

# 1 Introduction

Across the six counties within the HASC region (comprised of Los Angeles, Orange, Riverside, San Bernardino, Ventura and Santa Barbara Counties), hospitals, health care centers, doctors' offices and laboratories provide access to a variety of vital health care services, employing thousands of workers, and generating significant revenues and tax dollars.

The health care sector is composed of several inter-related and supporting industries, including ambulatory health care services, hospitals, and nursing and residential care facilities. The sector as a whole has been growing over the past decade and is likely to be a driver of economic activity going forward as our population grows, as it ages, and as medical advances extend our productive lives.

There were nearly 40,000 private and public establishments and almost 667,500 payroll employees in the health care sector, representing 9.8 percent of all payroll employment in the HASC area. Offices of health care practitioners is the largest industry by number of establishments, but the hospital industry employs more workers, providing 238,176 jobs.

These data do not include the self-employed or freelance workers, which we estimate could add an additional 69,000 workers, many of whom are health care practitioners or work in home health care services.

Payroll employment in this sector has been growing over the past twenty years. In 1990, employment in the HASC region in the health care industry was 474,141, growing to 667,494 in 2010. Growth has accelerated in the past decade, averaging approximately 2.3 percent on an annual basis since 2000, compared to 1.1 percent per year in the prior decade.

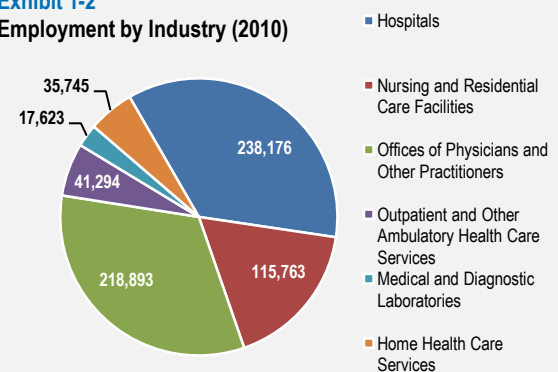
In the six-county region as a whole, total payroll employment has not shown such a steady increase over the period, and indeed experienced a dramatic decline during the recession.

**Exhibit 1-1**  
**Health Care Services in Southern California (2010)**

	# of Establishments
<b>Hospitals:</b>	
General Medical and Surgical Hospitals <sup>1</sup>	211
Other Hospitals <sup>2</sup>	313
Nursing and Residential Care Facilities	3,278
Offices of Health Care Practitioners	32,140
Outpatient Care Centers	1,553
Medical and Diagnostic Laboratories	912
Home Health Care Services	1,350
<b>TOTAL Establishments</b>	<b>39,822</b>
<b>% of all HASC Region Establishments</b>	<b>6.05%</b>

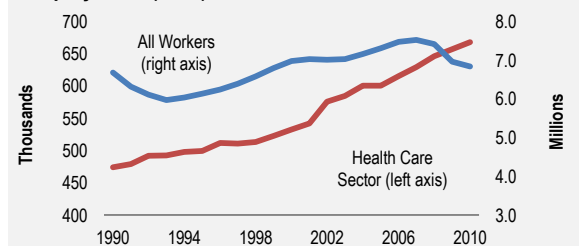
Source: CA EDD  
<sup>1</sup> Includes federal, state and county general medical and surgical hospitals such as VA hospitals  
<sup>2</sup> Includes psychiatric and substance abuse hospitals and specialty hospitals

**Exhibit 1-2**  
**Employment by Industry (2010)**



Source: CA EDD

**Exhibit 1-3**  
**Employment (2010)**



Source: CA EDD

**Wages**

Wages of health care workers vary by industry, as shown in Exhibit 1-4. Average wages were highest in hospitals in 2010, reaching \$63,199 annually, and lowest in nursing and residential care facilities where workers earned an average of \$29,097 in 2010.

Overall, the average annual wage in the health care industry in the HASC area in 2010 was \$53,355.

The purchasing power of earnings in the health care sector has been improving recently, but this has not always been the case. In the 1990s, for example, real wages deteriorated, reaching a low in 1997. However, real wages have shown improvement since 2000 and in particular during the last two years. This is in contrast to the average real wages for all workers in Los Angeles County, which grew through 2000 but which have remained flat since.

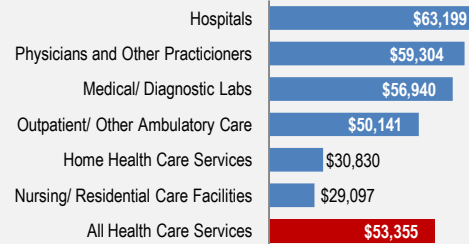
**Output**

The economic census of 2007 reports revenues by industry. The health care sector as a whole is estimated to have had total revenues of more than \$48 billion in 2007 in the six-county region. Additional revenues earned by the self-employed are estimated to have been \$2.2 billion.

*In 2010, the health care sector employed almost 667,500 people in the HASC region, with an average annual wage of \$53,335.*

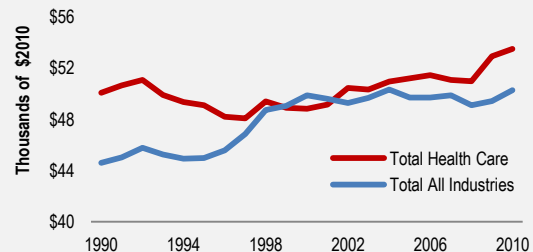
*In 2007 (the most recent year for which data is available), total revenues exceeded \$48 billion.*

**Exhibit 1-4**  
Average Annual Wages by Industry (2010)



Source: CA EDD

**Exhibit 1-5**  
Average Annual Wages



Source: CA EDD

**Exhibit 1-6**  
Health Care Services Output (2007)

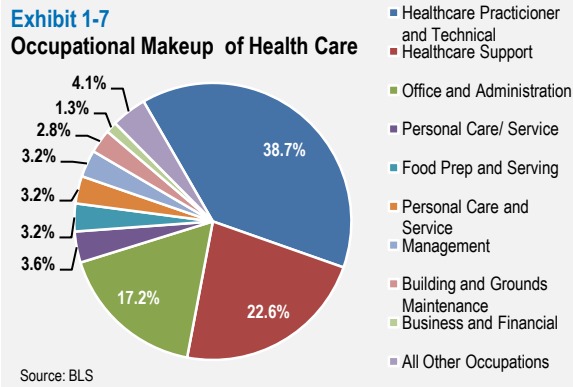
Health Care Services Output (2007)	Estimated Revenues (\$ billions)
Hospitals	\$ 20.5
Offices of Health Care Practitioners	14.2
Nursing and Residential Care Facilities	4.0
Outpatient and Other Ambulatory Health Care	2.6
Medical and Diagnostic Laboratories	1.2
Home Health Care Services	1.3
<b>TOTAL Revenues</b>	<b>\$ 48.1</b>

Source: BLS

### Health Care Occupations



There are many occupations in the health care sector, as shown in Exhibit 1-7. Almost 40 percent of employees are healthcare practitioners such as physicians and nurses. An additional 22.6 percent are in healthcare support occupations. Other occupations include managers, administrative workers, food preparation workers, teachers and maintenance personnel.



The Bureau of Labor Statistics lists 51 separate occupations in the healthcare practitioner occupational group, and another 14 occupations in the healthcare support occupational group. Exhibits 1-8 and 1-9 list the largest individual occupations by employment in both of these occupational groups in the HASC region in 2010, along with the average annual wage paid for employees in these occupations in California. ❖

**Exhibit 1-8 Practitioner and Technical Services Occupations (2010)**

Occupation	Employment in HASC	Annual average wage in CA
Registered Nurses	136,920	\$ 88,714
Licensed Practical and Vocational Nurses	38,480	51,200
Pharmacy Technicians	16,850	37,805
All Other Physicians and Surgeons	13,580	194,356
Pharmacists	13,560	120,488
Medical Records/ Information Techs	10,530	40,076
Radiologic Technologists/Technicians	9,270	66,972
Medical and Clinical Lab Technicians	8,960	42,887
Physical Therapists	8,880	85,801
EMTs and Paramedics	8,420	36,650
Dental Hygienists	8,250	91,492
Dentists, General	7,720	148,832
Respiratory Therapists	7,680	68,933
All Other Health Technologists	6,870	47,053
Medical and Clinical Lab Technologists	6,380	76,686
Psychiatric Technicians	5,230	53,387
Surgical Technologists	5,210	49,514
Veterinary Technologists/Technicians	5,110	35,798
Physician Assistants	4,870	94,980
Speech-Language Pathologists	4,840	83,068
Family and General Practitioners	4,750	170,389
Occupational Therapists	4,380	85,510
All Other Health / Tech Workers	3,810	73,397
Opticians, Dispensing	3,700	37,800
Internists, General	3,100	188,186
Diagnostic Medical Sonographers	3,080	78,349
Dietitians and Nutritionists	2,850	65,944
Pediatricians, General	2,770	168,035
All others	27,780	n/a
<b>All</b>	<b>383,830</b>	<b>\$ 86,990</b>

Source: BLS

**Exhibit 1-9 Healthcare Support Occupations (2010)**

Occupation	Employment in HASC	Annual average wage in CA
Nursing Aides, Orderlies, and Attendants	61,020	\$ 28,297
Medical Assistants	49,070	31,678
Home Health Aides	31,820	23,154
Dental Assistants	25,320	35,764
All Other Healthcare Support Workers	14,990	36,401
Pharmacy Aides	5,100	25,349
Massage Therapists	4,490	39,440
Physical Therapist Aides	3,710	27,738
Medical Equipment Preparers	3,670	31,062
Physical Therapist Assistants	3,040	58,533
Medical Transcriptionists	2,940	42,979
Veterinary Assistants	2,940	26,719
All others	4,520	n/a
<b>All</b>	<b>212,630</b>	<b>\$ 30,600</b>

Source: BLS