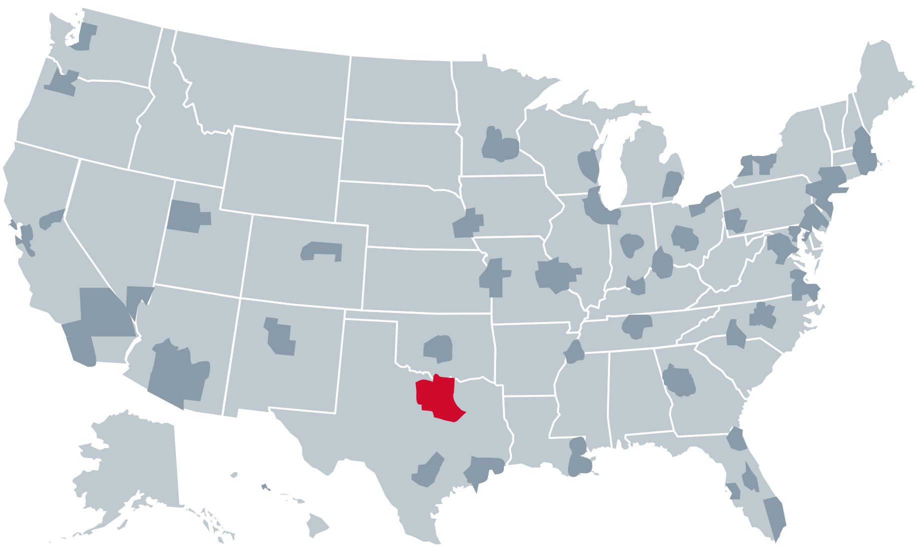
Market Profile

Published by Health Care Industry Committee

Dallas, TX



County	State
Bryan County	OK
Collin County	TX
Cooke County	TX
Dallas County	TX
Denton County	TX
Ellis County	TX
Fannin County	TX
Grayson County	TX
Henderson County	TX
Hood County	TX
Hopkins County	TX
Hunt County	TX
Johnson County	TX
Kaufman County	TX
Navarro County	TX
Palo Pinto County	TX
Parker County	TX
Rockwall County	TX
Somervell County	TX
Tarrant County	TX
Wise County	TX

Total Population:

- 7,933,807

Market Summary

- **Overview**: The rapidly growing population of the Dallas-Fort Worth (DFW) market is fueling a boom of new hospitals, emergency centers, retail clinics, and urgent care centers. This trend is most pronounced in the medical office building space, in which it is the second most active construction market in the nation.
- **Health Systems**: The three largest health systems control more than 50% of inpatient Medicare discharges in the DFW market. Expansion projects and affiliations, such as an accountable care organization (ACO) partnership between Baylor Scott & White Health and Tenet Healthcare, are some ways in which providers look to meet the demands of a growing population.
- **Insurers**: Narrow networks and value-based payment are dominant trends in this market. Major players—Aetna, Cigna, UnitedHealthcare—have formed accountable care arrangements with health systems and physician groups.
- **Physicians**: Physicians are driving the adoption of ACOs, clinical integration, and patient-centered medical homes. Even though physician supply is lower than the national average, physicians are pursuing population management efforts and care coordination.
- **Employers**: Employers largely offer narrow-network, high-deductible health plans to reduce their financial risk and shift costs to employees. Wellness programs with incentives are becoming more prevalent.
- **Population**: A healthy economy has kept unemployment rates well below the national average. A growing but geographically dispersed population means that patient access is a key challenge.

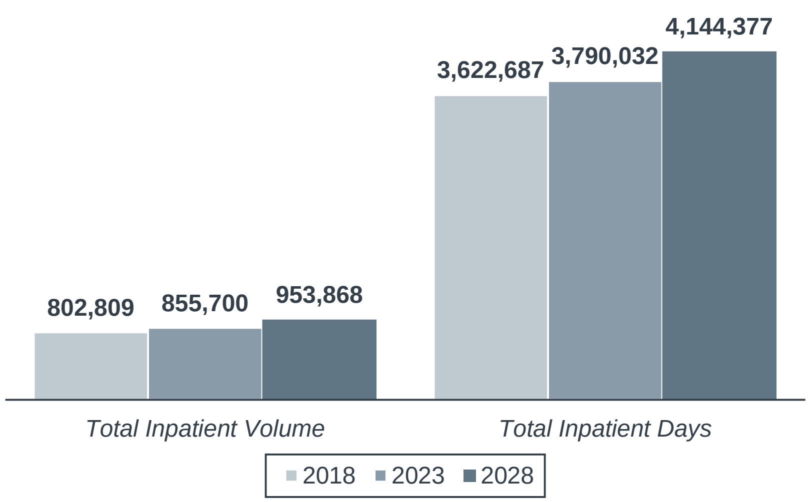
Source: Source: Maddox, Will, “Dallas is Nation’s Second Most Active Medical Office Building Construction Market,” *D CEO Healthcare*, July 1, 2019; Advisory Board research and analysis.

Market Glimpse

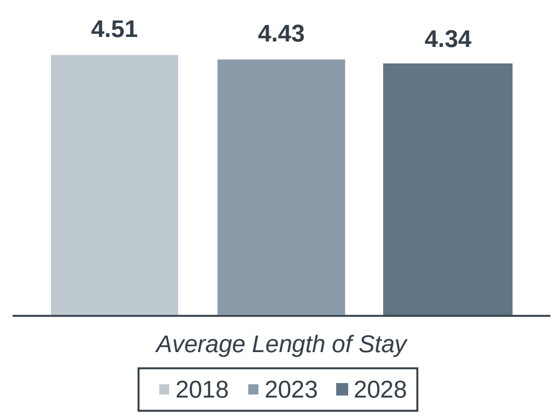
Key Figures

Category	Figure
Acute-Care Hospitals	82
Acute Care Beds	13,240
Number of Clinicians[1]	39,956
Households Count	2,882,619
Median Age	34.9
Median Household Income	$71,301
Per Capita Income	$34,213
Patients Who Visited a Doctor Last Year	74.7%
Unemployment Rate	3.3%
Uninsured Rate	High

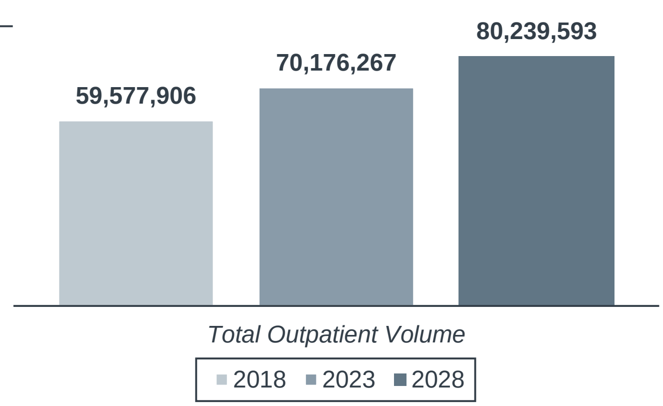
Inpatient Volume and Days



Average Length of Stay



Outpatient Volumes

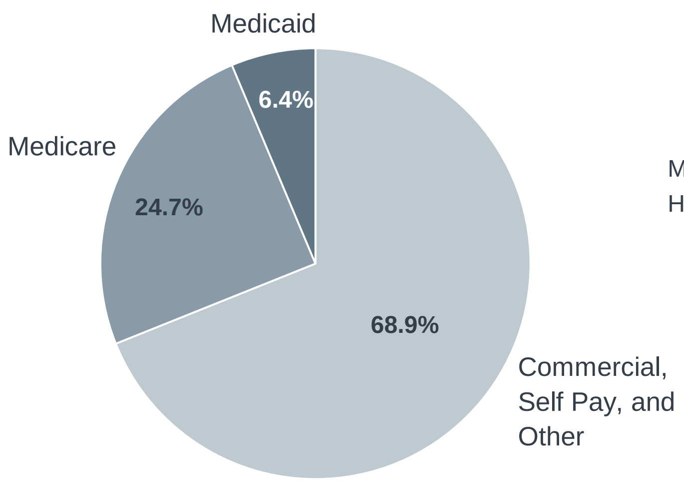


1) Includes primary care physicians, specialists, nurses, advanced practitioners, etc. For a breakdown of clinicians by type, specialty, or sub-specialty, use our Clinician Supply Profiler

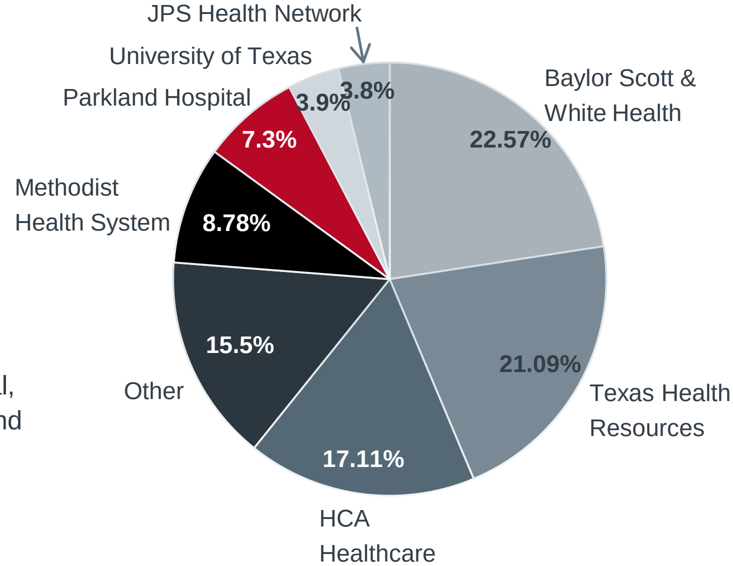
Source: Advisory Board research and analysis.

Overview of Payers, Inpatient Players, Major Ailments

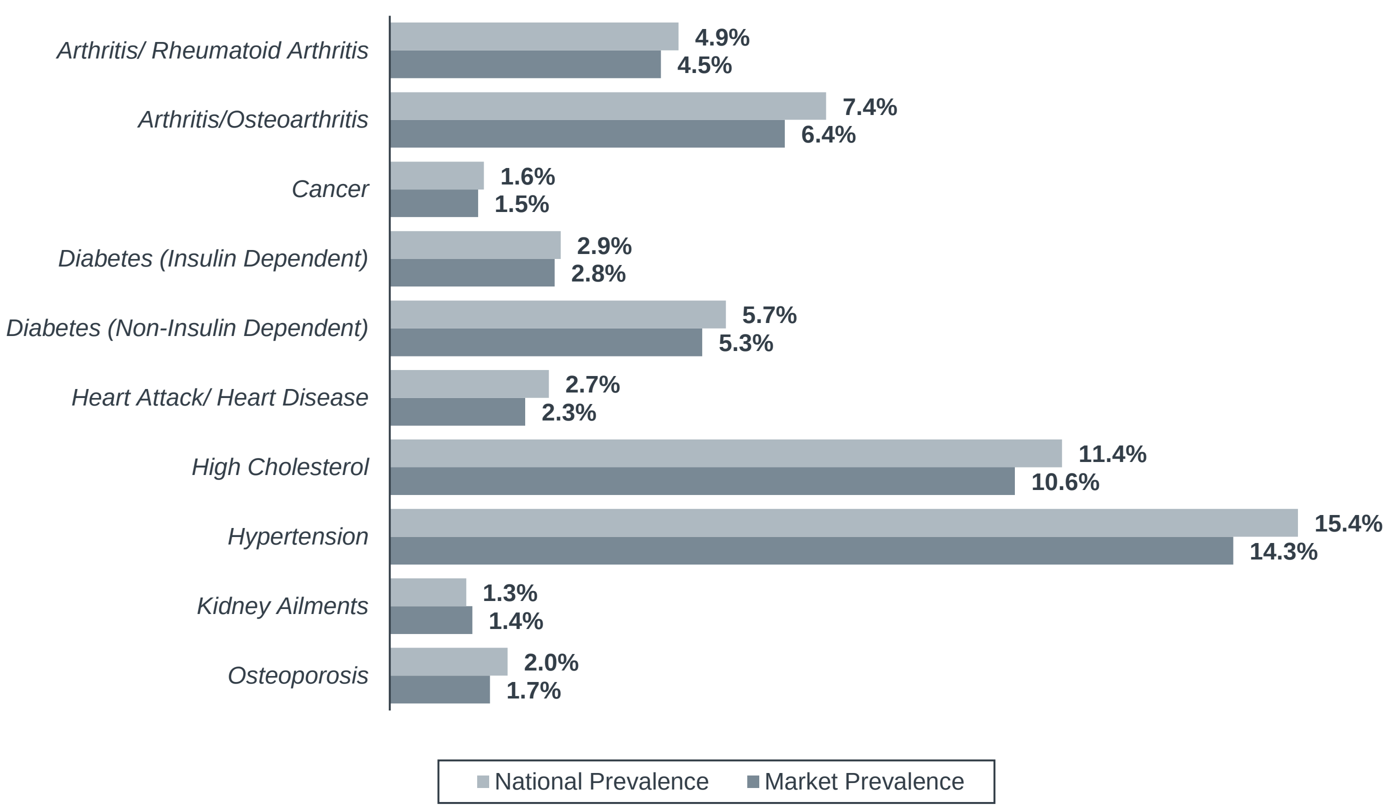
Discharge Mix



Inpatient Medicare Market Share Breakdown



Prevalence of Ailments



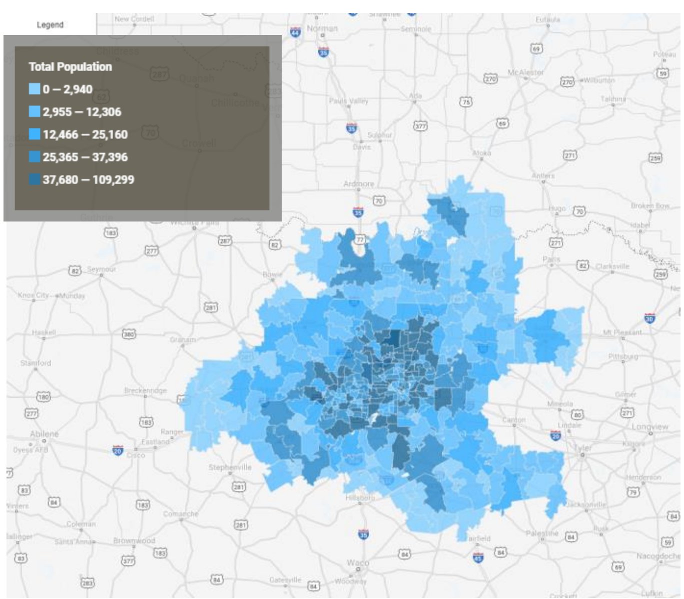
Source: Advisory Board research and analysis.

Population Stratification

Segmentation by Age

Age Group	% of Population in 2018
0-9	14.0%
10-19	14.3%
20-29	13.9%
30-39	14.2%
40-49	13.6%
50-59	12.8%
60-69	9.5%
70-79	5.1%
80+	2.6%

Population Density



Outpatient Sites of Care Volume Projections

Site of Care	2018 Volume	2028 Volume
Hospital Outpatient Department	6,055,114	7,960,618
ED	2,782,113	3,977,743
Ambulatory Surgery	6,683,332	9,096,560
Physician Office/Clinic	28,387,868	37,835,278
Endoscopy	1,044,773	1,430,990
Oncology Center	2,869,892	3,830,501
Sleep Studies	542,015	736,221
Independent Diagnostic Testing Facility	2,484,744	3,215,836
Physical Therapy	3,268,689	4,579,226
Lab	5,361,368	7,414,310
Other	97,997	162,311

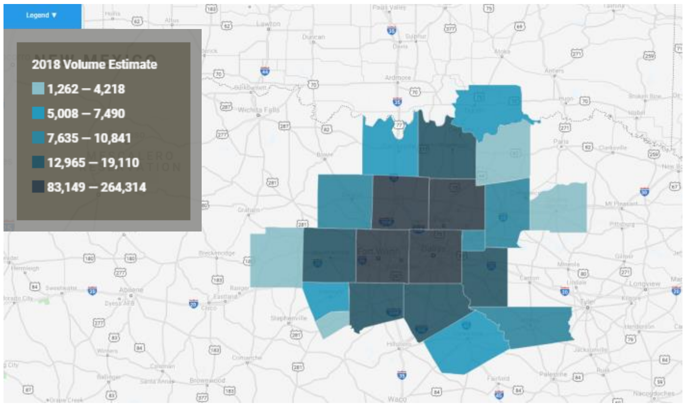
Segmentation by Gender

Gender	Current Population Count (2018)	Projected Population Count (2023)
Male	3,901,500	4,282,343
Female	4,032,302	4,429,602

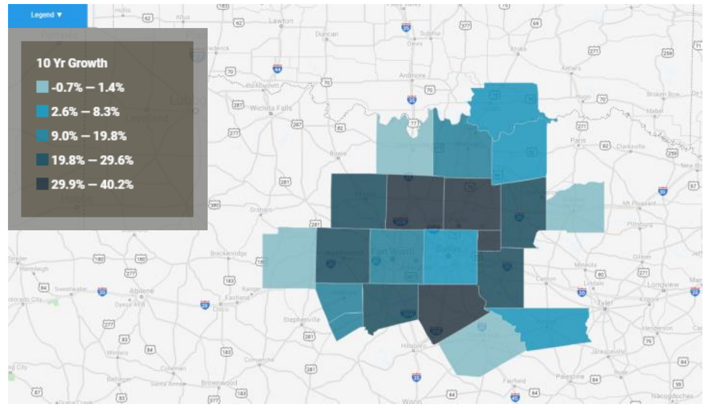
Source: Advisory Board research and analysis.

Inpatient Volume Projections

2018 Inpatient Volumes



2028 Inpatient Volumes (10-Year Growth)



Service Line Volume Projections

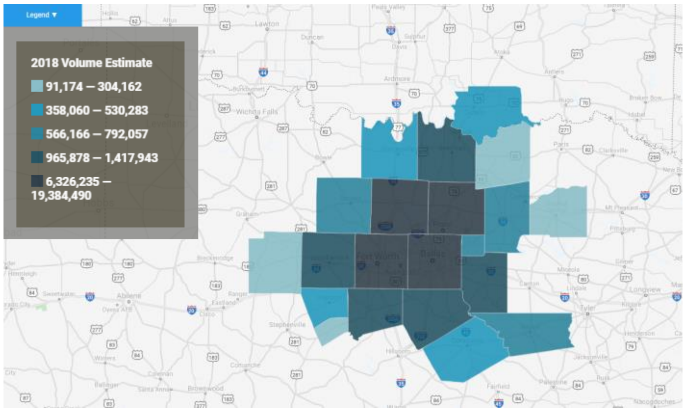
Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiac Services	73,579	70,686	80,329	-3.9%	9.2%
+ ENT	8,333	8,204	8,924	-1.5%	7.1%
+ General Medicine	272,547	305,124	348,382	12.0%	27.8%
+ General Surgery	53,652	57,154	63,268	6.5%	17.9%
+ Gynecology	9,127	8,820	9,327	-3.4%	2.2%
+ Invalid	1,679	1,458	1,502	-13.2%	-10.5%
+ Neonatology	110,163	115,890	123,217	5.2%	11.8%
+ Neurology	31,081	33,730	38,802	8.5%	24.8%
+ Neurosurgery	5,440	6,568	7,710	20.7%	41.7%
+ Obstetrics	111,097	118,821	129,193	7.0%	16.3%
+ Oncology/Hematology (Medical)	21,732	22,938	25,474	5.5%	17.2%
+ Ophthalmology	920	876	912	-4.8%	-0.8%
+ Orthopedics	46,018	49,386	55,817	7.3%	21.3%
+ Other Trauma	6,301	7,007	8,089	11.2%	28.4%
+ Rehabilitation (Acute Care)	7,648	4,333	3,752	-43.3%	-50.9%
+ Spine	17,710	18,009	19,374	1.7%	9.4%
+ Thoracic Surgery	4,043	4,427	4,831	9.5%	19.5%
+ Urology	9,699	10,879	12,417	12.2%	28.0%
+ Vascular Services	12,041	11,389	12,548	-5.4%	4.2%

Source: Advisory Board research and analysis.

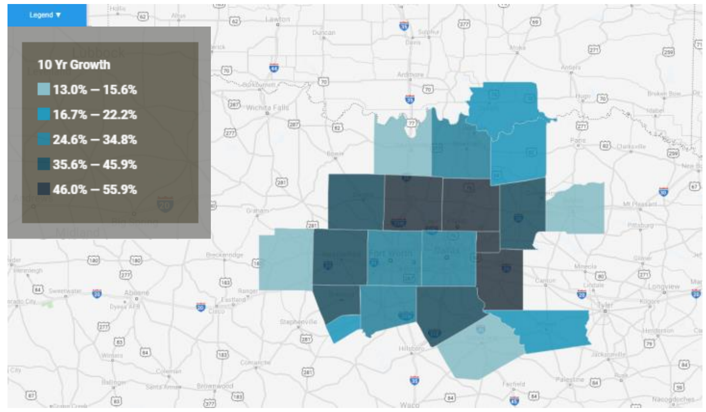
Dallas, TX

Outpatient Volume Projections

2018 Outpatient Volumes



2028 Outpatient Volumes (10-Year Growth)



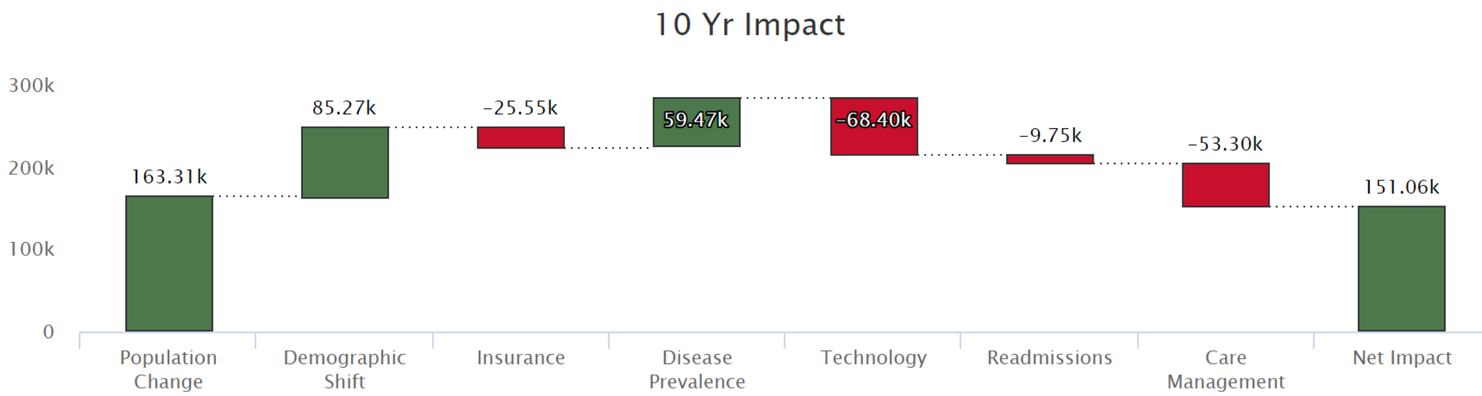
Service Line Volume Projections

Service Line	2018 Volume Estimate	2023 Volume Forecast	2028 Volume Forecast	5 Yr Growth	10 Yr Growth
+ Cardiology	1,865,681	2,228,625	2,660,245	19.5%	42.6%
+ Cosmetic Procedures	176,344	218,694	238,627	24.0%	35.3%
+ Dermatology	1,173,791	1,429,100	1,678,326	21.8%	43.0%
+ Endocrinology	16,869	26,329	31,203	56.1%	85.0%
+ ENT	738,347	920,392	1,125,972	24.7%	52.5%
+ Evaluation and Management	22,418,729	25,393,820	28,613,871	13.3%	27.6%
+ Gastroenterology	550,735	709,886	847,967	28.9%	54.0%
+ General Surgery	168,031	205,076	237,839	22.0%	41.5%
+ Gynecology	266,404	290,976	312,790	9.2%	17.4%
+ Lab	8,158,771	9,788,609	11,294,088	20.0%	38.4%
+ Miscellaneous Services	4,310,576	5,311,277	6,078,906	23.2%	41.0%
+ Nephrology	166,700	208,444	251,694	25.0%	51.0%
+ Neurology	337,676	442,362	525,425	31.0%	55.6%
+ Neurosurgery	19,201	24,765	30,190	29.0%	57.2%
+ Obstetrics	122,785	130,452	142,220	6.2%	15.8%
+ Oncology	40,298	45,654	50,983	13.3%	26.5%
+ Ophthalmology	1,645,902	2,091,960	2,512,562	27.1%	52.7%
+ Orthopedics	851,844	1,136,781	1,340,145	33.4%	57.3%
+ Pain Management	212,361	274,693	326,779	29.4%	53.9%
+ Physical Therapy/Rehabilitation	5,373,771	6,498,340	7,432,985	20.9%	38.3%
+ Podiatry	283,164	384,853	474,365	35.9%	67.5%
+ Psychiatry	3,001,670	3,461,599	3,742,426	15.3%	24.7%
+ Pulmonology	594,265	741,191	872,530	24.7%	46.8%
+ Radiology	6,277,994	7,182,113	8,177,928	14.4%	30.3%
+ Spine	27,583	36,895	43,590	33.8%	58.0%
+ Thoracic Surgery	4,871	6,902	8,702	41.7%	78.6%
+ Trauma	223,671	248,769	275,842	11.2%	23.3%
+ Urology	304,898	420,608	520,359	38.0%	70.7%
+ Vascular	244,973	317,103	391,034	29.4%	59.6%

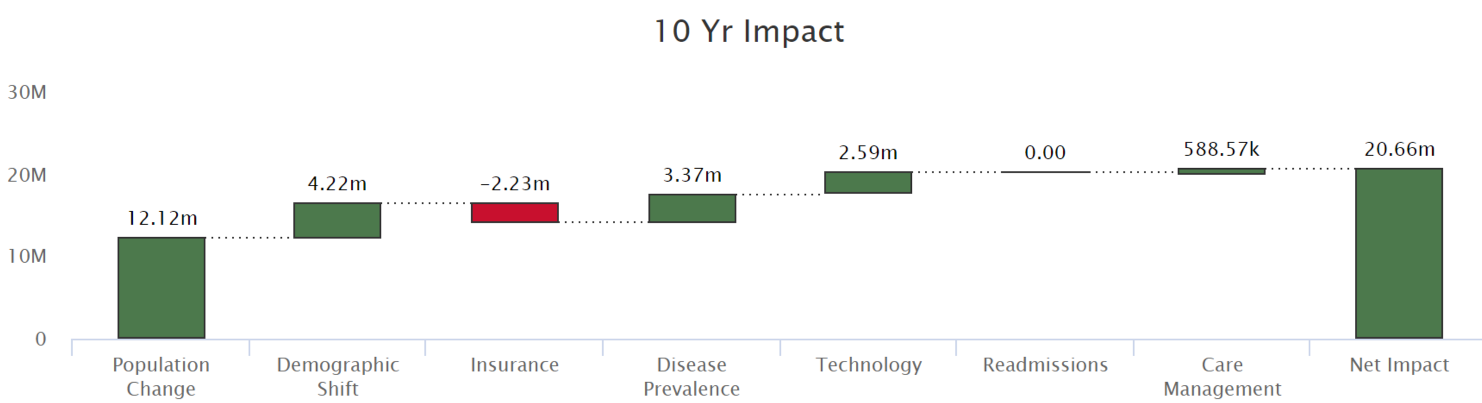
Source: Advisory Board research and analysis.

Volume Growth Drivers

2018-2028, Factors Influencing Inpatient Procedure Growth



2018-2028, Factors Influencing Outpatient Procedure Growth



- **Population Change:** Considers changes in total population of the market
- **Demographic Shift:** Considers changes in major demographic factors, such as age and gender
- **Insurance:** Considers insurance market factors, such as coverage expansion, increased cost-sharing, and payer scrutiny of medical necessity
- **Disease Prevalence:** Considers the growing population of chronic and multi-morbid patients
- **Technology:** Considers the role technology plays in changing demand and shifting site of care
- **Readmissions:** Considers the ongoing focus on driving down avoidable readmissions
- **Care Management:** Considers investments in care management designed to reduce inpatient utilization

Source: Advisory Board research and analysis.

This Advisory Board resource is part of a series of Market Profiles offered to health care industry members through the Health Care Industry Committee. We have used information and data from Advisory Board's Market Scenario Planner, Clinician Supply Profiler, and Demographic Profiler alongside US government databases including CMS Medicare Cost Reports. Please note that CMS Medicare Cost Reports data are submitted by individual facilities and are thus prone to some degree of inaccuracy due to inconsistent reporting practices and user error. The specific fiscal year reporting period for each provider varies slightly, but all data represent a single-year period for each provider.

These profiles are aimed to help suppliers and service firms better understand provider customers and patients in various markets.

Advisory Board

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