

Target Cluster Profiles

Health Systems

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Health Systems is anchored by Clackamas County’s concentration of regional hospitals alongside a diverse range of health care clinics and specialists serving the regional population. This concentration, creating a pipeline of talented health care workers and a need for supportive services has in turn attracted a handful of research, testing, and manufacturing firms in the health care sector.

NAICS 622: Hospitals
 Regional hospitals including Legacy, Providence, and Sunnyside employ thousands of workers in the County and anchor the Health Systems Sector.

NAICS 621 Ambulatory Healthcare
 This sector includes proprietors that largely serve local and regional resident populations. These include family physicians, specialists, dentists, mental and physical health, and other related services. There are over 200 firms with 10 or more employees in Clackamas County in this sector.

NAICS 5413 & 5417: Medical R&D and Testing Laboratories
 Clackamas County has a small presence of medical research and testing firms that has held steady in recent years.

NAICS 3391: Medical Equipment Manufacturing
 Clackamas County has attracted a very small concentration of firms that produce medical equipment products ranging from optical devices and surgical appliances to prosthetics.

NAICS 32541: Pharmaceutical and Medicinal Products Manufacturing
 Clackamas County has only a small number of manufacturers in this sector, but firms like Health Wright Products are major employers producing dietary supplements and other products.

Economic Impacts (dollars in millions)

Firms in the anchor sectors of **Health Systems** employ over 14,800 employees in Clackamas County. The annual direct contribution to the local economy is **\$1.9 billion dollars in value-added output**. Secondary effects contribute an additional 8,500 jobs and \$883 million in value-added output.

Impacts	Jobs	Labor Income	Value Added	Output
Direct	14,800	\$1,620.9	\$1,900.0	\$2,949.0
Indirect	4,500	\$310.3	\$445.7	\$829.0
Induced	4,000	\$230.1	\$437.4	\$722.3
Total	23,300	\$2,161.3	\$2,783.1	\$4,500.3

Major Employers

- Providence Hospital
- Legacy Hospital
- Sunnyside Hospital
- Eye Health Northwest
- The Oregon Clinic
- Rehab Specialists Inc.
- Kaiser
- Health Wright Products

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The **Health Systems** cluster relies on **75 different goods and service categories** in a production function that allows it to support over \$2.95 billion dollars in annual economic output and **\$1.89 billion in value-added output**.

Primary inputs to the cluster largely include service uses, including scientific research and development, employment services, management consulting, legal services, laboratories, and the network of clinics and family practitioners. Of the \$2 billion in commodity inputs that support this output, **2 percent** is cross spending across hospitals and ambulatory health services.

Key Industries by Gross Inputs

Gross Inputs are the goods and services that make up the production function that produces another good or service, *regardless of where these inputs are sourced*. In the **Health Systems** Cluster, the top 20 inputs represent **88.3% of all production inputs**. Inputs include a mix of products including chemicals, back office (administrative and management services), wholesalers, and professional/technical services.

TOP SECTORS	GROSS INPUT (millions)
Professional, Scientific, and Technical Services	\$539.4
Real Estate	\$288.7
Administrative and Support Services	\$202.8
Management of Companies and Enterprises	\$96.0
Food Services and Drinking Places	\$80.5
Merchant Wholesalers, Nondurable Goods	\$77.4
Insurance Carriers and Related Activities	\$72.0
Merchant Wholesalers, Durable Goods	\$69.8
Chemical Manufacturing	\$57.2
Credit Intermediation and Related Activities	\$39.7
Ambulatory Health Care Services	\$38.8
Monetary Authorities-Central Bank	\$37.9
Food Manufacturing	\$26.7
Repair and Maintenance	\$25.9
Plastics and Rubber Products Manufacturing	\$23.5
Publishing Industries	\$22.4
Utilities	\$22.3
Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	\$20.0
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	\$15.3
Telecommunications	\$14.7

SOURCE: IMPLAN and ECONorthwest

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Firms in the **Health Systems** sector support a broad range of other sectors within the Clackamas County economy. Across all inputs that support **Health Systems**, **68 percent** of production inputs are purchased within the County.



Local Absorption Rate

Inputs that are large parts of the overall production function and have high rates of local purchases are core elements of what makes up a cluster. In **Health Systems** these include:

Example Local Inputs with High Regional Purchase Coefficients (RPC)

- 77.9%** Scientific Research and Development
- 81.0%** Management Consulting
- 99.7%** Legal Services
- 99.1%** Environmental & Tech. Consulting
- 99.8%** Wholesalers of prof. & com. equipment
- 53.7%** Misc. prof. tech. & scientific services

Key Industries by Regional Inputs

Regional inputs are the goods and services that make up a production function but *are purchased locally within the local economy*. In the **Health Systems** Cluster, the largest regional inputs include a mix of wholesale and logistics activities, real estate, utilities, and local professional and financial services.

TOP SECTORS	REGIONAL INPUT (millions)	GROSS INPUT (millions)
Professional, Scientific, and Technical Services	\$539.4	\$387.5
Real Estate	\$288.7	\$288.5
Administrative and Support Services	\$202.8	\$175.6
Food Services and Drinking Places	\$80.5	\$68.8
Merchant Wholesalers, Durable Goods	\$69.8	\$64.9
Management of Companies and Enterprises	\$96.0	\$51.8
Merchant Wholesalers, Nondurable Goods	\$77.4	\$48.7
Insurance Carriers and Related Activities	\$72.0	\$37.3
Repair and Maintenance	\$25.9	\$24.5
Credit Intermediation and Related Activities	\$39.7	\$21.2
Monetary Authorities-Central Bank	\$37.9	\$19.6
Utilities	\$22.3	\$14.7
Computing Infrastructure Providers, Data Processing, Web Hosting	\$20.0	\$14.3
Waste Management and Remediation Services	\$12.5	\$12.3
Truck Transportation	\$13.8	\$12.1
Rental and Leasing Services	\$14.3	\$12.0
Securities, Commodity Contracts, and Other Financial Investments	\$15.3	\$11.5
Publishing Industries	\$22.4	\$11.1
Ambulatory Health Care Services	\$38.8	\$10.1
Personal and Laundry Services	\$6.1	\$5.4

SOURCE: IMPLAN and ECONorthwest