

HEALTHCARE AND SOCIAL SERVICES

From the 2017 NAICS Manual, the healthcare and social services sector comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. The industries in this sector are arranged on a continuum starting with establishments providing medical care exclusively, continuing with those providing health care and social assistance, and finally finishing with those providing only social assistance. Establishments in this sector deliver services by trained professionals. Many of the industries in the sector are defined based on the educational degree held by the practitioners included in the industry.

Healthcare and social services industry sectors offer a tremendous range of occupations, from minimum wage service jobs at the entry level to highly-skilled professional work requiring medical and Ph.D. degrees. Twenty-four industry sectors make up the healthcare and social services cluster in Richmond. See Table 2.3 below for the full list of industry sectors. Table 2.3 provides an overview for each of the individual industry sectors that comprise the healthcare and social services cluster in Richmond.

Included are historic, current, and projected employment; historic and projected average annual percent growth (or decline); historic and current employment concentration (LQ); average earnings; gross regional product (GRP); and jobs multipliers. The table is sorted largest to smallest by 2017 sector contribution to GRP.

The healthcare and social services cluster accounted for 4,444 jobs in 2017, and has an LQ of 5.3. This means that overall employment for this cluster is 5.3 times more concentrated in Richmond than would be expected based on national employment averages (see Location Quotient within the Introduction). As a whole, the cluster experienced exceptionally strong job growth over the last five years with a 62% increase from 2012 to 2017. The industry is expected to continue this strong job growth (see Table 2 above) with another 32% increase in total projected for the next five years. Going forward, finding enough people to fill the jobs in this cluster could be a challenge.

Total sales for all companies in this cluster were nearly \$500 million (almost 10% of total regional sales) and the cluster contributed \$255 million to the region's gross regional product (10% of total GRP) in 2017. This cluster employs 17.6% of the Richmond labor force.

Among cluster industries, hospitals, doctors' offices, and home healthcare services are the largest employing sectors in this cluster and all have maintained steady employment, consistently adding jobs historically. Between 2012 and 2017, nearly all sectors except for ambulance services experienced significant job growth.

The healthcare industry has been growing steadily for the past twenty years. And even with that growth in both Texas and the nation, Figure 2.4 shows that the year-over-year (YOY) growth rate for Richmond has far exceeded that of Texas or the nation. Projections show healthcare and social services in Richmond will be 32% - more than double even the strong projections for Texas (14%).



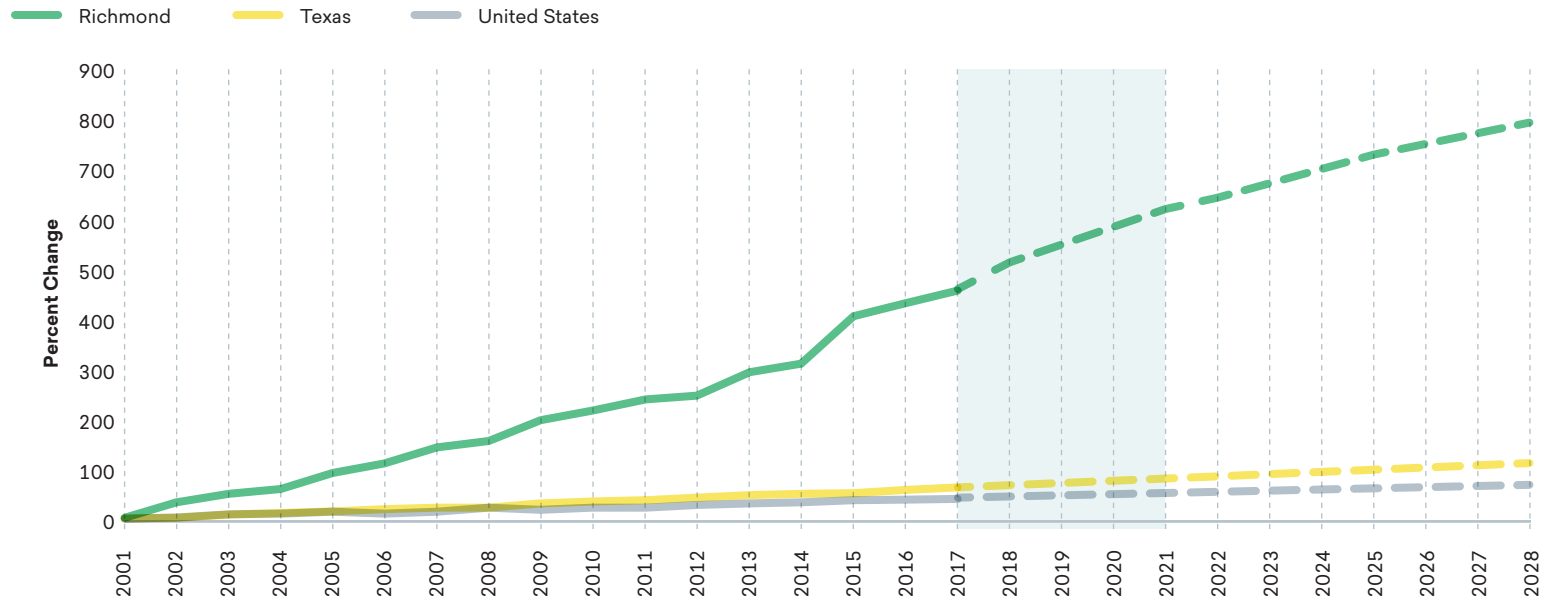
TABLE 2.3C. HEALTHCARE AND SOCIAL SERVICES CLUSTER INDUSTRY EMPLOYMENT TRENDS, RICHMOND

| HEALTHCARE AND SOCIAL SERVICES CLUSTER | 2012 JOBS | 2017 JOBS | % CHANGE IN JOBS 2012-2017 | 2022 JOBS | % CHANGE IN JOBS 2017-2022 | 2017 LOCATION QUOTIENT | AVG. EARNINGS PER JOB | JOBS MULTIPLIER | 2017 GRP | INDUSTRY SECTOR % SHARE OF CLUSTER GRP |
|---|--------------|--------------|----------------------------|--------------|----------------------------|------------------------|-----------------------|-----------------|----------------------|--|
| Offices of Physicians | 295 | 396 | 34% | 498 | 26% | 0.99 | \$92,892 | 1.1 | \$42,360,509 | 17% |
| Psychiatric and Substance Abuse Hospitals | 33 | 579 | 1655% | 963 | 66% | 31.20 | \$51,466 | 1.1 | \$30,021,291 | 12% |
| General Medical and Surgical Hospitals | 316 | 429 | 36% | 541 | 26% | 0.59 | \$61,914 | 1.2 | \$28,113,090 | 11% |
| Pharmacies and Drug Stores | 246 | 308 | 25% | 356 | 16% | 2.68 | \$44,207 | 1.1 | \$22,926,859 | 9% |
| Home Health Care Services | 477 | 708 | 48% | 1,015 | 43% | 3.07 | \$25,770 | 1.0 | \$22,700,766 | 9% |
| Hospitals (Local Government) | 141 | 260 | 84% | 331 | 27% | 2.48 | \$71,101 | 1.2 | \$18,749,785 | 7% |
| Offices of Dentists | 180 | 242 | 34% | 299 | 24% | 1.58 | \$66,139 | 1.1 | \$17,172,143 | 7% |
| All Other Outpatient Care Centers | 124 | 162 | 31% | 203 | 25% | 6.00 | \$60,976 | 1.2 | \$11,350,994 | 4% |
| Nursing Care Facilities (Skilled Nursing Facilities) | 204 | 240 | 18% | 295 | 23% | 0.93 | \$37,342 | 1.1 | \$9,720,226 | 4% |
| Offices of Physical, Occupational and Speech Therapists, Audiologists | 60 | 81 | 35% | 86 | 7% | 1.29 | \$48,398 | 1.1 | \$5,898,522 | 2% |
| Child and Youth Services | 43 | 79 | 84% | 102 | 28% | 2.32 | \$46,145 | 1.4 | \$5,470,145 | 2% |
| Offices of All Other Miscellaneous Health Practitioners | 31 | 35 | 13% | 47 | 32% | 1.42 | \$39,360 | 1.1 | \$5,351,012 | 2% |
| Services for the Elderly and Persons with Disabilities | 92 | 321 | 249% | 435 | 35% | 1.14 | \$19,001 | 1.0 | \$5,147,493 | 2% |
| Medical, Dental, and Hospital Equipment Wholesalers | 18 | 22 | 22% | 28 | 26% | 0.68 | \$76,327 | 1.2 | \$5,090,869 | 2% |
| Other Individual and Family Services | 97 | 130 | 34% | 153 | 18% | 1.70 | \$42,016 | 1.0 | \$5,016,554 | 2% |
| Drugs and Druggists' Sundries Merchant Wholesalers | 21 | 24 | 14% | 25 | 3% | 0.74 | \$60,745 | 1.2 | \$4,303,048 | 2% |
| Offices of Mental Health Practitioners (except Physicians) | 18 | 36 | 100% | 48 | 36% | 1.86 | \$40,690 | 1.0 | \$3,739,552 | 1% |
| Civic and Social Organizations | 198 | 192 | (12%) | 207 | 8% | 2.80 | \$12,178 | 1.0 | \$3,360,616 | 1% |
| Freestanding Ambulatory Surgical and Emergency Centers | 8 | 28 | 250% | 44 | 54% | 1.19 | \$60,906 | 1.2 | \$2,105,252 | 1% |
| Offices of Optometrists | 32 | 46 | 44% | 60 | 30% | 2.07 | \$45,895 | 1.0 | \$2,062,931 | 1% |
| Ambulance Services | 72 | 56 | (22%) | 51 | (9%) | 1.97 | \$42,952 | 1.1 | \$1,698,400 | 1% |
| Residential Mental Health and Substance Abuse Facilities | 11 | 38 | 245% | 53 | 40% | 1.07 | \$33,029 | 1.1 | \$1,338,282 | 1% |
| Offices of Chiropractors | 8 | 11 | 38% | 13 | 22% | 0.42 | \$42,911 | 1.0 | \$627,955 | 0% |
| Other Residential Care Facilities | 21 | 21 | 0% | 27 | 29% | 0.79 | \$27,992 | 1.1 | \$608,707 | 0% |
| Healthcare and Social Services Totals | 2,745 | 4,444 | 62% | 5,881 | 32% | 5.31 | \$57,377 | 1.1 | \$254,935,000 | 100% |

Source: Emsi Developer 2018.2 dataset



FIGURE 2.4C. HEALTHCARE AND SOCIAL SERVICES EMPLOYMENT TRENDS; YOY EMPLOYMENT GROWTH



Source: Emsi Developer 2018.2 dataset

Labor Market Gap Analysis

Table 2.4, on the next page, lists the top 15 occupations in healthcare and social services. These occupations account for 56% of all cluster employment. The table provides the number of people employed by occupation in the cluster, and the number of people employed in that occupation in all industries in the region. This indicates the level of competition employers may face from industries outside the cluster when hiring for key occupations. Overall, for these 15 occupations, the cluster employs 78% of the people in these occupations in the region. The other 22% are employed by industry sectors outside of the healthcare and social services cluster.

The occupations with the most jobs in the healthcare and social services cluster are personal care aides, nurses, medical secretaries, and nursing assistants. These occupations comprise nearly one-third of the cluster’s total jobs. With the exception of nursing, these occupations are also at the low end of the wage scale, as shown in Table 2.5 on the next page. At \$75 per hour, doctors are paid the most.

As shown in Table 2.5, two of the top 15 occupations—in nursing or management—typically require a bachelor’s degree. Two more occupations require a doctorate. In general, the healthcare field requires more education than many of the other clusters discussed in this report. The entry-level requirement for many positions is a high



TABLE 2.4C. LARGEST OCCUPATIONS SPECIFIC TO HEALTHCARE AND SOCIAL SERVICES

| HEALTHCARE AND SOCIAL SERVICES OCCUPATIONS | EMPLOYED IN INDUSTRY GROUP (2012) | EMPLOYED IN INDUSTRY GROUP (2017) | % CHANGE (2012 - 2017) | EMPLOYED IN INDUSTRY GROUP (2022) | % CHANGE (2017 - 2022) | % OF TOTAL JOBS IN INDUSTRY GROUP (2017) | *ALL JOBS FOR OCCUPATION IN THE REGION (2017) | 2017 RESIDENT WORKERS | 2017 NET COMMUTERS |
|--|-----------------------------------|-----------------------------------|------------------------|-----------------------------------|------------------------|--|---|-----------------------|--------------------|
| Personal Care Aides | 255 | 551 | 116% | 731 | 33% | 12.4% | 613 | 1,116 | (503) |
| Registered Nurses | 258 | 489 | 89% | 686 | 40% | 11.0% | 516 | 1,178 | (662) |
| Medical Secretaries | 137 | 218 | 59% | 273 | 25% | 4.9% | 231 | 574 | (343) |
| Nursing Assistants | 138 | 192 | 39% | 254 | 32% | 4.3% | 209 | 439 | (230) |
| Home Health Aides | 129 | 189 | 47% | 278 | 47% | 4.3% | 196 | 385 | (189) |
| Licensed Practical and Licensed Vocational Nurses | 86 | 147 | 71% | 202 | 38% | 3.3% | 159 | 317 | (158) |
| Pharmacy Technicians | 84 | 113 | 35% | 136 | 20% | 2.5% | 136 | 172 | (36) |
| Medical Assistants | 71 | 103 | 45% | 133 | 29% | 2.3% | 108 | 311 | (203) |
| Office Clerks, General | 64 | 95 | 49% | 121 | 28% | 2.1% | 594 | 1,807 | (1,213) |
| Dental Assistants | 59 | 82 | 40% | 103 | 25% | 1.9% | 84 | 164 | (80) |
| Pharmacists | 62 | 81 | 30% | 95 | 18% | 1.8% | 97 | 130 | (33) |
| Psychiatric Aides | 5 | 74 | 1388% | 121 | 62% | 1.7% | 76 | 45 | 31 |
| Medical and Health Services Managers | 32 | 55 | 73% | 75 | 37% | 1.2% | 60 | 126 | (66) |
| Psychiatric Technicians | 5 | 55 | 997% | 91 | 66% | 1.2% | 56 | 35 | 21 |
| Physicians and Surgeons, All Other | 36 | 43 | 21% | 53 | 23% | 1.0% | 46 | 117 | (71) |
| Top 15 Healthcare and Social Services Occupation Totals | 1,421 | 2,488 | 75% | 3,353 | 35% | 56.2% | 3,181 | 6,915 | (3,735) |

* Employed in Region column is employment for all industries, not just for healthcare and social services

Source: Emsi Developer 2018.2 dataset



TABLE 2.5C. HEALTHCARE AND SOCIAL SERVICES OCCUPATIONAL OPENINGS

| HEALTHCARE AND SOCIAL SERVICES OCCUPATIONS | MEDIAN HOURLY EARNINGS | TYPICAL ENTRY LEVEL EDUCATION | TYPICAL ON-THE-JOB TRAINING | ANNUAL OPENINGS | ANNUAL REPLACEMENT JOBS | ANNUAL NEW JOBS |
|--|------------------------|-----------------------------------|-----------------------------------|-----------------|-------------------------|-----------------|
| Personal Care Aides | \$9.30 | High school diploma or equivalent | Short-term on-the-job training | 130 | 81 | 50 |
| Registered Nurses | \$32.90 | Bachelor's degree | None | 68 | 25 | 43 |
| Medical Secretaries | \$14.33 | High school diploma or equivalent | Moderate-term on-the-job training | 38 | 23 | 14 |
| Nursing Assistants | \$11.29 | Postsecondary nondegree award | None | 36 | 23 | 12 |
| Home Health Aides | \$10.02 | High school diploma or equivalent | Short-term on-the-job training | 38 | 22 | 16 |
| Licensed Practical and Licensed Vocational Nurses | \$22.12 | Postsecondary nondegree award | None | 23 | 11 | 12 |
| Pharmacy Technicians | \$15.14 | High school diploma or equivalent | Moderate-term on-the-job training | 17 | 11 | 7 |
| Medical Assistants | \$12.83 | Postsecondary nondegree award | None | 18 | 11 | 6 |
| Office Clerks, General | \$15.16 | High school diploma or equivalent | Short-term on-the-job training | 88 | 69 | 19 |
| Dental Assistants | \$16.72 | Postsecondary nondegree award | None | 13 | 9 | 4 |
| Pharmacists | \$52.05 | Doctoral or professional degree | None | 9 | 4 | 5 |
| Psychiatric Aides | \$11.41 | High school diploma or equivalent | Short-term on-the-job training | 19 | 7 | 12 |
| Medical and Health Services Managers | \$43.57 | Bachelor's degree | None | 9 | 4 | 5 |
| Psychiatric Technicians | \$14.63 | Postsecondary nondegree award | Short-term on-the-job training | 12 | 4 | 9 |
| Physicians and Surgeons, All Other | \$75.06 | Doctoral or professional degree | Internship/residency | 3 | 1 | 2 |
| Top 15 Healthcare and Social Services Occupation Totals | \$19.70 | | | 520 | 305 | 215 |

Source: Emsi Developer 2018.2 dataset



school diploma or above. (Note that these educational requirements reflect national averages and may differ from specific requirements of Richmond employers.) Negative commuting numbers in red in the net commuters column indicates that people live in Richmond and travel elsewhere for work.

Table 2.5 shows the average annual openings (averaged over the past five years) for specific occupations within Richmond. Openings are further divided into two categories – openings for replacement jobs (jobs that are open due to retirement or other attrition) and openings for newly created jobs. The lower paid, lower educational requirements jobs have both the greatest attrition and the largest number of new jobs.

Supply Chain Analysis

Table 2.6, on the next page, provides a picture about the total demand in Richmond by all Richmond residents and businesses for the goods and services from the healthcare and social services industry cluster—worth a total \$1.2 billion in the region. Table 2.6 is sorted by the dollar value of demand being met in-region by Richmond businesses. In Table 2.6, we see that the companies in these sectors meet less than one-fourth of Richmond demand for their products and services, while Richmond imports more than 75% of its needs for these products and services. This would seem to indicate potential markets for local clinics, services, and providers. Pharmacies, for example, supply 23% of local demand, supplying about \$13 million of total local demand of \$57 million, while almost \$44 million is purchased by Richmond residents and businesses from outside the region. Other industry sectors that could tap into the Richmond market include the following:

- Hospitals
- Dentists
- Physicians
- Therapists
- Ambulance Services
- Counseling

Table 2.7 shows the economic development opportunity to build up the region's supply chain supporting healthcare and social services entities. This table shows the goods and services that companies within the healthcare and social services industry cluster buy to use in offering their products or services. About 20% of healthcare and social services supply needs are met within the region, while 80% are purchased from outside. In total, the value of the healthcare and social services supply chain for Richmond manufacturers is nearly \$180 million. Almost every type of product or service, other than real estate and construction, is largely supplied to Richmond's healthcare and social services industry from outside of Richmond. While some of this is likely due to the fact that many requirements are highly technical or specialized, there are significant opportunities to provide more of the supply chain for Richmond healthcare and social services companies. Attracting and developing more professional and technical services, more transportation, more retail trade, and more wholesale distribution appear to be those industries that offer the greatest potential for growth in Richmond.

Table 2.8 shows greater detail for major products or services purchased by Richmond healthcare and social services companies. These are industry sectors which are key suppliers to the healthcare and social services industry. More importantly, these are industry sectors that are already established in the Richmond economy or have strong growth or attraction potential because of synergies

TABLE 2.6C. HEALTHCARE AND SOCIAL SERVICES REGIONAL DEMAND MET BY RICHMOND COMPANIES

| HEALTH CARE AND SOCIAL SERVICES CLUSTER | 2017 DEMAND MET IN-REGION | 2017 % DEMAND MET IN-REGION | 2017 DEMAND MET BY IMPORTS | 2017 % DEMAND MET BY IMPORTS | 2017 TOTAL DEMAND |
|---|---------------------------|-----------------------------|----------------------------|------------------------------|------------------------|
| Offices of Physicians | 65,382,357 | 26% | 191,012,962 | 74% | \$256,395,319 |
| General Medical and Surgical Hospitals | 45,626,170 | 10% | 404,627,255 | 90% | \$450,253,425 |
| Home Health Care Services | 24,716,786 | 50% | 24,525,990 | 50% | \$49,242,776 |
| Offices of Dentists | 23,324,434 | 36% | 41,473,897 | 64% | \$64,798,331 |
| All Other Outpatient Care Centers | 16,381,357 | 100% | 107 | 0% | \$16,381,464 |
| Hospitals (Local Government) | 13,302,871 | 69% | 5,916,641 | 31% | \$19,219,512 |
| Pharmacies and Drug Stores | 13,238,698 | 23% | 43,457,538 | 77% | \$56,696,236 |
| Nursing Care Facilities (Skilled Nursing Facilities) | 10,205,332 | 14% | 61,213,581 | 86% | \$71,418,913 |
| Child and Youth Services | 8,365,450 | 36% | 14,829,916 | 64% | \$23,195,366 |
| Psychiatric and Substance Abuse Hospitals | 8,152,063 | 100% | 1,382 | 0% | \$8,153,445 |
| Offices of Physical, Occupational and Speech Therapists, and Audiologists | 8,037,956 | 41% | 11,543,200 | 59% | \$19,581,156 |
| Offices of All Other Miscellaneous Health Practitioners | 7,094,169 | 49% | 7,339,816 | 51% | \$14,433,985 |
| Ambulance Services | 4,950,482 | 60% | 3,263,592 | 40% | \$8,214,074 |
| Freestanding Ambulatory Surgical and Emergency Centers | 4,164,215 | 28% | 10,470,904 | 72% | \$14,635,119 |
| Offices of Mental Health Practitioners (except Physicians) | 2,641,178 | 27% | 7,261,207 | 73% | \$9,902,385 |
| Offices of Optometrists | 2,365,885 | 36% | 4,121,868 | 64% | \$6,487,753 |
| Civic and Social Organizations | 2,243,506 | 18% | 10,127,484 | 82% | \$12,370,990 |
| Services for the Elderly and Persons with Disabilities | 2,104,278 | 7% | 27,530,733 | 93% | \$29,635,011 |
| Other Individual and Family Services | 1,644,688 | 11% | 14,017,026 | 89% | \$15,661,714 |
| Residential Mental Health and Substance Abuse Facilities | 423,202 | 5% | 8,823,607 | 95% | \$9,246,809 |
| Other Residential Care Facilities | 409,247 | 7% | 5,664,111 | 93% | \$6,073,358 |
| Offices of Chiropractors | 386,310 | 6% | 5,985,238 | 94% | \$6,371,548 |
| Medical, Dental, and Hospital Equipment and Supplies Merchant Wholesalers | 331,764 | 2% | 19,075,784 | 98% | \$19,407,548 |
| Drugs and Druggists' Sundries Merchant Wholesalers | 321,578 | 1% | 21,944,214 | 99% | \$22,265,792 |
| Healthcare and Social Services Totals | 265,813,975 | 22% | 944,228,052 | 78% | \$1,210,042,027 |

Source: Emsi Developer 2018.2 dataset



TABLE 2.7C. HEALTHCARE AND SOCIAL SERVICES SUPPLY CHAIN

| PURCHASES FROM | IN-REGION PURCHASES | % IN-REGION PURCHASES | IMPORTED PURCHASES | % IMPORTED PURCHASES | TOTAL PURCHASES |
|---|---------------------|-----------------------|----------------------|----------------------|----------------------|
| Real Estate and Rental and Leasing | \$16,731,899 | 49.3% | \$17,218,815 | 50.7% | \$33,950,714 |
| Manufacturing | \$75,915 | 0.3% | \$25,372,370 | 99.7% | \$25,448,285 |
| Finance and Insurance | \$630,226 | 2.6% | \$23,461,534 | 97.4% | \$24,091,760 |
| Professional, Scientific, and Technical Services | \$6,067,770 | 29.5% | \$14,499,907 | 70.5% | \$20,567,676 |
| Business Services | \$4,764,200 | 27.0% | \$12,880,296 | 73.0% | \$17,644,496 |
| Management of Companies and Enterprises | \$44,719 | 0.5% | \$9,723,852 | 99.5% | \$9,768,571 |
| Wholesale Trade | \$466,963 | 5.2% | \$8,549,767 | 94.8% | \$9,016,730 |
| Information | \$1,063,713 | 12.0% | \$7,794,668 | 88.0% | \$8,858,382 |
| Transportation and Warehousing | \$646,786 | 10.4% | \$5,552,152 | 89.6% | \$6,198,938 |
| Construction | \$2,866,736 | 57.6% | \$2,113,785 | 42.4% | \$4,980,521 |
| Accommodation and Food Services | \$1,431,154 | 30.9% | \$3,204,516 | 69.1% | \$4,635,671 |
| Other Services (except Public Administration) | \$1,203,790 | 27.3% | \$3,206,754 | 72.7% | \$4,410,544 |
| Health Care and Social Assistance | \$803,599 | 20.2% | \$3,176,257 | 79.8% | \$3,979,856 |
| Utilities | \$85,772 | 4.6% | \$1,797,606 | 95.4% | \$1,883,379 |
| Retail Trade | \$248,065 | 15.0% | \$1,406,890 | 85.0% | \$1,654,956 |
| Educational Services | \$58,891 | 6.8% | \$802,488 | 93.2% | \$861,380 |
| Government | \$209,024 | 31.6% | \$451,594 | 68.4% | \$660,618 |
| Arts, Entertainment, and Recreation | \$116,108 | 19.1% | \$492,509 | 80.9% | \$608,617 |
| Mining, Quarrying, and Oil and Gas Extraction | \$51,599 | 26.5% | \$143,168 | 73.5% | \$194,768 |
| Agriculture, Forestry, Fishing and Hunting | \$0 | 0.0% | \$94,714 | 100.0% | \$94,714 |
| Total Healthcare and Social Services Supply Chain Requirements | \$37,566,929 | 20.9% | \$141,943,642 | 79.1% | \$179,510,572 |

Source: Emsi Developer 2018.2 dataset



TABLE 2.8C. HEALTHCARE AND SOCIAL SERVICES SUPPLY CHAIN DETAIL FOR KEY PRODUCTS OR SERVICES

| PURCHASES FROM | IN-REGION PURCHASES | % IN-REGION PURCHASES | IMPORTED PURCHASES | % IMPORTED PURCHASES | TOTAL PURCHASES |
|--|----------------------------|------------------------------|---------------------------|-----------------------------|------------------------|
| Real Estate | \$16,453,270 | 54.7% | \$13,622,557 | 45.3% | \$30,075,827 |
| Professional, Scientific, and Technical Services | \$6,067,770 | 29.5% | \$14,499,907 | 70.5% | \$20,567,676 |
| Administrative and Support Services | \$4,343,508 | 26.4% | \$12,083,004 | 73.6% | \$16,426,512 |
| Insurance Carriers and Related Activities | \$149,680 | 1.0% | \$15,369,061 | 99.0% | \$15,518,740 |
| Management of Companies and Enterprises | \$44,719 | 0.5% | \$9,723,852 | 99.5% | \$9,768,571 |
| Chemical Manufacturing | \$6,389 | 0.1% | \$8,486,131 | 99.9% | \$8,492,519 |
| Credit Intermediation and Related Activities | \$289,674 | 6.5% | \$4,151,230 | 93.5% | \$4,440,903 |
| Merchant Wholesalers, Durable Goods | \$93,205 | 2.1% | \$4,340,446 | 97.9% | \$4,433,650 |
| Financial Services, Misc | \$190,867 | 4.7% | \$3,890,462 | 95.3% | \$4,081,329 |
| Telecommunications | \$573,598 | 14.8% | \$3,309,492 | 85.2% | \$3,883,091 |
| Food Services and Drinking Places | \$1,404,088 | 36.8% | \$2,406,821 | 63.2% | \$3,810,908 |
| Ambulatory Health Care Services | \$738,357 | 20.5% | \$2,857,780 | 79.5% | \$3,596,138 |
| Miscellaneous Manufacturing | \$1,298 | 0.0% | \$3,577,804 | 100.0% | \$3,579,103 |
| Food Manufacturing | \$8,190 | 0.2% | \$3,380,657 | 99.8% | \$3,388,846 |
| Specialty Trade Contractors | \$2,027,119 | 67.4% | \$980,260 | 32.6% | \$3,007,379 |

Source: Emsi Developer 2018.2 dataset



with other closely related industry sectors or because they require occupations already present in the Richmond labor market.

Table 2.9 shows the amount of goods and services sold by Richmond healthcare and social services companies both inside and outside the region. These entities sell nearly \$500 million of products or services, of which more than \$200 million is sold outside Richmond, thus bringing substantial revenues into Richmond. However, this industry cluster is normally focused on providing services to local residents. Key economic development efforts here should be focused on helping those sectors develop where significant demand exists and is being met by outside providers as shown in table 2.6.

In summary, the healthcare and social services industry is a cluster that requires high levels of experience and education for many occupations, while also offering entry-level jobs. This is the most rapidly growing industry sector in Richmond, as well as the rest of

the country. At 10% of the GRP and nearly 20% of all jobs, this cluster is exceptionally important to the Richmond economy. Building up the industry, its supply chain, and offering a high quality of life for those employed in Healthcare and Social Services, are prime economic development efforts for Richmond that can capitalize on the strong foundation already present in the city. The one caveat to be cognizant of is that the competition for talent in this cluster is fierce nationwide, and Richmond has a surplus of people in these occupations who commute outside of Richmond for work.

There are significant opportunities for other Richmond businesses (outside of healthcare and social services) to tap into the healthcare and social services industry supply chain. In particular, two other strong clusters in Richmond, professional and technical services and business services, are currently supplying only 30% and 25% of the healthcare and social services industry's need for these services.



TABLE 2.9C. RICHMOND HEALTHCARE AND SOCIAL SERVICES COMPANIES SALES IN REGION AND EXPORTED OUT OF REGION

| HEALTH CARE AND SOCIAL SERVICES CLUSTER | 2017 SALES SOLD IN-REGION | 2017 % SALES SOLD IN-REGION | 2017 SALES SOLD AS EXPORTS | 2017 % SALES SOLD AS EXPORTS | 2017 TOTAL SALES |
|--|---------------------------|-----------------------------|----------------------------|------------------------------|----------------------|
| Offices of Physicians | \$65,382,357 | 90% | \$7,055,930 | 10% | \$72,438,287 |
| Psychiatric and Substance Abuse Hospitals | \$9,434,752 | 14% | \$59,250,860 | 86% | \$68,685,612 |
| General Medical and Surgical Hospitals | \$45,630,414 | 74% | \$15,954,255 | 26% | \$61,584,669 |
| Pharmacies and Drug Stores | \$13,238,698 | 33% | \$27,047,906 | 67% | \$40,286,604 |
| Home Health Care Services | \$24,716,786 | 70% | \$10,358,989 | 30% | \$35,075,775 |
| Hospitals (Local Government) | \$0 | 0% | \$32,469,807 | 100% | \$32,469,807 |
| Offices of Dentists | \$23,324,434 | 77% | \$6,815,656 | 23% | \$30,140,090 |
| All Other Outpatient Care Centers | \$16,381,356 | 67% | \$8,069,821 | 33% | \$24,451,177 |
| Child and Youth Services | \$8,365,450 | 44% | \$10,811,444 | 56% | \$19,176,894 |
| Nursing Care Facilities (Skilled Nursing Facilities) | \$10,206,621 | 58% | \$7,408,525 | 42% | \$17,615,146 |
| Offices of Physical, Occupational and Speech Therapists | \$8,037,955 | 68% | \$3,743,655 | 32% | \$11,781,610 |
| Services for the Elderly and Persons with Disabilities | \$2,104,278 | 25% | \$6,393,532 | 75% | \$8,497,810 |
| Offices of All Other Miscellaneous Health Practitioners | \$7,094,169 | 84% | \$1,329,859 | 16% | \$8,424,028 |
| Other Individual and Family Services | \$1,644,688 | 22% | \$5,949,900 | 78% | \$7,594,588 |
| Medical, Dental, and Hospital Equipment Wholesalers | \$331,764 | 4% | \$7,201,126 | 96% | \$7,532,890 |
| Ambulance Services | \$4,950,483 | 72% | \$1,921,753 | 28% | \$6,872,236 |
| Drugs and Druggists' Sundries Merchant Wholesalers | \$321,578 | 5% | \$5,997,977 | 95% | \$6,319,555 |
| Civic and Social Organizations | \$1,629,922 | 29% | \$4,046,957 | 71% | \$5,676,879 |
| Offices of Mental Health Practitioners (except Physicians) | \$2,641,178 | 48% | \$2,821,932 | 52% | \$5,463,110 |
| Freestanding Ambulatory Surgical and Emergency Centers | \$4,164,216 | 96% | \$171,227 | 4% | \$4,335,443 |
| Offices of Optometrists | \$2,365,885 | 75% | \$780,026 | 25% | \$3,145,911 |
| Residential Mental Health and Substance Abuse Facilities | \$423,835 | 18% | \$1,969,611 | 82% | \$2,393,446 |
| Other Residential Care Facilities | \$409,581 | 37% | \$706,750 | 63% | \$1,116,331 |
| Offices of Chiropractors | \$386,309 | 41% | \$560,548 | 59% | \$946,857 |
| Healthcare and Social Services Totals | \$265,813,975 | 55% | \$216,210,780 | 45% | \$482,024,756 |

Source: Emsi Developer 2018.2 dataset

