

Healthy Economy, Healthy Colorado

*A Strategic Action Plan
for Colorado's Health
and Wellness Industry*

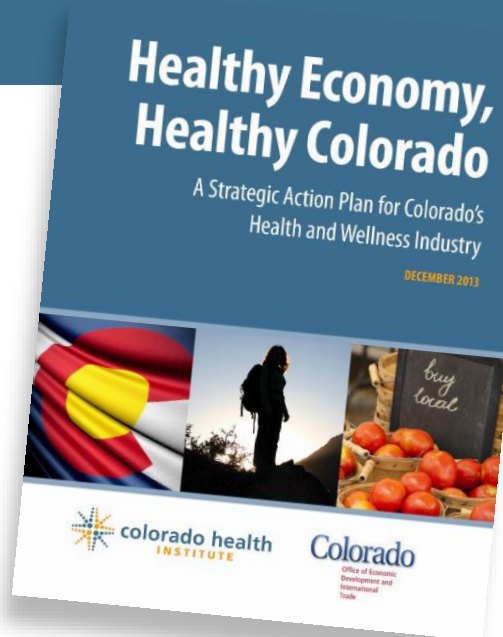
March 12, 2014

CHIMMS Advocacy Day



A Statewide Project

- The Action Plan:
Five Areas
of Focus
 - What informed
our thinking
 - How we will
get there



The Governor's Key Industry Process

- Rooted in bottom-up approach:
Colorado Blueprint Economic Development Plan
- 14 key industries
- Success through:
 - Shared data and information
 - New partnerships and stronger networks
 - Alignment of interests



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Boosting Local Competitiveness, Driving Growth

1. Build a business-friendly environment.
2. Retain, grow and recruit companies.
3. Increase access to capital.
4. Create and market a stronger Colorado brand.
5. Educate and train the workforce of the future.
6. Cultivate innovation and technology.



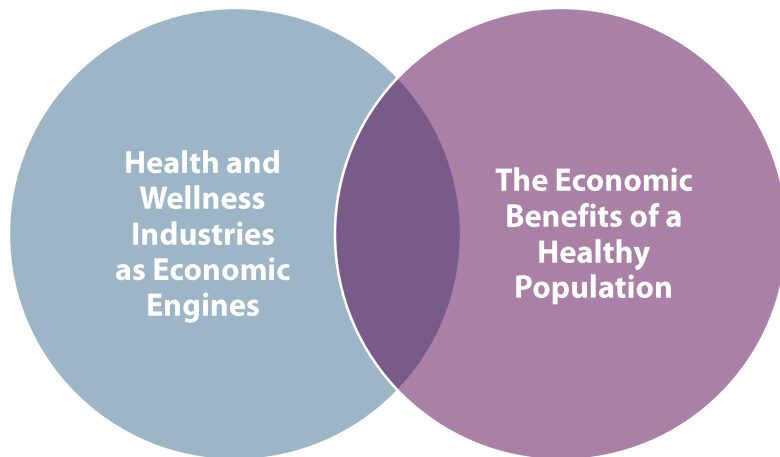
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Defining Health and Wellness



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Health, Wellness and Economic Development: Bringing it All Together



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Three Takeaways

- Colorado's health and wellness industry is a **powerful economic driver** for the state.
- Colorado has a **unique opportunity** to leverage the strength of this sector, becoming the premier national destination for prevention and wellness, high quality health care services and outdoor recreation.
- This strategic action plan reflects the thinking of industry leaders. It is a plan **by the industry and for the industry.**



The Vision: By the Industry, For the Industry



Colorado's health and wellness industry will drive economic growth, improve health outcomes and promote a stronger, more productive workforce.



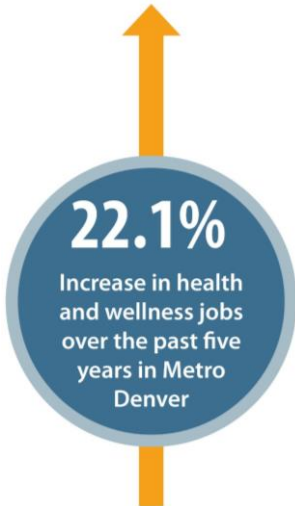
Setting the Stage

- **Action Plan:** Created by industry leaders.
- **Research:** Conducted by the Colorado Health Institute.
- **Solid Start:** Many organizations, associations and initiatives already exist.
- **Goal:** Leverage what's out there.



*Setting the Stage:
Key Industry Characteristics*

Health and Wellness is Booming



Growth within Colorado's Health and Wellness Industry has:

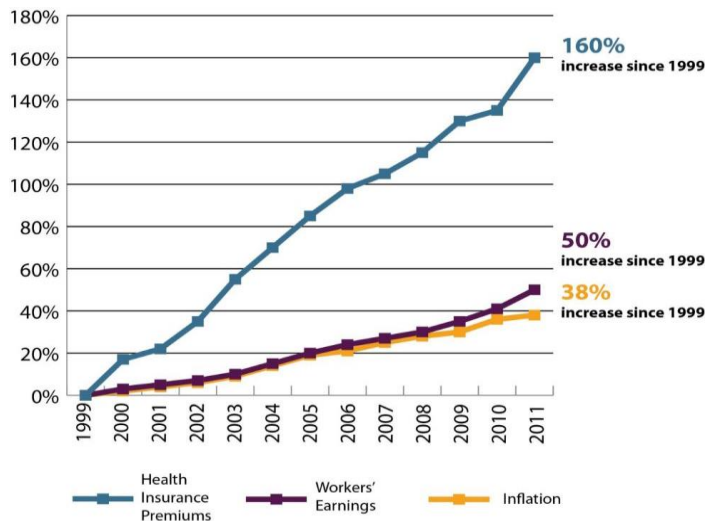
- Been a significant economic driver
- Continued despite recession
- Far outpaced national average
- Outpaced every industry in the state except energy

Source: Metro Denver Economic Development Corporation



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Growing Health Care Costs a Major Concern



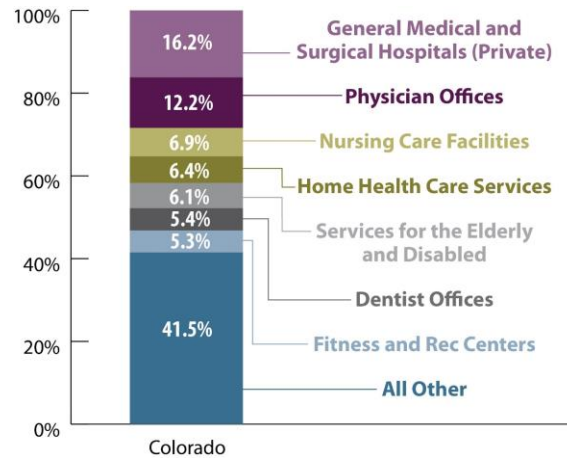
Sources: <http://ftp.bls.gov/pub/suppl/empst/cese2.txt>, <http://ftp.bls.gov/pub/specialrequests/cpi/cpiat.txt>



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Traditional Health Care Dominates the Industry

Top Health and Wellness Sectors by Employment



Source: Colorado Dept of Labor and Employment, 2012

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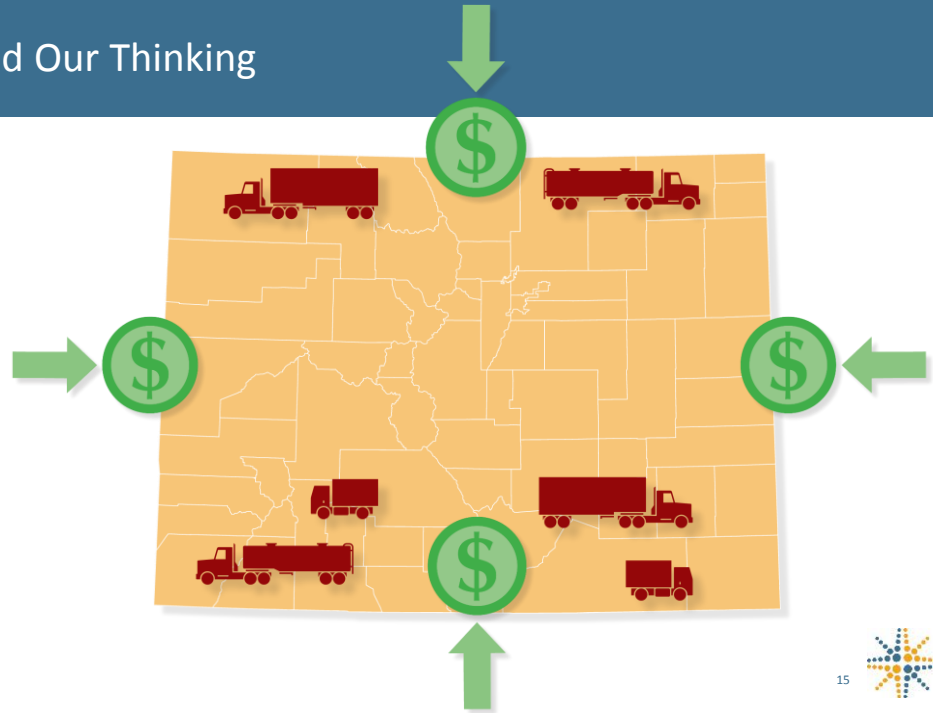


Focus Number One

Position *Health and Wellness* as an export business by developing products and services that can be marketed and sold in markets across the nation and internationally.

What Informed Our Thinking

What are the revenue streams that we can build to bring new dollars into the state?



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Action Plan: Recommendations

- **Invest in regional hubs and centers of excellence.**
 - Health care delivery systems
 - Wellness tourism
- **Target high-growth companies.**
 - Evaluate states with effective tax policies and incentives
- **Raise awareness of high-growth areas.**
 - Digital health
 - Back office operations
 - Supply chain
 - Wellness programs for employers

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Focus Number Two

Leverage business opportunities created by a significant increase in the number of people with health insurance and a growing demand for wellness services.

What Informed Our Thinking



Unprecedented Expansion of Insurance Coverage
More than 500,000 uninsured Coloradans expected to gain coverage under the Affordable Care Act



The Senior Tsunami
State's senior population (65+) is expected to nearly double between 2010-2025

The New York Times Magazine



Action Plan: Recommendations

- **Strengthen current health and wellness companies.**
 - Reduce uncertainty about reform.
 - Actively look to reduce health care costs.
- **Identify new businesses.**
 - Partner with Colorado Business Intelligence Center.
 - Recruit fastest-growing health and wellness companies.



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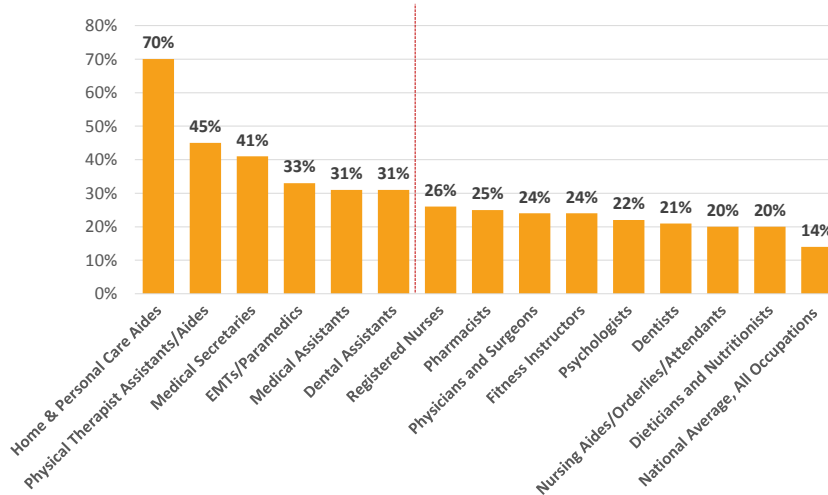


Focus Number Three

Establish collaborative workforce strategies and educational programs that reflect the current and future needs of health and wellness employers.

What Informed Our Thinking

Projected Job Growth Nationwide, 2010-2020



Source: Bureau of Labor Statistics Occupational Handbook

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Action Plan: Recommendations

- **Leverage** ongoing educational efforts around science, technology, engineering and mathematics (STEM) and career ladders.
- **Invest** in new technologies and the companies that can bring them to market.
 - Telehealth, remote monitoring



STEM

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Focus Number Four

Invest in creating high-paying, high-demand jobs, such as those in health care information technology.

What Informed Our Thinking

Comparing Jobs and Wages, Health and Wellness Segments and All Industries, Colorado and the United States

	Colorado Job Growth, 2008-12	U.S. Job Growth, 2008-12	Average Annual Earnings, Colorado 2013	Average Annual Earnings, U.S. 2013
Prevention and Wellness	+6.8%	+6.3%	\$25,548	\$26,132
Health Care Delivery Systems	+12.4%	+7.5%	\$57,283	\$57,771
Health Care Suppliers	+4.3%	-3.9%	\$96,378	\$105,637
Health and Wellness Industry	+10.9%	+6.7%	\$54,581	\$57,142
All Industries	+1.0%	0.0%	\$51,652	\$51,548

Source: EMSI Database



Action Plan: Recommendations

- **Increase** attractiveness of Colorado.
 - Reduce health care costs for business.
 - Market lifestyle and brand at national forums.
 - Host highly-visible conference in digital, IT or wellness app space.
- **Leverage** high-skilled workforce and other leading clusters.
 - Financial services and IT.



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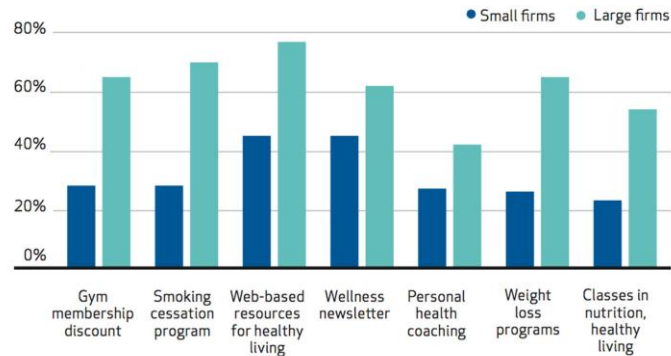


Focus Number Five

Build infrastructure and support for established companies and start-ups, especially in the wellness sector.

What Informed Our Thinking

Percentage of Companies Offering a Particular Wellness Program to Their Employees, by Firm Size, 2012



SOURCE Kaiser Family Foundation and Health Research and Educational Trust, "Employer Health Benefits: 2012 Annual Survey," September 11, 2012. **NOTE** "Small firms" are those with 3-199 workers; "large firms" are those with 200 or more workers.



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Classifying Wellness Programs



Rosenbaum, S. (2013). Update: Non-Discriminatory Wellness Program Final Rules. *Health Reform GPS*. www.healthreformgps.org.



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Action Plan: Recommendations

- **Accelerate** Colorado companies adopting wellness programs.
 - Identify evidence-based wellness practices.
 - Quantify economic impact of practices.
 - Disseminate information to employers.
- **Grow and recruit** wellness innovation.
 - Target and recruit wellness companies to locate in Colorado.
 - Build on forums for innovators in wellness space.



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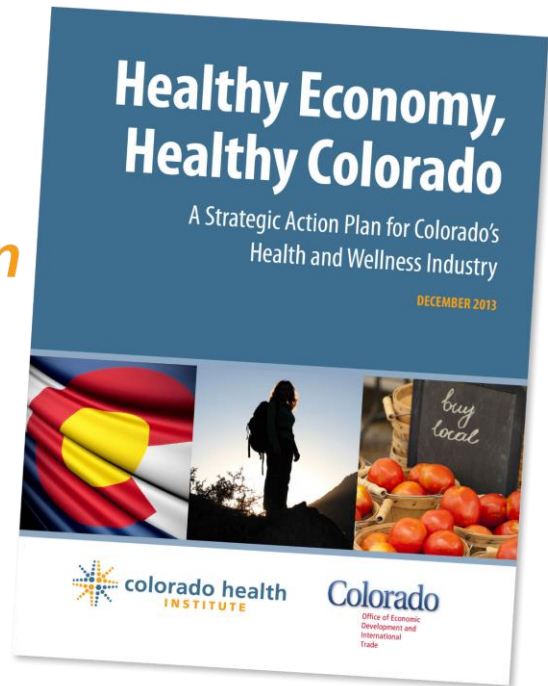


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Read or download
the full report:

<http://bit.ly/1gn4qen>

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 #HealthyCOActionPlan



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