



COVID-19 Highlights Challenges for and Advances by Greater Houston's Health Care Sector, Which Remains Key to Economic Prosperity, New Report Finds

- The region is not fully benefiting from Houston's wealth of health resources due to health disparities driven by social determinants of health.
- The pandemic highlighted Houston's capabilities as a leader in medical care innovation and as an emerging leader in life sciences, as it exacerbated a range of issues from mental health to workforce shortages.
- Economic modeling reveals that 1 in 6 jobs added in the region from 2021 to 2036 will be in health care, and that in a baseline case, the health care sector will drive an increase of \$63.5 billion to the local economy.

December 9, 2022, Houston – Center for Houston's Future Friday released a comprehensive, wide-ranging report *Houston's Economic Future: Health Care 2022, How Equity, Workforce & Innovation Affect Our Region*.

To produce the 85-page report, the Center talked to more than 50 local health care leaders and experts via roundtables and individual interviews, as well as completed an extensive review of academic literature. Find the report here: www.centerforhoustonfuture.org/healthcare2022.

The report covers a variety of topics, including an overview of health in Houston, from medical outcomes and health disparities to Covid-19 and mental health. It also focuses on economic issues, from workforce burnout and shortages to the region's bright future as a life sciences hub and health technology adoption.

This report continues and expands on a groundbreaking report issued by the Center in October 2020. In both cases, results are included from the Center's unique economic forecasting tool that analyzes the impact of various health care-related scenarios on regional employment growth and GDP. It looks out to the year 2036, the 200th anniversary of Houston's founding. The modeling found:

- Health care continues to be the uncontested leader in fueling employment growth for the region. At the current rate of growth, the area expects to see 247,000 direct jobs added to the health care sector from 2021 to 2038. When indirect and induced jobs are included, the total is 493,000, representing a 68 percent increase.
- At the current growth rate, the sector would contribute an increase in GDP of \$63.5 billion from 2020 to 2036.

- These two projections, however, are contingent on enough qualified workers to fill these jobs. Failing to address the health care workforce shortage would reduce the amount of projected GDP growth by \$14 billion. And, failing to invest in the health care workforce would cut employment growth by 158,000 total jobs.
- The region can transform the health care sector into an engine of economic growth by cultivating so-called high-multiplier life sciences jobs. The modeling finds that developing a burgeoning life sciences hub in Houston would add \$40 billion to the region's economy by 2036.

A sample of other findings in the report is as follows:

- The pandemic increased mortality rates by 21.9 percent in 2020 over 2019 in Harris County. Chronic disease rates continue to be high in the region, accounting for 41.9 percent of all deaths. Heart disease and cancer are the leading causes of death. COVID-19 is also a top cause of death in the region.
- While the nation spends \$4.3 trillion on health care services, social determinants of health and health behaviors can account for up to 90 percent of health outcomes. Examples include economic stability, neighborhood conditions, education and food security. A large part of the region's population faces social risk factors that can lead to lifelong poor health outcomes.
- Health disparities in Texas are consistently some of the worst in the nation. These disparities largely exist for racial and ethnic minority populations.
- The pandemic increased burnout among health care workers, including nurses. The result of chronic stress, burnout is exacerbating a nursing and broader health care workforce shortage.
- The region faces an increase in mental health issues, being fueled partly by pandemic-related stressors. There aren't enough mental health professionals or inpatient facilities to meet demand.
- Houston has some of the worst maternal health outcomes in the nation, earning an "F" rating from the March of Dimes. Profound disparities exist: Black women are three times more likely to die in childbirth and have other adverse health outcomes.
- Telehealth, artificial intelligence, virtual reality and wearable technologies saw large growth in the Houston area. Many consumers used telehealth during the pandemic, driven by regulatory and reimbursement changes.
- Houston, with its large and diverse patient population, talent pool and high caliber of research, offers unique advantages as a life sciences hub. The city is already one of the top emerging life sciences clusters in the country.
- The health care and social service industry represents the largest employee base in the region, accounting for just over 11 percent of all workers. In the last nine years, the number of health and social service employees increased by 25 percent. In addition, the sector is responsible for 5.2 percent of the region's GDP.
- When health care spending leads to health innovations and improved health outcomes, it can be a driver of local prosperity rather than a weight on broader economic well-being.

"We have a significant opportunity to leverage lessons from the past two years to improve our health care system," said Brett Perlman, president and CEO of Center for Houston's Future.

“This will take collective action from health care, community, business and government leaders. We encourage regional leaders to build on collaborations developed in the past two years and work together to address the challenges and opportunities we have in front of us.”

The report also includes recommendations focused on improving health and health equity, advancing health technology and addressing health care workforce burnout and shortages. It also makes recommendations around preparing for future pandemics, growing the life sciences ecosystem and increasing regional collaboration.

This research was made possible with funding from HCA Houston Healthcare, a leading provider of health care in the Houston area, with almost a million patients treated every year. With an employee base of 15,000, HCA Houston Healthcare’s comprehensive network includes 13 hospitals, 10 outpatient surgery centers, 12 freestanding emergency centers and a dozen freestanding diagnostic imaging facilities in the greater Houston area.

“We hope this report helps to highlight ongoing and future initiatives in our region that will play a key role in defining our future as leaders in creating a healthy community while driving economic growth,” said HCA Houston Healthcare President Troy Villarreal. “The results of this research can serve as a model for Houston and the nation. At HCA Houston Healthcare, we are proud to support the Center for Houston’s Future efforts in this important endeavor and look forward to continued collaborations to overcome workforce challenges, improve access and outcomes and drive innovation.”

About the Center for Houston’s Future: The Center for Houston’s Future focuses on understanding future global trends and their impact on the Houston region. The Center brings business, government, and community stakeholders together to engage in fact-based strategic planning, collaboration, and action on issues of great importance to the region’s success. It engages in research, holds community events and develops leaders. Its current strategic focus areas include energy, climate and energy transition; health and health equity; and the economic importance of immigration. The Center is an independent affiliate of the Greater Houston Partnership. Its leadership program has graduated more than 1,300 business and civic leaders.

About HCA Houston Healthcare: HCA Houston Healthcare is the leading provider of healthcare in the Greater Houston area, treating nearly a million patients annually. With an employee base of 15,000, HCA Houston Healthcare’s comprehensive network includes: 13 hospitals, 10 outpatient surgery centers, 12 freestanding emergency centers and numerous freestanding diagnostic imaging facilities. The system also includes a regional transfer center that provides support for patient transfers into and out of HCA Houston Healthcare facilities as well as access to ground and air transportation within a 150-mile radius. As one of the region’s largest healthcare systems, HCA Houston Healthcare recognizes the importance of giving back to the communities we serve. A strong advocate for the next generation of healthcare professionals, HCA Houston Healthcare also is a major supporter of the University of Houston College of Nursing and the new University of Houston College of Medicine. For more information, visit HCAhoustonhealthcare.com.

Media contacts:

Laura Goldberg, lgoldberg@futurehouston.org, FutureHouston.org | @FutureHouston

Annette Garber, annette.garber@HCAhealthcare.com, 281-928-0129 | HCAhoustonhealthcare.com
@HCAHouston