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Introduction and Key Findings

Hospitals exist throughout the state of Oregon and provide jobs and income to communities with fewer economic opportunities. To illustrate the contribution hospitals make to rural counties throughout Oregon, this report highlights eight selected counties throughout the state. The eight counties included in this section are shown in the map below.

Figure 1. Rural Counties Included in Rural Communities Section

The hospital sector is particularly important to rural county economies. The figure below shows health care employment and total employment through 2013, with 2001 as the baseline year. As the chart shows, the total employment in the selected rural counties combined decreased during 2008-2010. In contrast, the health care sector never drops below 100, meaning this sector has had continual year-over-year increases in employment since 2001. Despite decreases in the amount of growth in 2004, 2008, and 2001, employment continued to rise, staying above the baseline. Specifically looking at 2009, during the trough of the economic downturn, total employment decreased by 4%, while healthcare grew by 3.6%. This is a 7.6 percentage point difference in employment growth between the groups.
In these rural communities, when other industries have large changes in employment, health care employment stayed particularly constant. Even when the hospital sector is not growing, employment does not decline dramatically in this sector during difficult economic times. The health sector at the community level is not generally perceived as a large employer; however, in many rural communities, the hospital is the second largest employer (the largest employer is often the school system). This trend is apparent in the following sections highlighting eight rural counties in Oregon. As the following sections illustrate, the contribution analysis also reveals meaningful percentages of GRP and income that are associated with the hospital sector.

Another representation of the overall contribution to employment in rural communities is shown in the map below. It shows the percent of total jobs supported by the hospital sector in each county. This includes the hospital employees (direct jobs) and the jobs supported by spending by the hospital in that county (secondary jobs). The darker blue the counties, the relatively more important the hospital sector is to employment in the county. We can see that the rural counties darker shades compared to the more urban region of the state.

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A recent release from the Bureau of Labor Statistics reported that registered nurses are the largest occupation in the U.S. with above average wages. This news is significant because there are 31,050 registered nurses in Oregon. Annual median wage for nurses in 2013 was $83,650. For every 1,000 employees in the state, 18.5 are nurses. These well-paying jobs are important in rural communities where there are fewer stable, middle-income jobs.

The next section of this report highlight the eight selected rural counties’ employment trends over time in health care and other key industries. In addition, the sections highlight the contribution of the hospital sector in 2013 compared to employment, income, and Gross Regional Product (GRP) county totals. Further, the impact of hospitals in 2013 is put into perspective by comparing the economic impacts of employment, income and GDP to county totals.

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2 BLS News Release. OCCUPATIONAL EMPLOYMENT AND WAGES — MAY 2014
Coos County

Coos County is located along the southern Oregon Coast, west of Roseburg. The population in 2013 was 62,860. It is the 16th most populous county in Oregon. The largest city in the county is Coos Bay, which comprises 26 percent of the county’s population. Of the total population 16 and older, 45.3 percent of county residents are employed.

Job Growth in Health Care

The health care sector in Coos County employed 3,539 people in 2013. This sector grew rapidly at the beginning of the 2000s and has steadily grown throughout the early 2010s. This sector did not see a significant drop during the recession and consistently employed around 3,500 people over the past six years. Half of the health care sector’s employees work in hospitals.

Figure 4. Employment in Health and Social Services, Coos County, 2001-2013

![Graph showing employment in health and social services, Coos County, 2001-2013.]

Source: Bureau of Economic Analysis

When comparing the health care sector to other key industries in the county, the stable nature of the sector is clear. Despite the sharp increase in 2003, this sector has remained constant relative to other key sectors, along with total employment in the county. The forestry and fishing, and manufacturing sectors follow a pattern of dropping significantly during the recession and making a recovery more recently. The health care sector did not shrink during the recession, but rather experienced slight growth from 2006 – 2009.

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4 ACS 5-year estimates 2009-2013
Contribution of Hospitals

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 40 percent of jobs in the sector. Coos County has three hospitals. The map below shows the location of these hospitals.
The three hospitals in Coos County employ 1,290 individuals (direct jobs). This represents 8.2 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 2,248 jobs, and 14.4 percent of all jobs. Additionally, the direct contribution from hospitals to GRP is 5.6 percent of the total GRP in the county.

Figure 7. Employment and GRP, Hospital Sector impacts and Coos County Totals, 2013

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Clatsop County

Clatsop County is located in the furthest northwest corner of Oregon, bordering the Columbia River to the north and the Pacific Ocean to the west. The population in 2013 was 37,270. It is the 19th most populous county in Oregon. The major cities along highways 101 and 30 (Astoria, Seaside, Warrenton, Cannon Beach and Gearhart) comprise 65 percent of the population in the county. Of the total population 16 and older, 54.7 percent of county residents are employed.

Job Growth in Health Care

Employment in the health care sector in Clatsop County totaled 2,568 in 2013. The county has seen a steady increase in the health and social services sector over the past 12 years, with minimal drops in 2004 and 2011-2012. The recession does not appear to have affected the employment in this sector. The past four years show almost no change employment.

Figure 8. Employment in Health and Social Services, Clatsop County, 2001-2013

The health care sector in the county grew or stayed constant while other key industries were declining. Particularly from 2008 to 2011 when many industries were rapidly decreasing, this sector experienced growth. However, in recent history, other sectors have seen growth, while health care has remained constant. The accommodation and food services industry makes up 25 percent of employment in Clatsop County. This is almost two and a half times greater than the average in Oregon. Similarly, the county’s manufacturing sector is an important industry in terms of employment.

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6 ACS 5-year estimates 2009-2013
Contribution of Hospitals

Hospitals are major contributors to employment in the health and social services sector in Clatsop County. Employment at these hospitals makes up 35 percent of jobs in the sector. Clatsop County has two hospitals. The map below shows the location of these hospitals.
The hospitals employ 903 individuals (direct jobs). This represents 3.8 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 1,535 jobs, and 6.5 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 5 percent of the county’s total GRP.

**Figure 11. Employment and GRP, Hospital Sector impacts and Clatsop County, 2013**

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Lake County

Lake County is located in the south-central region of Oregon, on the California border. The population in 2013 was 7,940. It is the 30th most populous county in Oregon. The largest city in the county is Lakeview, which comprises 29 percent of the county’s population. Of the total population 16 and older, 49 percent of county residents are employed.

Job Growth in Health Care

The health care sector in Lake County employed 371 people in 2013. The chart below shows five-year moving averages dating back to 2009. The data show that the health and social services sector grew steadily from 2009 to 2012, then dropped off slightly in 2013.

Figure 12. Employment in Health and Social Services, Lake County, 2009-2013

The major industries in Lake County are agriculture and manufacturing. Manufacturing employment declined during 2011 and 2012 but increased in the last year. In contrast, the agriculture sector grew in 2010 and 2011, but dropped in 2012. The health care industry saw similar growth as other industries in 2010, fell off in 2011, but not as dramatically as manufacturing and the total employment in the county. The sector rebounded in 2012 with a large percentage increase.

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8 ACS 5-year estimates 2009-2013
9 This is a 5-year average from 2009 to 2013.
Figure 13. Percent growth in employment in key industries, Lake County, 2009-2013

Source: US Census, American Community Survey 5 year estimates

Contribution of Hospitals

Lake County has one hospital. Employment at this hospital makes up 47 percent of jobs in the health care and social assistance sector. The map below shows the location of Lake District Hospital.

Figure 14. Lake County Hospital
The county’s hospital employs 174 individuals (direct jobs). This represents 4.2 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 245 jobs, and 5.9 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 5.5 percent of the county’s total GRP.

**Figure 15. Employment and GRP, Hospital Sector impacts and Lake County, 2013**

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Jefferson County

Jefferson County is located in central Oregon. The population in 2013 was 22,040. It is the 26th most populous county in Oregon. Madras is the largest city. Of the total population 16 and older, 47.3 percent of county residents are employed.

Job Growth in Health Care

Employment in the health care sector in Jefferson County totaled 689 in 2013. Older data for the health care sector is not available for Jefferson County; therefore, the chart below highlights 2008-2013. After a drop in 2009, this sector has grown through 2013, including a 35 percent jump in the most recent year.

Figure 16. Employment in Health and Social Services, Jefferson County, 2008-2013

The healthcare sector followed a similar path in employment growth as manufacturing in the past six years. Compared to the “other services” sector (this sector includes repair and maintenance, personal services, and nonprofit organizations and associations) the healthcare sector has experienced larger fluctuations in employment growth. However, some of these large swings can be attributed to the small number of employees, which can make the changes seem larger than they are. It is worth noting, however, that in the past couple of years, healthcare employment has increased faster than other industries in Jefferson County. This is due, in part, because total employment in the county actually decreased from 2012 to 2013.

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11 ACS 5-year estimates 2009-2013
Figure 17. Percent growth in employment in key industries, Jefferson County, 2008-2013

Source: Bureau of Economic Analysis

**Contribution of Hospitals**

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 26 percent of jobs in the sector. Jefferson County has one hospital. The map below shows the location of this hospital.

Figure 18. Jefferson County Hospital
The hospital employs 176 individuals (direct jobs). This represents 2 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this total increases to 264 jobs, and 3 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 3 percent of the county’s total GRP.

Figure 19. Employment and GRP, Hospital Sector impacts and Jefferson County, 2013

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Linn County

Linn County is located south of the Portland metropolitan area. It is directly west of Benton County, home to Oregon State University. Corvallis is on the border between Linn and Benton Counties. The county’s population in 2013 was 118,665\(^{12}\). It is the 8\(^{th}\) most populous county in Oregon. Of the total population 16 and older, 52 percent of county residents are employed.\(^{13}\)

Job Growth in Health Care

The health care sector in Linn County employed 5,787 people in 2013. After an increase of 700 employees in 2003, health care employment has grown steadily for the past 10 years. The annual average job increase since 2003 is 1.56 percent.

Figure 20. Employment in Health and Social Services, Linn County, 2001-2013

The health care sector employment in Linn County had a sharp increase in 2003, followed by a sharp decrease the next year, back to its original employment level. Since 2004, the sector has experienced constant employment. While other sectors in the economy, such as utilities, transportation, and construction were more volatile in the early 2000s, the health care sector remained consistent. Even during the recession when the other sectors, including employment in the county as a whole, dropped, health care employment stayed at the same level.

\(^{13}\) ACS 5-year estimates 2009-2013
Contribution of Hospitals

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 24 percent of jobs in the sector. Linn County has two hospitals. The map below shows the location of these hospitals.
The hospitals employ 1,385 individuals (direct jobs). This represents 3 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 2,174 jobs, and 4 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 3 percent of the county’s total GRP.

**Figure 23. Employment and GRP, Hospital Sector impacts and Linn County, 2013**

![Bar chart showing employment and GRP impacts](source: IMPLAN economic impact modeling software and ECONorthwest analysis)
Marion County

Marion County is located south of the Portland metropolitan area, and stretches from the Willamette River to the Cascade Mountains encompassing nearly 1,200 square miles. The population in 2013 was 322,88014. It is the 5th most populous county in Oregon. Of the total population 16 and older, 54.4 percent of county residents are employed.15

Job Growth in Health Care

Employment in the health care sector in Marion County was 21,599 in 2013. Marion County has seen consistent growth in the health care sector since 2001. The employment in this industry never decreased from year to year throughout the entire period from 2001 to 2013.

Figure 24. Employment in Health and Social Services, Marion County, 2001-2013

Marion County relies, more than other counties in the state, on its forestry and mining industries. The mining industry grew rapidly in the past few years, but had sharp drops in 2009 and 2013. In contrast, the health care and forestry sectors are less volatile. In particular, during 2009, the county saw dips in employment in other key sectors with the exception of the health care sector.

15 ACS 5-year estimates 2009-2013

Source: Bureau of Economic Analysis
Contribution of Hospitals

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 21 percent of jobs in the sector. Marion County has three hospitals. The map below shows the location of these hospitals.

Figure 26. Marion County Hospitals
The hospitals employ 4,558 individuals (direct jobs). This represents 2.6 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 8,249 jobs, and 4.8 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 3 percent of the county’s total GRP.

**Figure 27. Employment and GRP, Hospital Sector impacts and Marion County, 2013**

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Umatilla County

Umatilla County is located in northeastern Oregon, bordering Washington State. The population in 2013 was 77,895. It is the 13th most populous county in Oregon. Almost half of the total population lives in Hermiston and Pendleton. Of the total population 16 and older, 54.8 percent of county residents are employed.

Job Growth in Health Care

Employment in the health care sector in Umatilla County was 4,181 in 2013. Umatilla County experienced fairly consistent employment in the health care sector from 2001-2013. The county saw a substantial increase in employment from 2001 to 2003. Over this time period, the county has not experienced any job loss in the health care sector.

Figure 28. Employment in Health and Social Services, Umatilla County, 2001-2013

![Graph showing employment in health and social services, Umatilla County, 2001-2013]

Source: Bureau of Economic Analysis

In Umatilla County, major industries, in terms of employment, include transportation and forestry. The transportation, health care and all sectors as a whole stayed at consistent employment levels through the past 12 years. The forestry industry has an upward trend in jobs since 2007, but the growth is inconsistent year to year. This contrasts the consistency of employment within the health care sector.

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17 ACS 5-year estimates 2009-2013
Figure 29. Percent growth in employment in key industries, Umatilla County, 2001-2013

Source: Bureau of Economic Analysis

Contribution of Hospitals

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 2 percent of jobs in the county. Umatilla County has two hospitals. The map below shows the location of these hospitals.

Figure 30. Umatilla County Hospitals
The hospitals employ 872 individuals (direct jobs). This represents 2 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 1,350 jobs, and 4 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 2 percent of the county’s total GRP.

Figure 31. Employment and GRP, Hospital Sector impacts and Umatilla County, 2013

Source: IMPLAN economic impact modeling software and ECONorthwest analysis
Baker County

Baker County is located in central eastern Oregon, bordering Idaho to its east. The population in 2013 was 16,280\(^{18}\). It is the 28\(^{th}\) most populous county in Oregon. Over 60 percent of the population lives in Baker City. Of the total population 16 and older, 48.4 percent of county residents are employed.\(^{19}\)

**Job Growth in Health Care**

Employment in the health care sector in Baker County totaled 924 in 2013. Available employment data for Baker County exists only from 2007 to 2013. The number of jobs in the industry increased from 2007 to 2010, but decreased each year from 2011 to 2013. The 2013 level is lower than the starting data point in 2007.

**Figure 32. Employment in Health and Social Services, Baker County, 2007-2013**

With the exception of some growth in the utilities sector, Baker County employment levels have remained constant over the past seven years. Due to lack of industry data, the figure below reports employment growth between 2007 and 2013. Besides the drop in 2011, the health care sector has seen consistent growth similar to the accommodation and food services sector, and total employment.


\(^{19}\) ACS 5-year estimates 2009-2013
Contribution of Hospitals

Hospitals are a major contributor to employment in the health care sector. Employment at these hospitals makes up almost 30 percent of jobs in the sector. Baker County has one hospital. The map below shows the location of this hospital.
The hospitals employ 277 individuals (direct jobs). This represents 3 percent of all jobs in the county. If the indirect and induced jobs from hospital operations are accounted for, this totals 410 jobs, and 5 percent of all jobs. Additionally, the contribution directly from hospitals to GRP is 4 percent of the county’s total GRP.

**Figure 35. Employment and GRP, Hospital Sector impacts and Baker County, 2013**

Source: IMPLAN economic impact modeling software and ECONorthwest analysis