

Alaska's Hospitals



Employment has grown steadily to serve a bigger, older population

By **MALI ABRAHAMSON**

As with health care overall, employment in Alaska's hospitals has grown steadily over the past 15 years. Two new hospitals opened — one in Nome and one in Wrangell — and a number of others expanded or moved into new facilities to serve a growing population. (See Exhibit 1.)

The state has fewer hospital jobs per capita than the national average, and Alaska's size and the remoteness of many populated areas complicates access. However, stronger-than-average growth over the past decade has brought the state's hospital jobs up to about 4 percent of total wage and salary employment, close to the nation's 4.4 percent.

How Alaska's early hospitals were established

Alaska's hospitals were established in the same pattern as early Euro-American exploration and settlement. The first American hospital in Alaska opened in Sitka in 1867 at the site of a former Russian hospital that had been operating since around 1820.

Although that first hospital was an army post, many of the hospitals that followed were founded by mission-



Alaska Native laborers move a hospital building on St. Paul Island Aug. 24, 1914. Photo by Wilfred Hudson Osgood and Edward Alexander Preble. Photo courtesy of the Freshwater and Marine Image Bank at the University of Washington

aries as they arrived and settled throughout the early 1900s. Religious organizations have long been providers of traditional health care, and they were instrumental in establishing facilities in the frontier towns as they grew. Catholic nuns founded the first hospital in Juneau, and Episcopalians opened a log cabin hospital in Skagway. The health care legacy of churches remains strong, with two of the larger hospitals in Alaska, Providence in Anchorage and Peace-Health in Ketchikan, owned by religious organizations.

The U.S. Bureau of Education was the other major

force behind establishing Alaska's hospitals alongside the assorted social services it delivered in the territorial days. The agency built hospitals in Juneau, Unalaska, Akiak, Noorvik, and Tanana. That role shifted to the Bureau of Indian Affairs in 1931, which continues to provide care at federally owned hospitals and through transfers and joint ventures with Alaska Native organizations.

How hospitals are categorized

The U.S. Bureau of Labor Statistics and the U.S. Census define hospitals as facilities that provide inpatient medical, diagnostic, and treatment services that include physician, nursing, and other health services, plus the specialized accommodation services required for inpatient care. Hospitals may also provide outpatient

services, but as a secondary activity. As this definition suggests, the line between hospitals and outpatient facilities can be blurry.

Hospitals are divided into general medical and surgical hospitals, psychiatric and substance abuse hospitals, and specialty hospitals. Alaska has one psychiatric and substance abuse hospital and one specialty hospital, and the U.S. Department of Health and Human Services identifies 21 general hospitals, including religious and tribal organizations.

For the purpose of administering Medicare, the department divides general hospitals into two categories: critical access and acute care. (See Exhibit 2.) *Acute care* hospitals are what we typically think of as larger city hospitals. *Critical access* facilities are in rural areas and must provide 24-hour emergency care. They have a limited number of beds and limits on how long a patient can stay, and are far away from other hospitals.

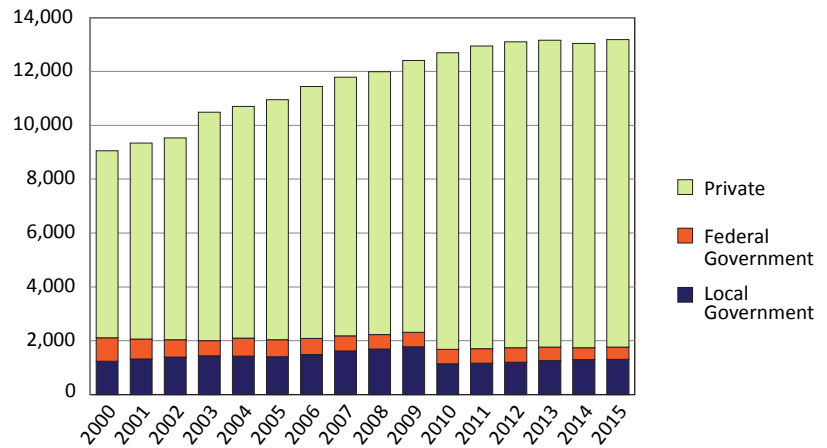
Most employment is in private hospitals

The bulk of hospital employment is in the private sector (11,420 jobs), and those facilities are often the largest private employers in rural areas.

Alaska also has a small amount of government hospital employment. Six local government-owned hospitals employed 1,316 in 2015, and

1 Private Hospital Jobs Continue to Rise

ALASKA, 2000 TO 2015



Source: U.S. Bureau of Economic Analysis

2 General Hospitals by Type, Place ALASKA, 2016

Hospital	Location	Type	Ownership
Yukon-Kuskokwim Delta Reg Hospital	Bethel	Acute Care	Private
Alaska Native Medical Center	Anchorage	Acute Care	Private
Samuel Simmonds Memorial Hospital	Barrow	Critical Access	Private
Bartlett Regional Hospital	Juneau	Acute Care	Local
Sitka Community Hospital	Sitka	Critical Access	Local
Providence Valdez Medical Center	Valdez	Critical Access	Private
Providence Seward Hospital	Seward	Critical Access	Private
Petersburg Medical Center	Petersburg	Critical Access	Local
Wrangell Medical Center	Wrangell	Critical Access	Local
Cordova Community Medical Center	Cordova	Critical Access	Local
Alaska Regional Hospital	Anchorage	Acute Care	Private
Norton Sound Regional Hospital	Nome	Critical Access	Private
Providence Alaska Medical Center	Anchorage	Acute Care	Private
Peace-Health Ketchikan Medical Ctr	Ketchikan	Critical Access	Private
Fairbanks Memorial Hospital	Fairbanks	Acute Care	Private
Central Peninsula General Hospital	Soldotna	Acute Care	Private
Mat-Su Regional Medical Center	Palmer	Acute Care	Private
Mt. Edgecumbe Hospital	Sitka	Acute Care	Private
Providence Kodiak Island Medical Ctr	Kodiak	Critical Access	Private
Kanakanak Hospital	Dillingham	Critical Access	Private
South Peninsula Hospital	Homer	Critical Access	Local

Note: Does not include military, substance abuse, or specialty hospitals
 Source: U.S. Department of Health and Human Services, Center for Medicaid and Medicare Services

the federal government employed about 450 in the Indian Health Service and at two military facilities: Bassett Hospital on Fort Wainwright in Fairbanks and Joint Base Elmendorf-Richardson near Anchorage.

As hospitals have continued to expand, their overall employment has increased by about 3 percent per year since 2000, with the vast majority of the growth in private facilities. Private employment alone increased by 65 percent between 2000 and 2015.

Average wages also continued to grow during that period, rising by an average of 1.5 percent per year. Total wages paid to hospital employees more than doubled over that 15-year period, reaching \$900 million in 2015.

Municipal-run hospital employment has remained mostly flat, and federal hospital employment has been cut in half since 2000, because some of those services have been ceded to tribal corporations over time. (See Exhibit 1.)

Most common jobs are in nursing

In 2015, more than 16,740 people worked in Alaska hospitals. The workforce included a veritable army of

nurses: more than 4,200 registered nurses and 1,500 nursing assistants. Alaska also had 464 health care managers, 600 therapists, 564 physicians and surgeons, and hundreds of technicians and technologists.

To help run these large enterprises, hospitals also employ various managers and administrative, maintenance, and food service workers. (See Exhibit 3.)

3 Hospital Occupations and What They Pay

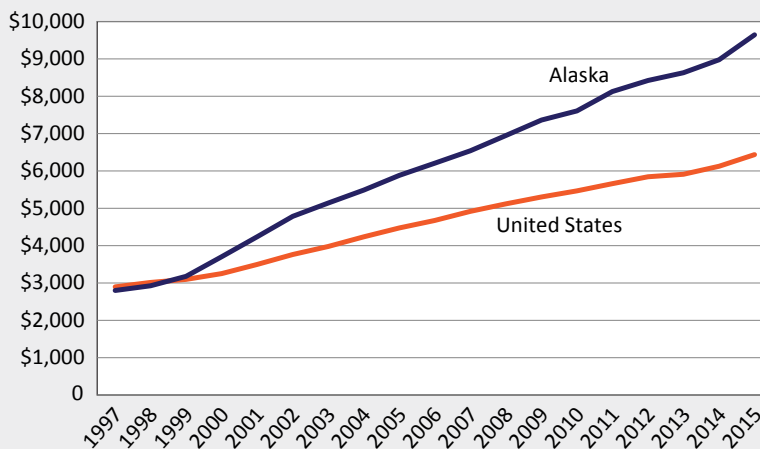
ALASKA, 2015

Occupations	Number of workers	Average wages
Health Care Practitioners and Technical Occupations	8,090	\$65,593
Health Care Support Occupations	2,628	\$28,488
Office and Administrative Support Occupations	2,146	\$34,922
Management Occupations	980	\$94,067
Building and Grounds Cleaning and Maintenance Occs	550	\$29,792
Community and Social Services Occupations	476	\$39,497
Food Preparation and Serving Related Occupations	425	\$28,222
Business and Financial Operations Occupations	265	\$55,034
Computer and Mathematical Occupations	217	\$61,331
Installation, Maintenance, and Repair Occupations	211	\$52,551
Protective Service Occupations	141	\$35,220
Production Occupations	110	\$38,253
Education, Training, and Library Occupations	97	\$37,705
Construction and Extraction Occupations	92	\$72,113
Architecture and Engineering Occupations	84	\$65,090
Personal Care and Service Occupations	75	\$22,265
Life, Physical, and Social Science Occupations	60	\$44,983
Transportation and Material Moving Occupations	34	\$49,586
Arts, Design, Entertainment, Sports, and Media Occs	27	\$37,823
All Other Occupations	32	\$46,733
Total	16,740	\$53,304

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

4 Alaska's High Per Capita Hospital Expenses

VERSUS THE UNITED STATES AVERAGE, 2000 TO 2015



Alaskans spend more per capita on hospital care than any other state, at an average of \$9,600 per year. The U.S. average is \$6,400.

Source: U.S. Bureau of Economic Analysis



Above, St. John's Hospital in Ketchikan was part of St. John's Episcopal Church, on its right. This photo was taken in 1904 by John Nathan Cobb.

At right, actress Olivia DeHaviland visits with PhM1/C Arthur J. Dodd at the Naval Air Station hospital in Kodiak on March 20, 1944. Photo courtesy of the National Museum of the U.S. Navy



These employment numbers don't fully capture the economic impact of hospitals, which also employ a substantial number of subcontractors. For example, some facilities hire a catering service for the cafeteria or use a separate restaurant franchise. Other specialty or ambulatory health care services may also be housed in and affiliated with a hospital, but may be independently owned.

Mostly women, older, and mobile

Hospitals employ far more women than men. About 75 percent of hospital workers were women in 2015, and 80 percent of registered nurses and 85 percent of nursing assistants were female. Women also outnumbered men in management, which is unusual for most industries — but more top hospital executives were male.

Hospital workers were also older than most workers. In 2015, they were a median 42.7 years old versus 38 statewide, with managers skewing older and health support workers tending to be younger.

Hospitals have a lot of turnover, with about half of hospital employees having worked there for fewer than three years. Much of the movement includes workers such as resident doctors matriculating through their programs. Many working in hospitals also have a range of options because their skills are in high demand.

Among those working in a hospital in 2015, 13 percent had been working in hospitals for 15 or more years, and most of them had stayed at the same facility.

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