



Foundation Surgical Hospital  
*of San Antonio*

# Community Needs Assessment

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June 30, 2022



# Demonstrated Community Needs Results



# Results of the Community Needs Assessment

Based on the methodology and analysis described in this report, 3Dhealth calculates that there is a demonstrated community need<sup>1</sup> for 12 of the 14 specialties<sup>2</sup> analyzed within "the geographic area served" by Foundation Surgical Hospital ("CMS Service Area").

## Specialties with a Demonstrated Community Need

- |   |   |  |
|---|---|--|
| <ul style="list-style-type: none"><li>• Cardio/Thoracic Surgery</li><li>• Cardiology</li><li>• Gastroenterology</li><li>• General Surgery</li></ul> | <ul style="list-style-type: none"><li>• Neurosurgery</li><li>• Obstetrics &amp; Gynecology</li><li>• Ophthalmology</li><li>• Orthopedic Surgery</li></ul> | <ul style="list-style-type: none"><li>• Otolaryngology</li><li>• Physical Medicine &amp; Rehab</li><li>• Plastic Surgery</li><li>• Urology</li></ul> |
|---|---|--|

## Adequately Supplied Specialties; No Demonstrated Community Need

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"><li>• Pain Management</li></ul> | <ul style="list-style-type: none"><li>• Podiatry</li></ul> |  |
|---|--|--|

<sup>1</sup>Defined as a deficit equal to or greater than (0.5) FTEs within the CMS Service Area

<sup>2</sup>Some specialties include multiple sub-specialties. A complete list is included on page 14.



# Surplus/(Deficit) Results for the CMS Service Area

| Specialty                      | Current FTEs |        |                     | DCN |
|--------------------------------|--------------|--------|---------------------|-----|
|                                | Supply       | Demand | Surplus / (Deficit) |     |
| Primary Care                   |              |        |                     |     |
| Obstetrics & Gynecology        | 220.3        | 331.8  | (111.5)             | ✓   |
| Total Primary Care             | 220.3        | 331.8  | (111.5)             |     |
| Medical Sub-Specialties        |              |        |                     |     |
| Cardiology                     | 126.2        | 148.0  | (21.8)              | ✓   |
| Gastroenterology               | 70.1         | 84.1   | (14.0)              | ✓   |
| Pain Management                | 49.9         | 17.8   | 32.2                |     |
| Physical Medicine & Rehab      | 30.2         | 59.7   | (29.5)              | ✓   |
| Total Medical Specialties      | 276.4        | 309.6  | (33.1)              |     |
| Surgical Sub-Specialties       |              |        |                     |     |
| Cardio/Thoracic Surgery        | 16.7         | 31.6   | (14.9)              | ✓   |
| General Surgery                | 108.2        | 120.8  | (12.7)              | ✓   |
| Neurosurgery                   | 23.5         | 37.4   | (13.8)              | ✓   |
| Ophthalmology                  | 89.1         | 121.5  | (32.4)              | ✓   |
| Orthopedic Surgery             | 113.6        | 143.4  | (29.8)              | ✓   |
| Otolaryngology                 | 30.6         | 75.6   | (45.0)              | ✓   |
| Plastic Surgery                | 47.0         | 50.3   | (3.3)               | ✓   |
| Podiatry                       | 59.1         | 54.5   | 4.6                 |     |
| Urology                        | 46.2         | 52.0   | (5.7)               | ✓   |
| Total Surgical Sub-Specialties | 534.0        | 687.0  | (153.1)             |     |

Total All Specialties 1,030.7 1,328.4 (297.7)

- A demonstrated community need for physician services is defined as a current deficit equal to or greater than (0.5) FTEs within the CMS Service Area.



# CMS Service Area

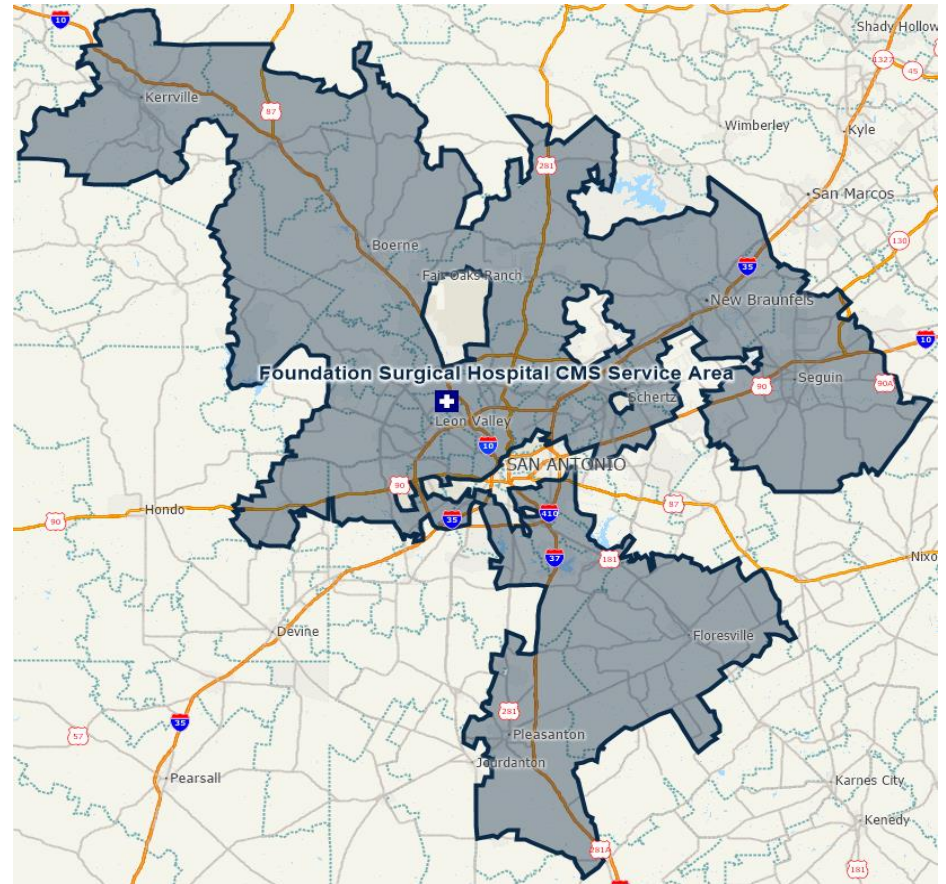


# Foundation Surgical Hospital CMS Service Area

- Regulatory-driven service area.
- Definition must be hospital-specific.
- Governs placement of financially-assisted independent physicians.
- Based on 3Dhealth's understanding of CMS guidelines.
- Defined on an annual basis.
- Typically, different than the hospital's strategic planning service area.

The "Geographic Area Served by the Hospital" is defined as:

- The fewest number of contiguous ZIP codes that account for at least 75% of the hospital's inpatient origin



# Foundation Surgical Hospital CMS Service Area

| ZIP Code | City          | Current Population | 2021 Discharges | % of Total Discharges | Cumulative % | ZIP Code | City                   | Current Population | 2021 Discharges | % of Total Discharges | Cumulative % |
|----------|---------------|--------------------|-----------------|-----------------------|--------------|----------|------------------------|--------------------|-----------------|-----------------------|--------------|
| 78253    | San Antonio   | 53,743             | 195             | 3.8%                  | 3.8%         | 78242    | San Antonio            | 34,324             | 49              | 1.0%                  | 57.4%        |
| 78245    | San Antonio   | 87,334             | 192             | 3.8%                  | 7.6%         | 78218    | San Antonio            | 37,542             | 49              | 1.0%                  | 58.3%        |
| 78254    | San Antonio   | 65,808             | 190             | 3.7%                  | 11.3%        | 78223    | San Antonio            | 57,404             | 47              | 0.9%                  | 59.2%        |
| 78240    | San Antonio   | 56,415             | 143             | 2.8%                  | 14.2%        | 78238    | San Antonio            | 26,658             | 44              | 0.9%                  | 60.1%        |
| 78250    | San Antonio   | 60,771             | 119             | 2.3%                  | 16.5%        | 78252    | San Antonio            | 10,796             | 41              | 0.8%                  | 60.9%        |
| 78109    | Converse      | 49,652             | 114             | 2.2%                  | 18.7%        | 78259    | San Antonio            | 31,048             | 40              | 0.8%                  | 61.7%        |
| 78130    | New Braunfels | 94,873             | 110             | 2.2%                  | 20.9%        | 78028    | Kerrville              | 41,082             | 40              | 0.8%                  | 62.5%        |
| 78249    | San Antonio   | 61,167             | 110             | 2.2%                  | 23.1%        | 78009    | Castroville            | 8,773              | 38              | 0.7%                  | 63.2%        |
| 78251    | San Antonio   | 62,689             | 110             | 2.2%                  | 25.2%        | 78212    | San Antonio            | 29,394             | 37              | 0.7%                  | 64.0%        |
| 78247    | San Antonio   | 55,975             | 100             | 2.0%                  | 27.2%        | 78255    | San Antonio            | 17,987             | 37              | 0.7%                  | 64.7%        |
| 78006    | Boerne        | 44,022             | 93              | 1.8%                  | 29.0%        | 78148    | Universal City         | 22,568             | 37              | 0.7%                  | 65.4%        |
| 78233    | San Antonio   | 52,841             | 92              | 1.8%                  | 30.8%        | 78207    | San Antonio            | 58,323             | 35              | 0.7%                  | 66.1%        |
| 78230    | San Antonio   | 44,616             | 89              | 1.7%                  | 32.6%        | 78163    | Bulverde               | 13,849             | 33              | 0.6%                  | 66.8%        |
| 78023    | Helotes       | 28,885             | 84              | 1.7%                  | 34.2%        | 78132    | New Braunfels          | 36,275             | 33              | 0.6%                  | 67.4%        |
| 78209    | San Antonio   | 42,355             | 83              | 1.6%                  | 35.9%        | 78217    | San Antonio            | 33,109             | 32              | 0.6%                  | 68.0%        |
| 78216    | San Antonio   | 41,487             | 76              | 1.5%                  | 37.4%        | 78231    | San Antonio            | 10,409             | 32              | 0.6%                  | 68.7%        |
| 78228    | San Antonio   | 64,262             | 74              | 1.5%                  | 38.8%        | 78064    | Pleasanton             | 17,273             | 32              | 0.6%                  | 69.3%        |
| 78108    | Cibolo        | 40,386             | 73              | 1.4%                  | 40.2%        | 78222    | San Antonio            | 23,871             | 32              | 0.6%                  | 69.9%        |
| 78258    | San Antonio   | 55,639             | 72              | 1.4%                  | 41.7%        | 78112    | Elmendorf              | 10,221             | 30              | 0.6%                  | 70.5%        |
| 78232    | San Antonio   | 39,220             | 70              | 1.4%                  | 43.0%        | 78114    | Floresville            | 23,780             | 29              | 0.6%                  | 71.1%        |
| 78213    | San Antonio   | 43,424             | 70              | 1.4%                  | 44.4%        | 78237    | San Antonio            | 39,538             | 29              | 0.6%                  | 71.6%        |
| 78015    | Boerne        | 18,950             | 69              | 1.4%                  | 45.8%        | 78070    | Spring Branch          | 22,065             | 28              | 0.6%                  | 72.2%        |
| 78154    | Schertz       | 43,344             | 69              | 1.4%                  | 47.1%        | 78248    | San Antonio            | 14,749             | 28              | 0.6%                  | 72.7%        |
| 78260    | San Antonio   | 36,383             | 68              | 1.3%                  | 48.5%        | 78261    | San Antonio            | 22,256             | 28              | 0.6%                  | 73.3%        |
| 78227    | San Antonio   | 50,531             | 67              | 1.3%                  | 49.8%        | 78211    | San Antonio            | 33,555             | 27              | 0.5%                  | 73.8%        |
| 78239    | San Antonio   | 32,085             | 61              | 1.2%                  | 51.0%        | 78256    | San Antonio            | 11,551             | 27              | 0.5%                  | 74.4%        |
| 78244    | San Antonio   | 37,193             | 57              | 1.1%                  | 52.1%        | 78063    | Pipe Creek             | 11,091             | 27              | 0.5%                  | 74.9%        |
| 78201    | San Antonio   | 45,914             | 57              | 1.1%                  | 53.2%        | 78013    | Comfort                | 6,847              | 7               | 0.1%                  | 75.0%        |
| 78221    | San Antonio   | 39,928             | 56              | 1.1%                  | 54.3%        |          | <i>All Other Areas</i> | -                  | 1,270           | 25.0%                 | 100.0%       |
| 78155    | Seguin        | 53,254             | 54              | 1.1%                  | 55.4%        |          | Total                  | 2,243,026          | 5,086           | 100.0%                |              |
| 78229    | San Antonio   | 33,542             | 51              | 1.0%                  | 56.4%        |          |                        |                    |                 |                       |              |



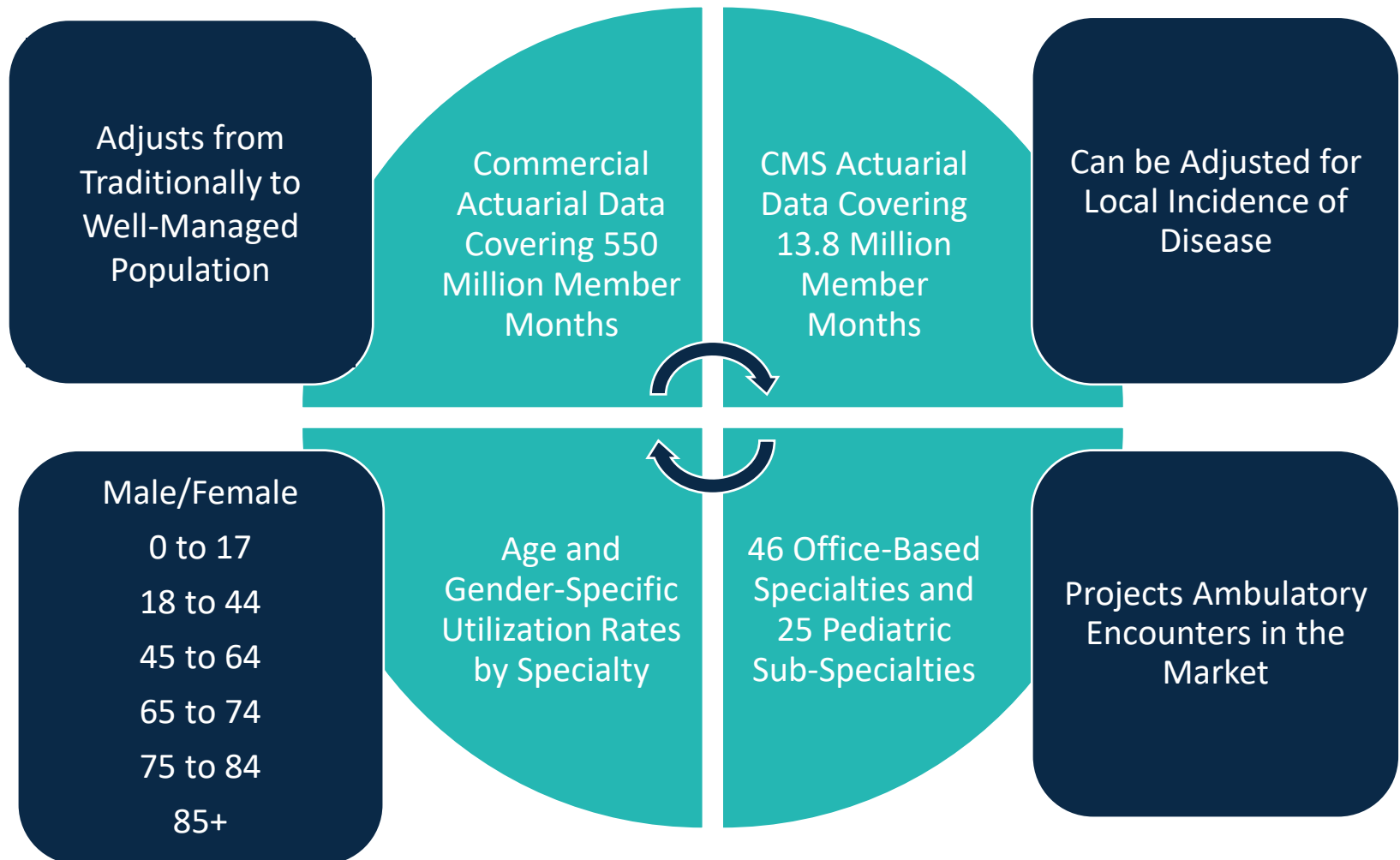
# Methodology and Assumptions





# Physician Demand Methodology

## 3Dhealth's Actuarial Demand Model:



# Physician Supply Methodology

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3Dhealth compiles a robust physician database for all physicians in the CMS Service Area.

## Compile Database

- 3Dhealth Databases
- IQVIA Physician Mailing List Data
- Hospital Medical Staff Roster
- Employed Provider Roster

## Test Database

- Online Competitor Medical Staff Rosters
- Physician Practice Websites
- Healthgrades.com
- Other Online Resources



# Additional Primary Research

3Dhealth also makes telephone calls to test for:

|                     |   |
|---------------------|---|
| <b>Age</b>          | Physician ages or medical school graduation dates not populated while compiling the database are collected.                                   |
| <b>Locations</b>    | Physician FTEs are adjusted for physicians that spend time practicing at multiple office locations, both in and outside the CMS Service Area. |
| <b>Specialties</b>  | If a physician practices multiple sub-specialties, his or her FTE is split between the sub-specialties.                                       |
| <b>Productivity</b> | Physician FTEs are adjusted for time spent performing non-clinical duties, such as teaching, research, or administrative responsibilities.    |



# Underlying Assumptions

|                                  |   |
|----------------------------------|---|
| CMS Service Area                 | <ul style="list-style-type: none"><li>"Geographic Area Served by the Hospital" based on 3Dhealth's understanding of CMS regulations.</li></ul>  |
| Physician Demand                 | <ul style="list-style-type: none"><li>Age and gender-specific actuarial use rates for physician office encounters by specialty, applied to local population estimates from Nielsen.</li></ul>   |
| Physician Supply                 | <ul style="list-style-type: none"><li>Any physician maintaining an office practice within the CMS service area, regardless of hospital alignment, is included in the physician supply. Advanced Practice Providers practicing in the CMS service area have been excluded from physician supply.</li></ul> |
| Projected Retirement Age         | <ul style="list-style-type: none"><li>Physicians were excluded from the supply if they were 65 years of age or older on June 30, 2022.</li></ul>  |
| Annual Physician Office Capacity | <ul style="list-style-type: none"><li>Five year rolling average of the median number of office encounters per year from the Medical Group Management Association's Provider Compensation &amp; Productivity Survey.</li></ul>   |



# Intended Use and Limitations of this Report

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- This Community Needs Assessment ("Assessment") has been completed by 3Dhealth solely for use by Foundation Surgical Hospital ("Client").
- The information contained in this Community Needs Assessment is intended to document whether a community need exists for specific physician services based on 3Dhealth's understanding of current regulations.
- Client will rely on their legal counsel to ensure compliance with all applicable laws and regulations.
- This Community Needs Assessment covers 14 physician specialties listed in the report.
- This report is considered valid as of June 30, 2022.
- While 3Dhealth has made every attempt to ensure that the information contained in this Community Needs Assessment is accurate, all findings are based on specific data sets, assumptions, and methodologies used by 3Dhealth as described in this report.



# Included Specialties

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| Specialty Category      | Included Specialties  |
|-------------------------|---|
| Obstetrics & Gynecology | <ul style="list-style-type: none"><li>• Obstetrics &amp; Gynecology</li><li>• Maternal Fetal Medicine</li></ul>   |
| Cardiology              | <ul style="list-style-type: none"><li>• Cardiology – Medical</li><li>• Cardiology – Interventional</li><li>• Cardiology – Electrophysiology</li></ul>   |
| Neurosurgery            | <ul style="list-style-type: none"><li>• Neurosurgery - Cranial</li><li>• Neurosurgery - Spine</li></ul>   |
| Orthopedic Surgery      | <ul style="list-style-type: none"><li>• Orthopedic Surgery – General</li><li>• Orthopedic Surgery – Hand</li><li>• Orthopedic Surgery – Spine</li></ul>   |
| General Surgery         | <ul style="list-style-type: none"><li>• Bariatric Surgery</li><li>• Breast Surgery</li><li>• Colon &amp; Rectal Surgery</li><li>• General Surgery</li><li>• Oncology Surgery</li><li>• Vascular Surgery</li></ul> |



# Available Physician Supply



# Available Physician Supply

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*See the Included Excel File*

