

New Jersey's Health Care Industry Cluster

Prepared by:
New Jersey Department of Labor & Workforce Development
Office of Research & Information
Bureau of Labor Market Information
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STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT



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THE GOAL OF THIS REPORT IS TO GET AN “IDEA” OF WHAT HEALTH CARE MEANS TO NEW JERSEY

Identify the types of industries and establishments that make up the health care cluster based on a standard industry classification system

Describe any similarities and differences among its components with regard to such variables as employment, wage, occupation type, education, and demographic characteristics

Examine any present distinctions within the cluster and its components that give New Jersey a competitive advantage compared to neighboring states, regions or the nation, or show areas where New Jersey could improve to add to the state’s economy

Analyze the current state of the health care cluster and provide an outlook for employment into the future



NEW JERSEY HEALTH CARE HIGHLIGHTS

- The health care cluster contributed approximately \$35 billion to the Gross Domestic Product in 2013, roughly 7 percent of all output
- From 1990 through 2014, the health care sector has added 191,600 new jobs, while all other private sector employment has had a net increase of only 91,700 jobs
- Health care is the only industry that has added jobs in the state every year from 1990 through 2014 while increasing its share of jobholding from 7.5 percent in 1990 to 11.7 percent in 2014
- The outlook for health care employment is bright. From 2012 through 2022, it is projected that nearly 89,100 jobs will be added, an annual increase of 1.8 percent
- Health care employers paid more than \$24.1 billion in total wages in 2014, or about 12.3 percent of all wages paid in the private sector



OVERVIEW

There are roughly 21,560 establishments employing nearly 448,900 people of all ages, genders, races, and educational backgrounds in New Jersey in 2014. The majority of these establishments are smaller offices of health care professionals, however, nearly one-third of all employment is found in hospitals.

Occupations found in the healthcare industry vary as much as any other industry. Professionals who have earned the most advanced educational degrees frequently work in teams with those with lesser training. In fact, the majority of occupations in health care do not even require a two-year degree. Average salary tends to correlate with education; the more you learn, the more you earn.

The profile of the average worker in the health care industry is overwhelmingly female, aged 35-54, and possesses at least some postsecondary education. The workforce is more diverse than average, and does not currently face the magnitude of unemployment as is felt in some other industries.

INDUSTRY ANALYSIS



THE HEALTH CARE SECTOR CAN BE DIVIDED INTO THREE MAJOR COMPONENTS

Ambulatory Health Care Services

- Offices of Physicians
- Offices of Mental Health Physicians
- Offices of Dentists
- Offices of Chiropractors
- Offices of Optometrists
- Offices of Mental Health Practitioners
- Offices of Specialty Therapists
- Offices of Podiatrists
- Offices of Miscellaneous Health Practitioners
- Family Planning Centers
- Outpatient Mental Health Centers
- HMO Medical Centers
- Kidney Dialysis Centers
- Freestanding Emergency Medical Centers
- Medical Laboratories
- Diagnostic Imaging Centers
- Home Health Care Services
- Ambulance Services
- Blood and Organ Banks

Hospitals

- General Medical and Surgical Hospitals
- Psychiatric and Substance Abuse Hospitals
- Other Hospitals

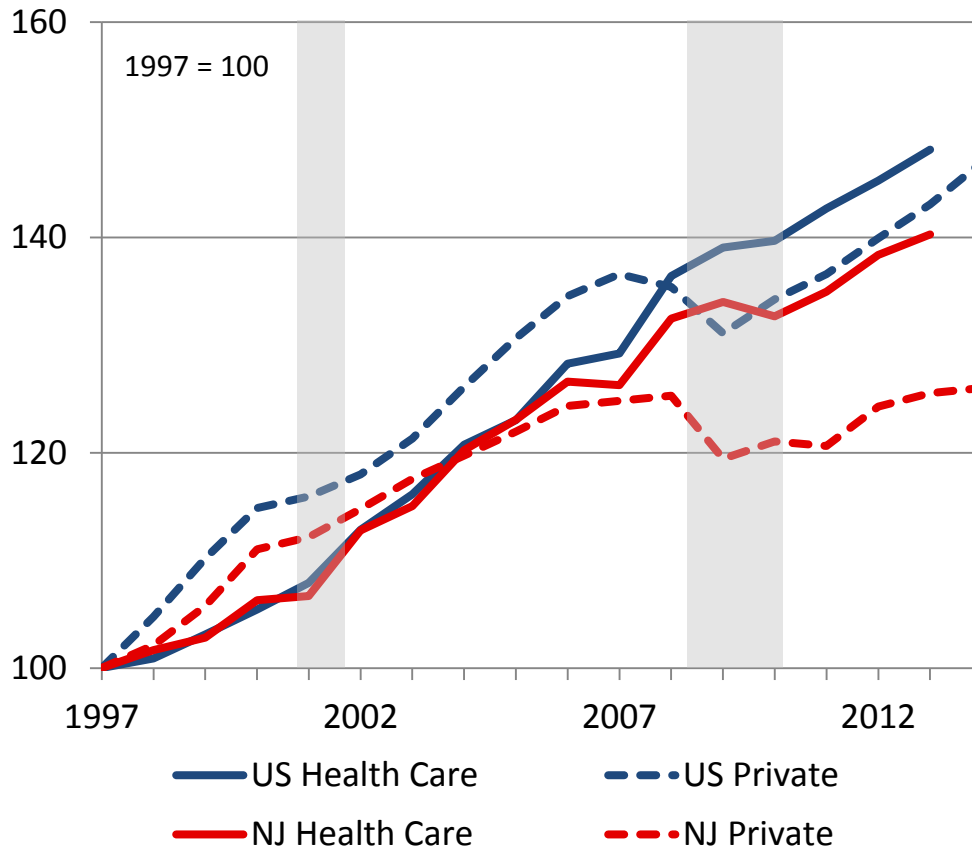
Nursing and Residential Care Services

- Nursing Care Facilities
- Residential Mental Retardation Facility
- Residential Mental and Substance Abuse Care
- Continuing Care Retirement Communities
- Homes for the Elderly



GROSS DOMESTIC PRODUCT GROWTH CREATED BY THE HEALTH CARE INDUSTRY HAS BEEN STRONG AND STEADY OVER THE PAST 15 YEARS

Indices of GDP in Chained 2009 Dollars
New Jersey and United States: 1997-2014



Output generated from the health care industry in New Jersey has increased steadily from roughly \$25 billion in 1997 to over \$35 billion in 2013.

GDP in the health care industry in the United States exceeded \$1 trillion in 2012.

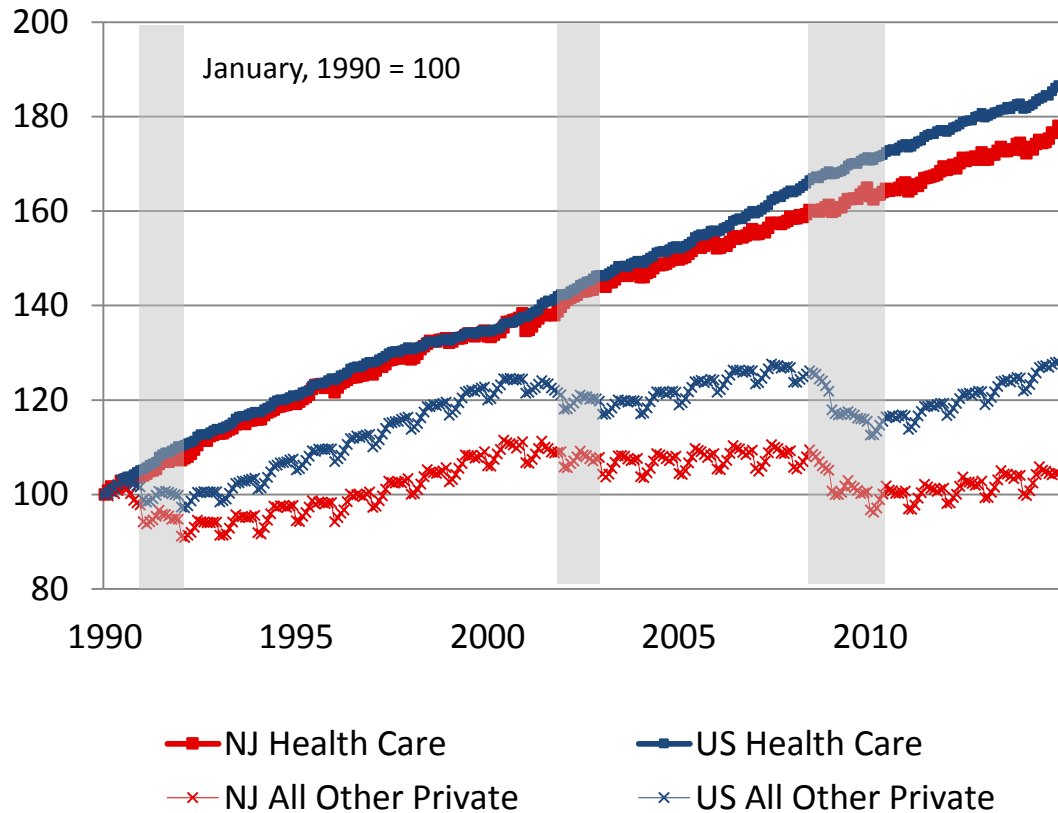
There remains a sizable gap in GDP growth between New Jersey and the United States for both the health care industry and all private industries.

Shaded areas indicate recessionary periods as determined by the National Bureau of Economic Research



THE HEALTH CARE INDUSTRY HAS BEEN THE KEY DRIVER OF PRIVATE SECTOR EMPLOYMENT AT BOTH THE STATE AND NATIONAL LEVELS

Health Care and Other Private Sector Employment
New Jersey & United States: 1990-2014



New Jersey has followed the national trend very closely, but starting in 2005 the nation pulled ahead in terms of faster growth.

All other private sector employment has grown at a much slower pace, has experienced seasonal ebbs and flows, and has been susceptible to downturns during recessions.

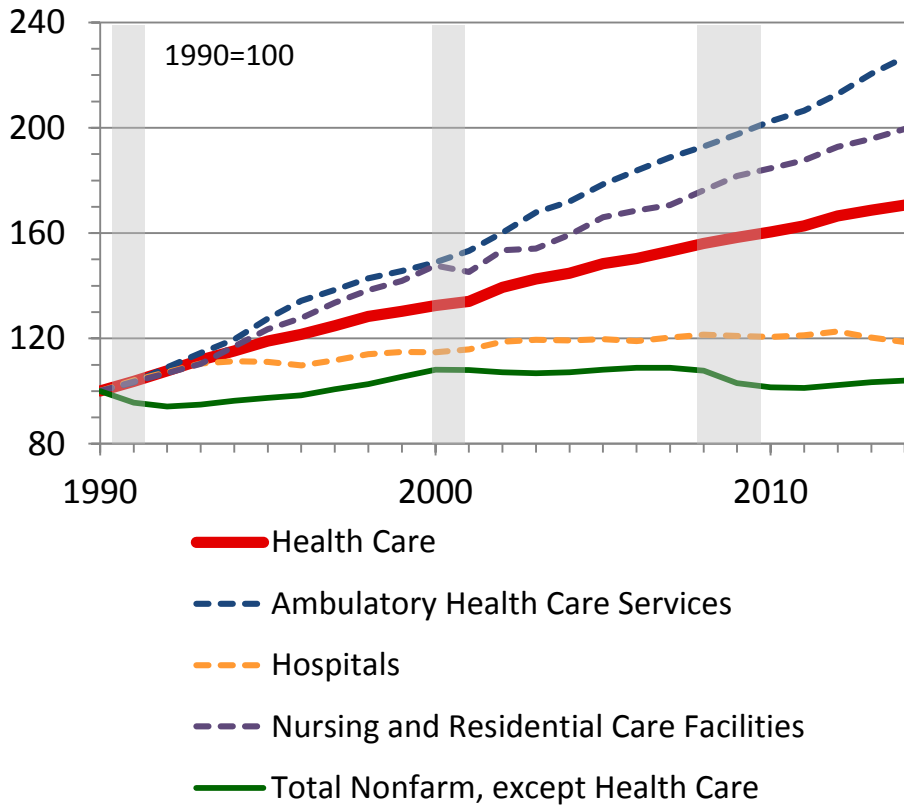
From 2000 to 2014, New Jersey has added 103,500 new health care jobs while the rest of the private sector has lost approximately 167,000.

Shaded areas indicate recessionary periods as determined by the National Bureau of Economic Research



THE HEALTH CARE INDUSTRY HAS BEEN THE DRIVING FORCE OF EMPLOYMENT IN NEW JERSEY OVER THE LAST TWO DECADES

Employment Index for Health Care vs. All “other” Industries
New Jersey: 1990-2014



From 1990 through 2014, the health care sector has added 191,600 new jobs, while all other industries combined have had a net gain of only 135,500.

Employment in Ambulatory Health Care Services more than doubled over the last 24 years.

Employment in Nursing and Residential Care Facilities has now doubled from 1990 to 2014.

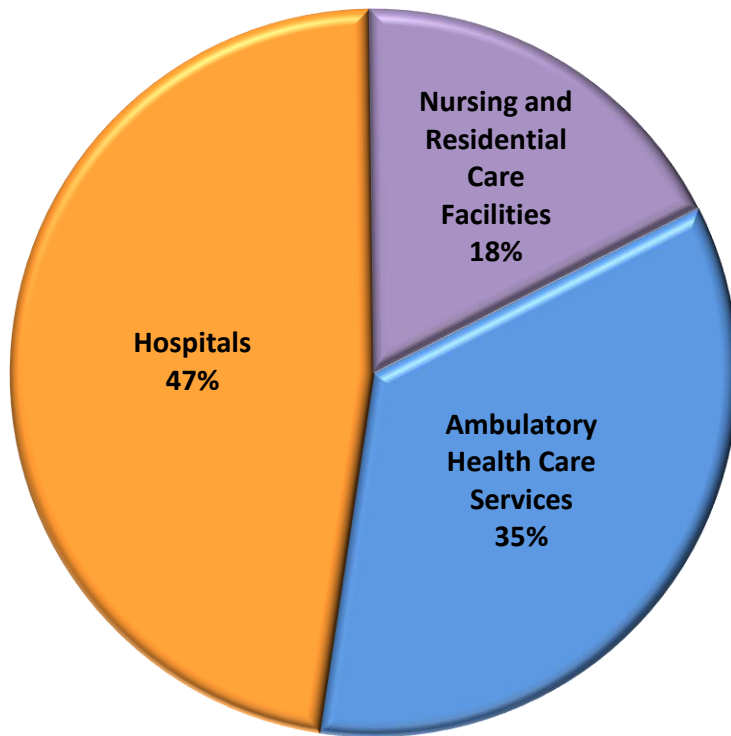
Slow yet steady growth in Hospital employment has led to it being the laggard among health care’s three major components.

Shaded areas indicate recessionary periods as determined by the National Bureau of Economic Research

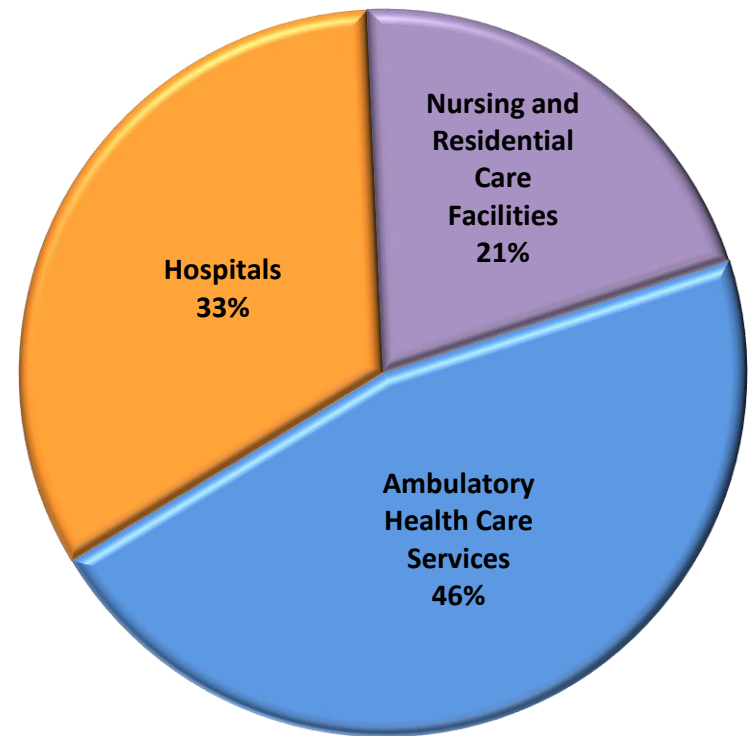
THE LANDSCAPE OF HEALTH CARE DELIVERY HAS CHANGED DRAMATICALLY OVER THE PAST 24 YEARS

Employment of Components as a Percentage of Total Health Care
New Jersey, 1990 & 2014

1990



2014



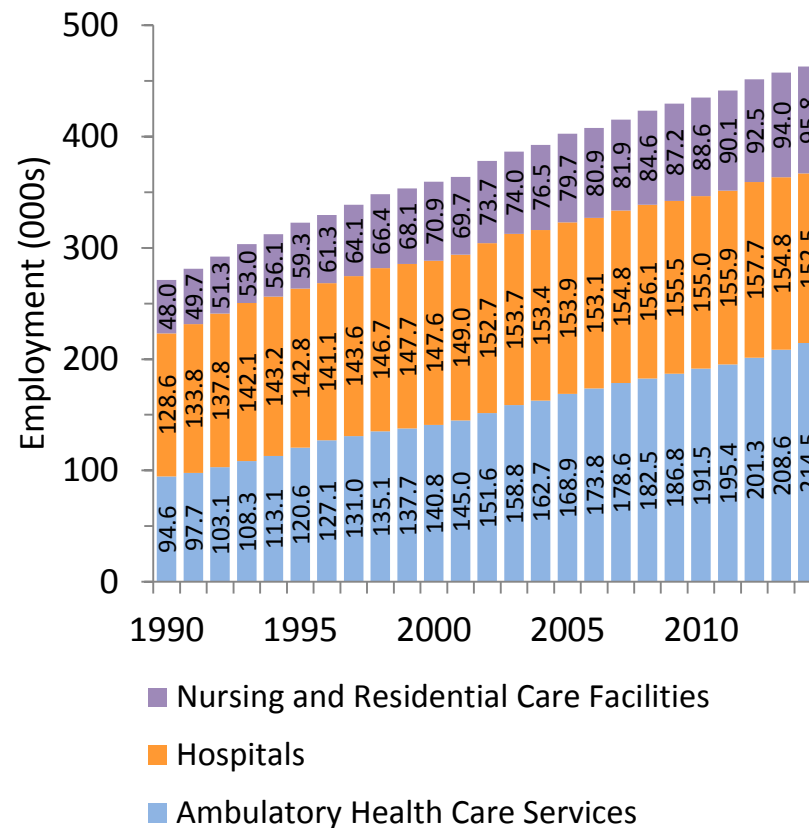
WITH EMPLOYMENT SURPASSING 460,000, THE HEALTH CARE SECTOR ACCOUNTED FOR 11.7% OF ALL EMPLOYMENT IN THE STATE IN 2014, UP FROM 7.5% IN 1990

Ambulatory Health Care Services surpassed Hospitals as the top employer in the Health Care sector in 2003, and has widened the gap every subsequent year.

Nursing and Residential Care Facilities, the smallest component, has grown faster than four times the rate (2.9%) of Hospitals (0.7%) since 1990.

Together, the three Health Care components have grown by 2.3 percent annually since 1990, compared to only 0.2 percent for all other total nonfarm employment.

Employment in Health Care Components
New Jersey, 1990-2014



A CLOSER VIEW OF THE LAST FEW YEARS HIGHLIGHTS THE STABILITY OF HEALTH CARE EMPLOYMENT COMPARED TO THE REST OF THE PRIVATE SECTOR

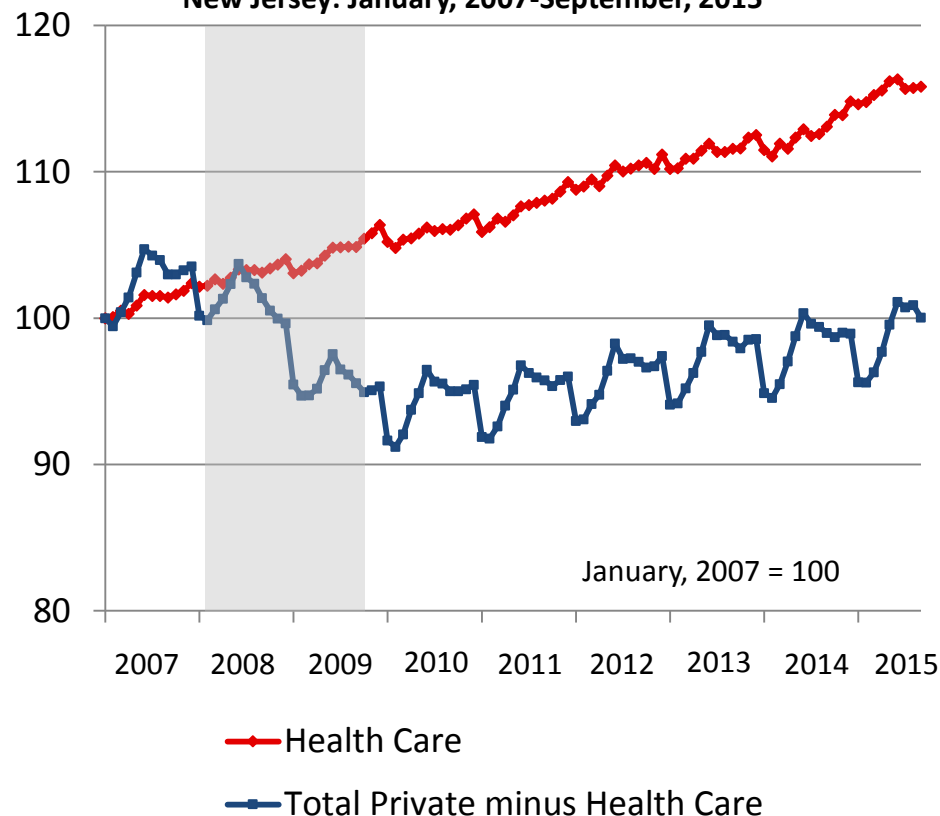
New Jersey's private sector employment reached its not seasonally adjusted historical peak of nearly 3.5 million jobs in June of 2007.

During the 18 months when the recession officially occurred, the health care sector still added nearly 10,000 jobs while the remainder of the private sector lost roughly 175,000.

Since the official end of the recession in June of 2009, the health care industry has continued its steady growth while all other private sector employment is just reach the point of full recovery.

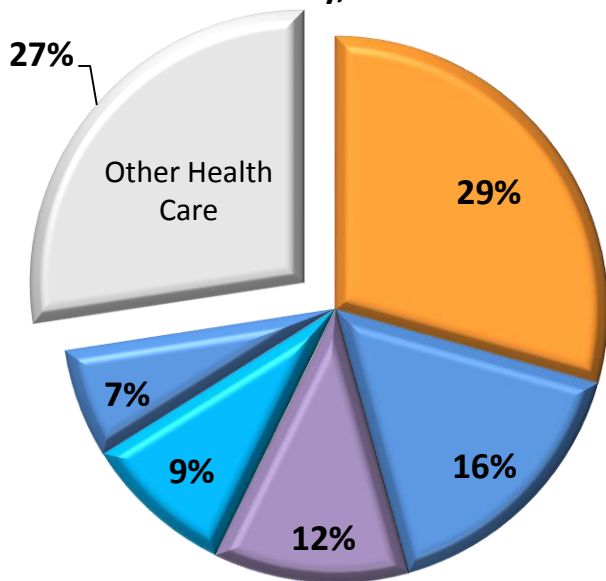
Shaded areas indicate recessionary periods as determined by the National Bureau of Economic Research

Total Private Sector Employment,
Not Seasonally Adjusted
New Jersey: January, 2007-September, 2015



IN 2014, NEARLY 73% OF ALL HEALTH CARE EMPLOYMENT IN NEW JERSEY IS FOUND IN THESE TOP FIVE INDUSTRIES

Percentage of Employment
By Detailed Industry
New Jersey, 2014



At the national level, these same five industries make up a near identical 73 percent of all health care employment.

The health care cluster as a whole makes up 13.8 percent of all employment at the state level, up from 13.1 percent in 2009.

Employment in general medical and surgical hospitals has declined in New Jersey and accounts for only 29.4 percent of all health care employment in 2014, down from 32.3 percent in 2009.

- General Medical And Surgical Hospitals
- Offices Of Physicians
- Nursing Care Facilities
- Home Health Care Services
- Offices Of Dentists



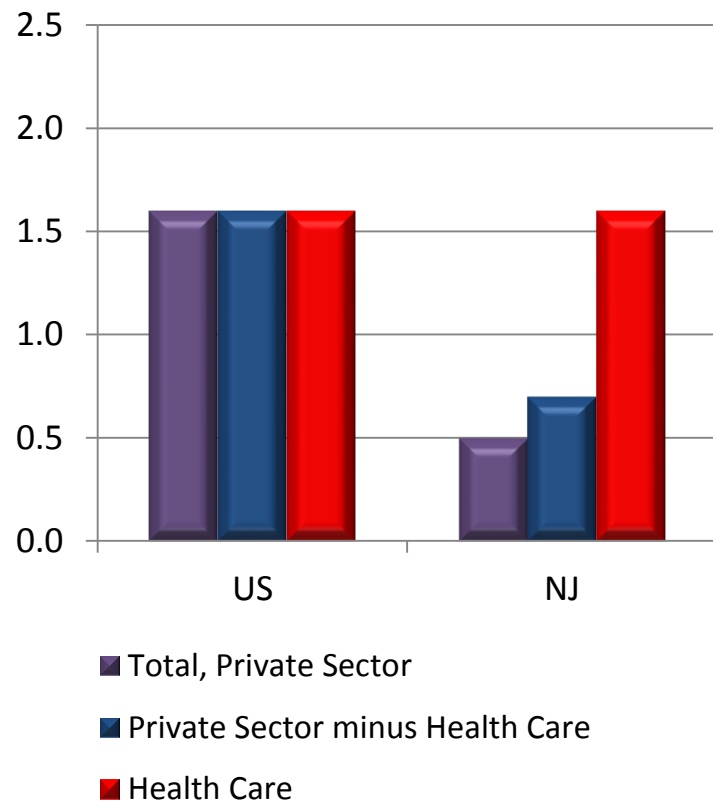
EMPLOYMENT IN THE HEALTH CARE CLUSTER EXPERIENCED ROBUST GROWTH OF 1.6% IN NEW JERSEY AND NATIONALLY FROM 2009 THROUGH 2014

Home Health Care Services, Continuing Care Retirement Facilities, and Nursing Care Facilities together added nearly 11,000 workers from 2009 to 2014 as they attempted to keep with the demand for care from an aging Baby Boomer generation.

Nationally, these three industries added nearly 310,000 jobs over the five-year period.

Kidney Dialysis Centers and Freestanding Emergency Medical Centers were among the fastest growing health care industries in New Jersey, growing annually by 8.2 and 8.0 percent, respectively.

Annual Percentage Change in Employment
New Jersey, 2009-2014



NARRATIVE EXPLAINING BUBBLE CHART

There are four elements of data depicted in the bubble chart on the next page:

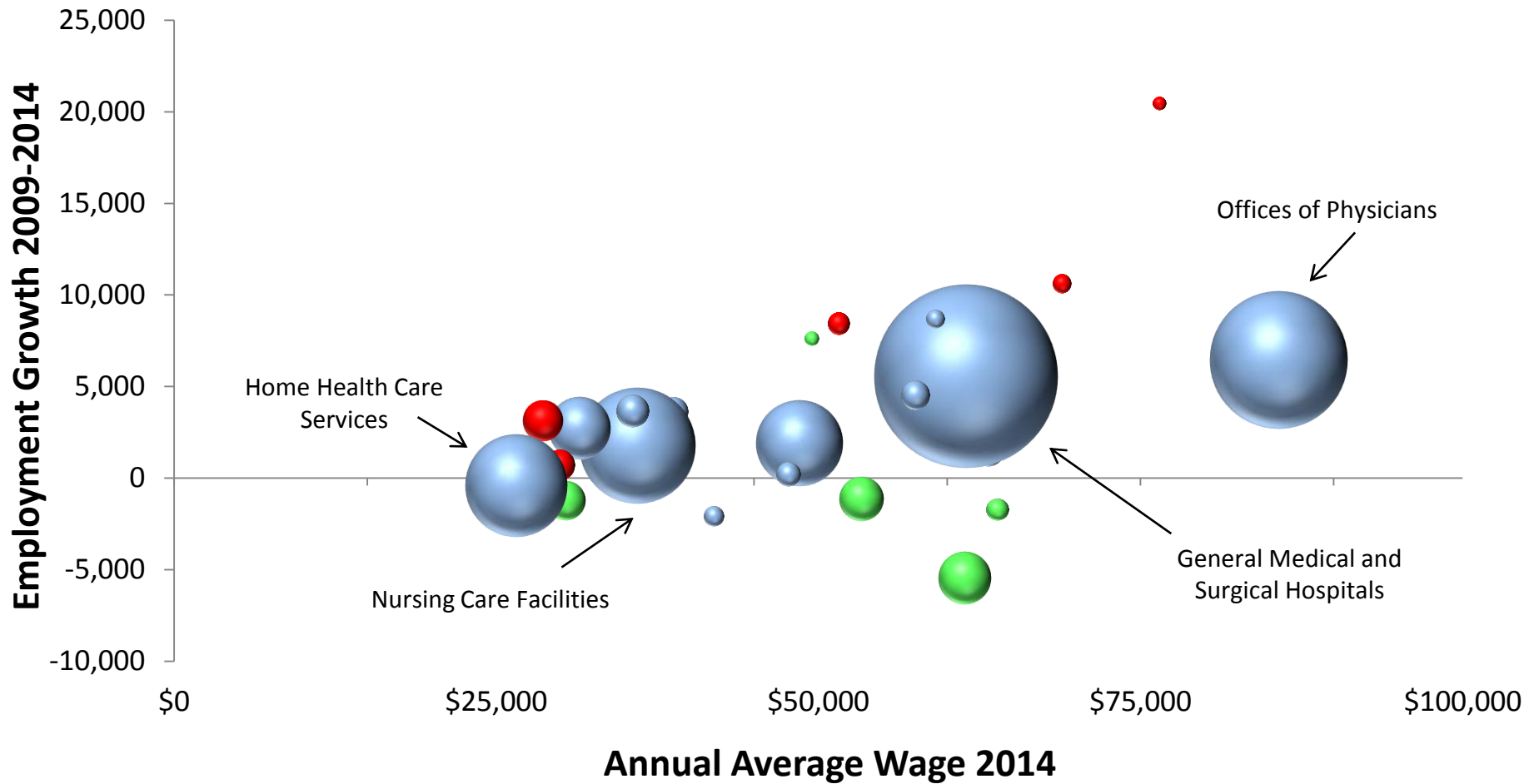
1. **Total 2014 employment** is represented by the **size** of the bubble.
2. **Employment change from 2009-2014** is shown by the **position on the Y-axis**, or vertical position.
3. **Annual average wages** in 2014 is shown by the **position on the X-axis**, or horizontal position.
4. **Location quotient** is indicated by the **color** of the bubble;
 - A **green bubble** signifies an industry with a location quotient over 1.2, which indicates that employment share in New Jersey is meaningfully greater than its counterpart at the national level.
 - A **red bubble** signifies an industry with a location quotient less than 0.8, which indicates that employment share in New Jersey is meaningfully less than its counterpart at the national level.
 - A **blue bubble** indicates that employment share is relatively equal at the state and national level.



EMPLOYMENT SIZE, GROWTH, AVERAGE SALARY, AND LOCATION QUOTIENT OF 30 INDUSTRIES THAT MAKE UP HEALTH CARE SECTOR

Green bubble=LQ>1.2

Red bubble=LQ<0.8



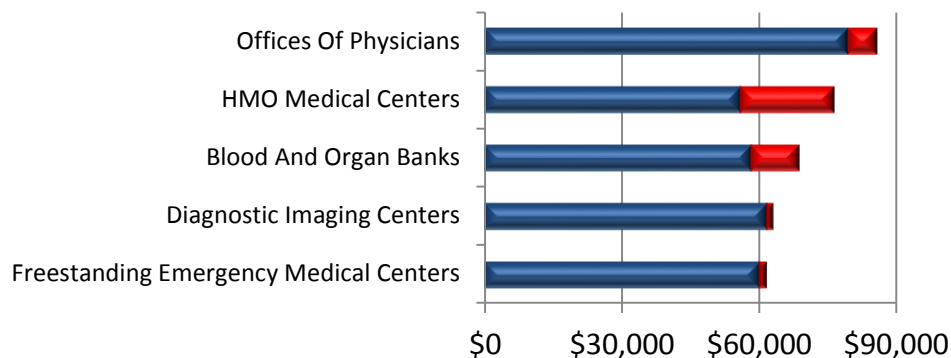
THE ANNUAL AVERAGE WAGE IN NEW JERSEY IN THE HEALTH CARE SECTOR IN 2014 WAS \$53,720, UP FROM \$50,850 IN 2009, AN INCREASE OF \$2,870 OR 1.1% PER YEAR

Nationally, the health care industry paid an annual average wage of \$51,280 in 2014, up 1.8% per year from \$46,900 in 2009.

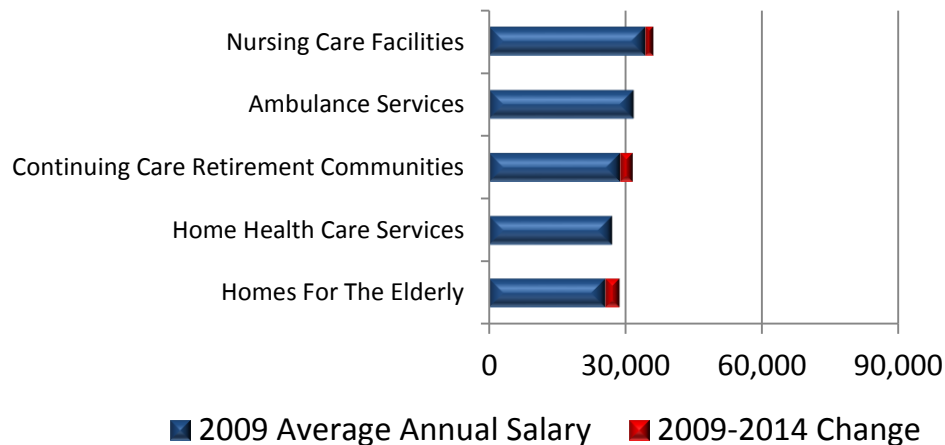
Generally, the highest paying industries provide outpatient services and non-emergency care, like diagnostic imaging and offices of doctors or other specialists.

Many of the lowest paying industries are involved with care for the elderly.

Highest Five Annual Average Wages, NJ, 2014

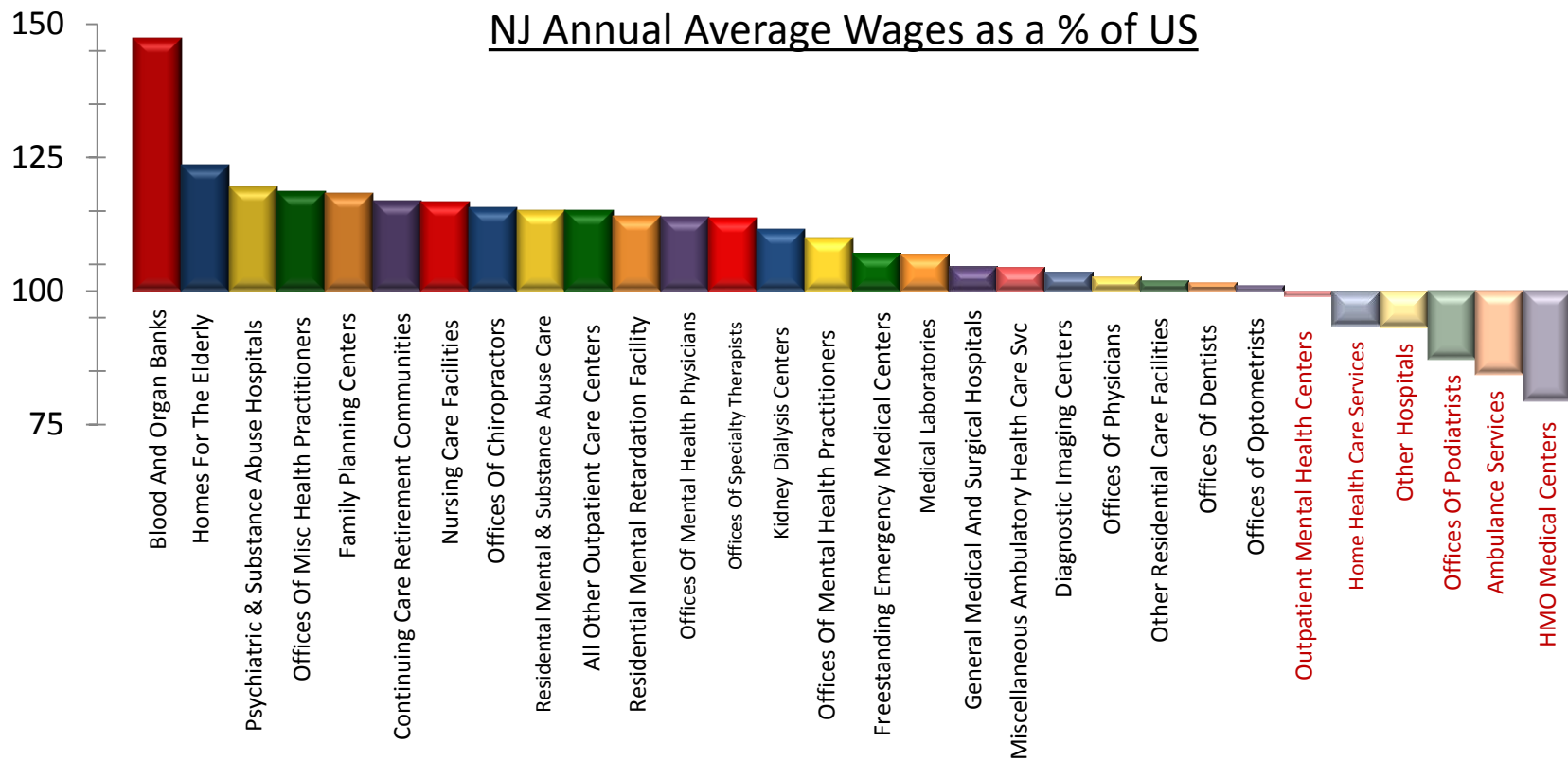


Lowest Five Annual Average Wages, NJ, 2014



■ 2009 Average Annual Salary ■ 2009-2014 Change

24 OUT OF 30 HEALTH CARE INDUSTRIES IN NEW JERSEY HAVE A HIGHER ANNUAL AVERAGE WAGE THAN THE NATION. OVERALL, THE SECTOR PAID 4.8% MORE IN NEW JERSEY IN 2014 THAN NATIONALLY

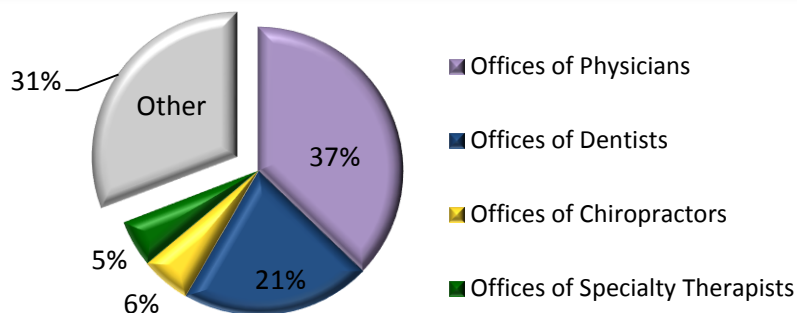


The wage disparity has decreased in 16 of the 30 industries since 2009, when the sector was paid an average of 8.4% more in New Jersey.

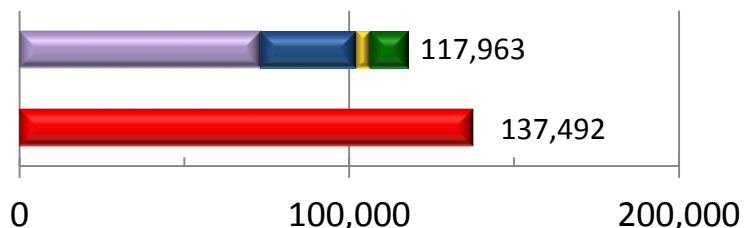


THERE WERE 21,562 HEALTH CARE ESTABLISHMENTS IN NEW JERSEY IN 2014, EMPLOYING 448,900 PEOPLE

69% of all Health Care establishments fall into these four industries...



...yet the 75 General Medical and Surgical Hospitals (<1% of establishments) employed 16% more in 2014



2014 Employment

From 2009 to 2014, New Jersey had a net increase of 690 health care establishments, an increase of 0.6 percent annually (1.6 percent nationally).

Reflecting a nationwide trend from 2009 to 2014, the number of Kidney and Dialysis Centers in New Jersey increased from 98 to 139.

General Medical and Surgical Hospitals averaged nearly 1,833 employees per establishment in 2014.



GEOGRAPHIC ANALYSIS



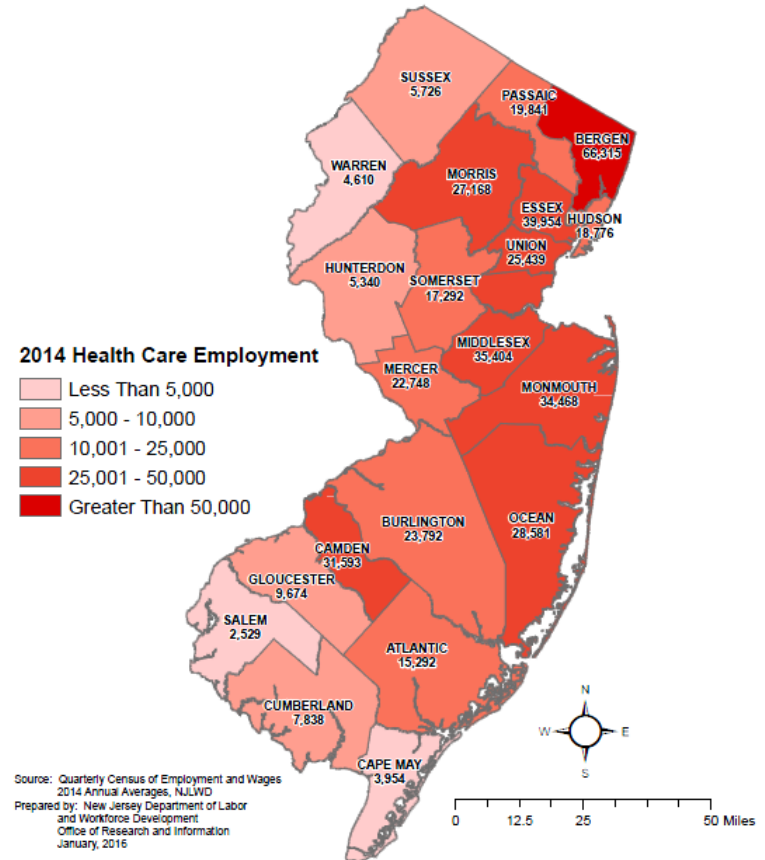
ON AVERAGE, NEW JERSEY EMPLOYS ABOUT 1 HEALTH CARE WORKER FOR EVERY 20 OF ITS RESIDENTS

Health Care Population to Employment Ratio

Bergen	14.1	Somerset	19.2	Middlesex	23.6
Camden	16.2	Essex	19.9	Cape May	24.1
Mercer	16.3	Cumberland	20.1	Sussex	25.3
Atlantic	18.0	Ocean	20.5	Salem	25.6
Monmouth	18.3	Union	21.7	Passaic	25.6
Morris	18.4	Warren	23.2	Gloucester	30.1
Burlington	18.9	Hunterdon	23.6	Hudson	35.6

While health care employment by county tends to mirror population, there are outliers. Bergen, Camden, and Mercer Counties employ a disproportionately high number of workers to serve its population, and may be viewed as service exporters. Conversely, Hudson and Gloucester Counties have fewer workers per resident and may be more reliant on surrounding areas for health care service.

Health Care Employment
New Jersey Counties
(2014 Annual Averages)



WHILE EACH COUNTY HAS A VERY DIFFERENT INDUSTRIAL MIX, SOME ARE MORE RELIANT THAN OTHERS ON HEALTH CARE EMPLOYMENT

Health Care Employment as a Percentage of Total County Employment

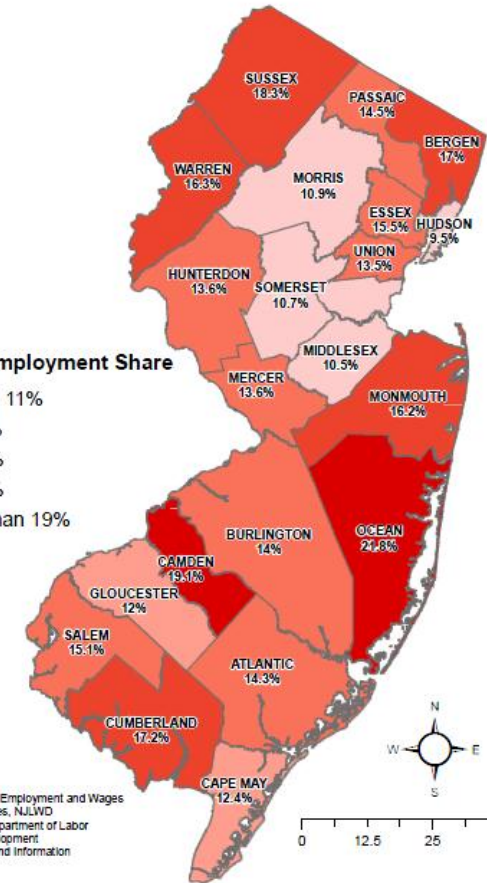
Health Care Share of Total County Employment

Ocean	21.8%	Essex	15.5%	Union	13.5%
Camden	19.1%	Salem	15.1%	Cape May	12.4%
Sussex	18.3%	Passaic	14.5%	Gloucester	12.0%
Cumberland	17.2%	Atlantic	14.3%	Morris	10.9%
Bergen	17.0%	Burlington	14.0%	Somerset	10.7%
Warren	16.3%	Mercer	13.6%	Middlesex	10.5%
Monmouth	16.2%	Hunterdon	13.6%	Hudson	9.5%

Ocean and Camden Counties have the largest proportion, roughly 1 of every 5, of their employment in some form of health care. Hudson, Middlesex, Somerset and Morris have very different compositions and engage less than 11 percent of total employment in the health care industry.

Health Care Employment Share

- Less Than 11%
- 11% - 13%
- 13% - 16%
- 16% - 19%
- Greater Than 19%



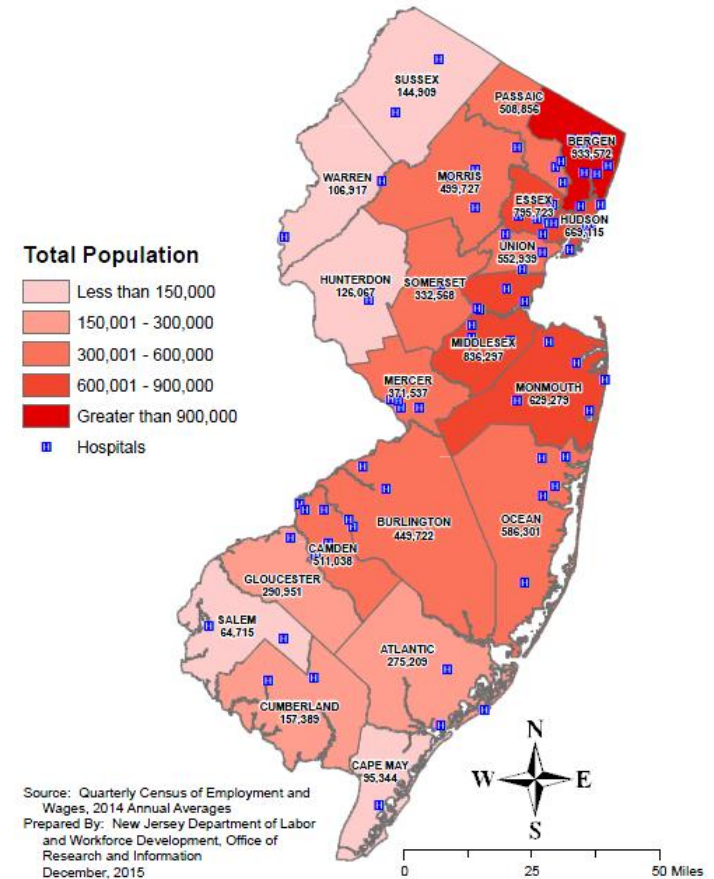
THERE ARE 75 HOSPITALS IN NEW JERSEY THAT SERVE THE STATE'S POPULATION OF MORE THAN 8.9 MILLION RESIDENTS

Number of Hospitals by County

Essex	8	Ocean	5	Gloucester	2
Bergen	6	Morris	4	Salem	2
Hudson	6	Atlantic	3	Sussex	2
Middlesex	6	Burlington	3	Warren	2
Camden	5	Passaic	3	Cape May	1
Mercer	5	Union	3	Hunterdon	1
Monmouth	5	Cumberland	2	Somerset	1

The hospital locations tend to be clustered around the state's two primary highways, the New Jersey Turnpike (Interstate 95) and the Garden State Parkway, and near high population centers across state boundaries from New York City and Philadelphia.

Hospital Locations and County Population
New Jersey, 2014



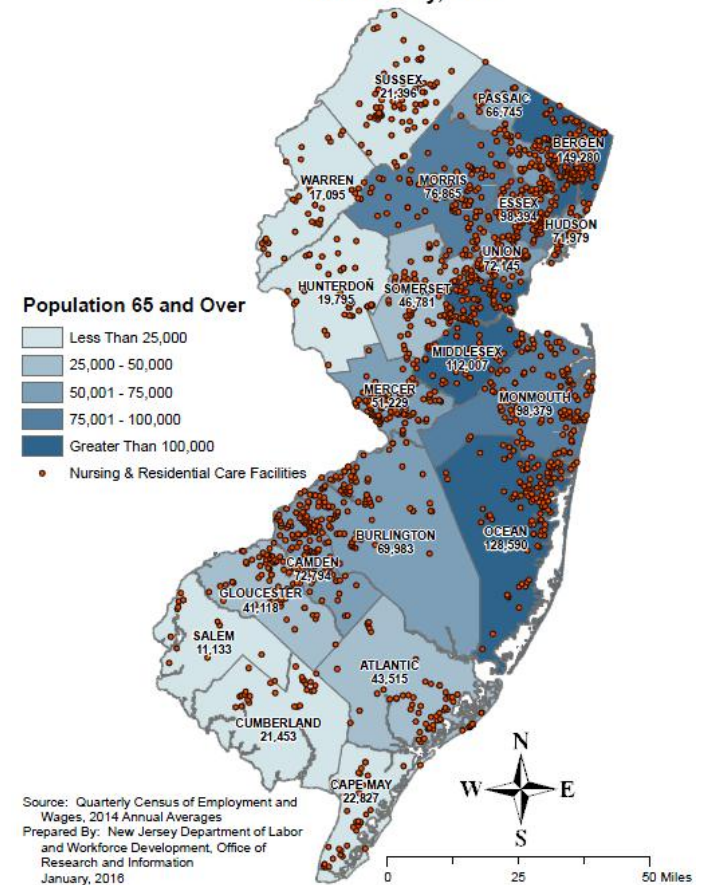
NEW JERSEY'S AGING POPULATION HAS CREATED INCREASED DEMAND FOR HEALTH CARE SERVICES, ESPECIALLY IN THE AREAS OF NURSING AND RESIDENTIAL CARE

Percentage of County Population Aged 65 and Over

Cape May	23.9%	Monmouth	15.6%	Mercer	13.8%
Ocean	21.9%	Burlington	15.6%	Cumberland	13.6%
Salem	17.2%	Morris	15.4%	Middlesex	13.4%
Bergen	16.0%	Sussex	14.8%	Passaic	13.1%
Warren	16.0%	Camden	14.2%	Union	13.0%
Atlantic	15.8%	Gloucester	14.1%	Essex	12.4%
Hunterdon	15.7%	Somerset	14.1%	Hudson	10.8%

Nursing and residential care facilities are well positioned throughout the state, providing coverage to even the less populated areas. Clusters of locations are found near the population centers and along the coast, where a larger share of those aged 65 and over reside.

Nursing and Residential Care Facility Locations and County Population 65 and Over New Jersey, 2014



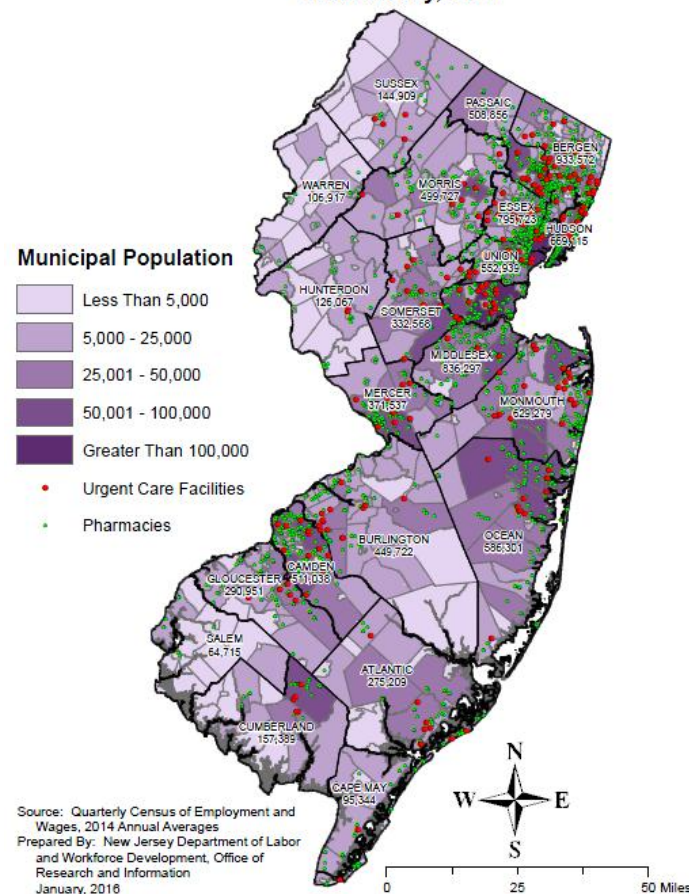
URGENT CARE FACILITIES AND PHARMACIES PROVIDE SUPPORT TO THE HEALTH CARE SYSTEM AND THEIR PROXIMITY CAN BE A LARGE CONVENIENCE TO RESIDENTS

The number of urgent care facilities (aka. freestanding emergency medical centers) has nearly doubled from 139 in 2004 to 227 in 2013. These centers provide triage care for non life-threatening emergencies and alleviate the stress on traditional emergency rooms in hospitals.

Employment in these urgent care facilities has more than doubled from 2,710 in 2004 to 5,560 in 2014 as their popularity continues to spread.

The number of pharmacies has increased by nearly 40 percent from 2004 to 2013 and most New Jersey residents now live within a short drive of the nearest location.

Urgent Care Facility and Pharmacy Locations and Municipal Population
New Jersey, 2014



THERE ARE TEN HOSPITALS WITH TRAUMA CENTERS IN NEW JERSEY; THREE LEVEL 1 AND SEVEN LEVEL 2

Trauma is any physical injury caused by violence or other forces. The three types of serious trauma are penetrating, blunt, or burns. Trauma centers are specially equipped hospital where the immediate availability of specialized personnel, equipment and capabilities is guaranteed 24 hours a day.

Level 1 trauma centers must treat a minimum of 600 patients per year and are university-affiliated teaching hospitals:

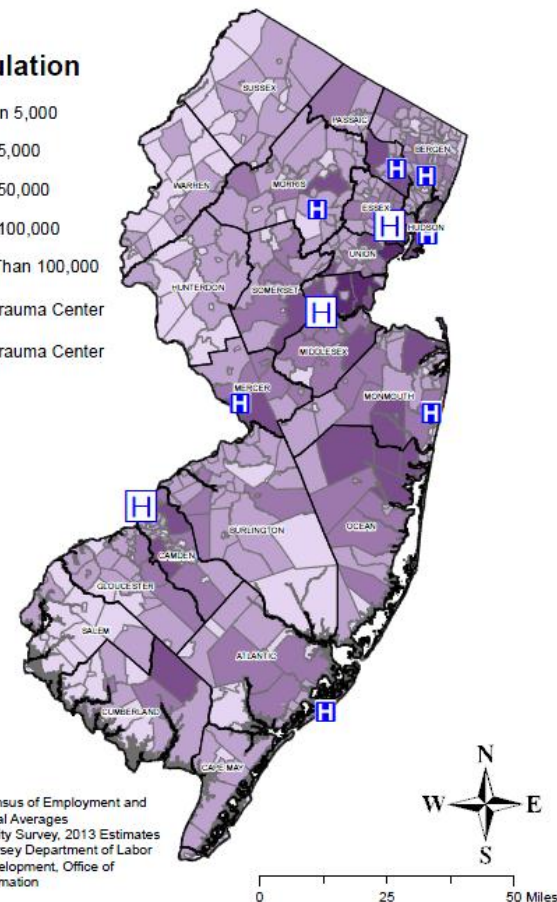
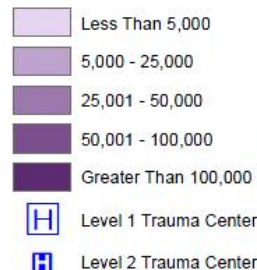
- ❖ University Hospital, Newark
- ❖ Robert Wood Johnson Hospital, New Brunswick
- ❖ Cooper Hospital, Camden

Level 2 trauma centers also provide definitive trauma care and must treat a minimum of 350 patients per year:

- ❖ Hackensack University Medical Center, Hackensack
- ❖ St. Joseph's Hospital, Paterson
- ❖ Jersey City Medical Center, Jersey City
- ❖ Morristown Memorial Hospital, Morristown
- ❖ Capital Health System at Fuld, Trenton
- ❖ Jersey Shore Medical Center, Neptune
- ❖ AtlantiCare Regional Medical Center, Atlantic City

Trama Center Locations and Municipal Population
New Jersey, 2014

Total Population



Source: Quarterly Census of Employment and Wages, 2014 Annual Averages
American Community Survey, 2013 Estimates
Prepared By: New Jersey Department of Labor and Workforce Development, Office of Research and Information
January, 2016



THIS MAP SHOWS THE GENERAL PROXIMITY OF EACH OF THE TEN TRAUMA CENTERS TO THE POPULATION OF THE STATE'S MUNICIPALITIES

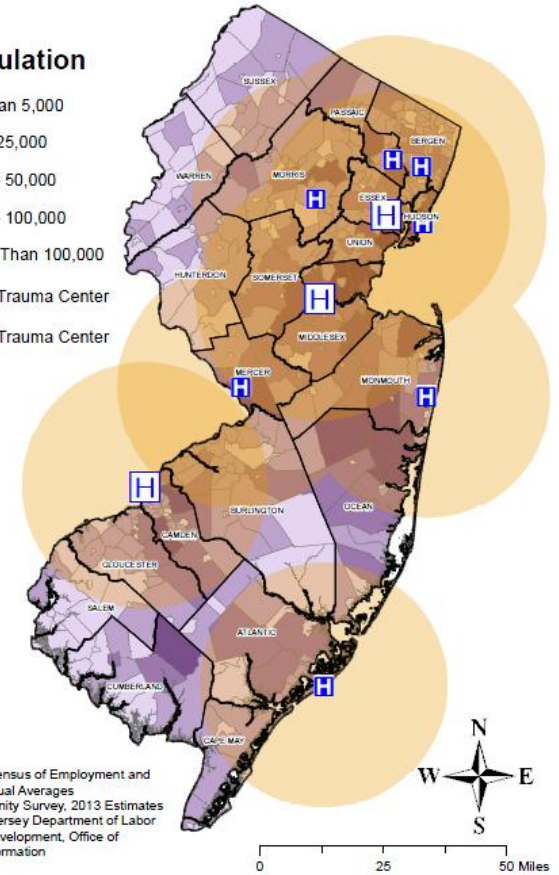
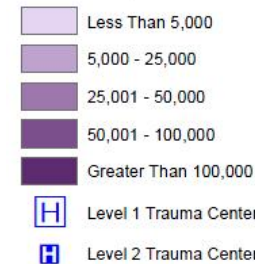
78 percent of the state's population resides in municipalities within 25 miles of a level 1 trauma center, and 94 percent live within 25 miles of either a level 1 or level 2 trauma center.

There are gaps in coverage in the more sparsely populated northwest and extreme southern parts of the state.

The only municipality of more than 50,000 outside the 25 mile radius is Vineland in Cumberland County. Neighboring cities of Millville and Bridgeton, each with more than 25,000 residents, are also located outside the 25 mile radius.

25 Mile Radius Around Trauma Center Locations and Municipal Population New Jersey, 2014

Total Population



Source: Quarterly Census of Employment and Wages, 2014 Annual Averages
American Community Survey, 2013 Estimates
Prepared By: New Jersey Department of Labor and Workforce Development, Office of Research and Information
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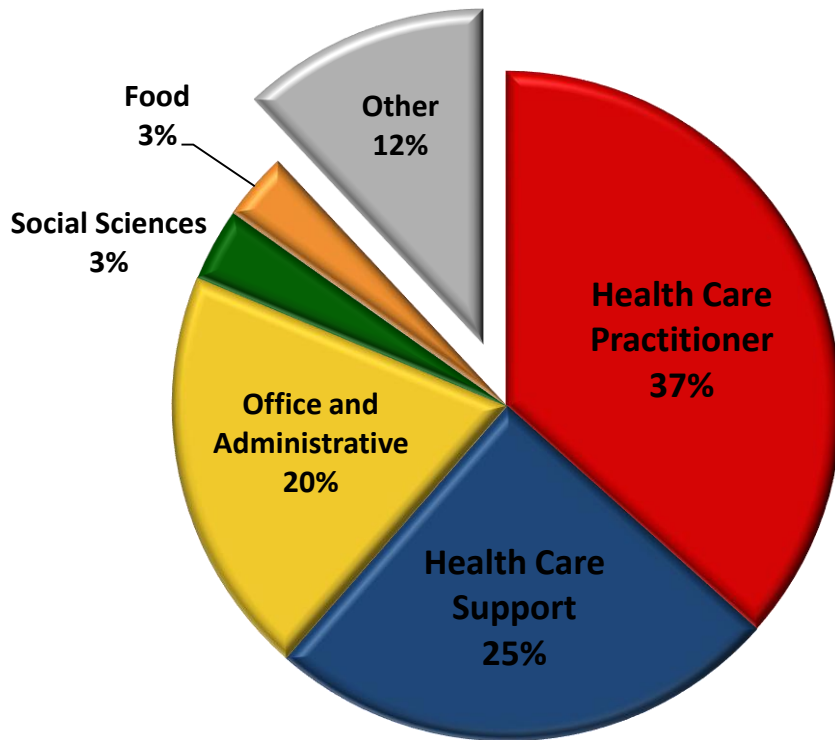
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OCCUPATIONAL ANALYSIS



NEARLY TWO-THIRDS OF WORKERS IN THE HEALTH CARE INDUSTRY ARE DIRECTLY INVOLVED WITH PATIENT CARE IN 2014

Breakdown of Major Occupational Groups within
Health Care Industry:
New Jersey, 2014



Office and administrative occupations are the third largest group, employing about one-fifth of the health care workforce. Receptionists, medical secretaries and billing clerks are the most prominent occupations.

Social sciences and food related occupations make up a relatively small, but integral portion of the workforce.

Most of the remainder of the workforce is comprised of management and other service occupations.



THE TOP TWENTY OCCUPATIONS FOUND IN HEALTH CARE MAKE UP MORE THAN TWO-THIRDS OF ALL EMPLOYMENT IN THE INDUSTRY

Occupation	2014 Employment	Share of Industry	Average Salary	Minimum Educational Requirement
Total All Health Care Occupations	472,800	100.0%	\$53,770	
Top 20 Occupations	316,336	66.9%	\$55,500	
Registered Nurses	69,148	14.6%	\$78,330	Associate's degree
Nursing Assistants	46,571	9.9%	\$28,170	Postsecondary non-degree award
Receptionists and Information Clerks	32,699	6.9%	\$29,210	High school diploma or equivalent
Home Health Aides	26,563	5.6%	\$22,910	Less than high school
Medical Assistants	14,046	3.0%	\$33,230	Postsecondary non-degree award
Physicians and Surgeons	13,921	2.9%	\$195,090	Doctoral or professional degree
Medical Secretaries	13,767	2.9%	\$39,850	High school diploma or equivalent
Licensed Practical and Licensed Vocational Nurses	12,724	2.7%	\$52,950	Postsecondary non-degree award
Food Servers, Nonrestaurant	9,892	2.1%	\$22,670	Less than high school
Billing and Posting Clerks	9,418	2.0%	\$39,360	High school diploma or equivalent
Dental Assistants	8,803	1.9%	\$39,730	Postsecondary non-degree award
Maids and Housekeeping Cleaners	8,324	1.8%	\$23,630	Less than high school
Medical and Health Services Managers	7,848	1.7%	\$115,370	Bachelor's degree
Supervisors of Office and Administrative Support Workers	7,767	1.6%	\$59,950	High school diploma or equivalent
Physical Therapists	6,970	1.5%	\$92,390	Doctoral or professional degree
Emergency Medical Technicians and Paramedics	6,242	1.3%	\$78,740	Postsecondary non-degree award
Dental Hygienists	5,659	1.2%	\$81,640	Associate's degree
Radiologic Technologists and Technicians	5,534	1.2%	\$65,400	Associate's degree
Social and Human Service Assistants	5,411	1.1%	\$34,630	High school diploma or equivalent
Secretaries and Administrative Assistants	5,029	1.1%	\$39,850	High school diploma or equivalent



Health care practitioners



Health care support

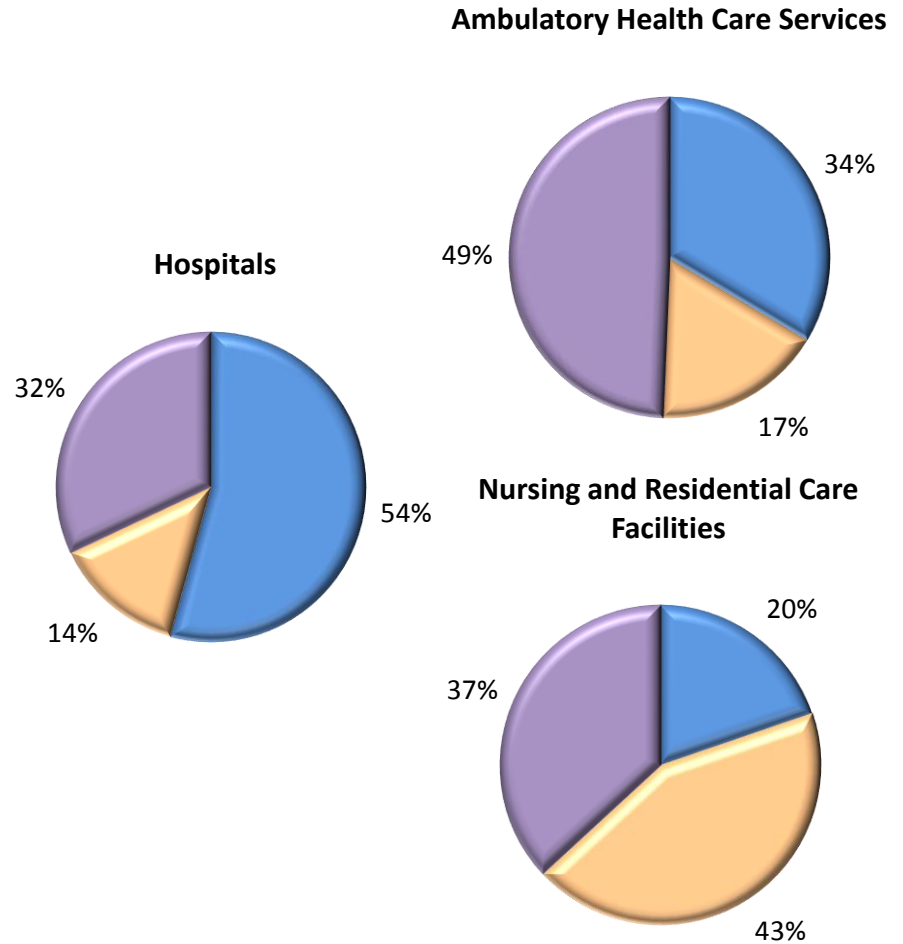


Office/Administrative support



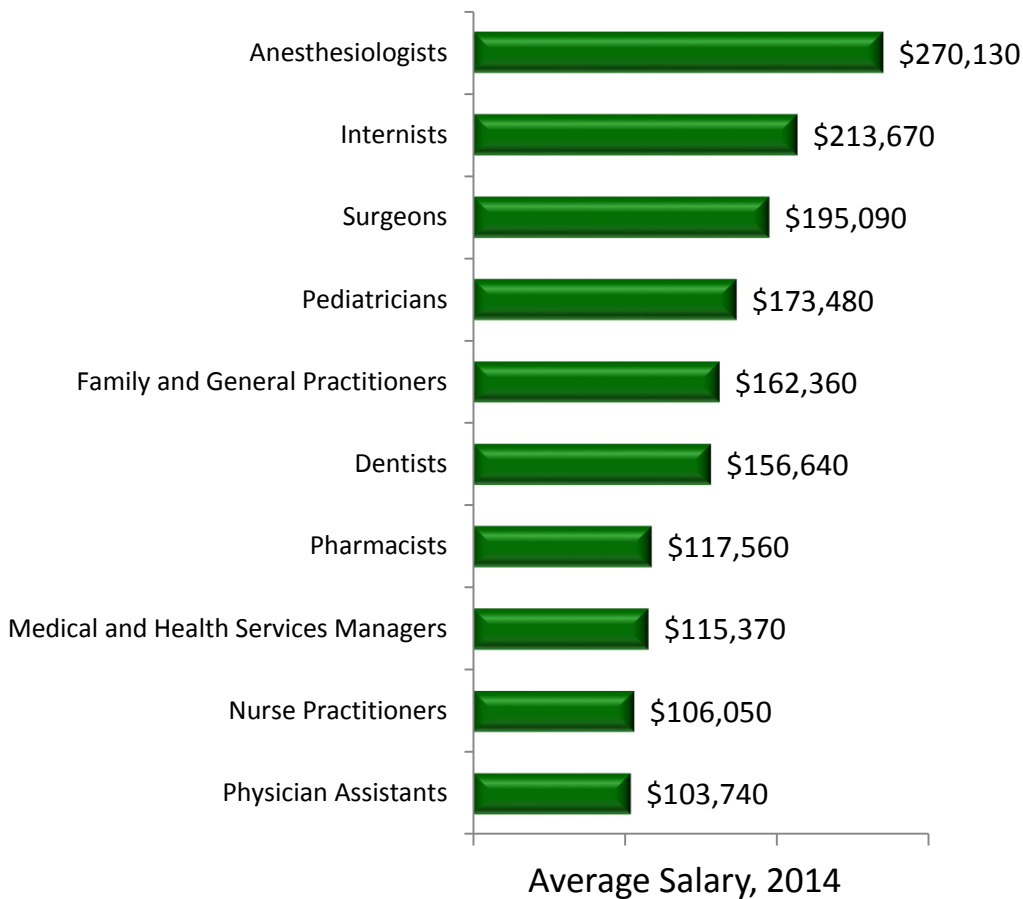
THE HEALTH CARE SECTOR OFFERS OPPORTUNITIES FOR EMPLOYMENT FOR ALL LEVELS OF EDUCATION AND EXPERIENCE...

Minimum Education Requirements	2014 Employment	% of Total
Total Health Care Occupations	472,800	100.0%
Total High Requirements	179,150	37.9%
Doctoral or professional degree	37,393	7.9%
Master's degree	17,584	3.7%
Bachelor's degree	31,063	6.6%
Associate's degree	93,110	19.7%
Total Moderate Requirements	100,470	21.3%
Postsecondary non-degree award	99,668	21.1%
Some college, no degree	802	0.2%
Total Low Requirements	193,180	40.9%
High school diploma or equivalent	133,978	28.3%
Less than high school	59,202	12.5%

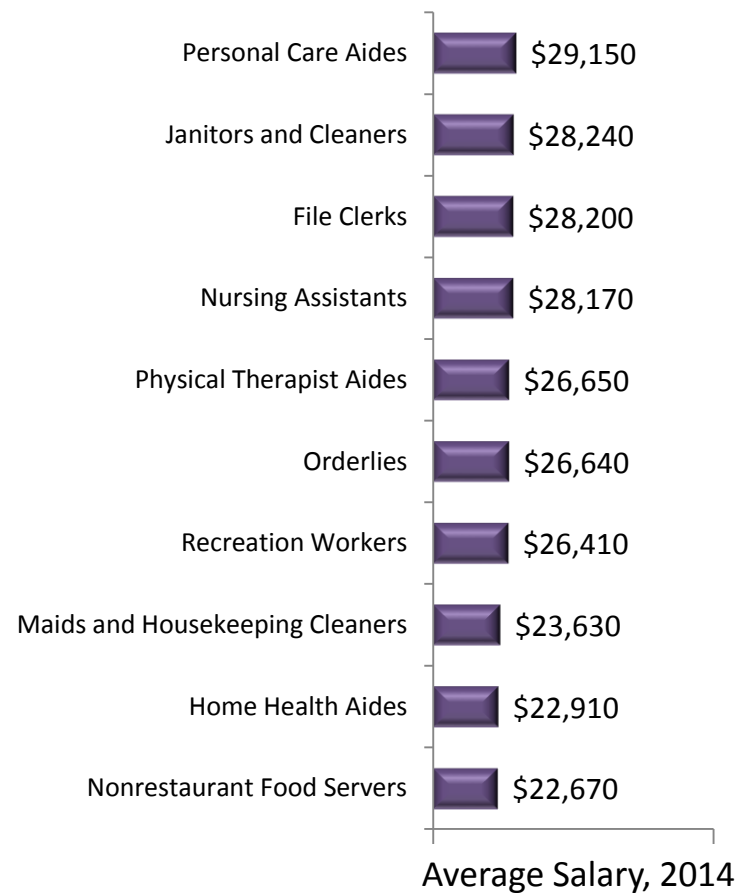


...AND THE AVERAGE SALARY CAN VARY GREATLY AMONG A MYRIAD OF DIFFERENT OCCUPATIONS

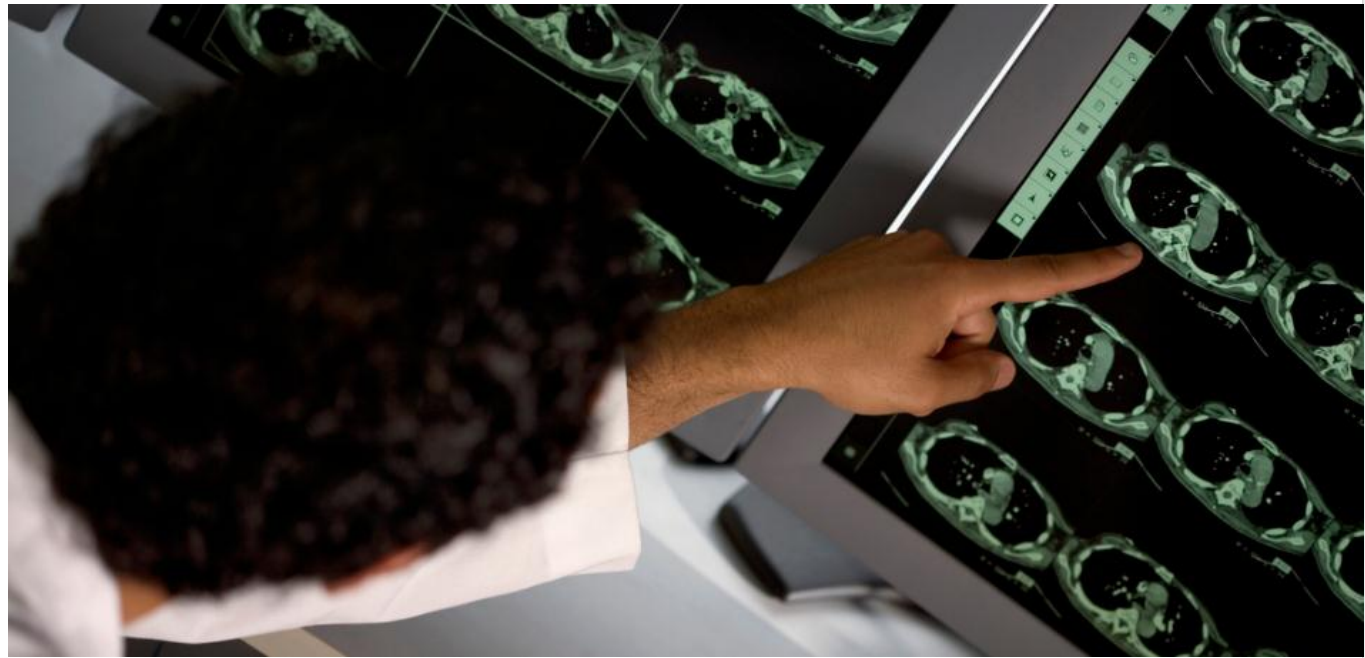
Occupations on the Higher End of the Salary Scale



Occupations on the Lower End of the Salary Scale



DEMOGRAPHIC PROFILE



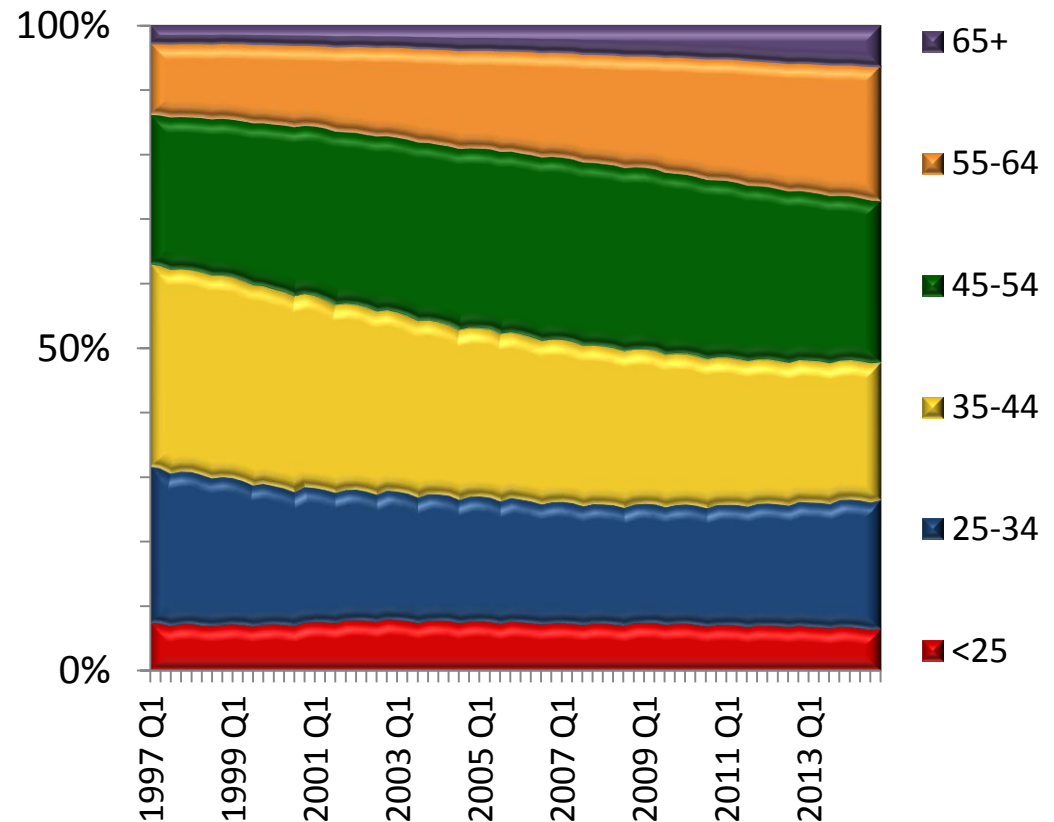
DATA SHOWS A STEADY AND GRADUAL CHANGE TOWARD AN OLDER WORKFORCE IN NEARLY EVERY AGE COHORT

Breakdown of Workforce by Age
New Jersey: 1997-2014

Healthcare workers aged 65 and older have nearly tripled from 1997 to 2014.

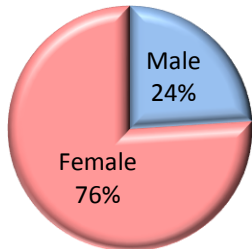
In 2014, there were more people working between the ages of 55-64 than there were between the ages of 25-34.

The only age cohort with fewer workers in 2014 than in 1997 were those between the ages of 35-44.

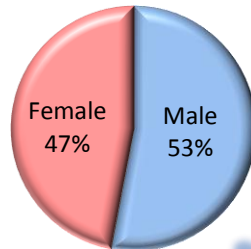


GENDER, RACIAL, AND ETHNIC PROFILE OF NEW JERSEY RESIDENTS WITHIN HEALTH CARE WORK FORCE

Health Care



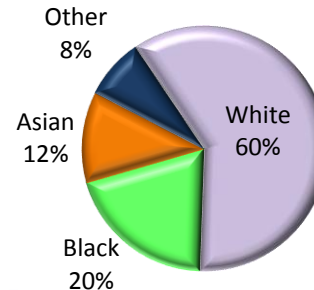
All Industries



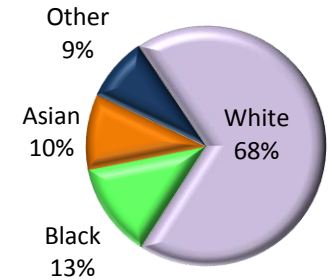
Females outnumber males by a 3 to 1 margin in the health care workforce

The workforce is more diverse than average, particularly among the black and Asian populations

Health Care

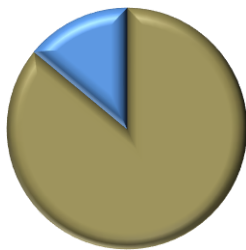


All Industries



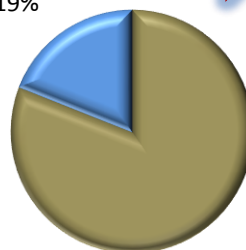
The workforce has just slightly fewer Hispanics than average

Health Care



Health Care

All Industries

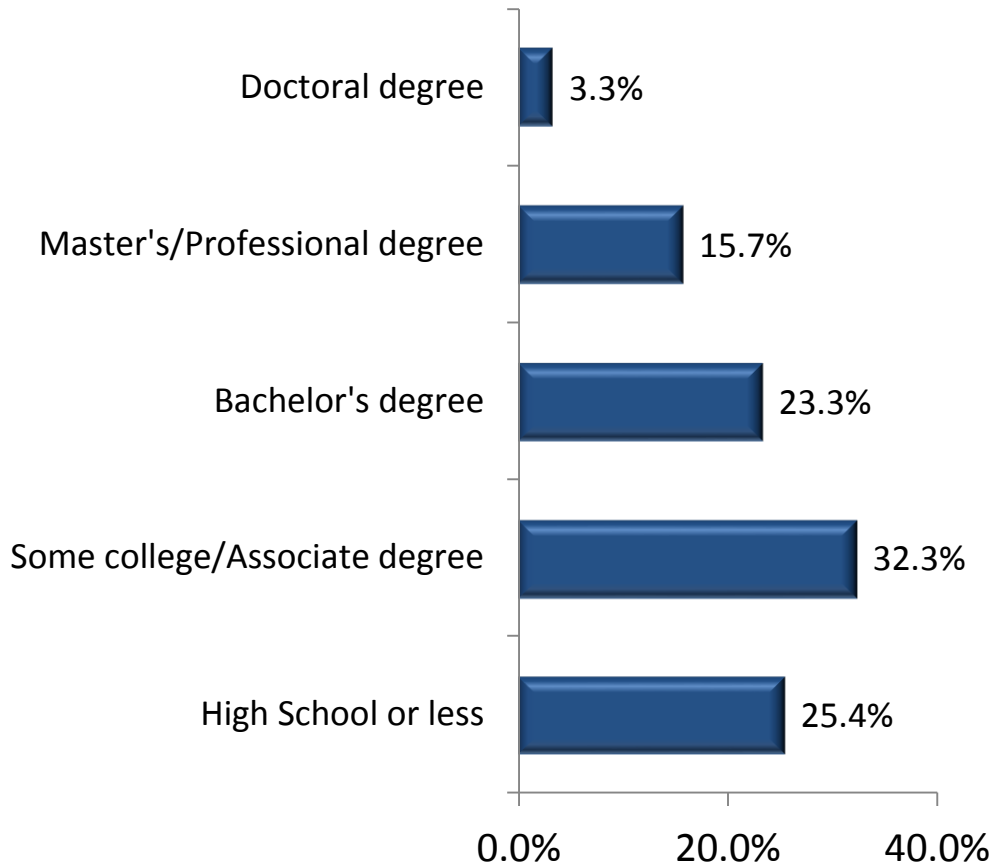


All Industries

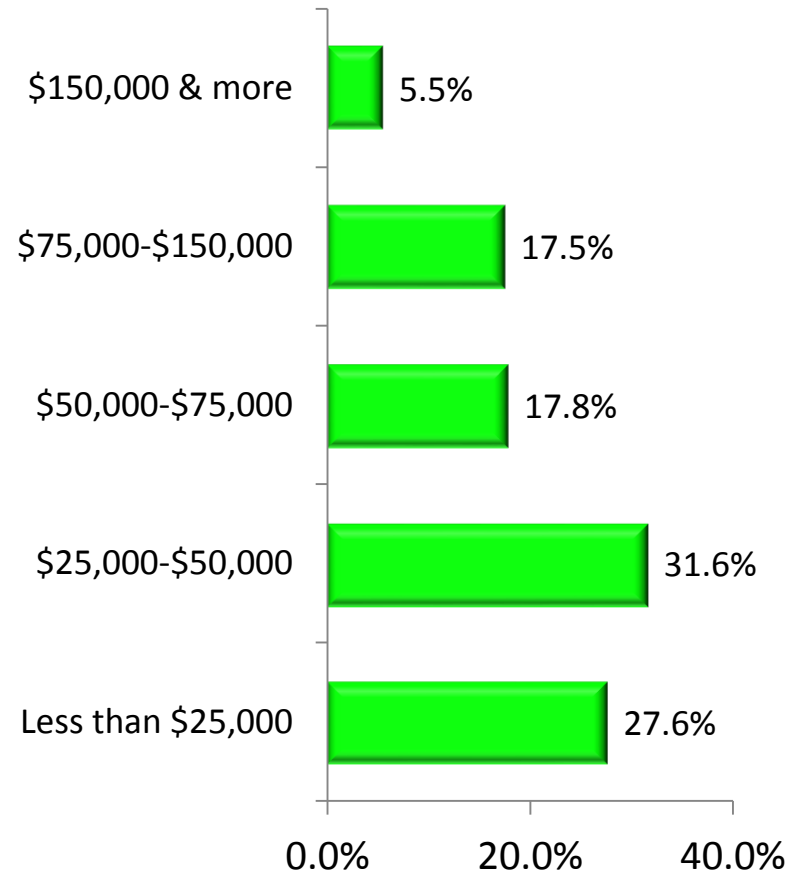


EMPLOYMENT STATUS AND PERSONAL EARNINGS OF NJ RESIDENTS IN THE HEALTH CARE INDUSTRY

Education Level



Personal Earnings

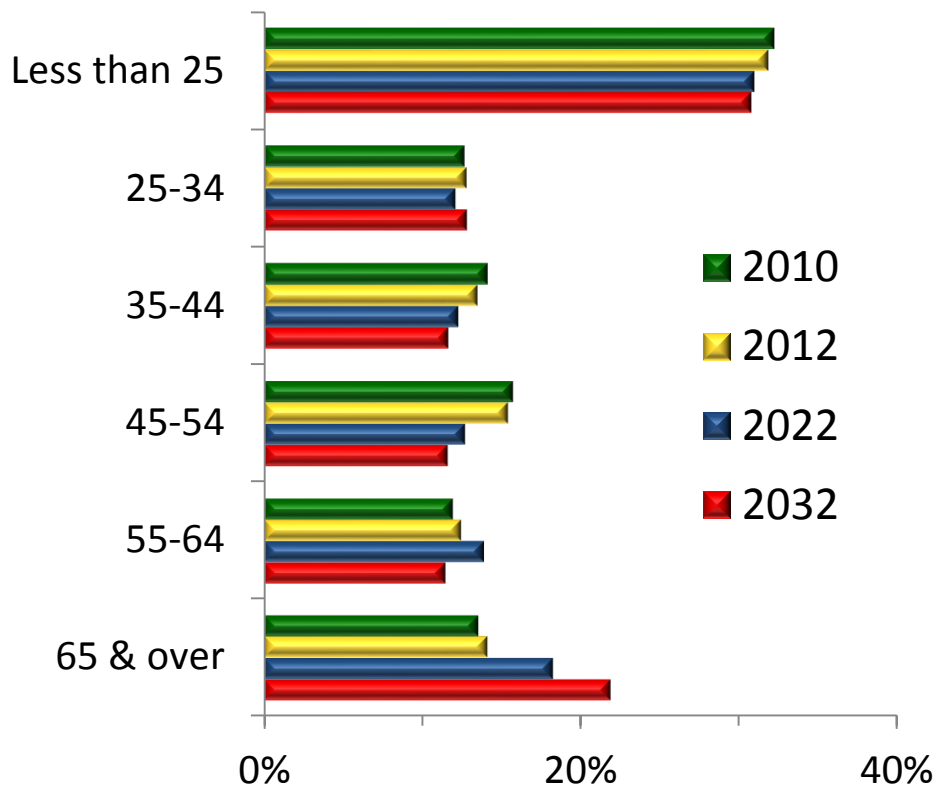


OUTLOOK



THE FIRST OF TWO KEY DRIVERS THAT WILL INCREASE THE DEMAND FOR HEALTH CARE IS THE AGING POPULATION IN NEW JERSEY

Population Estimates and Projections in New Jersey
2010-2032



The percentage of New Jersey residents aged 65 or over are projected to reach 22 percent by 2032.

The working age (aged 25-64) population is projected to decline from 54 percent in 2010 to 47 percent in 2032.

As the Baby Boomer generation continues to age, the demands they will place on the health care system will drive employment higher.

This should result in large increases in employment for areas such as gerontology, physical therapy and residential and nursing home care.



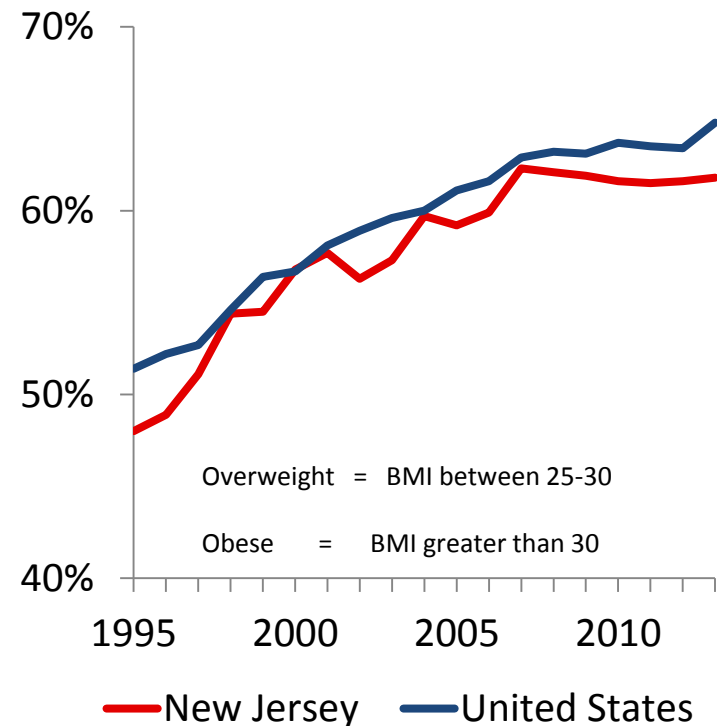
A SECOND KEY DRIVER IS THE POPULATION'S ONGOING STRUGGLE WITH WEIGHT AND OBESITY

Although New Jersey continues to lag the nation in terms of the percentage of people who are overweight or obese, the trend line shows that the percentage of the population in “at risk” groups has increased by 31 percent from 1995 to 2013.

A closer view of the data shows that New Jersey’s percentage of overweight has increased only slightly while the percentage of the obese has nearly doubled to 26 percent in 2013.

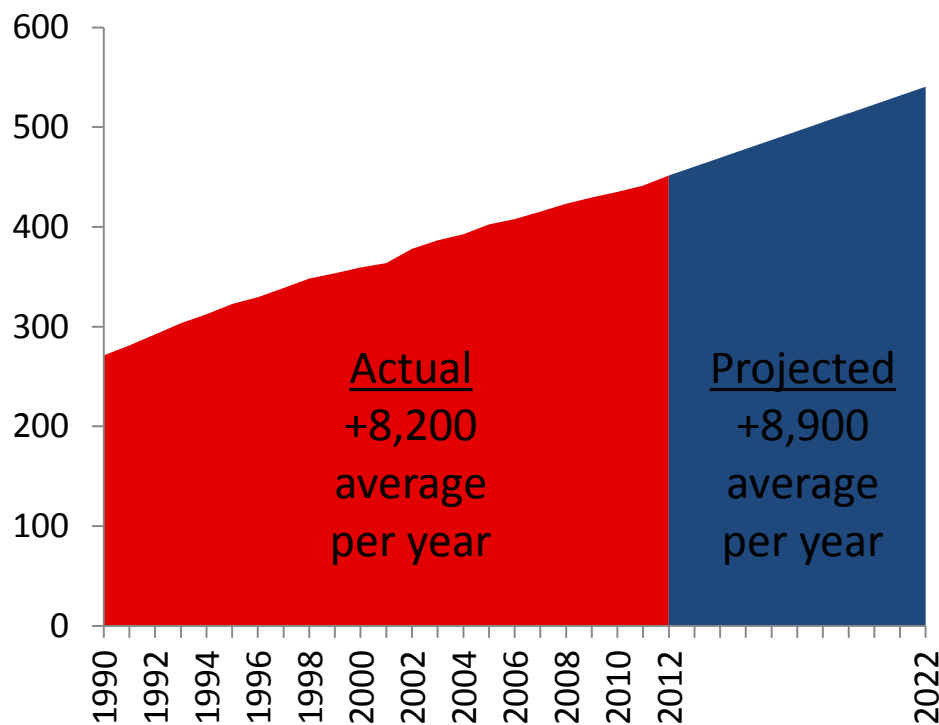
Employment opportunities in nutrition, physical therapy and cardiovascular disease should be robust as the state and the nation attempt to manage the obesity epidemic.

Percentage of Population Obese or Overweight in New Jersey and United States 1995-2013



THE HEALTH CARE INDUSTRY HAS STEADILY GAINED EMPLOYMENT OVER THE LAST 20 YEARS AND WILL CONTINUE THAT TREND THROUGH 2022

Actual and Projected Employment in Health Care (thousands):
New Jersey, 1990-2022



Employment is still growing, but rate of growth is slowing:

- Grew by 3 percent per year during 1990s
- Grew by 2 percent per year during 2000s
- *Projected to grow by 1.8 percent from 2012-2022*

There will be many opportunities for employment as the industry struggles to increase its workforce for growing demand while also replacing workers who will retire.

The health care cluster is projected to add roughly 89,000 jobs, and account for more than 29 percent of net job growth in New Jersey from 2012-2022.



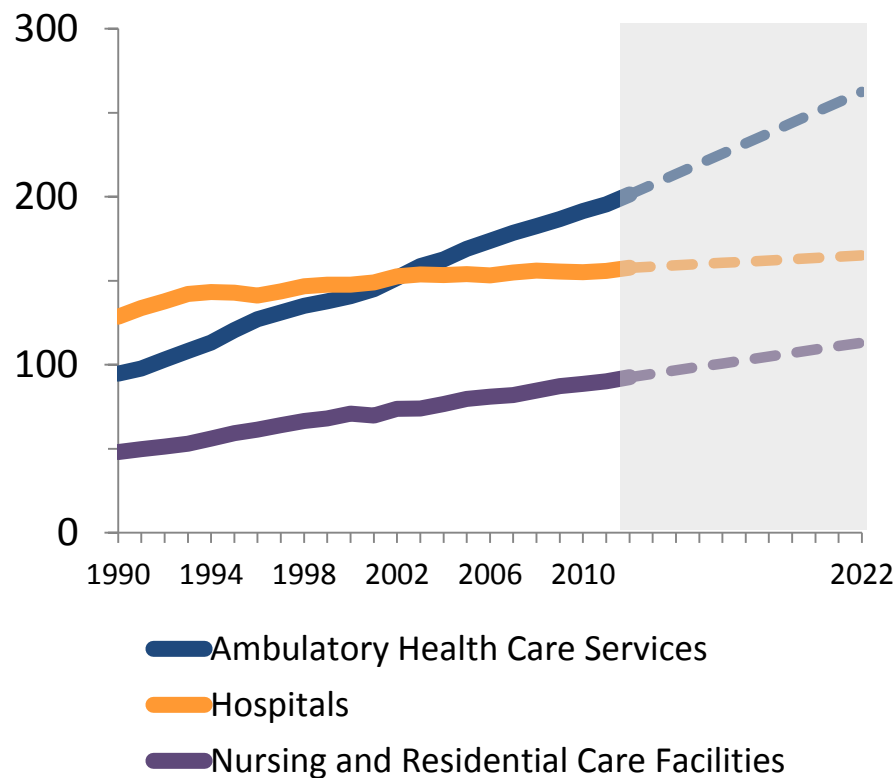
ALL THREE COMPONENTS OF THE HEALTH CARE INDUSTRY ARE PROJECTED TO EXPERIENCE EMPLOYMENT GAINS THROUGH 2022

Ambulatory health care services became the largest component in 2003 and will continue to grow at a robust annual rate of 2.7 percent, adding roughly 61,000 jobs from 2012 through 2022.

The hospital component is the slowest growing segment and is projected to add only 7,300 through 2022, at an annual rate of 0.5 percent.

Nursing and residential care facilities has experienced steady and above average gains since 1990, and will continue on this trend as the aging Baby Boomer population increases demand for these services.

Employment and Projected Estimates by Health Care Component
New Jersey: 1990-2022



Source: NJLWD, Current Employment Statistics, New Jersey Industry and Occupational Projections
Prepared by: New Jersey Department of Labor and Workforce Development
February, 2016



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LABOR AND WORKFORCE DEVELOPMENT
nj.gov/labor

NEW JERSEY HEALTH CARE INDUSTRY CLUSTER CONTACT INFORMATION

New Jersey Department of Labor & Workforce Development

<http://lwd.dol.state.nj.us/>

P.O. Box 057

Trenton, NJ 08625-0057

Office of Research and Information

http://lwd.dol.state.nj.us/labor/lpa/LMI_index.html

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NEW JERSEY HEALTH CARE INDUSTRY CLUSTER CONTACT INFORMATION

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