

Acquiring Physician Groups...

Beware the Pitfalls

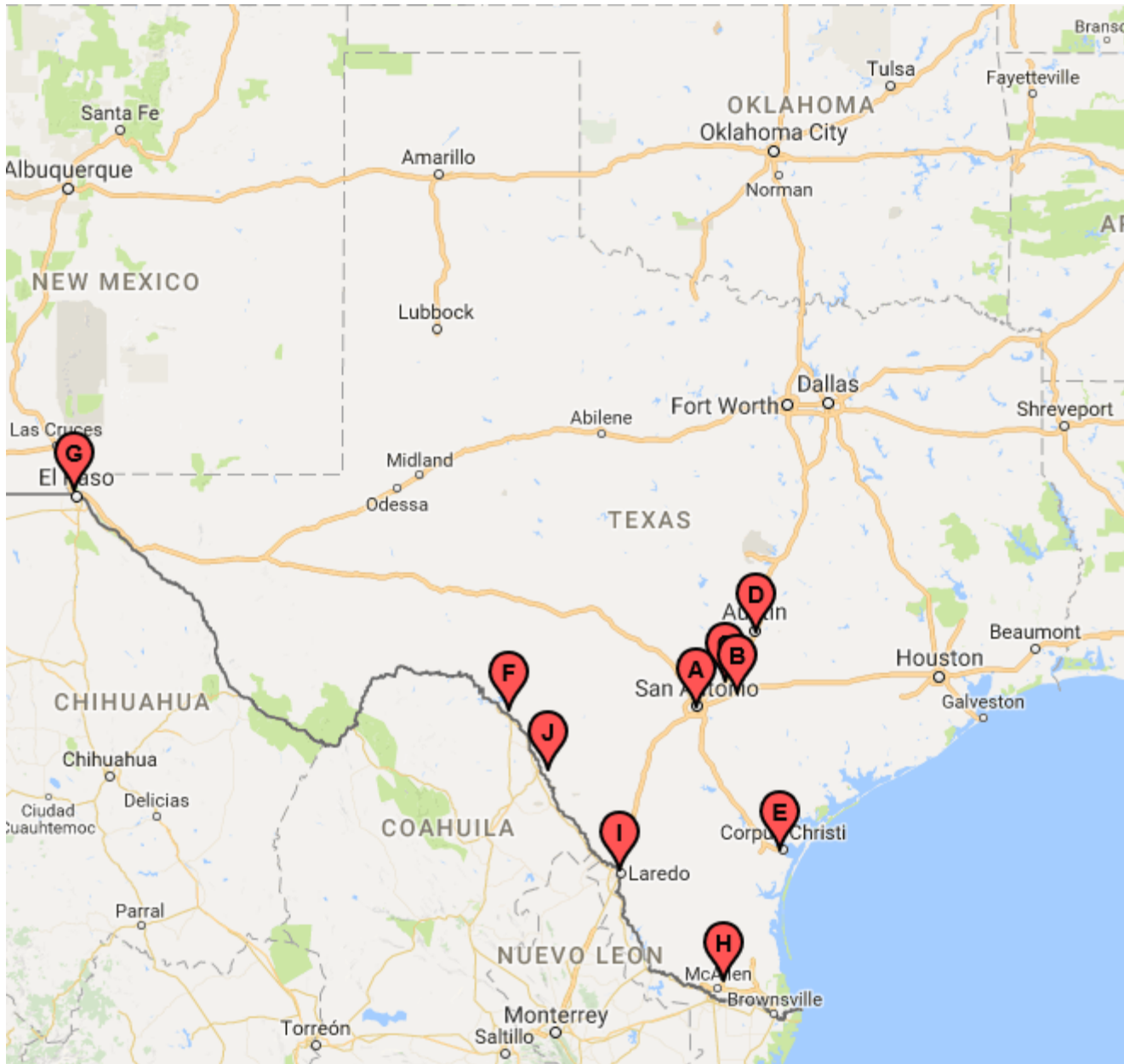


UT Health
San Antonio

UT Health Summary

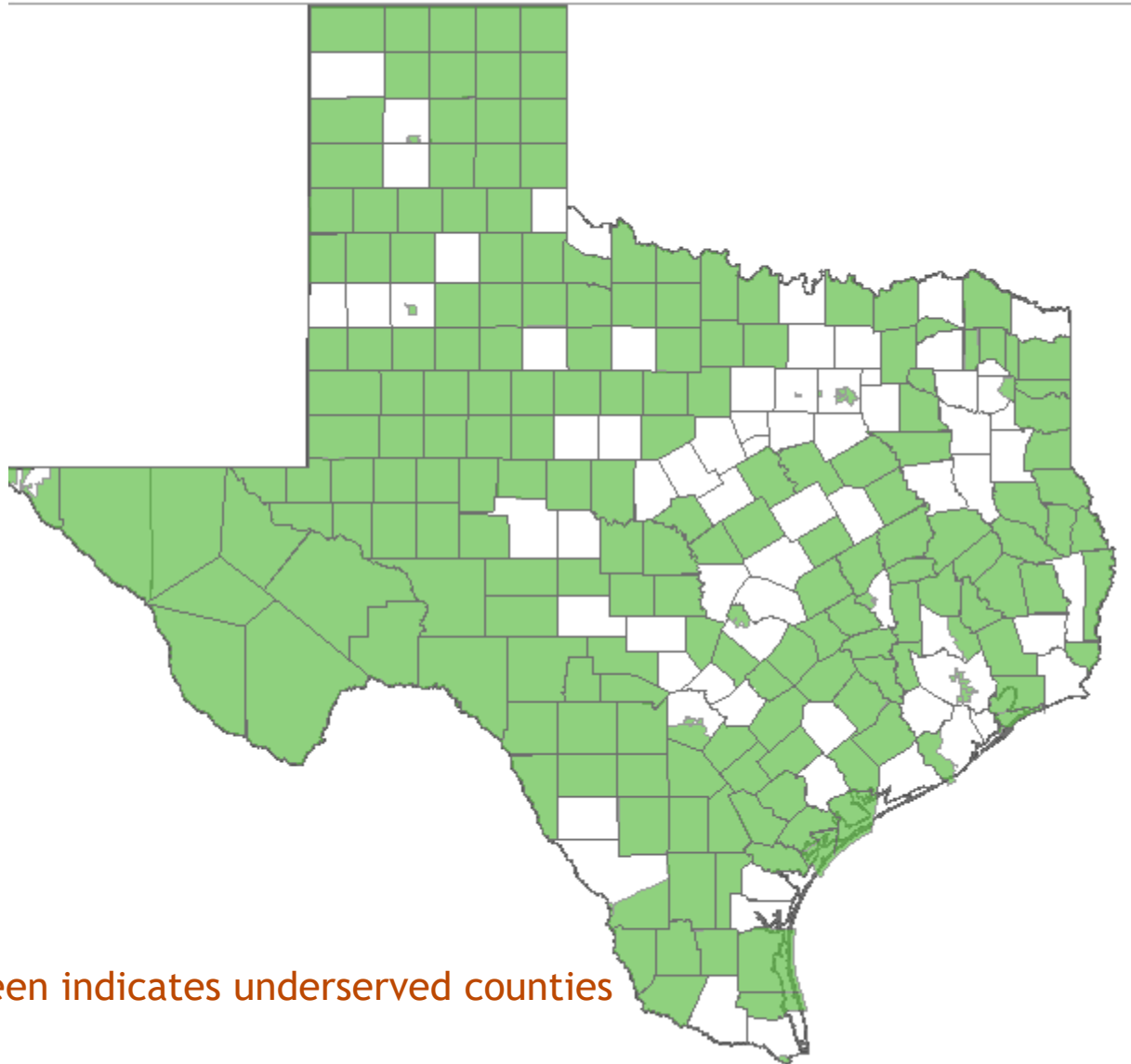
THECB 2017

- 83 buildings (55 owned, 28 leased) totaling 4.8M GSF
- Of the 4.8M GSF, 142,824 is leased
- Of the 142,842 GSF leased, 78,443 is leased for clinics



Physician Landscape

In 2013, the US Department of Health and Human Services determined that active primary care physicians between 2013 and 2025 would grow by approximately 11% while the patient demand for primary care physicians during this same period would grow by 17%. The southern region was identified as the area with the greatest disparity.



Green indicates underserved counties

San Antonio Statistics

Target Geography	Shortage of PCP FTEs
Helotes	25-30
Far West Side-North	15-20
Boerne/ Fair Oaks	5-10
Leon Springs	0-5
Stone Oak	<i>65-70 Surplus</i>

(The Chartis Group report Dec 2016)

Current Primary Care Center Locations



MARC Primary Care Clinic



Medical Drive Primary Care Clinic



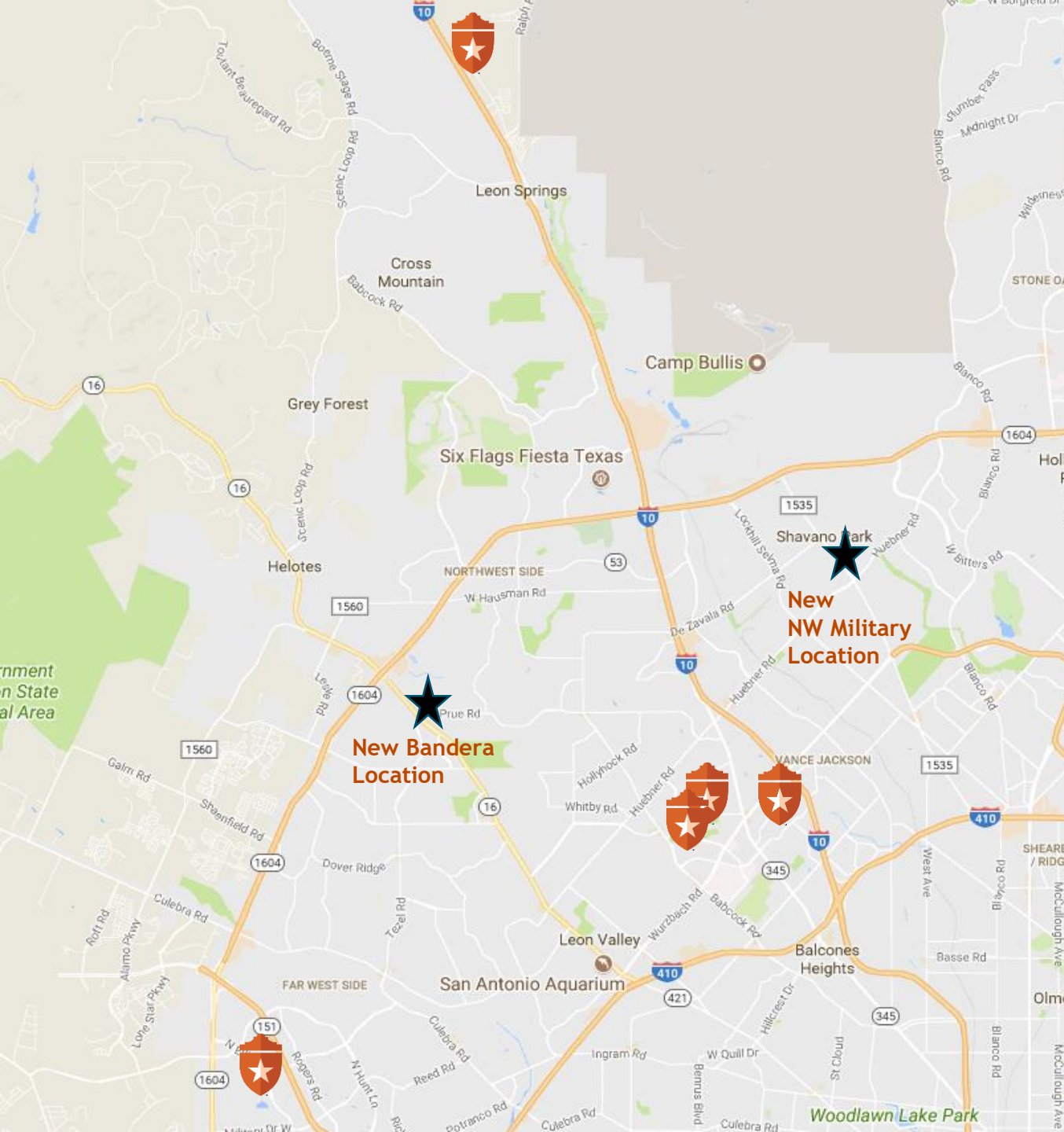
Geriatrics & Palliative Care



Westover Primary Care Clinic



UT Medicine Hill Country



Proximity to Specialists

- Locations allow for expansion but within 15 minute drive time
- Increase Downstream Revenue

NEW Primary Care Clinic Locations



Bandera & Old Prue



NW Military Dr.



What makes NW Military's location different?

**Subleased clinic had to
open 1/2/18 as UT Health**

- LOI for the sublease was executed 10/2/18
- and...

Who's involved?

- 4 existing physicians and 12 staff
- Patients – clinic carrying a full patient load
- Landlord, hospital, city officials
- Campus groups involved in the project, meeting weekly (28 members):
 - ✓ UT Health Practice Operations
 - ✓ HR
 - ✓ Marketing
 - ✓ Finance
 - ✓ IMS – Clinical Info Group
 - ✓ Compliance and Audit
 - ✓ Real Estate

Steps...

1. Sublease negotiated between local hospital (tenant), UT Health (sub-tenant) and landlord
 - executed agreement needed to sign service agreements with

Subleased clinic had to open 1/2/18 as UT Health

- Certificate of Occupancy (they didn't accept credit card payments, had to wait for a check from Accounting)
 - Schedule Fire Marshall walk and update evacuation plans
 - Submit permit for signage
 - All of the above took place around the Christmas holidays
3. Equipment sublease, coordination of phones/data lines/computers



Status...

- Patient volume at Pond Hill – approx. 76/day
- Still negotiating lease agreement for NW Military
- Working with an architect on design of new space
- Planned opening date of 8/1/18

