

Industry Overview

The healthcare and life sciences cluster posted its 16th-consecutive year of employment growth in 2019 in the Denver South region¹. Employment in the region’s healthcare and life sciences cluster grew 4.5 percent between 2018 and 2019, compared with 1.9 percent growth nationally. The healthcare and life sciences cluster is one of the region’s largest in terms of employment with about 26,860 workers in nearly 2,650 companies. Over the past five years, the healthcare and life sciences cluster grew 25.7 percent in the region, more than two-times the growth rate posted nationally. The healthcare and life sciences cluster reached its highest employment base in 2019 in the history of tracking the industry, employing 7.8 percent of the region’s total employment base. Nearly 90 percent of the region’s healthcare and life sciences companies employed fewer than 10 people, while 0.6 percent employed 250 or more.

The healthcare and life sciences cluster includes a large and diverse group of companies that encompass healthcare services, medical equipment and supplies, medical devices and diagnostics, and hospital and medical service plans. More specifically, the cluster includes companies that provide preventive, curative, and rehabilitative services offered by healthcare providers,

medical and specialty hospitals, kidney dialysis centers, other healthcare organizations, and centers focused on family planning, outpatient mental health and substance abuse, diagnostic imaging, and emergency care. Additionally, companies that provide nursing care, assisted living, and long-term care services for individuals, families, and the elderly are also included. Companies in the healthcare and life sciences cluster also engineer, research, design, and manufacture medical equipment used in the healthcare industry. Further, companies that provide hospital, medical, and other health service insurance plans to enrollees or members are also included.

The Denver South region’s outdoor recreational amenities and emphasis on active, healthy living combine to make it one of the healthiest regions in the United States. Douglas County leads the nation as the healthiest community in America, according to *U.S. News & World Report’s* 2019 rankings. WalletHub ranked Denver No. 8 on its 2019 list of the “Best & Worst Cities for an Active Lifestyle” and the American College of Sports Medicine and the Anthem Foundation ranked Metro Denver among the top 10 fittest metro areas in the nation in 2019. Prime recreation opportunities abound in the South Metro Corridor, which is home to seven state parks, greenways, nearly 30 public and private golf courses, and world-class ski resorts located within 100 miles of the Corridor. Although it is one of the fastest growing suburban areas in the U.S. over the last 15 years, the region has permanently preserved over 50,000 acres of natural open space.

The life science market in the Denver South region and broader nine-county Metro Denver and Northern Colorado² area are some of the fast growing in the nation. According to Jones Lang LaSalle’s *2019 Life Sciences*



Healthcare & Life Sciences Facts - 2019

7.8%	Employment concentration
26,860	Employees
2,650	Companies
16 Yrs.	Consecutive employment growth since 2004
25.7%	Employment growth between 2014-2019

¹ The Denver South region consists of zip codes 80111, 80112, 80124, 80126, 80129, 80130, 80134, and 80237.

² The nine-county region is comprised of two principal areas, Metro Denver and Northern Colorado. Metro Denver consists of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson counties. Northern Colorado consists of Larimer and Weld counties.

Outlook, Metro Denver had the second-fastest life sciences employment growth among other top markets. Metro Denver also had the 11th-strongest life sciences market in the nation for the second year in a row. The region is also an incubator for various life sciences startup companies with access to ample bioscience infrastructure. According to a new report from CBRE, Denver ranked No. 5 as an emerging market for the U.S. life sciences industry. The report noted Denver has a large concentration of key scientists, and the National Institutes of Health (NIH) funding to institutions in the region has grown by 23 percent over-the-year. The region also continues to attract significant capital to life sciences companies. According to Jones Lang LaSalle's *2019 Life Sciences Outlook*, Denver had the seventh-highest venture capital investment among the top life sciences markets in the nation, totaling \$340 million in 2018.

Demand for highly sophisticated lab space and cutting-edge life sciences production facilities has risen with the expansion of the cluster. According to Jones Lang LaSalle, the Southeast and Southeast Suburban submarkets, which encompasses the Denver South region, comprises 11.4 percent of Metro Denver's inventory for lab space. Life sciences companies will often use second-generation lab space and flex/office-to-lab conversion space to accommodate their operations. This submarket is home to the Fitzsimons Innovation Community and Anschutz Medical Campus. The \$5.8 billion Anschutz Medical Campus is the epicenter of the region's growing bioscience community and is the largest academic health and bioscience center between Chicago and the West Coast. The Fitzsimons Innovation Community of more than 75 companies offers an unrivaled range of opportunity from incubator and accelerator space to pre-built laboratories and furnished offices or build-to-suit space that can accommodate companies of all sizes, from small start-ups to established industry leaders. In 2019, Fitzsimons opened its new \$55 million Bioscience 3 facility that includes laboratory, research, office, warehouse, and distribution spaces. The Denver South region is also home to the Highland Tech Center buildings to accommodate growing life sciences companies.

Over 10 top-ranked health systems or organizations provide care to residents in the Denver South region, including Sky Ridge Medical Center and Children's Hospital Colorado's South Campus. Further, Centura Health's corporate office is located in the Denver South region. The region is home to a satellite campus for Children's Hospital Colorado, one of the nation's best pediatric care hospitals. In 2019, Sky Ridge Medical Center earned several notable distinctions and designation. The hospital earned the Healthgrades 2019 Patient Safety Excellence Award™, which places Sky Ridge among the top 10 percent of all short-term acute care hospitals reporting patient safety data. Further, Sky Ridge earned The Joint Commission's Gold Seal of Approval and the American Stroke Association's Heart-Check mark as a Thrombectomy-Capable Stroke Center and received the American Heart Association/American Stroke Association's Get With The Guidelines Target: Stroke Honor Roll Elite Plus Quality Achievement Award in 2019. Denver South is also a growing center for home healthcare agencies and senior care centers.

Several trends are driving the transformation of the healthcare and life sciences cluster. Demand for healthcare services is expected to increase in the Denver South region due to a growing and aging population, a higher prevalence of chronic conditions such as heart disease and diabetes at older ages, and changes in residents' behavior and lifestyle choices. The Denver South region's older adult population is growing fast and living longer. In fact, individuals 65 years and over in the region represented 7.8 percent of the total population in 2010 and grew to an estimated 11.1 percent of the population in 2018. In absolute terms, the population 65 years was 1.5 times more than it was in 2010 and is expected to increase by 2030. Since 1990, life expectancy has increased across the region and in Colorado, rising from 77.2 years to 80.5 years in 2018.

Artificial intelligence, machine learning, data analytics, digital diagnostics and cloud computing are changing the way patient care is delivered. The convergence of digital health, life science innovators, and entrepreneurs are bringing new and innovative ways to care for patients, improve health, and influence the way medications are developed and prescribed. Companies in the Denver South region at this intersection include Absio Corp., TestAppropriate, and PatientNOW are developing advanced technologies to improve health. Ecosystem

integrators such as Prime Health connect these companies with resources in the community. Founded in July 2012 by the Denver South Economic Development Partnership, Prime Health is a collaboration among health care executives, physicians, technologists, academics, entrepreneurs, and investors dedicated to improving care, reducing costs, and developing a model for better healthcare nationwide through the commercialization of digital health technologies.

2019 Industry Highlights

Hospital Projects and Facility Expansions

Notable healthcare and life sciences projects and facility expansions were underway in 2019:

- Sky Ridge Medical Center opened its Free Standing Emergency Department at the northeast side of Parker and Hess roads. The Department will have 11 patient rooms, imaging services, a diagnostic lab, and a full spectrum of services.
- UCHHealth opened its new Highlands Ranch Hospital near C-470 and Lucent Blvd. and created 500 new healthcare jobs. The hospital includes 87 inpatient beds and an 85,000-square foot medical office. The facility includes a Level III neonatal intensive care unit, operating rooms, an emergency room, and more.
- AllHealth Network opened a new mental health clinic at 200 Plaza Dr. in Highlands Ranch. The organization offers traditional psychotherapy, group therapy, specialized programs for schools, outreach for homeless people, and assistance with law enforcement in dealing with mental illness with 11 locations in Arapahoe and Douglas counties.
- A new single-story medical office building totaling 12,800 square feet opened in the Meridian International Business Center. The building will house the new Rocky Mountain Fertility Center with exam rooms, in-vitro fertilization laboratory space, a yoga studio, and acupuncture/therapy areas.
- Englewood-based Denver Springs opened a new adolescent outpatient behavioral health center. The new state-of-the-art facility located at 16830 Northgate Dr. in Parker will provide partial hospitalization and intensive outpatient programs for adolescents aged 12 to 17.
- Denver Tech Center-based Delta Dental of Colorado and the Delta Dental of Colorado Foundation signed a new lease for its headquarters at 6465 S. Greenwood Plaza. The new lease for 55,438 square feet will house the company's nearly 200 people.
- Cigna moved into 136,122 square feet of space at Colorado Center, Tower III in Greenwood Village. The new space serves as the headquarters for the insurance company's Mountain States market.

Healthcare & Life Sciences Company Announcements

Key healthcare and life sciences' company announcements in 2019 included:

- Douglas County-based Aytu BioScience received approval from the U.S. Food and Drug Administration to begin distribution of its COVID-19 IgG/IgM rapid test throughout the U.S. The test delivers results in 2-10 minutes at the point-of-care that is intended to detect IgG/IgM antibodies from the SARS-CoV-2-virus in blood samples from individuals with signs and symptoms of infection who are suspected of COVID-19.
- Arapahoe County-based Catholic Health Initiatives and Dignity Health are now CommonSpirit Health, a new nonprofit Catholic health system focused on advancing health and serving communities in 21 states. The \$29 billion system operates more than 700 care sites and 142 hospitals, as well as research programs, virtual care services, home health programs, and living communities.
- Douglas County-based Viveve Medical, Inc. was included in Deloitte's 2019 Technology Fast 500, a list of the 500 fastest growing technology, media, telecommunications, life sciences, and energy technology companies in North America. The medical technology company is focused on women's intimate health.

- Centennial-based AlloSource celebrated 25 years of advancing the science and use of transplantable allogeneic cells and tissue. The company has grown from a local tissue bank to one of the largest in the nation, helping 90,000 donors around the world.
- UnitedHealthcare partnered with Boulder-based Techstars to launch a healthcare startup accelerator that will select 10 startups to participate in a three-month program. The UnitedHealth accelerator seeks to drive new healthcare innovations that support payer and care provider efforts.

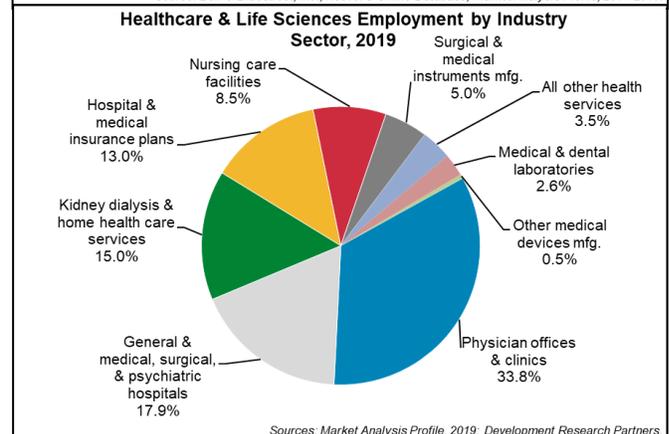
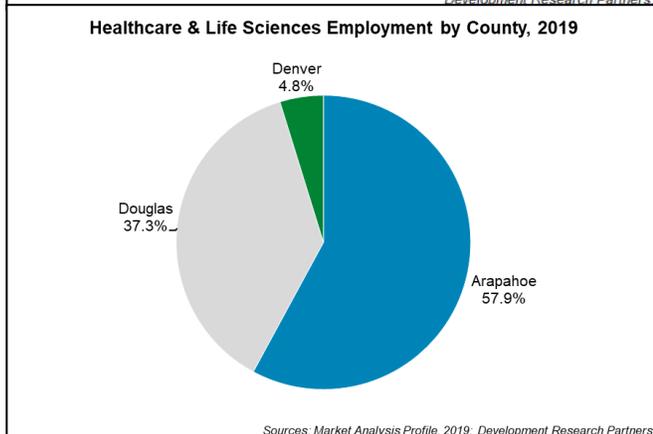
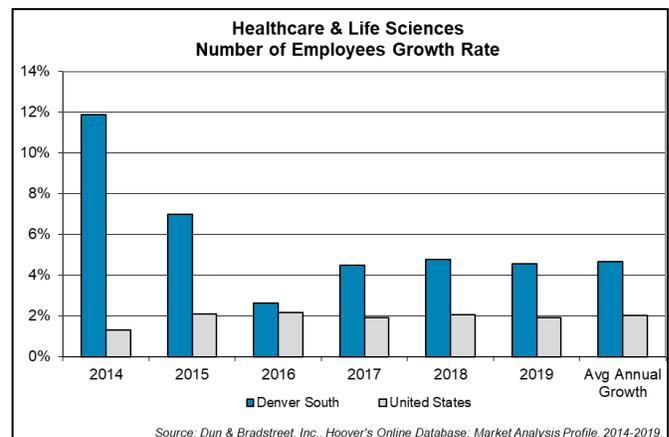
Healthcare and Life Sciences Economic Profile

The healthcare and life sciences cluster includes offices of physicians, dentists, chiropractors, optometrists, mental health practitioners, physical and speech therapists, podiatrists, and other health practitioners. The cluster includes hospitals ranging from general medical, surgical, and psychiatric to substance abuse and specialty care, and includes centers focused on family planning, outpatient mental health and substance abuse, kidney dialysis, diagnostic imaging, and emergency care. Companies focused on nursing care, assisted living, and long-term care and businesses that manufacture ophthalmic goods and medical equipment rental services are also included.

Companies in the healthcare and life sciences cluster also engineer, research, design, and manufacture medical equipment used in the healthcare industry. Further, companies that provide hospital, medical, and other health service insurance plans to enrollees or members are also included. The healthcare and life sciences cluster consists of 41, six-digit North American Industry Classification System (NAICS) codes.

Healthcare & Life Sciences Employment and Company Profile, 2019		
	Denver South	United States
Direct employment, 2019	26,860	17,641,390
Number of direct companies, 2019	2,650	1,405,470
One-year direct employment growth, 2018-2019	4.5%	1.9%
Five-year direct employment growth, 2014-2019	25.7%	10.5%
Avg. annual direct employment growth, 2014-2019	4.7%	2.0%
Direct employment concentration	7.8%	10.6%

Sources: Dun & Bradstreet, Inc., Hoover's Online Database; Market Analysis Profile, 2014-2019; Development Research Partners



Major Healthcare and Life Sciences Companies

- AllHealth Network
www.allhealthnetwork.org
- AlloSource
www.allosource.org
- Aveanna Healthcare
www.aveanna.com
- Brookdale Senior Living
www.brookdale.com
- Catholic Health Initiatives
www.catholichealthinitiatives.org
- Centura Health
www.centura.org
- Children's Hospital Colorado
www.childrenscolorado.org
- Cigna Healthcare of Colorado
www.cigna.com
- Cochlear Americas
www.cochlear.com
- CCRM Fertility
www.ccrmivf.com
- Critical Care & Pulmonary Consultants, P.C.
www.ccpemd.com
- Delta Dental of Colorado
www.deltadentalco.com
- Denver Springs
www.denversprings.com
- Envision Healthcare
www.evhc.net
- Eurofins VRL
www.eurofinsus.com
- HCA-HealthONE LLC
www.healthonecares.com
- Highlands Behavioral Health System
www.highlandsbhs.com
- Humana
www.humana.com
- Kaiser Permanente Colorado
www.kaiserpermanente.org
- Laboratory Corporation of America
www.labcorp.com
- Life Care Centers of America
www.lcca.com
- Medtronic PLC
www.medtronic.com
- MorningStar Senior Living
www.morningstarseniorliving.com
- Optimal Home Care Inc.
www.optimalhomecare.com
- Optum, Inc.
www.optum.com
- Right At Home
www.rightathome.net
- UnitedHealthcare
www.uhc.com
- US Anesthesia Partners of Colorado
www.usap.com
- Vi at Highlands Ranch
www.viliving.com
- Wind Crest, Erickson Living
www.ericksonliving.com

Major Healthcare and Life Sciences Foundations, Organizations, & Infrastructure



Venture Capital & Funding Mechanisms

- The Colorado Office of Economic Development and International Trade (OEDIT) awarded its seventh round of grants for the Advanced Industries Accelerator Programs in 2019. The programs support key industries in Colorado, including bioscience and medical device manufacturers, by providing up to \$150,000 for Proof-of-Concept grants, up to \$250,000 for Early-Stage Capital grants, and \$15,000 matching grants for businesses looking to export to global markets. Companies across the Denver South region including Englewood-based Triple Endoscopy, Inc., received awards in 2019.
- Investors and strategic partners converge at the Rocky Mountain Life Sciences Investor and Partnering Conference, led by the Colorado BioScience Association. The Conference aims to attract high-profile angel investors, venture capitalists, and representatives from large life sciences companies to meet leaders

Advanced Industries Grant Program (since inception)	
\$61M+	Awarded
450+	AI Grants to CO bioscience companies
81	New life science companies
975	New jobs
\$972M	Follow-on capital

from emerging and established life science companies from Arizona, Colorado, Montana, New Mexico, and Utah and learn about new breakthroughs emerging from the Rocky Mountain region.

- The [Boettcher Foundation’s Webb-Waring Biomedical Research Awards](#) provides biomedical research funding for early career investigators at Colorado’s research institutions. Recipients of the awards receive research grants of \$235,000, covering up to three years of biomedical research.

Healthcare and Life Sciences Workforce Profile

With 62.5 percent of the adult population having a bachelor’s degree or higher, the Denver South region provides a highly educated labor base with industry specific skills and talent. The Denver South region is home to a high concentration of healthcare and life sciences talent, which employs 7.8 percent of the region’s total employment base. According to BestHealthDegrees.com, Denver ranked among the “Top 10 Cities With the Most Health Care Jobs.” Additionally, the region is highly attractive to a younger workforce. Denver ranked No. 3 on SmartAsset’s list for “The Best Cities for Young Professionals – 2019.” The region is also home to top ranked healthcare and life sciences programs and educational institutions. The University of Colorado School of Medicine ranked 12th nationally for primary care, according to *U.S. News & World Report*. The region is also home to top-ranked life sciences programs at CU Boulder, CSU, and CU Denver.

Age Distribution

The healthcare and life sciences cluster has a larger share of employees in all age categories except the 16 to 24 years old and the 65 years and older categories. Nearly half of the employees in the healthcare and life sciences cluster is concentrated between the ages of 25 and 44 years old.

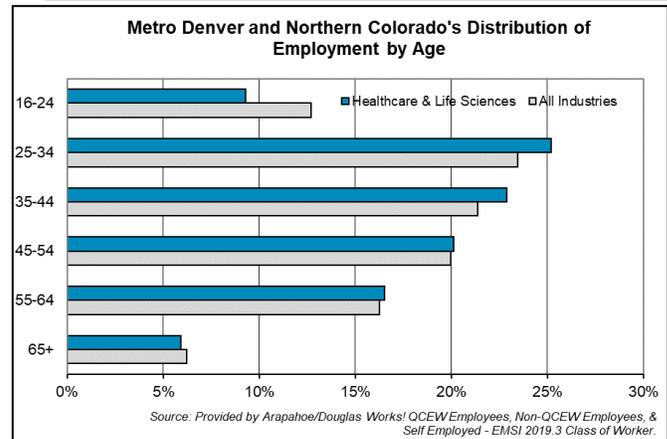
Wages

The 2018 average annual salary for workers in the healthcare and life sciences cluster was \$62,860 in the nine-county region, compared with the national average of \$62,990. Total payroll reached nearly \$11.6 billion in 2018.

Occupation & Salary Profile

The Occupation & Salary Profile below includes the 10 largest healthcare/life sciences occupations in the region. For these 10 largest occupations, the chart details the total number of workers employed in that occupation across all industries, the number of available applicants that would like to be working in that occupation, the number of recent graduates that are qualified for that occupation, and the median and sample percentile annual salaries.

- Metro Denver & Northern Colorado’s Educational Programs with Largest Number of Healthcare & Life Sciences-related graduates
- Accounting
 - Business Administration & Management, General
 - Computer Science
 - Health/Healthcare Administration/Management
 - Information Technology
 - Mechanical Engineering
 - Medical/Clinical Assistant
 - Nursing Administration
 - Nursing Assistant/Aide & Patient Care Assistant/Aide
 - Registered Nursing/Registered Nurse



Metro Denver and Northern Colorado Healthcare & Life Sciences Occupation & Salary Profile, 2019

10 Largest Healthcare & Life Sciences Occupations in Metro Denver and Northern Colorado	Total Working Across All Industries (2019)	Number of Available Applicants (2019)	Number of Graduates (2018)	Median Salary	10th Percentile Salary	25th Percentile Salary	75th Percentile Salary	90th Percentile Salary
1. Registered nurses	37,944	1,001	2,647	\$73,768	\$54,396	\$62,104	\$87,921	\$100,214
2. Personal care aides	22,767	601	35	\$25,038	\$21,328	\$22,842	\$29,508	\$36,616
3. Nursing assistants	14,489	382	1,380	\$33,134	\$26,333	\$29,204	\$37,283	\$40,683
4. Business operations specialists, all other	36,497	963	53	\$75,567	\$43,759	\$56,278	\$100,452	\$129,838
5. Medical assistants	8,395	221	1,061	\$36,575	\$27,214	\$31,506	\$42,260	\$48,743
6. Receptionists & information clerks	13,913	367	0	\$32,452	\$22,280	\$26,202	\$38,774	\$45,430
7. Home health aides	6,450	170	92	\$26,283	\$21,453	\$23,492	\$30,584	\$35,938
8. Dental assistants	5,875	155	411	\$41,247	\$28,375	\$34,049	\$48,959	\$56,292
9. Substance abuse, behavioral disorder, & mental health counselors	5,867	155	211	\$45,354	\$27,046	\$34,099	\$59,710	\$74,998
10. Office clerks, general	36,983	976	0	\$38,974	\$24,288	\$30,136	\$50,001	\$62,864

Notes: The number of available applicants is a point-in-time measurement of the number of people who have registered in Colorado’s workforce development system’s statewide database, Connecting Colorado, as being able and available to work in a particular occupation. Results should be interpreted with caution since registration in Connecting Colorado is self-reported. In addition, the skills rubric may assign up to four occupation codes for each registrant. Therefore, the number of available applicants could be inflated. *Source: Provided by Arapahoe/Douglas Works!; QCEW Employees, Non-QCEW Employees, & Self Employed - EMSI 2019.3 Class of Worker.*

For additional information, contact us:



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