

Health Care and Social Assistance: Colorado Leader in Job Creation



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Overview of Health Care Industry

The purpose of this presentation is to provide an overview of Colorado's health care industry. This analysis focuses on employment, wages, and number of firms as provided by the Colorado Office of Labor Market Information.

An evaluation of these data sets serves as a valuable foundation for understanding the industry because it is produced in a timely manner, is easily understood, and accessible to the public if they are interested in conducting their own analyses.

In addition it can be paired with data from other government or commercial sources to provide economic developers, government planners, private sector leaders, or job seekers with an understanding of the opportunities and challenges of doing business in Colorado.

Health Care and Social Assistance NAICS 62

2009 QCEW reports:
13,286 establishments
\$9,997.0 million wages
\$44,247 average annual wages

Health Care and Social Assistance

The Health Care and Social Assistance sector is categorized as NAICS 62. It is part of the larger Supersector – Education and Health Services. The sector is comprised of four subsectors which have unique and distinguishing characteristics. Those four sectors are:

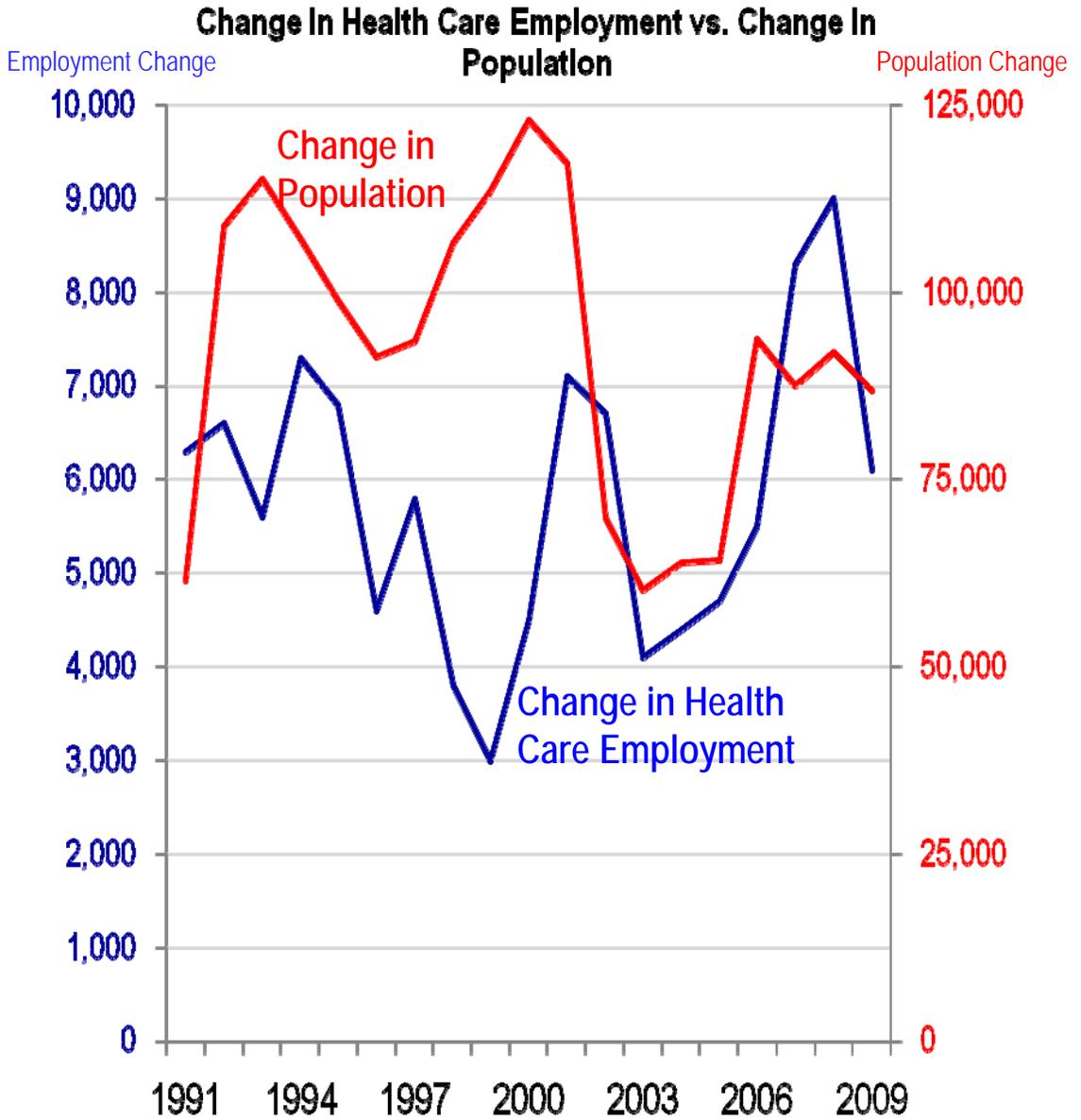
- NAICS 621 Ambulatory Health Care Services
- NAICS 622 Hospitals
- NAICS 623 Nursing and Residential Care Facilities
- NAICS 624 Social Assistance

In-depth descriptions of the NAICS code and detailed sector definitions can be found at:
<http://www.census.gov/eos/www/naics/>

Annual Change in Colorado Health Care and Social Assistance Employment vs. Change in Population

For the years 1991 to 2009, approximately 110,200 net health care jobs were added.

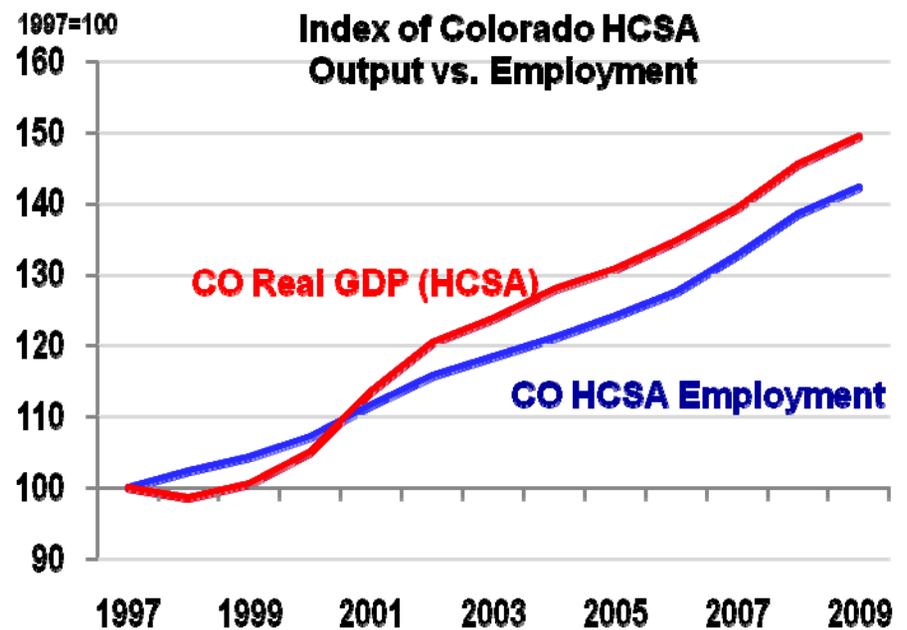
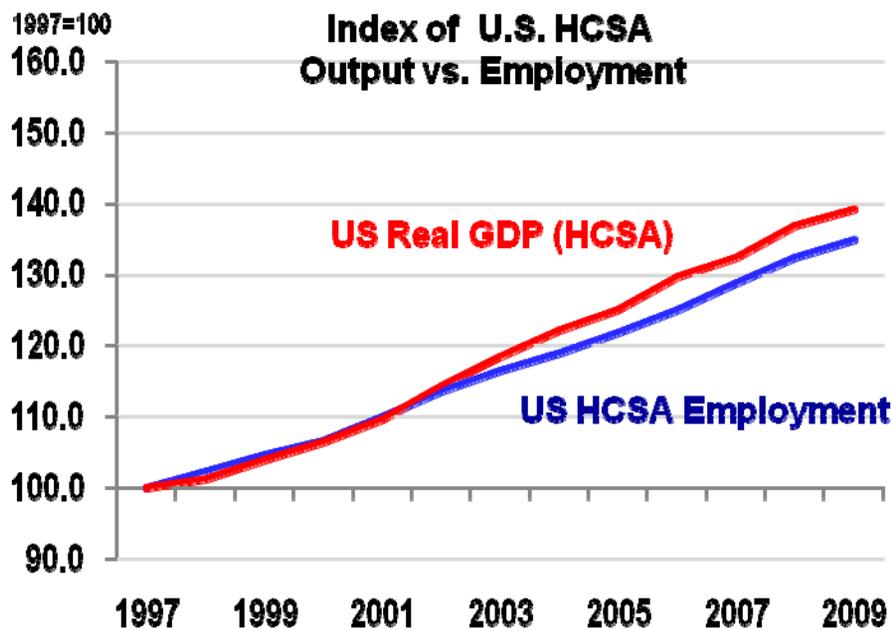
During this same period the state population increased by almost 1.8 million people. About 1.0 million jobs were added during the 1990s.



Source: Colorado State Demography Office, Colorado Labor Market Information, Current Employment Statistics (CES).



Index of Health Care and Social Assistance Real GDP (Chained 2005) vs. Employment

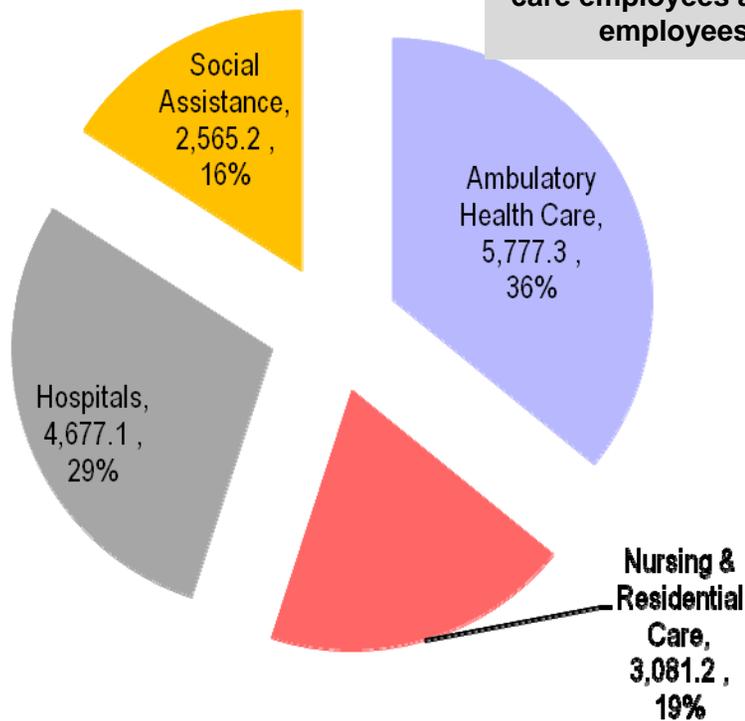


Beginning in 2001, Colorado's HCSA output and employment have grown at a faster rate than the nation.

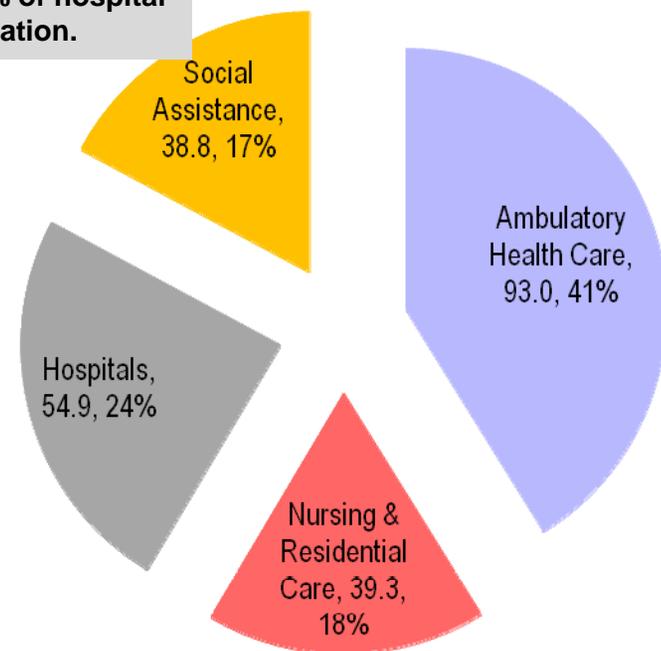
Source: Bureau of Economic Analysis, Bureau of Labor Statistics, Colorado Labor Market Information, CES Not Seasonally Adjusted (NSA).

US and CO Health Care by Sector

US Health Care and Social Assistance Employees (000s)



CO Health Care and Social Assistance Employees (000s)

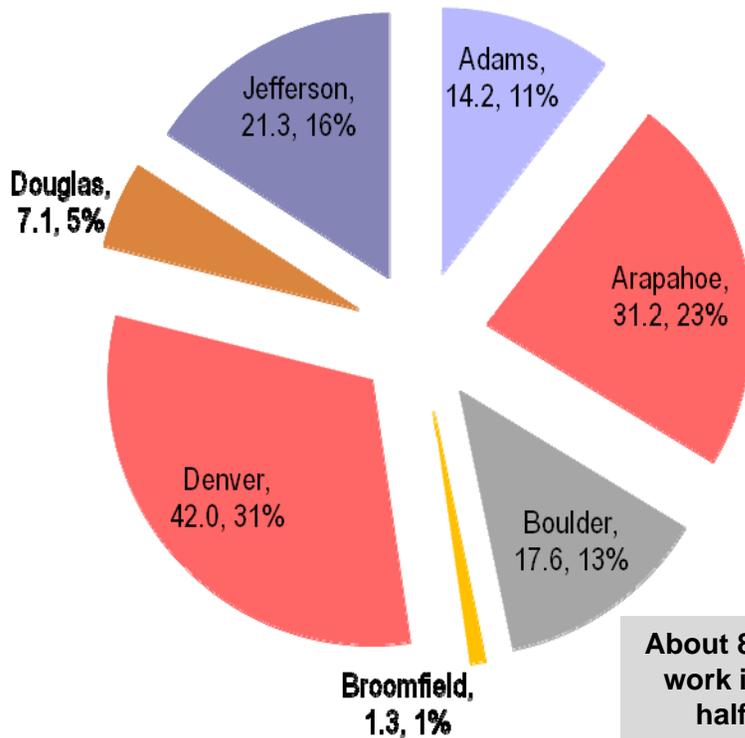


Colorado has a higher % of ambulatory care employees and lower % of hospital employees than the nation.

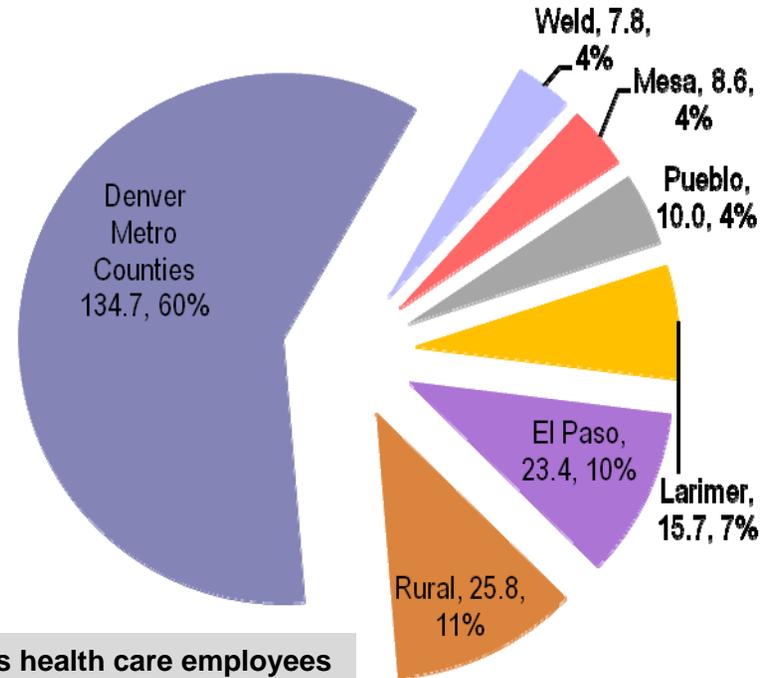
Source: Colorado Labor Market Information, CES NSA.

Location of Health Care Employees

Major Counties in Denver Area Health Care Employment (000s)



Colorado Metro Counties Health Care Employment (000s)

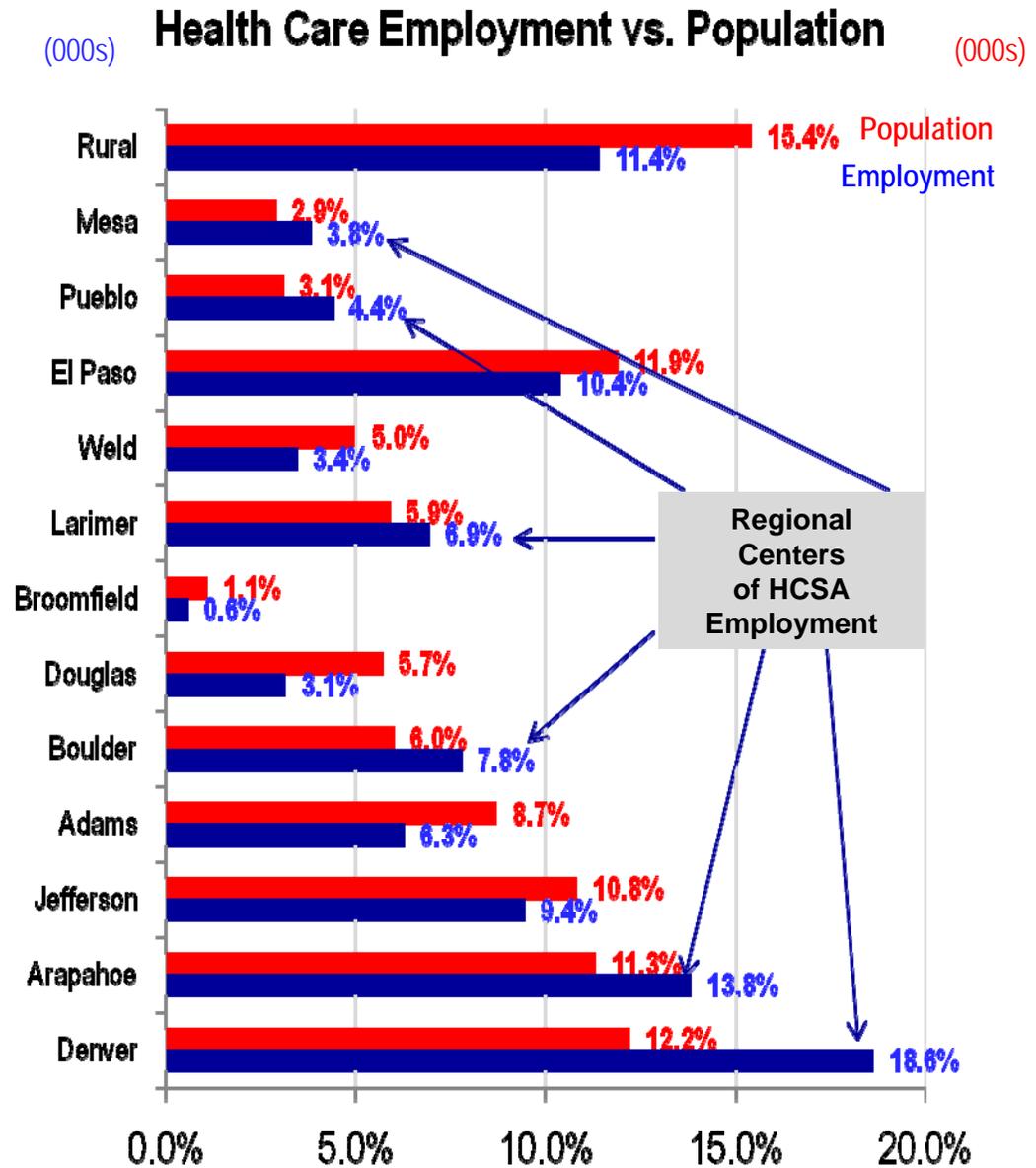


About 89% of Colorado's health care employees work in the larger Front Range counties; over half work in Denver or Arapahoe County.

Source: Colorado Labor Market Information, OCEW.

Location of Health Care Employees vs. Location of Population

- This comparison illustrates that health care services are more heavily concentrated in the following counties: Denver, Arapahoe, Boulder, Larimer, Pueblo, and Mesa counties.
- 15.4% of the population lives in the 52 rural counties and 11.4% of the Health Care and Social Assistance (HCSA) employees work in those counties.
- About 10.9% of the population lives in the Northern Colorado metro counties and 10.3% of HCSA employees work in those counties.
- Approximately 15% of the population lives in the Southern Colorado metro counties and 14.8% of HCSA employees work in those counties.
- Mesa County is a regional health care center with 2.9% of the population and 3.8% of employment.



Source: Colorado State Demography Office, Colorado Labor Market Information, OCEW.

Health Care and Social Assistance NAICS 62

Number of Years with Net Job Gains

- US 19 of 19
- CO 19 of 19

Net Jobs Added (NJA), 1991 to 2009

- US 6,805,000 ; 31.8% NJA
- CO 110,200; 15.2% NJA

Annualized Rate of Growth

Sector (1990 to 2009)

- US 2.9%
- CO 3.6%

Total (1990 to 2009)

- US 0.9%
- CO 2.1%

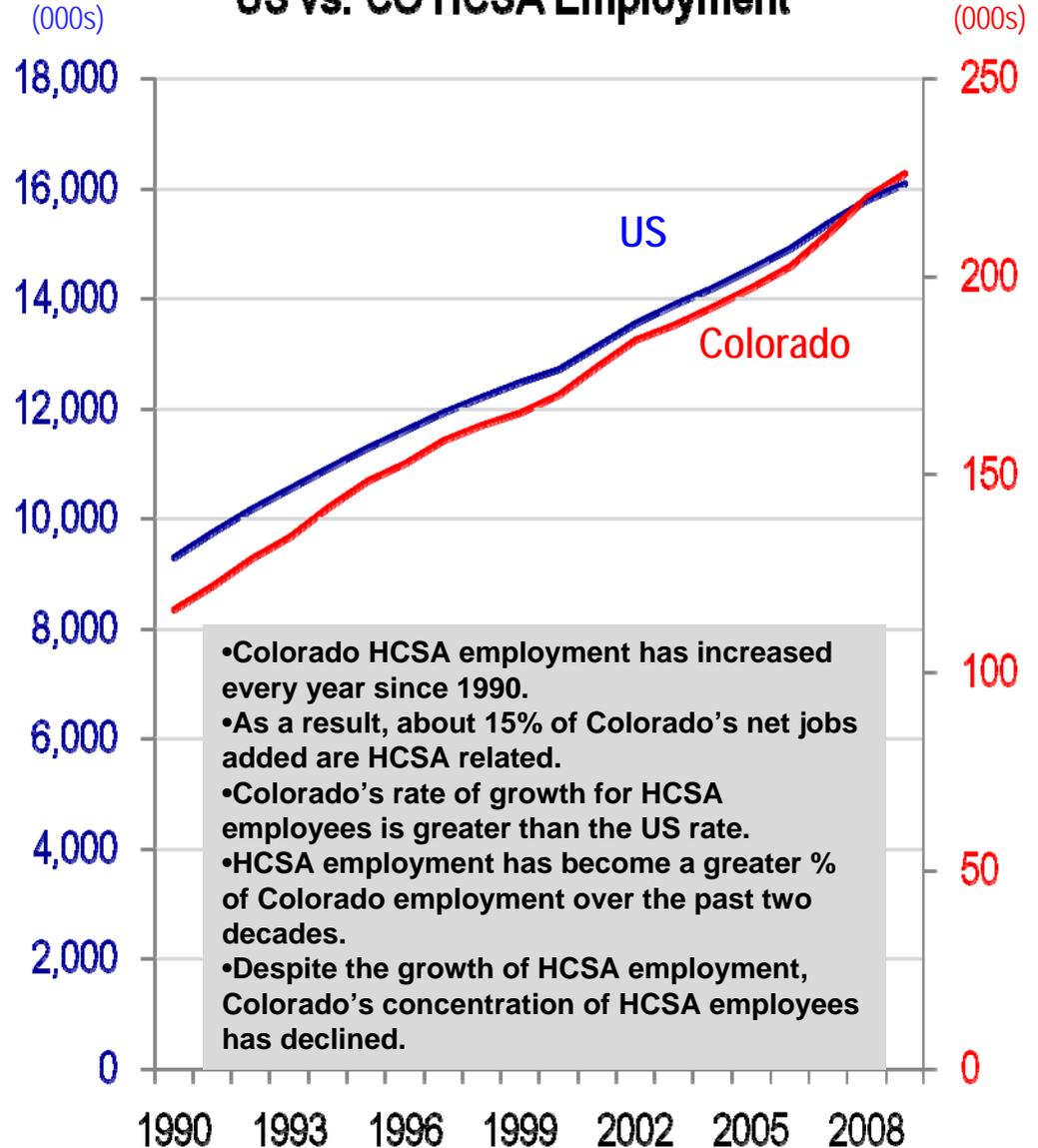
2009 Sector Employment (% of Total)

- US 1990 8.5%
- CO 1990 7.6%
- US 2009 12.3%
- CO 2009 10.1%

Location Quotient

- 1990 .88
- 2009 .82

US vs. CO HCSA Employment



Source: Bureau of Labor Statistics, Colorado Labor Market Information, CES.

Ambulatory Care NAICS 621

Number of Years with Net Job Gains

- US 19 of 19
- CO 18 of 19

Net Jobs Added (NJA), 1991 to 2009

- US 2,935,700 ; 13.7% NJA
- CO 45,200; 6.3% NJA

Annualized Rate of Growth

Sector (1990 to 2009)

- US 3.8%
- CO 3.6%

Total (1990 to 2009)

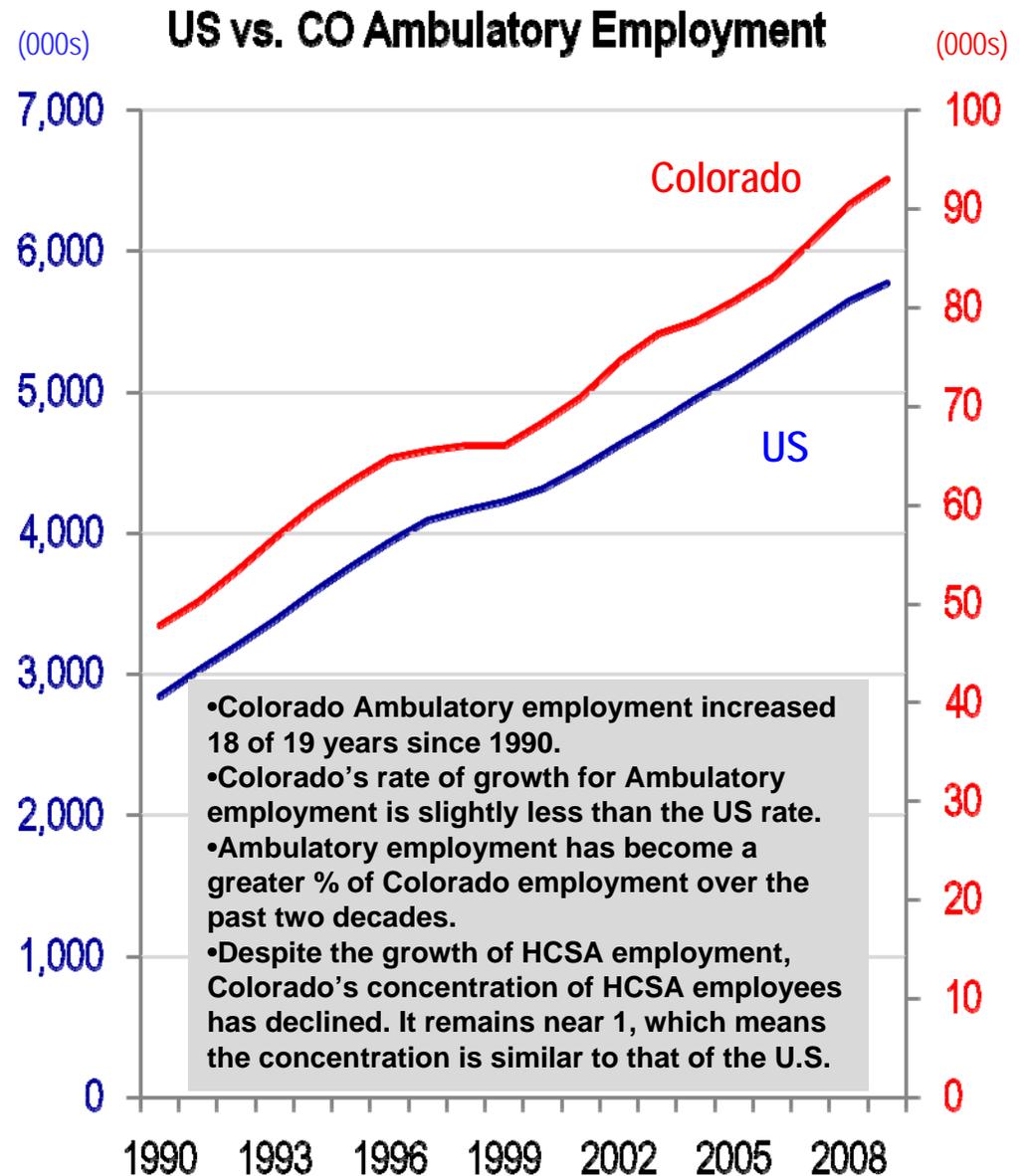
- US 0.9%
- CO 2.1%

2009 Sector Employment (% of Total)

- US 1990 2.6%
- CO 1990 3.1%
- US 2009 4.4%
- CO 2009 4.1%

Location Quotient

- 1990 1.16
- 2009 .94



Source: Bureau of Labor Statistics, Colorado Labor Market Information, CES.

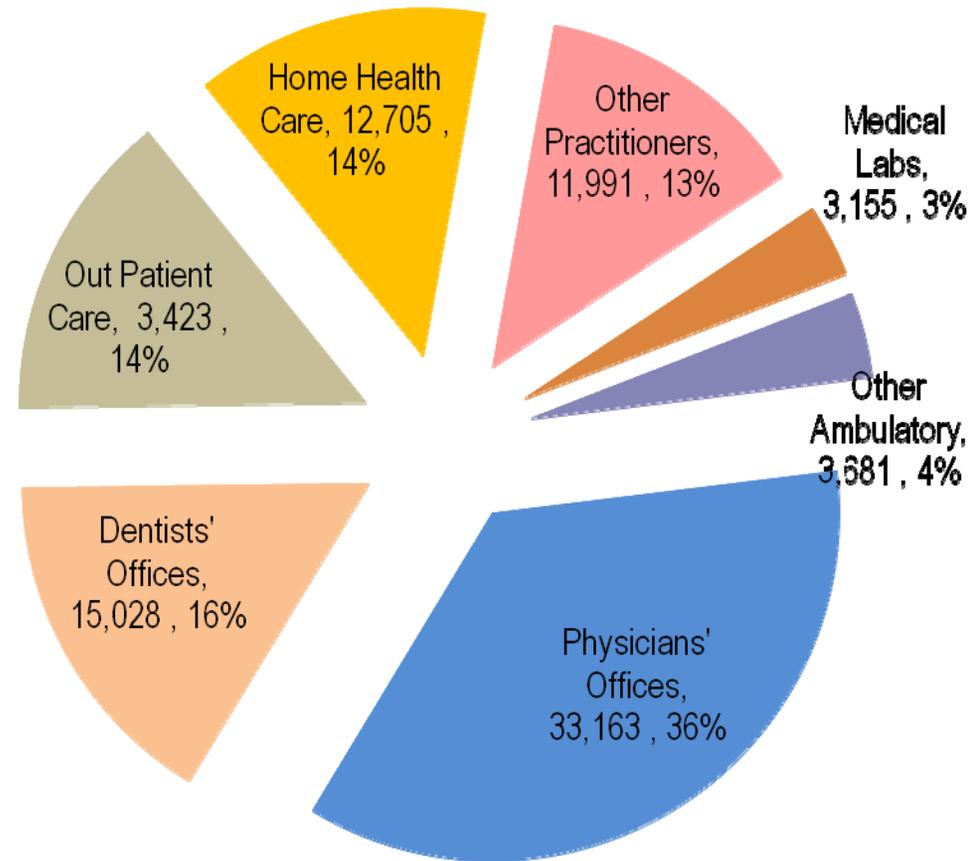
Ambulatory Care NAICS 621

Annualized Rate of Growth
2001 to 2009

621 Ambulatory Care	3.4%
Home Health Care	6.0%
Other Practitioners	5.2%
Medical Labs	4.7%
Out Patient Care	4.2%
Other Ambulatory	3.5%
Physicians' Offices	2.2%
Dentists' Offices	2.3%

Slightly more than half the workers are in medical and dental offices. These sectors have grown at a rate slightly greater than the population. The fastest rate of growth is in home health care, in part to meet the needs of aging baby boomers and their parents.

Ambulatory Care Subsectors 2009 Colorado Employment



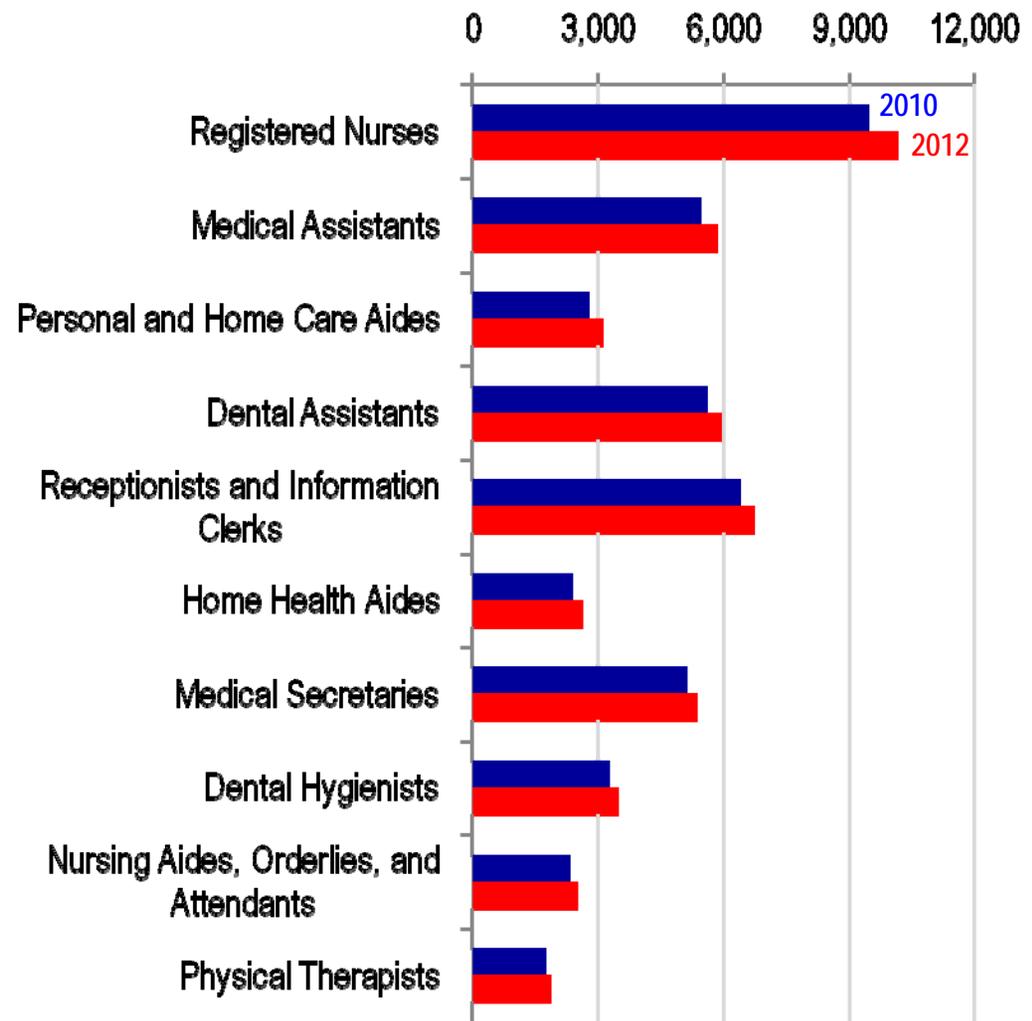
Source: Colorado Labor Market Information, OCEW.

Top Occupations in Ambulatory Health Care Services

Projected Change 2010 -2012

Registered Nurses	697
Medical Assistants	407
Personal and Home Care Aides	348
Dental Assistants	347
Receptionists and Information Clerks	330
Home Health Aides	238
Medical Secretaries	232
Dental Hygienists	203
Nursing Aides, Orderlies, and Attendants	133
Physical Therapists	127

Top Occupations, Ranked by Change 2010-2012



Source: Colorado Labor Market Information, Occupational Employment Statistics (OES).

Firms and Wages Ambulatory Care NAICS 621

2009 QCEW reports:

- 10,114 establishments
- \$5,133.5 million wages
- \$55,112 average annual wages

Examples of Employers in Colorado

- American Medical Response
- Argus of Colorado
- Banner Health
- Bonfils Blood Center
- Greeley Medical Clinic
- Longmont Clinic
- Mountain Range Dentistry
- Personal Assistance Services of Colorado (PASCO)
- Quest Diagnostics
- Visiting Nurse Association

Hospitals NAICS 622

Number of Years with Net Job Gains

- US 18 of 19
- CO 18 of 19

Net Jobs Added (NJA), 1991 to 2009

- US 1,164,500 ; 5.4% NJA
- CO 26,000; 3.6% NJA

Annualized Rate of Growth

Sector (1990 to 2009)

- US 1.5%
- CO 3.4%

Total (1990 to 2009)

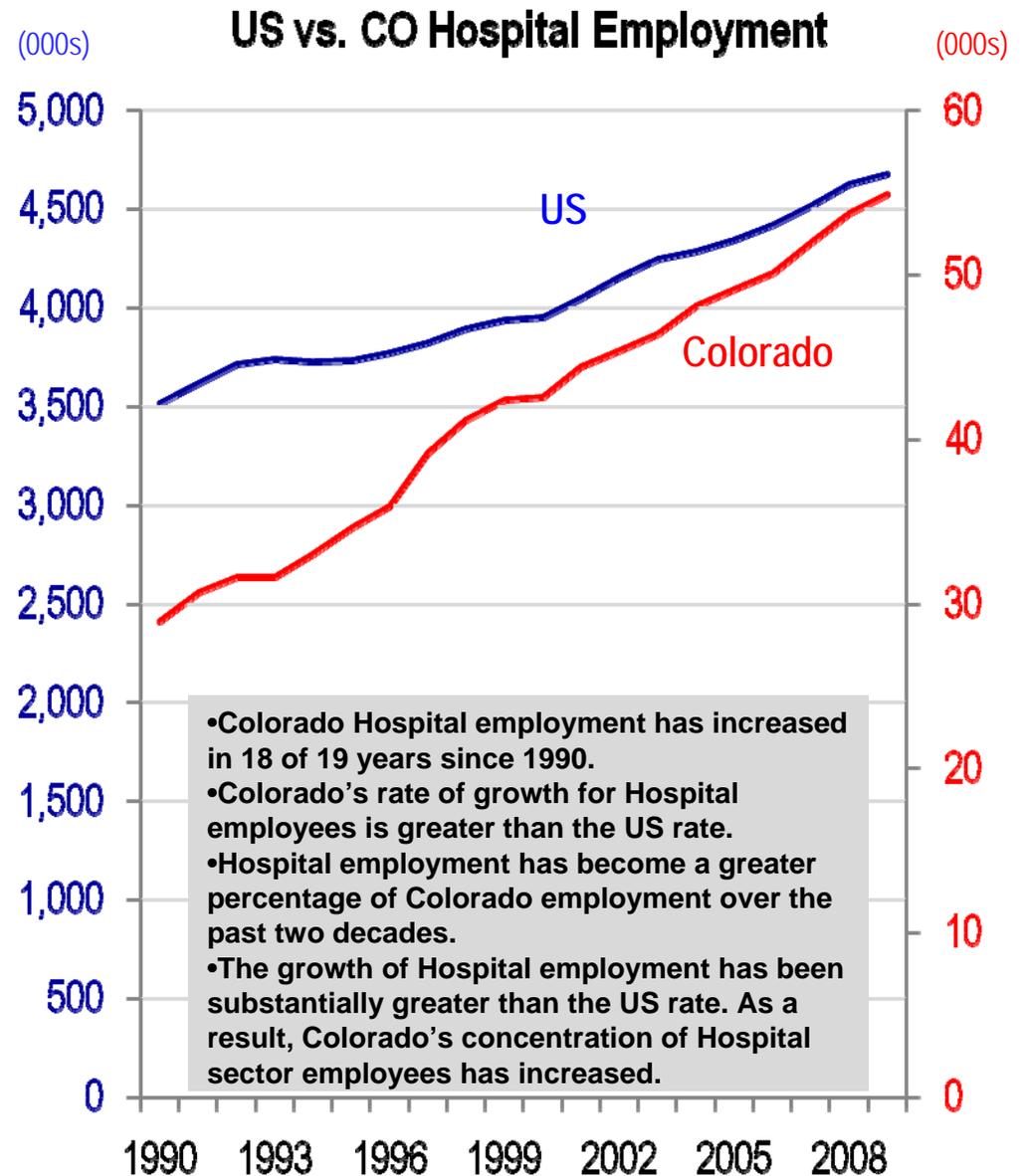
- US 0.9%
- CO 2.1%

2009 Sector Employment (% of Total)

- US 1990 3.2%
- CO 1990 1.9%
- US 2009 3.6%
- CO 2009 2.4%

Location Quotient

- 1990 .60
- 2009 .68



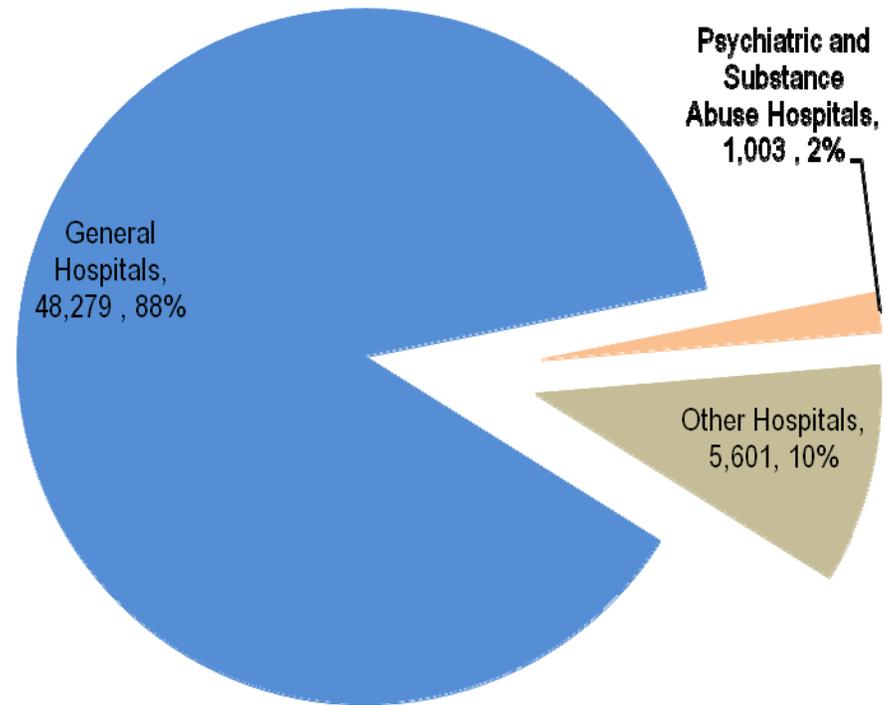
Source: Bureau of Labor Statistics, Colorado Labor Market Information, CES.

Hospitals
NAICS 622

Hospital Subsectors Colorado 2009 Employment

Annualized Rate of Growth
2001 to 2009

622 Hospitals	2.6%
Psychiatric and Substance Abuse Hospitals	9.8%
Other Hospitals	5.2%
General Hospitals	2.3%



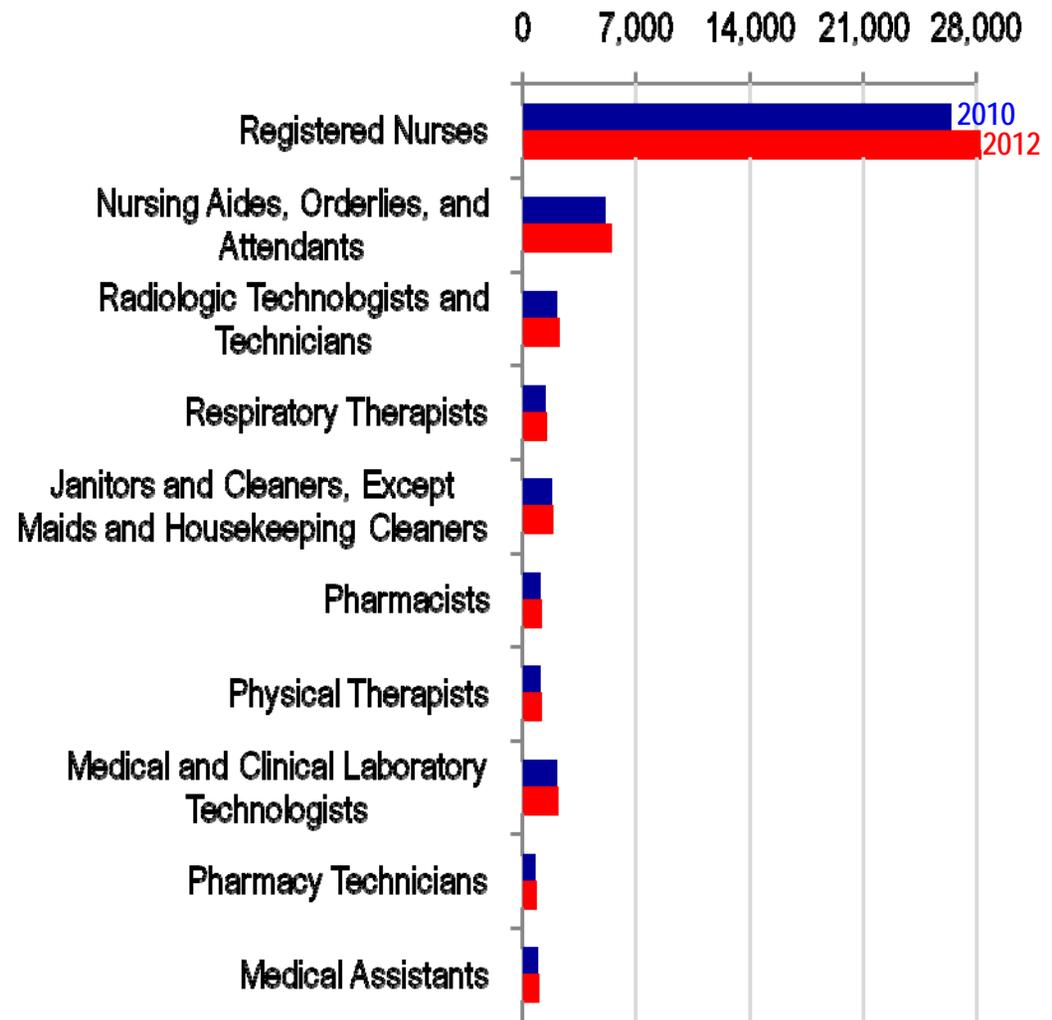
Source: Colorado Labor Market Information, OCEW.

Top Occupations in Hospitals

Projected Change 2010 -2012

Registered Nurses	1,891
Nursing Aides, Orderlies, and Attendants	366
Radiologic Technologists and Technicians	109
Respiratory Therapists	103
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	94
Pharmacists	79
Physical Therapists	78
Medical and Clinical Laboratory Technologists	75
Pharmacy Technicians	73
Medical Assistants	70

Top Occupations, Ranked by Change 2010-2012



Source: Colorado Labor Market Information, OES.

Firms and Wages Hospitals NAICS 622

2009 QCEW reports:

- 107 establishments
- \$2,866.9 million wages
- \$52,238 average annual wages

Top Employers in Colorado

- Arkansas Valley Regional Medical Center
- Boulder Community Hospital
- Children's Hospital
- Exempla Good Samaritan Medical Center
- Medical Center of Aurora
- Penrose St. Francis Hospital
- Poudre Valley Hospital
- San Luis Valley Regional Medical Center
- St. Mary's Hospital and Regional Medical Center
- Vail Valley Medical Center

Nursing and Residential Care Facilities NAICS 623

Number of Years with Net Job Gains

- US 19 of 19
- CO 19 of 19

Net Jobs Added (NJA), 1991 to 2009

- US 1,224,800 ; 5.7% NJA
- CO 17,300; 2.4% NJA

Annualized Rate of Growth

Sector (1990 to 2009)

- US 2.7%
- CO 3.1%

Total (1990 to 2009)

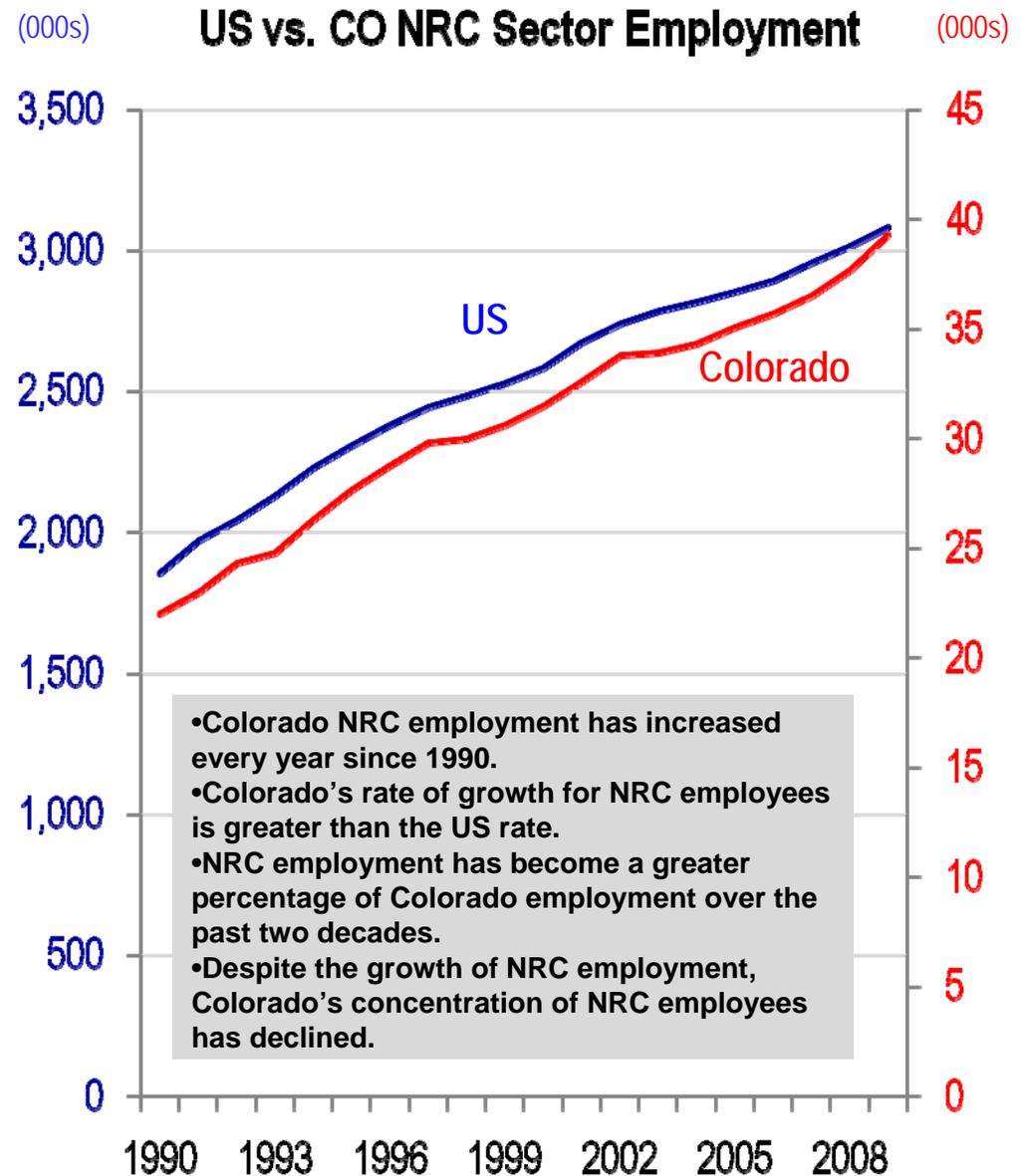
- US 0.9%
- CO 2.1%

2009 Sector Employment (% of Total)

- US 1990 1.7%
- CO 1990 1.4%
- US 2009 2.4%
- CO 2009 1.8%

Location Quotient

- 1990 .82
- 2009 .74



Source: Bureau of Labor Statistics, Colorado Labor Market Information, CES.

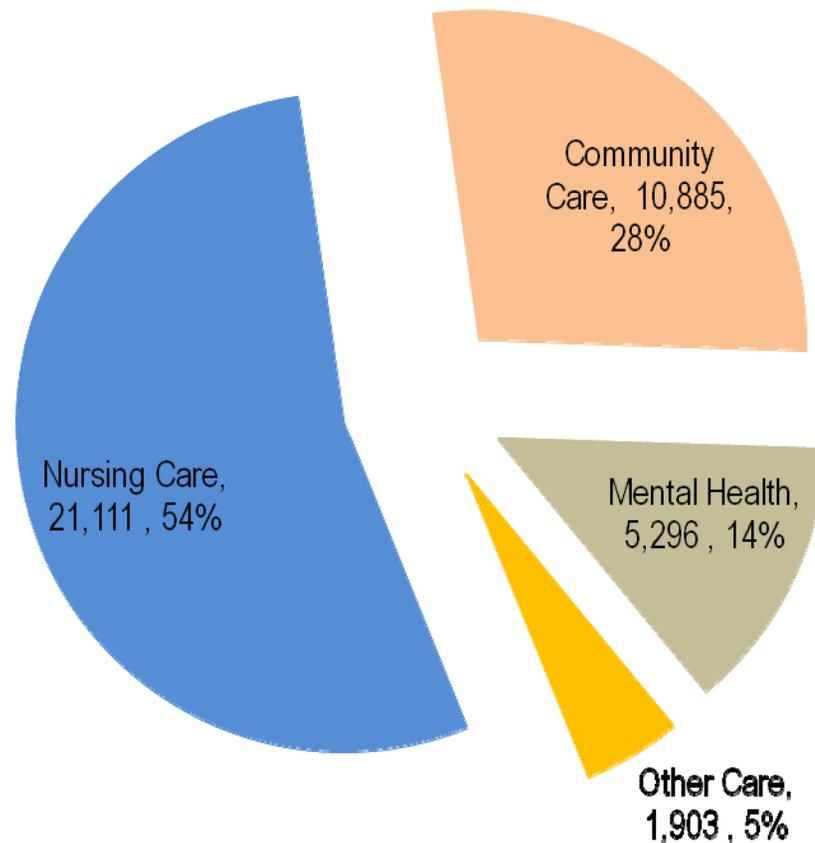
Nursing and Residential Care NAICS 623

Nursing and Residential Care Subsectors 2009

Annualized Rate of Growth
2001 to 2009

623 Nursing and Residential Care	2.3%
Nursing Care	1.4%
Community Care (Retirement)	6.0%
Mental Health	1.0%
Other Care	-0.9%

The sector with the fastest rate of employment growth, Nursing Care, caters to aging Baby Boomers and their parents.



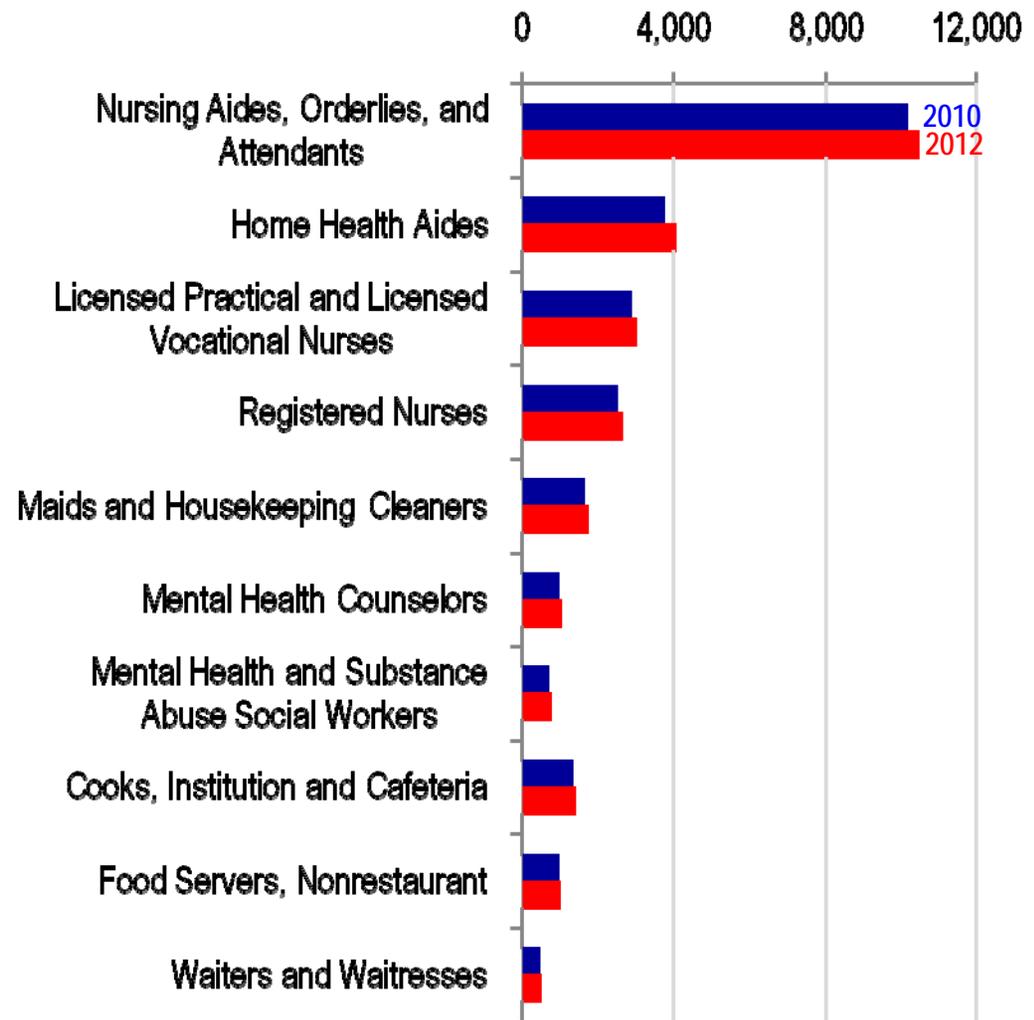
Source: Colorado Labor Market Information, OCEW.

Top Occupations in Nursing and Residential Care

Projected Change 2010 -2012

Nursing Aides, Orderlies, and Attendants	307
Home Health Aides	302
Licensed Practical and Licensed Vocational Nurses	134
Registered Nurses	125
Maids and Housekeeping Cleaners	76
Mental Health Counselors	72
Mental Health and Substance Abuse Social Workers	65
Cooks, Institution and Cafeteria	64
Food Servers, Non-restaurant	52
Waiters and Waitresses	39

Top Occupations, Ranked by Change 2010-2012



Source: Colorado Labor Market Information, OES.

Firms and Wages Nursing and Residential Care NAICS 623

2009 QCEW reports:

- 800 establishments
- \$1,123.1 million wages
- \$28,653 average annual wages

Examples of Employers in Colorado

- American Baptist Home
- Eben Ezer Lutheran Care Center
- Frasier Meadows Manor
- Garden Terrace Alzheimer's Center
- Hospice Care of Boulder
- Larchwood Inns Rehabilitation and Skilled Nursing Center
- Life Care Center of Pueblo
- Pikes Peak Care and Rehabilitation Center
- Vista Grande Nursing Home
- Woodridge Terrace Care Center

Social Assistance NAICS 624

Number of Years with Net Job Gains

- US 19 of 19
- CO 18 of 19

Net Jobs Added (NJA), 1991 to 2009

- US 1,480,100; 6.9% NJA
- CO 21,700; 3.0% NJA

Annualized Rate of Growth

Sector (1990 to 2009)

- US 4.6%
- CO 4.4%

Total (1990 to 2009)

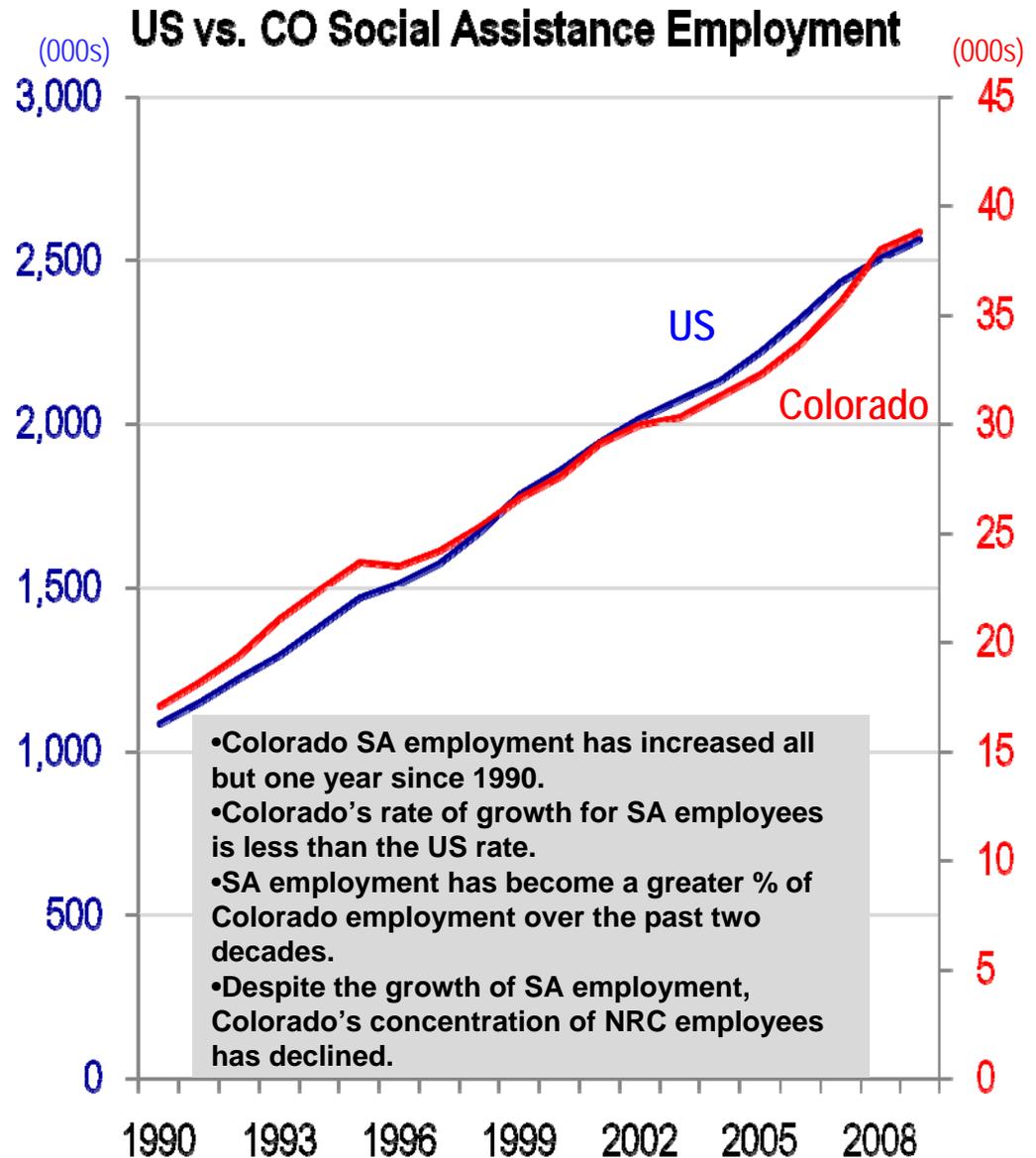
- US 0.9%
- CO 2.1%

2009 Sector Employment (% of Total)

- US 1990 1.0%
- CO 1990 1.1%
- US 2009 2.0%
- CO 2009 1.7%

Location Quotient

- 1990 1.11
- 2009 .88



Source: Bureau of Labor Statistics, Colorado Labor Market Information, CES.

Firms and Wages Social Assistance NAICS 624

2009 QCEW reports:

- 2,265 establishments
- \$873.5 million wages
- \$22,565 average annual wages

Examples of Employers in Colorado

- Catholic Charities
- Denver Options
- Developmental Disabilities
- Envision
- Food Bank of the Rockies
- Head Start of El Paso County
- Hope Montessori Academy
- Job Counseling Hotline
- Little Angel Day Care
- North Metro Community Services
- Rocky Mountain Youth Corps

Social Assistance
NAICS 624

Social Assistance Subsectors 2009

Annualized Rate of Growth
2001 to 2009

624 Social Assistance
3.7%

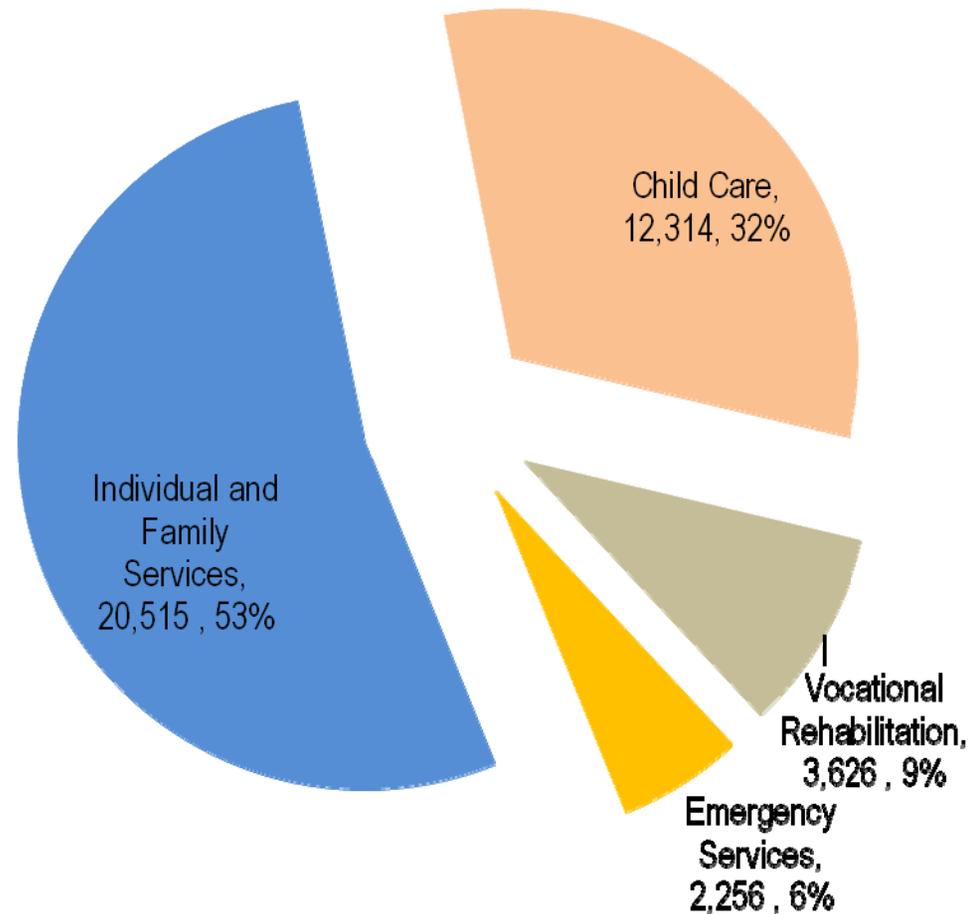
Individual and Family Services
7.4%

Community, Emergency, and Relief
Services 4.1%

Vocational Rehab 0.6%

Child Care 0.1%

The growth in this sector is dictated
in part by the depressed economy
for most of the decade.



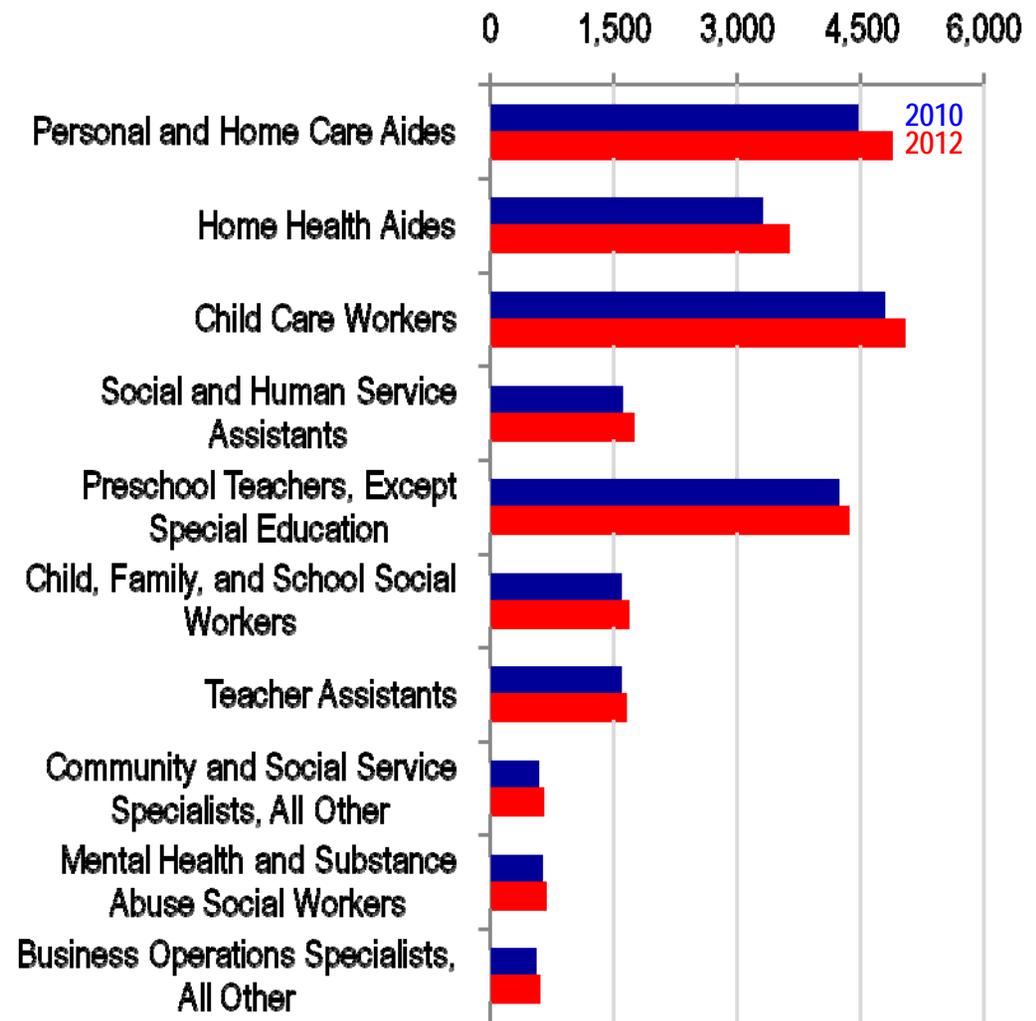
Source: Colorado Labor Market Information, OCEW.

Top Occupations in Social Assistance

Projected Change 2010 -2012

Personal and Home Care Aides	427
Home Health Aides	318
Child Care Workers	241
Social and Human Service Assistants	143
Preschool Teachers, Except Special Education	123
Child, Family, and School Social Workers	97
Teacher Assistants	60
Community and Social Service Specialists, All Other	49
Mental Health and Substance Abuse Social Workers	40
Business Operations Specialists, All Other	38

Top Occupations, Ranked by Change 2010-2012



Source: Colorado Labor Market Information, OES.

Issues in Health Care and Social Assistance

- Double-digit cost increases for health care coverage
- Change in the manner in which health care is distributed
- Increased emphasis on quality of service provided
- Changes in health care policy
- Changing demographics
 - Aging Baby Boomers
 - Increased life expectancy
 - Increasing number of minorities
 - Rise in frequency of diseases, such as diabetes
 - Increased number of lower income families
- Supply of nurses and dental hygienists
- Matching supply and demand for nurses and health care employees, particularly in rural areas
- Saturation of hospitals in some metropolitan areas
- Impact of efficiency gains on employment
- Continued population growth
- Increased demand for specialized medical care
- Half of the sector is growing at about the rate of population growth; the other half is growing much faster
- Impact of the Great Recession on health care consumption for uninsured or underinsured