The Links Between Economic Development and Health Care by Stephanie McGarrah, North Carolina Area Health Education Centers

When it comes to key industry sectors in North Carolina, biotechnology and pharmaceuticals are more common targets than health care. However, health care is an important industry that employs 425,000 people in North Carolina with average earnings per job of \$63,046, and is expected to experience 13% job growth through 2023.¹ Some states, such as Colorado, are including health care as a targeted industry sector and finding new and creative ways to boost employment and to make sure that the rural parts of their state maintain health care providers.

While health care employment and access to health care for all citizens is important, the link between economic development and health care is much deeper than just employment, wages, and recruitment targets. A healthy workforce is a productive workforce. Health care insurance coverage for employees is expensive. Communities/regions with healthier workforces (e.g. potentially lower health insurance costs) may be more competitive locations for prospective firms in this regard. The current opioid epidemic has affected the workforce in many rural



communities, reducing the participation rate.

Research shows that a person's health outcomes are driven by much more than just access to a hospital or doctor. Instead, the factors and conditions that influence a person's length of life and quality of life are directly linked to income level, educational attainment, employment status, community safety, and access to family and social supports. A clean environment with affordable housing and good transportation are important for positive health outcomes as well. These social, economic and environmental factors make up one-half of the influences that determine

¹ EMSI Analysis of NAICS 621, 622 and 623 using 2018 data. Growth projections are based on the period of 2015-2023.

a person's health outcomes. The Robert Wood Johnson Foundation has outlined all of these factors in their County Health Rankings Model, which measures and ranks all US counties in terms of health within their states.²

In terms of overall health outcomes (measured in terms of life expectancy and quality of life), North Carolina's counties are led by Wake County in the top spot, followed by Orange, Union, Mecklenburg, Camden, Currituck, Dare, Chatham, Cabarrus, and Watauga rounding out the top ten. In terms of health factors (measured by access to clinical care, health behaviors, economic factors and physical environment), Orange County holds the top spot followed by Wake, Buncombe, Polk, Henderson, Union, Chatham, Dare, Transylvania and Moore in the top ten. You can find the full 2019 rankings here: <u>https://www.countyhealthrankings.org/app/northcarolina/2019/overview</u>.

As economic developers measure the impact of their work, it may be time to consider measuring more than just jobs created, wages paid and dollars invested. The work of economic and community development is much broader than job announcements and directly contributes to the health and wellness of all North Carolinians.

The connection between health outcomes and economic development reinforces the need for economic developers to be engaged in quality of life and placemaking initiatives like greenways, recreation facilities, education programs, housing, and safety. It also reinforces that one of the most important things a community can do to improve health is creating jobs. With income stability, people are more likely able to access decent housing, participate in wellness programs, and live in safe communities.

Some actions a local economic development organization can take to be more engaged with health and wellness in your community:

- Ask healthcare representatives to serve on boards, commissions, and committees
- Advocate for state policies that support healthcare access in your community
- Engage employers with healthcare policies and discussion groups with healthcare providers
- Actively "recruit" healthcare facilities, programs, and providers by using the expertise of the EDO in data mining, information exchange, and advocacy

² <u>https://www.countyhealthrankings.org/explore-health-rankings/measures-data-sources/county-health-rankings-model</u>