



ALASKA STATE HOSPITAL &
NURSING HOME ASSOCIATION

Health Care Industry

Economic Profile & Impact

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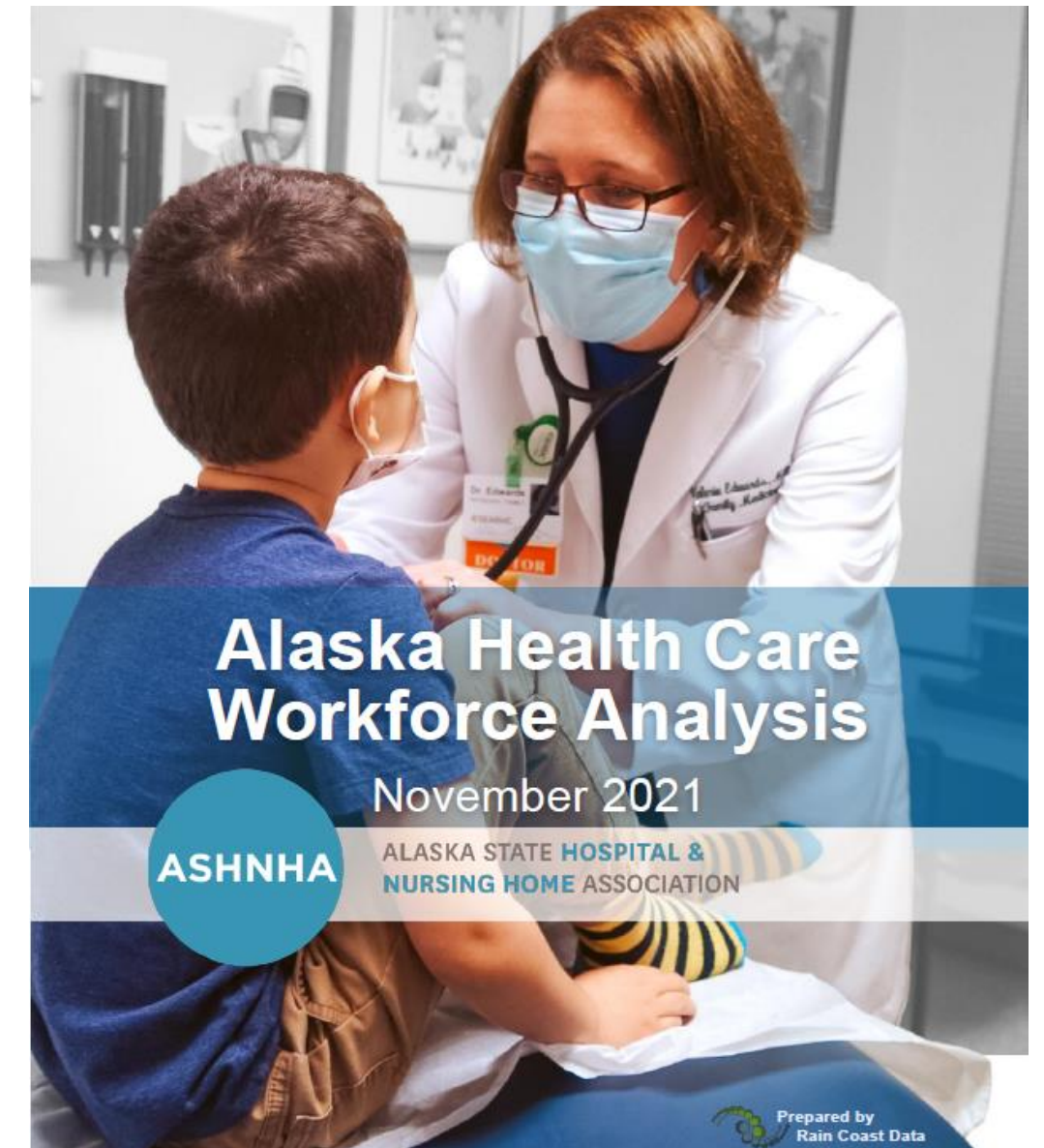
Background

The Alaska State Hospital & Nursing Home Association (ASHNHA) commissioned Rain Coast Data, a Juneau-based research and consulting firm, to conduct a health care workforce statistical analysis. The report was finalized and released in November 2021.

ASHNHA also formally surveyed Alaska's hospitals and nursing homes on vacancy information for key health care positions for the time period 5/1/2020 – 4/30/2021.



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Industry Profile



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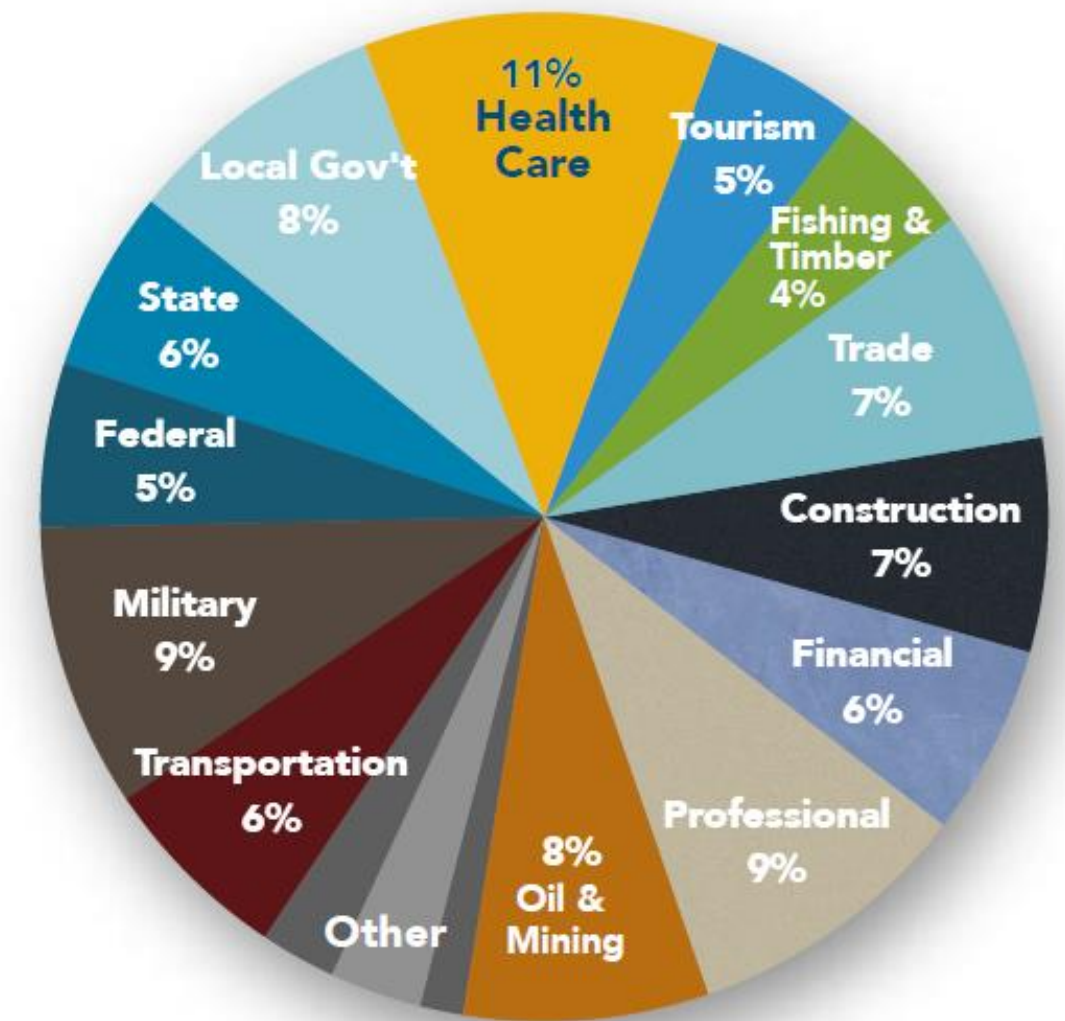
Health care is a critical economic sector in Alaska

- Health care workers earned \$2.7 billion in 2019
- Sector pays out more wages than any other industry
- Health care wages comprise 11% of all state wages

Health Jobs are good for the Alaskan economy

- Hospital Sector: each job, dollar of income generates:
 - 0.84 jobs in other Alaskan businesses and industries
 - \$0.50 in other Alaska businesses and industries
- Health Care Industry: 42,900 jobs, \$2.7 billion income
 - 74,940 total jobs across the state's economy
 - Nearly \$4 billion total income in the state's economy

Alaska Workforce Earnings 2019



Performance & Outlook

Alaska health care jobs are growing

- 6% overall job growth, 21% wage growth (2016 - 2020)
- 7.6% projected job growth over the next 10 years
 - 5,000+ new health care jobs are expected to be added
 - more than any other sector
- \$65,744 average annual Alaska health care wage (2020)



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*"Health care workers are needed more than at any other point in history. However, **there are simply not enough entering the workforce.** Medical and nursing schools still graduate a similar number of students as they did two decades ago, while baby boomers are leaving the work force. Rapid wage growth will slow only if overall pool of health care workers can be increased on a national basis."*

Key Employer & Position

Hospitals are the largest health care employers in Alaska

- Employ 35% of all health care workers
- Cover 42% of all health care wages

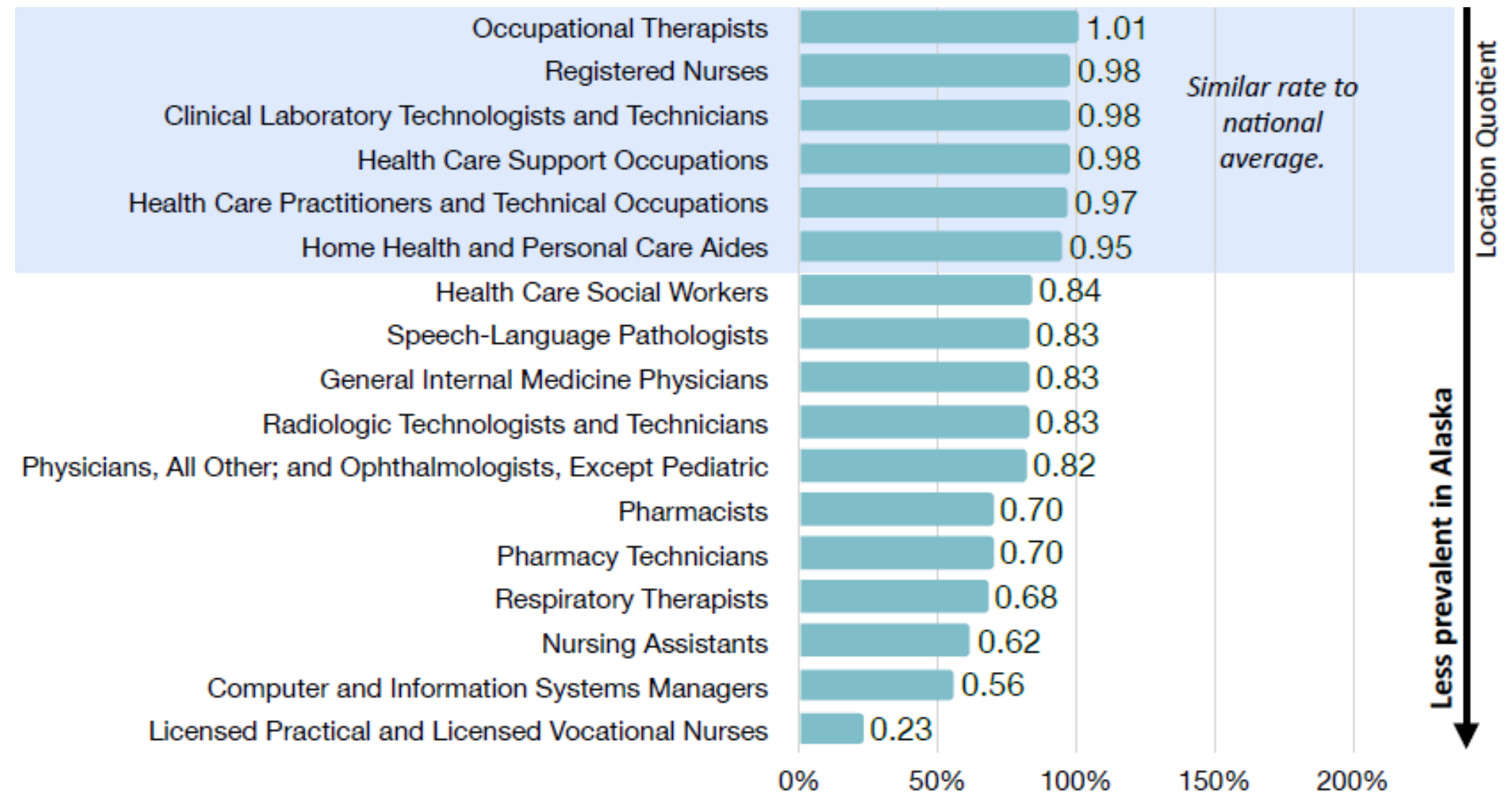
Registered Nurses (RNs) are the dominant workforce

- Largest pool of health care workers
- Receive 18% of all health care wages
 - \$487 million in 2020
- Prevalence consistent with U.S. avg



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Alaska's health care workforce trails national average in key areas:



Opportunities & Threats

Job demand exceeds labor supply

- 6,300 openings each year to staff all positions
- More than 1,400 recruits needed annually for RN position alone

Looking out-of-state is not enough

- 11.3% of the total health care workforce are non-residents (2019)
- 24% of these non-residents go on to attain residency

Are we coming up short?

- 21% of key hospital and nursing home positions are vacant
- Workforce development pipeline operates well below potential



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"It costs 64% more on average to engage a traveling health care worker than it would to hire a permanent employee."

*- 2019 Survey of Southeast Alaska
health care institutions*

ashnnha.com

