



# GOVERNOR'S COUNCIL FOR WORKFORCE AND ECONOMIC DEVELOPMENT

EDUCATION

ECONOMIC DEVELOPMENT

EMPLOYMENT

STATE OF OKLAHOMA

## 2005 LOCAL HEALTH CARE CLUSTER ANALYSIS

### DEFINITION OF INDUSTRY

The local health care services cluster is comprised of those establishments engaged in direct patient care or the medical research (such as dental and medical labs) that effects direct patient care. Bioscience and health science research is included in the Bioscience industry cluster. Included in the local health services cluster are doctors' and dentists' offices, hospitals, outpatient services (including mental health), specialized treatment and diagnostic centers (such as kidney dialysis, imaging, etc.), residential treatment centers, nursing homes, home health care, and support services and retailers.

### SIGNIFICANCE AND HIGHLIGHTS

Whether it is at the local level or state level, companies and individuals factor access to quality health care into their decision to locate in a given area. Without adequate support industries or specializations, a continuum of health care will be disrupted when residents who can afford it are required to go out of state for the needed diagnosis or treatment.

The share of Oklahoma's workforce that is employed in this sector is very close to the share of the United States' workforce that is employed in this sector. At 93 percent, Oklahoma's share has increased by 8 percent over the previous two years. Hospitals are, by far, the largest employers in Oklahoma's health care services industry. Nursing care facilities are the second largest employers but come in at only 40 percent of the number employed by hospitals. The fourth largest employer industry within this cluster is home health care services. Combined with nursing care facilities, these two industries employ over 44,000 Oklahomans in services primarily for the aging portion of our population. Oklahoma's share of health care workers in home health care services is 180 percent of the nation's share. Our share of workers in nursing care facilities is 164 percent of the nation's share. In fact, Oklahoma exceeds the share of health care workers in many sub-industries, but falls short of the nation's share in psychiatric and substance abuse hospitals, wholesalers of pharmaceuticals, and specialty hospitals. Distribution of jobs between small, medium, and large employers is very evenly distributed.

### DATA SOURCES

Data used for this analysis was obtained from the Oklahoma Employment Security Commission and included filings of Oklahoma employers as of March 2004.

### CLUSTER STATISTICS

Employer Units	8,895
Number of Employees	198,636
Percent of Total Oklahoma Employment	14%
Net Employment Change between 2002 and 2004	+34,456
Average Annual Wages	\$31,254
Location Quotient	0.93
Change in Location Quotient 2002-2004	+0.08

## TOP FIVE INDUSTRIES IN THE LOCAL HEALTH CARE CLUSTER

The top five industries in the local health care cluster employ 149,438 people, which represents 75.2% of the total employment (198,635) in the cluster.

NAICS	Industry	Employment	Percent of Cluster
622110	General Medical & Surgical Hospitals	73,549	37.0%
623110	Nursing Care Facilities	29,355	14.8%
621111	Offices of Physicians (except Mental Health)	23,895	12.0%
621610	Home Health Care Services	14,788	7.4%
621210	Offices of Dentists	7,851	4.0%

(D) = Data suppressed for disclosure reasons.

## TOP EMPLOYERS IN THE LOCAL HEALTH CARE CLUSTER

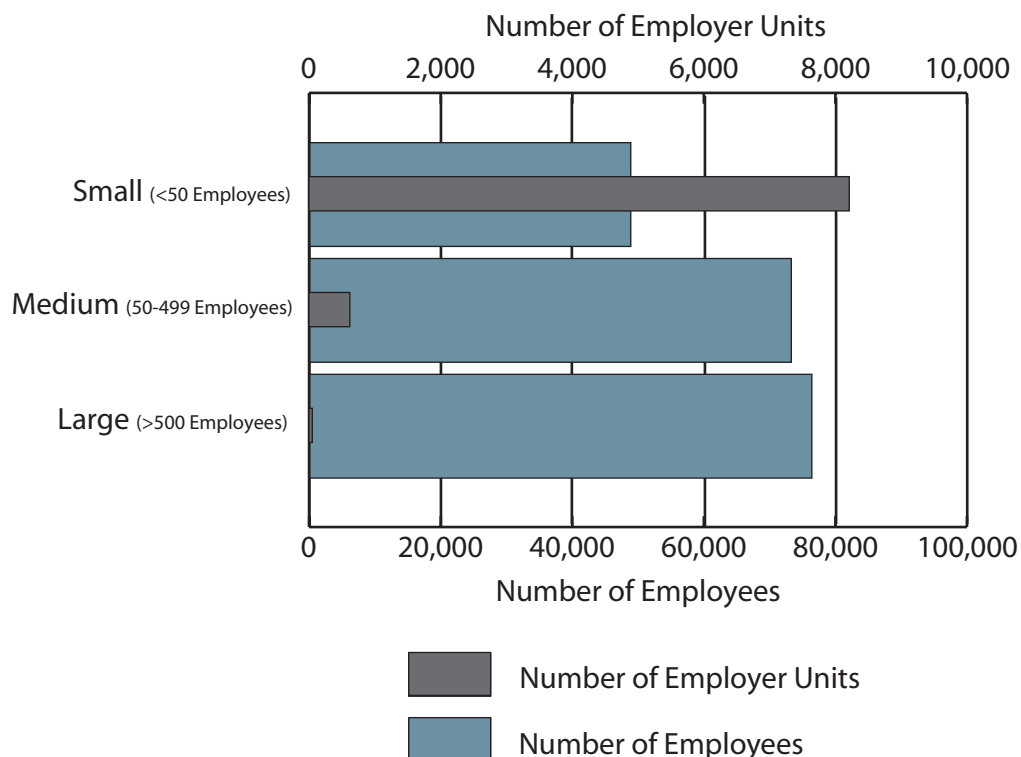
Company Name	Employee Range
Integrus Health, Inc.	4,000-6,000
Saint Francis Hospital, Inc.	4,000-6,000
Presbyterian Hospital & OU Medical Center	4,000-6,000
St. John's Medical Center, Inc.	3,000-4,000
St. Anthony Hospital	2,000-3,000
Mercy Health Center	2,000-3,000
Hillcrest Medical Center	2,000-3,000
Grace Living Centers	2,000-3,000
Norman Regional Hospital	2,000-3,000

## INDUSTRY LOCATION QUOTIENTS

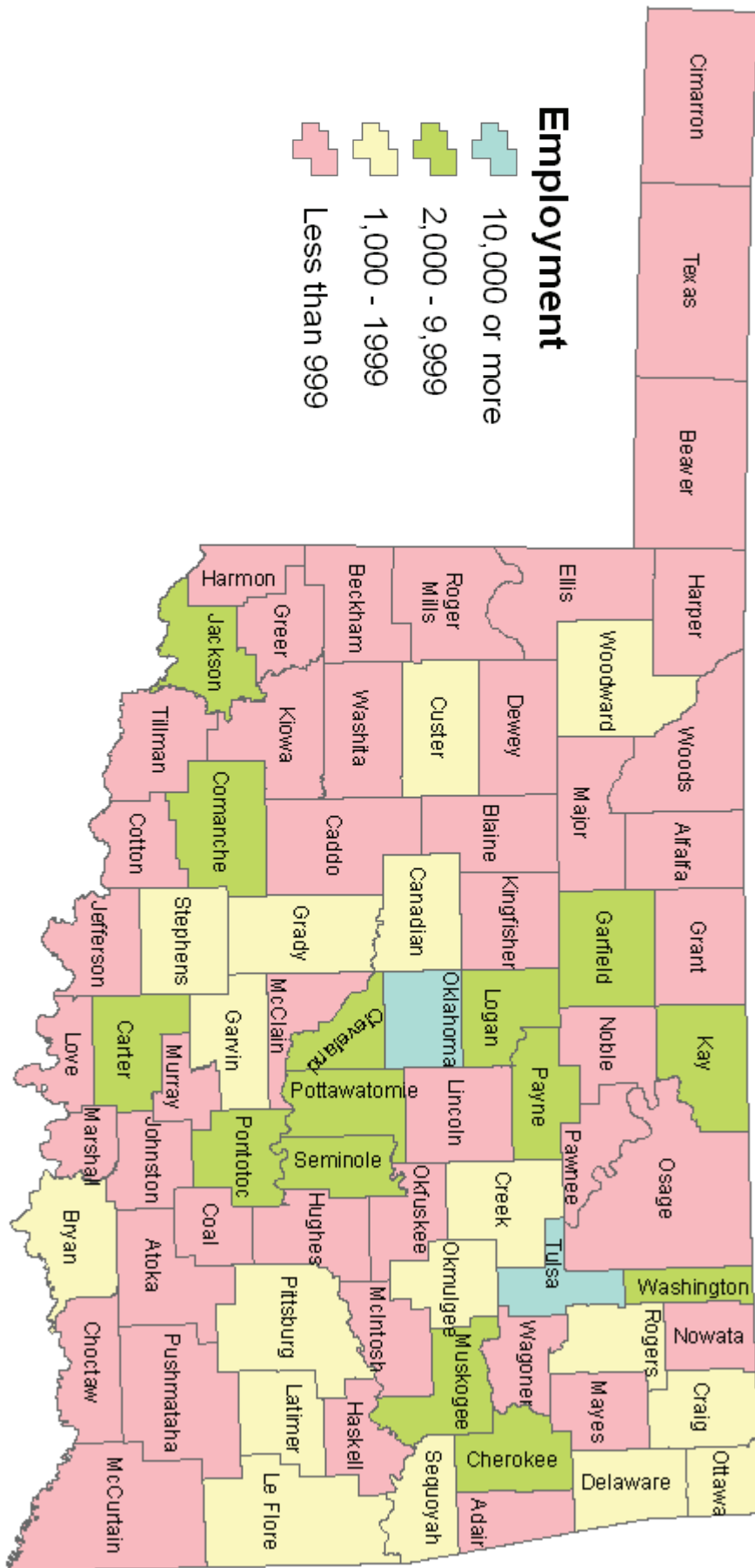
NAICS	Industry	Location Quotient	LQ Change
621600	Home Health Care Services	1.80	-1.05
623100	Nursing Care Facilities	1.64	-1.13
621900	Other Ambulatory Health Care Services	1.58	-0.85
621400	Outpatient Care Centers	1.41	-0.59
622100	General Medical and Surgical Hospitals	1.34	-0.79
623900	Other Residential Care Facilities	1.30	+0.44
621500	Medical and Diagnostics Laboratories	1.20	-0.37
623200	Residential Mental Retardation, Mental Health and Substance Abuse Facilities	1.12	-1.19
621100	Offices of Physicians	1.09	-0.61
623300	Community Care Facilities for the Elderly	1.09	-0.62
621300	Offices of Other Health Practitioners	1.07	-0.67
621200	Offices of Dentists	1.00	-0.61
622200	Psychiatric and Substance Abuse Hospitals	0.92	-0.38
622300	Specialty (except psychiatric & substance abuse) Hospitals	0.56	-0.27

## DISTRIBUTION OF EMPLOYER UNITS & JOBS BY EMPLOYER SIZE (MARCH 2004)

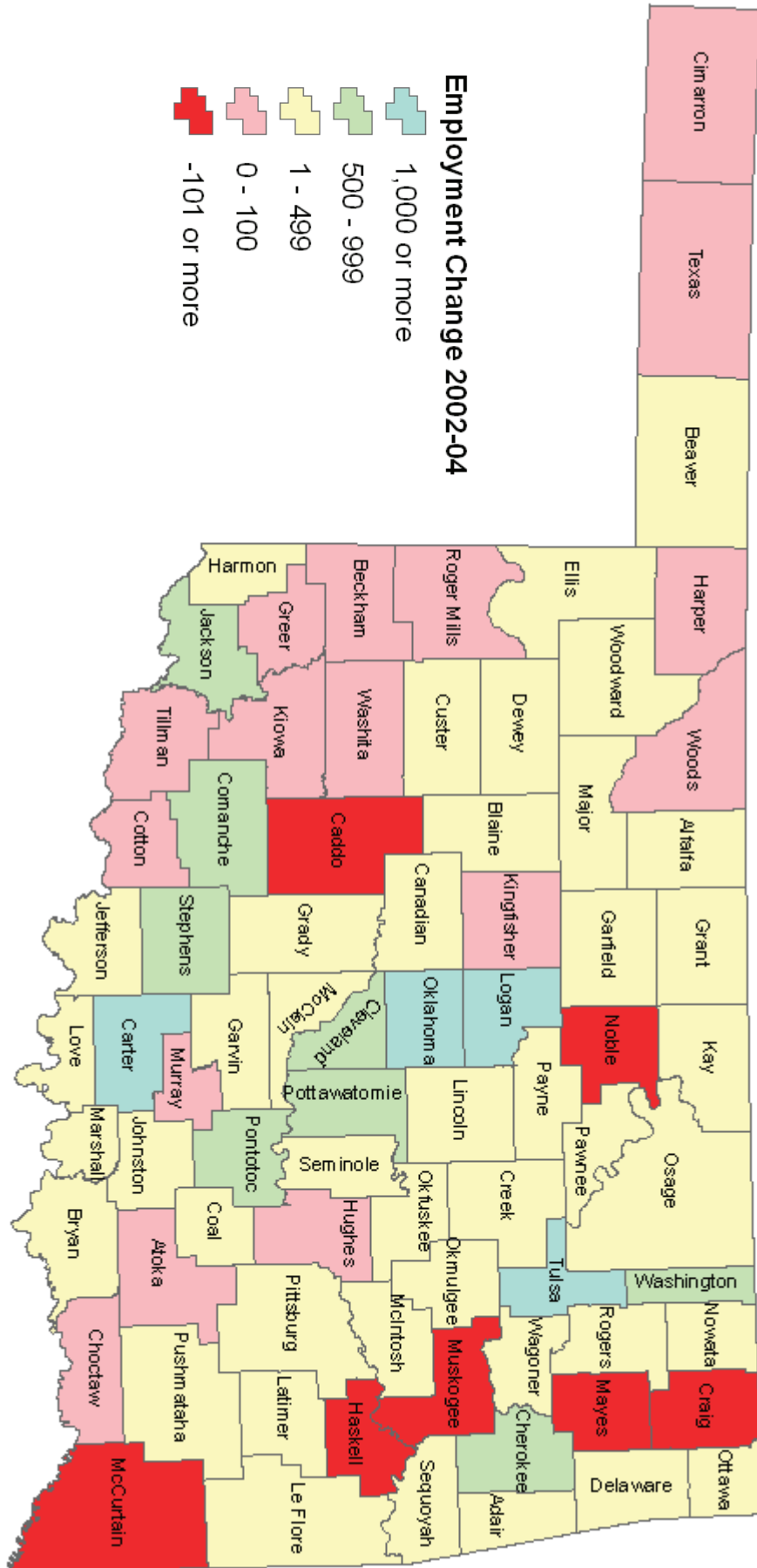
Range	Employer Units	Employees
Small (<50 employees)	8,209	48,925
Medium (50-500 employees)	628	73,295
Large (>500 employees)	58	76,416



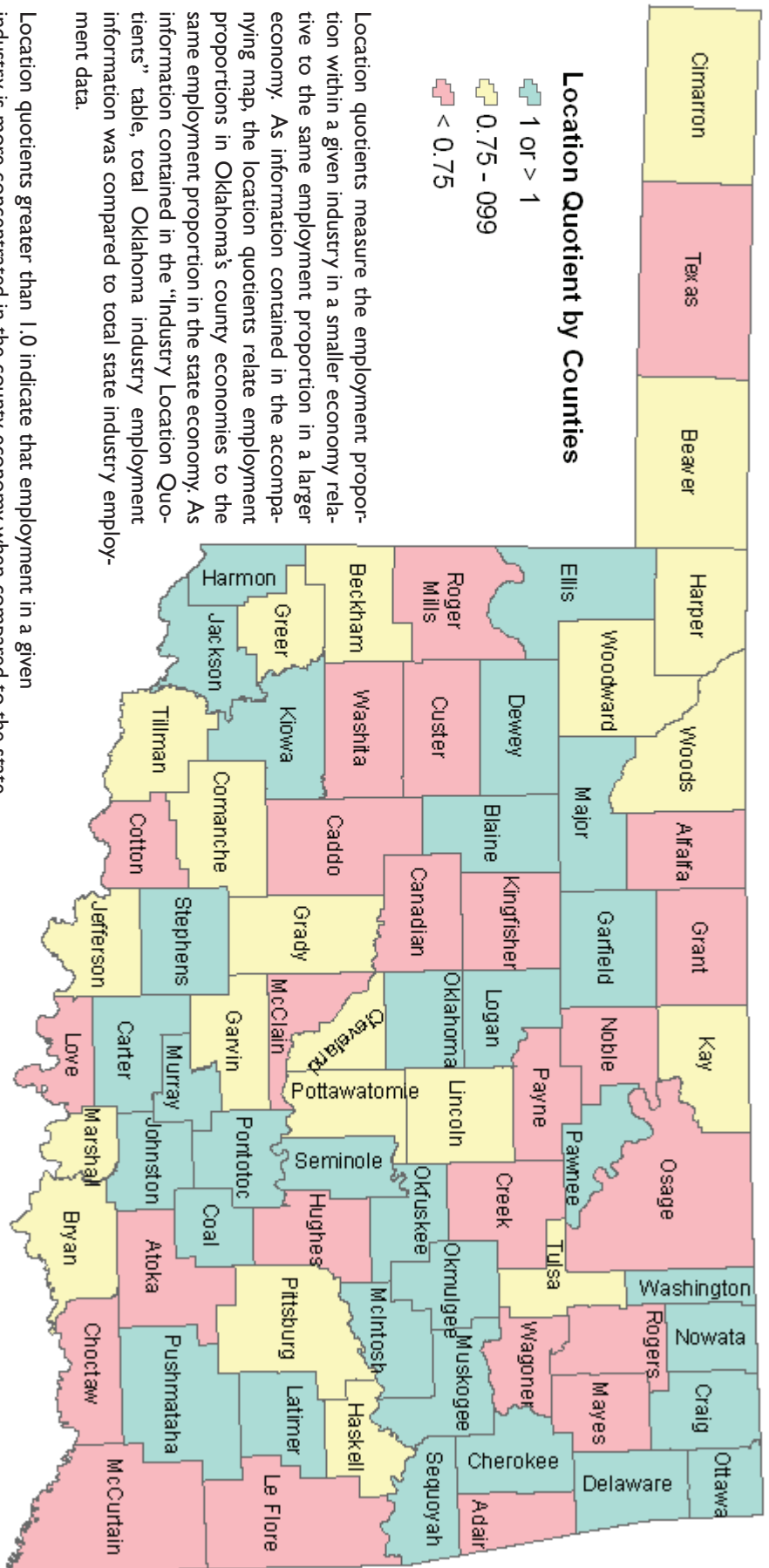
**TOTAL LOCAL HEALTH CARE CLUSTER EMPLOYMENT BY COUNTY**



**LOCAL HEALTH CARE CLUSTER EMPLOYMENT CHANGE 2002-2004**



**LOCAL HEALTH CARE CLUSTER COUNTY LOCATION QUOTIENTS**



Location quotients measure the employment proportion within a given industry in a smaller economy relative to the same employment proportion in a larger economy. As information contained in the accompanying map, the location quotients relate employment proportions in Oklahoma's county economies to the same employment proportion in the state economy. As information contained in the "Industry Location Quotients" table, total Oklahoma industry employment information was compared to total state industry employment data.

Location quotients greater than 1.0 indicate that employment in a given industry is more concentrated in the county economy when compared to the state economy. Conversely, location quotients less than 1.0 indicate that industry employment is less concentrated in the county economy when compared to the state economy. Location quotients equal to 1.0 indicate that the employment proportions within a given industry are equal in the county and the state economies.

In the Local Health Care cluster, Oklahoma county's location quotient equals 1.21. This indicates that the proportion of people employed in the Local Health Care cluster in Oklahoma county is 121% of the Local Health Care employment proportion in the state as a whole. Conversely, Comanche county's location quotient equals 0.79, which indicates that the proportion of people employed in the Local Health Care cluster in Comanche county is 79% of the Local Health Care employment proportion in the state as a whole.

From the "Industry Location Quotients" table, the location quotient for the Offices of Physicians Industry (NAICS 621100) equaled 1.09, which indicates that the proportion of people employed in this industry in Oklahoma is 109% of the same national proportion.

The most current national data available to compute location quotients is from the U.S. Bureau of Labor Statistics for 2004.

**LOCAL HEALTH CARE CLUSTER COUNTY STATE LOCATIONS**



## LOCAL HEALTH CARE INDUSTRIES

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339116	DENTAL LABORATORIES
423450	MEDICAL, DENTAL, AND HOSPITAL EQUIPMENT AND SUPPLIES MERCHANT WHOLESALERS
424210	DRUGS AND DRUGGISTS' SUNDRIES MERCHANT WHOLESALERS
446130	OPTICAL GOODS STORES
621111	OFFICES OF PHYSICIANS (EXCEPT MENTAL HEALTH SPECIALISTS)
621112	OFFICES OF PHYSICIANS, MENTAL HEALTH SPECIALISTS
621210	OFFICES OF DENTISTS
621310	OFFICES OF CHIROPRACTORS
621320	OFFICES OF OPTOMETRISTS
621330	OFFICES OF MENTAL HEALTH PRACTITIONERS (EXCEPT PHYSICIANS)
621340	OFFICES OF PHYSICAL, OCCUPATIONAL AND SPEECH THERAPISTS, AND AUDIOLOGISTS
621391	OFFICES OF PODIATRISTS
621399	OFFICES OF ALL OTHER MISCELLANEOUS HEALTH PRACTITIONER
621410	FAMILY PLANNING CENTERS
621420	OUTPATIENT MENTAL HEALTH AND SUBSTANCE ABUSE CENTERS
621491	HMO MEDICAL CENTERS
621492	KIDNEY DIALYSIS CENTERS
621493	FREESTANDING AMBULATORY SURGICAL AND EMERGENCY CENTERS
621498	ALL OTHER OUTPATIENT CARE CENTERS
621511	MEDICAL LABORATORIES
621512	DIAGNOSTIC IMAGING CENTERS
621610	HOME HEALTH CARE SERVICES
621910	AMBULANCE SERVICES
621991	BLOOD AND ORGAN BANKS
621999	ALL OTHER MISCELLANEOUS AMBULATORY HEALTH CARE SERVICES
622110	GENERAL MEDICAL AND SURGICAL HOSPITALS
622210	PSYCHIATRIC AND SUBSTANCE ABUSE HOSPITALS
622310	SPECIALTY (EXCEPT PSYCHIATRIC AND SUBSTANCE ABUSE) HOSPITALS
623110	NURSING CARE FACILITIES
623210	RESIDENTIAL MENTAL RETARDATION FACILITIES
623220	RESIDENTIAL MENTAL HEALTH AND SUBSTANCE ABUSE FACILITIES
623311	CONTINUING CARE RETIREMENT COMMUNITIES
623312	HOMES FOR THE ELDERLY
623990	OTHER RESIDENTIAL CARE FACILITIES

Source: North American Industry Classification System, 2002, Executive Office of the President, Office of Management and Budget.