development teams could work from the same source of truth, aligning market strategy with daily outreach and network-management decisions.

Outcome

Executives reported stronger confidence in referral intelligence and greater accuracy in connecting providers, payers and patients into one coherent view. More reliable physician and advanced-practitioner data also helped teams reduce duplicate records, validate affiliations and improve the precision of outreach, acquisition planning and physician targeting.

By combining referral intelligence, provider reference data and claims analytics, the organization gained a more complete view of treatment activity occurring across its network. While the organization did not explicitly define or report a formal share-of-care metric, the precision referral-event and treatment-event data created visibility into where care remained within the system, where patients sought care elsewhere and where opportunities existed to strengthen continuity across the continuum of care. This foundational view is the same type of intelligence required to measure share-of-care across a patient population.

The next opportunity is to extend that visibility into broader financial and workforce planning. By layering in share-of-wallet analysis, service-line forecasting and a closer look at consumer-driven leakage, the organization can better anticipate where patients will seek care next and where the system has the greatest opportunity to retain, coordinate or recapture demand.

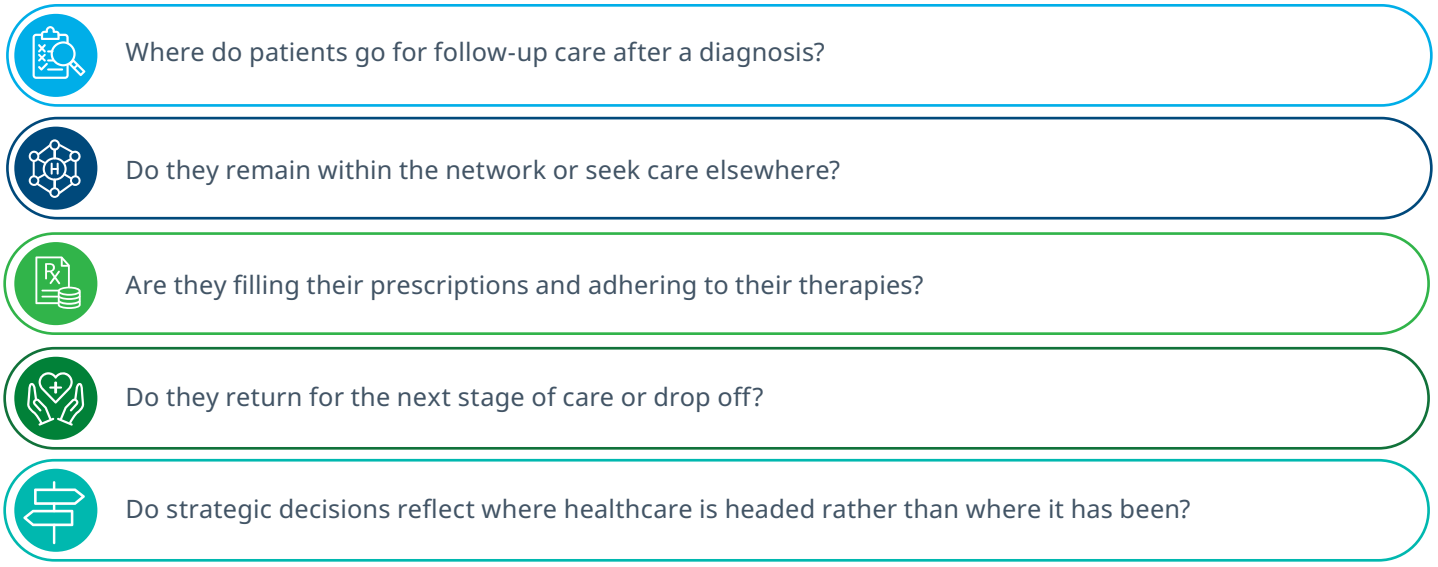


Executive example

The organization moved from measuring isolated activity to understanding patient movement: where care remained connected, where relationships weakened and where intervention could protect continuity.

Turning patient movement into strategic insight

By now, the case for looking beyond the inpatient hospital encounter is clear. What's less obvious is where to start. To help map what the full continuum of care looks like for a given patient population, health systems can ask:



- Where do patients go for follow-up care after a diagnosis?
- Do they remain within the network or seek care elsewhere?
- Are they filling their prescriptions and adhering to their therapies?
- Do they return for the next stage of care or drop off?
- Do strategic decisions reflect where healthcare is headed rather than where it has been?



Executive insight

The organizations that understand patient movement before competitors do will be better positioned to:

- Retain patients.
- Improve continuity.
- Strengthen provider relationships.
- Anticipate future demand.

The answers to these questions can help shape patient outcomes, organizational growth and long-term loyalty. Understanding them is what turns patient movement from a blind spot into a source of strategic advantage. In a distributed healthcare economy, visibility into patient movement is also a distinct competitive advantage.

Five questions every health system should be asking

The future of healthcare measurement will build upon, not replace, market share. Forward-looking executives need a broader scorecard. Market share is complemented by measures that assess patient relationships, network performance, care continuity and emerging demand signals.

DIMENSION	PRIMARY QUESTION	EXAMPLE MEASURES
Market presence	Where are we delivering care today?	Market share; service-line share; encounter volume, competitive position
Patient retention	How much of patients' care remains connected to us?	Share of Care, retention rates, repeat utilization, continuity indicators
Network performance	Where are patients entering, leaving or bypassing our network?	Referral retention; leakage rates; referral patterns, provider connectivity
Treatment management	How effectively are we coordinating care across settings?	Cross-setting continuity, care transitions, follow-up rates, care coordination effectiveness
Future demand signals	Where is treatment moving, and are we positioned to follow it?	Site-of-care migration; telehealth adoption, demographic change; digital engagement; treatment evolution, medication-led care trends, consumer engagement patterns

Looking beyond volume

Market share will remain a key measure of hospital-based competitive position. But as care becomes more ambulatory, virtual, medication led and home centered, it can no longer provide the full view.

Market share tells health systems how much of a defined set of services they delivered within hospitals in a market. Share of Care expands that view by measuring the proportion of relevant treatment events delivered across settings, including medical and prescription activity.

Referral, retention and continuity measures then help leaders understand why that share is changing and where opportunities exist to remain connected to patients.

Health systems that can measure where treatment events occur, understand why care moves and respond to emerging demand will be best positioned to succeed in healthcare's next era.

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