



HP file photo

A worker rinses cement away at the construction site of Lakeland Health's \$160 million expansion in St. Joseph. Health care is growing economic sector and employer in Southwest Michigan.

# Survey shows health care industry expanding

**Kinexus projects growth, despite federal uncertainty**

By **TONY WITKOWSKI**  
HP Staff Writer

**BENTON HARBOR** — During a week that's produced a ton of focus on this country's health care, Kinexus released its data concerning a survey of local health care providers.

In its latest survey, Kinexus reported that Southwest Michigan health care providers are expanding service offerings and facilities while balancing the regulatory uncertainty.

"Health care is one of our region's most vital industries, providing an estimated 10,571 jobs and \$609 million in economic impact on Berrien, Cass, and Van Buren counties," said Todd Gustafson, CEO of Kinexus. "We hope the data collected can be a resource for the regional health care providers as we work to address their business challenges and provide them with long-term, sustainable solutions."

This was the second survey in a series Kinexus has

done looking at specific job markets in Berrien, Cass and Van Buren counties.

Kinexus first launched this series of surveys in 2016 with the intent to gauge industry sector needs, develop benchmark information, and aid in the region's economy.

Of the 424 health care employers in the tri-county area, 11 percent of the industry responded to the survey.

Nationally, the health care sector is struggling with rising costs, uneven regulatory standards, and transformation to value-based health care.

Despite the concerns, Kinexus discovered that tri-county providers are trending in the right direction and are poised to grow at 10.1 percent by 2024 compared to the nation's projected growth at 19.8 percent.

Medical advancements, technology implementation, and an increase in aging population have led Southwest Michigan providers to begin short- and long-term planning. Nearly 54 percent of survey participants indicated they will be undergoing an expansion of services, increasing their

footprint over the next two years or are currently expanding.

These expansions align with the current data for the tri-county area.

With 18 percent of Berrien, Cass and Van Buren counties' population being 65 or older — representing about 50,770 individuals — Gustafson said it's important to have the infrastructure in place to support those who are in need of patient care services.

Local health care providers reported they are facing many constraints within the industry, such as limited training facilities and the doubt lawmakers created by plans to repeal and replace the Affordable Care Act.

Nearly half the health care providers indicated the lack of applicants applying was a concern in terms of talent recruitment.

As the local population and health care needs grow, area employers are struggling to find the talent needed for trained medical professionals — specifically licensed professionals like registered nurses and social workers. The average annual salaries of these positions in the area but reg-

istered nurses at \$59,342, certified nursing assistants at \$27,206 and social workers at \$44,782.

"With the continued growth and talent requirements of the health care industry, we need to focus on increasing the availability of educational training facilities to enhance program completions to meet demand," Alex Grumbine, director of Business and Industry at Kinexus, said in a news release. "We do not see a lack of individuals interested in pursuing careers in health care, but more lack in infrastructure to train the number of people interested in programs."

However, that's not universally the case in Southwest Michigan.

Southwestern Michigan College is planning a \$9.6 million expansion to add an additional 17,000 square feet to its Nursing and Health Education wing for the fall 2018 classes.

Lakeland Health has continued to update its facilities, which includes a \$160 million expansion that was announced in August.

Kinexus' survey results also revealed that 57 percent

See **KINEXUS**. page B2

## KINEXUS

From page B1

of health care providers reported they are including more training and development for existing staff to overcome any “talent issues.”

In addition to the talent infrastructure crunch, almost 40 percent of survey takers indicated applicants are looking for more pay as the second largest issue disrupting recruitment efforts.

Regulatory uncertainty has carried over to local health care providers as the leading current strategic planning concern. About 70 percent of participants stated regulatory impacts over the next one to two years could affect the landscape of patient care and service providers.

The Benton Harbor-based economic development organization completed and released results from its manufacturing sector survey in July that revealed a need for more qualified applicants in the Southwest Michigan region.

Kinexus is a nonprofit organization that invests millions in funding each year in Berrien, Cass, and Van Buren counties through business, workforce and community development.

*Contact: [twittkowski@TheHP.com](mailto:twittkowski@TheHP.com), 932-0358, Twitter: @TonyWittkowski*