

Denver South Economic Development Partnership Industry Cluster Profile HEALTHCARE AND WELLNESS

The healthcare and wellness cluster includes a dynamic and growing group of companies that provide preventive, curative, and rehabilitative services offered by healthcare providers, medical and specialty hospitals, kidney dialysis centers, nutrition and weight loss facilities, fitness centers, medical spas and massage facilities, public health and education, and other healthcare and wellness organizations. Extending beyond healthcare delivery, the cluster represents a continuum of businesses ranging from treating disease to a multidimensional and holistic approach that focuses on complete physical, mental, social well-being, and disease prevention.

Notably, the healthcare and wellness cluster has been relatively immune to economic cycles and continues to expand its employment base in the Denver South region¹ as a result of several factors. The aging population is one of the most distinctive demographic events of the 21st century. This demographic shift toward an older population with the aging of the “baby boom” generation will generate economic activity based on increased demand for medical services, hospital and nursing care, and long-term and at-home services. Another contributing factor is the influx of people into the healthcare market driven from recent state and national healthcare reforms. This will also drive further collaboration and cooperation among various healthcare and wellness facilities across the Denver South region for specialized services, research, workforce, and facilities. Further, there is a growing interest in changing the way individuals prevent illness and treat diseases. Improved medical practices, holistic approaches, and new intellectual and spiritual philosophies have contributed to the movement towards an integrated approach to healthcare.

With more than 10,870 healthcare and wellness workers in nearly 1,740 companies across the Denver South region, the healthcare and wellness cluster contributes to the region’s overall economic productivity and is one of the fastest growing industry clusters in the region. In fact, employment in the Denver South region’s healthcare and wellness cluster increased 52.9 percent between 2006 and 2011, compared with a 23.1 percent and a 11.9 percent increase in the nine-county Metro Denver and Northern Colorado region² and nationwide, respectively. Surrounded by state-of-the-art healthcare facilities and academic institutions, the Denver South region is home to a growing and vibrant healthcare and wellness industry.

- HealthOne’s Sky Ridge Medical Center in Lone Tree recently unveiled plans for a 90-bed expansion. The \$107 million project will also include a new parking structure, operating rooms, and a women’s health center and is slated for completion by the summer of 2014.
- Health provider Kaiser Permanente broke ground in spring 2012 to build a medical campus at Interstate 25 and Lincoln Avenue in Douglas County. The campus – scheduled to open in late 2013 – will give patients access to orthopedic care, gastroenterology, outpatient surgery, and other services.

¹ The Denver South region consists of zip codes 80111, 80112, 80124, 80126, 80129, 80130, 80134, and 80237.

² The nine-county Metro Denver and Northern Colorado region consists of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Larimer, and Weld Counties.

- Children’s Hospital Colorado broke ground on a new \$100 million South Campus in Highlands Ranch. The South Campus is slated for completion in late 2013 and will include an emergency room, diagnostic equipment, various clinics, and inpatient and outpatient facilities. Spokespeople for the hospital say they will consolidate their existing south Metro Denver facilities to the South Campus including their Outpatient Specialty Care and Orthopedic Care clinics in Centennial and the Center for Cancer and Blood Disorders and the Outpatient Specialty and Therapy Care centers in Littleton.
- The city of Lone Tree announced conceptual plans for a state-of-the-art aquatic and wellness facility. The Colorado Swim Center is a collaboration between the city, the Colorado STARS, HCA-HealthONE, and pool equipment and design company, Fluidra. The \$15.7 million swim center could meet the demand for high-altitude training facilities in the region with proximity to the Olympic Training Center, as well as accommodate practices and regional meets for the Colorado STARS swim program and other regional and local uses. The facility will include an Olympic-size competition pool and diving facilities, as well as therapy pools, a rehabilitation center, and therapeutic and orthopedic staff.

HEALTHCARE AND WELLNESS ECONOMIC PROFILE

The healthcare and wellness cluster includes the offices of physicians, dentists, chiropractors, optometrists, mental health practitioners, physical and speech therapists, podiatrists, and other health practitioners. The cluster includes hospitals ranging from general medical, surgical, and psychiatric to substance abuse and specialty care, and includes centers focused on family planning, outpatient mental health and substance abuse, kidney dialysis, diagnostic imaging, and emergency care. Companies focused on nursing care, assisted living, and long-term care and businesses that provide services for children and youth, individuals and families, and the elderly are also included. The cluster includes fitness and recreation facilities, diet and weight reducing services, and massage and yoga services. Companies that manufacture sports and athletic goods and outerwear and retailers engaged in vitamins and nutrition supplements are also included. The cluster includes government agencies engaged in the planning, administration, and coordination of public health programs and services. The healthcare and wellness cluster consists of 50, six-digit North American Industry Classification System (NAICS) codes.

	Denver South	Nine-County Region	U.S.
Direct Employment, 2011	10,870	169,150	16,044,250
Number of Direct Companies, 2011	1,740	17,950	1,381,750
One-Year Direct Employment Growth, 2010-2011	12.0%	9.5%	1.7%
Five-Year Direct Employment Growth, 2006-2011	52.9%	23.1%	11.9%
Avg. Annual Direct Employment Growth, 2006-2011	8.9%	4.2%	2.3%
Direct Employment Concentration	5.2%	9.6%	11.2%

Sources: Dun & Bradstreet, Inc. Marketplace database, July-Sept. 2006-2010; Market Analysis Profile, 2011; Development Research Partners.

Healthcare and Wellness Employment

- The healthcare and wellness cluster directly employed 10,870 people in the Denver South region in 2011.
- Employment in the Denver South region’s healthcare and wellness cluster increased 52.9 percent between 2006 and 2011, compared with 23.1 percent and 11.9 percent increases in the nine-county region and nationwide, respectively.
- More than 68 percent of the Denver South region’s healthcare and wellness cluster employees worked in offices of physicians and dentists, general medical and surgical hospitals, health and allied services, and physical fitness facilities.

Healthcare and Wellness Wages

The 2010 average annual salary for a healthcare and wellness worker in the nine-county region was \$48,730, compared with the national average of \$48,810. Total payroll for the healthcare and wellness cluster in the nine-county region exceeded \$7.5 billion in 2010.

Denver-Aurora-Broomfield MSA Occupational Salaries, 2010 Annual Average

Family and General Practitioners	\$200,880
Internists, General	\$132,220
Registered Nurses	\$70,130
Dietitians and Nutritionists	\$57,280
Athletic Trainers	\$50,180
Massage Therapists	\$43,120
Substance Abuse and Behavioral Disorder Counselors	\$33,350

Note: Mean annual salary data is for the 10-county Denver-Aurora-Broomfield Metropolitan Statistical Area (MSA) consisting of Adams, Arapahoe, Broomfield, Clear Creek, Denver, Douglas, Elbert, Gilpin, Jefferson, and Park Counties.

Source: U.S. Bureau of Labor Statistics, Metropolitan Area Occupational Employment and Wage Estimates, May 2010, www.bls.gov.

Healthcare and Wellness Companies

- Approximately 1,740 healthcare and wellness companies operated in the Denver South region in 2011.
- Roughly 83 percent of the Denver South region’s healthcare and wellness companies employed fewer than 10 people, while 0.1 percent employed 250 or more.
- Almost 93 percent of the Denver South region’s healthcare and wellness companies were located in Douglas (47 percent) and Arapahoe (46 percent) Counties.

Major Healthcare and Wellness Companies

- 24 Hour Fitness
www.24hourfitness.com
- American Medical Response
www.amr.net
- Catholic Health Initiatives
www.catholichealthinit.org
- Centura Health
www.centura.org
- Children's Hospital Colorado
www.childrenscolorado.org
- Correctional Healthcare Companies, Inc.
www.correctioncare.com
- Fresenius Medical Care Holdings, Inc.
www.fmcns.com
- Greenwood Athletic and Tennis Club
www.greenwoodathleticclub.com
- HCA-HealthONE LLC.
www.healthonecares.com
- Kaiser Permanente Colorado
www.kaiserpermanente.org
- SlimGenics, LLC
www.slimgenics.com
- Vitamin Cottage Natural Grocers
www.vitamincottage.com

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