



# Healthcare

## *Industry Conditions*

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Sacramento's healthcare landscape reemerges as a bright spot in the region's business forecast, welcoming 2024 with arms wide open. Healthcare executives, buoyed by the sector's slow but continued recovery and improving finances, are resuming and initiating plans for expansion.

Sutter Health, led by CEO Warner Thomas, is acquiring and building clinics both within and outside of the Sacramento region and is strengthening Sutter's draw through strong leadership investments. California Northstate University (CNU) CEO Alvin Cheung's visionary leadership continues to grow CNU's expanding empire with a massive remodeling of space underway for the College of Dental Medicine and clinic. The university is also working with state regulators to commence construction of CNU's teaching hospital and medical campus in Natomas. Kaiser Permanente's bid to build an acute care hospital and ancillary buildings in the Sacramento Railyards development site is seeing recent movement with state regulators, suggesting forward momentum in this project. And UC Davis Health's California



Railyards Construction Site

Photo Credit: Dennis McCoy | Sacramento Business Journal

Tower expansion is underway, led by CEO David Lubarsky and a formidable team of design and construction specialists.

The pummeled regional healthcare labor force is being steadily revitalized through the strong commitments by executive teams to staff training and infrastructure. Investments in employee diversity, inclusion, and wellness are already attracting talent from across the nation. Missions and executable goals centered on providing accessible care to the tens of thousands of underserved in Sacramento create purposeful work that increases employee satisfaction. This focused mission is being observed in hospital organizations, centers for medical education, and clinics. One Community Health, an FQHC led by CEO Michelle Monroe, recently acquired two large properties in Sacramento that will double their capacity when construction is complete in the next 2-3 years. Although wages for much of the healthcare sector remained steady, significant increases were seen in areas hardest hit by the pandemic, including skilled nursing, assisted living facilities, and mental health facilities. This increase brings greater wage equality to these vital frontline workers (Sac Business Journal, Nov. 2023).

A relentless focus on medical education is also propelling Sacramento forward as a highly desirable location for prospective students of medicine and healthcare. In addition to medical school training at UC Davis Health

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and California Northstate University, the region supports graduate physician residency and fellowship training programs as well as master's and doctorate student training. The region is increasing our output of trained physicians; Sutter Health alone has announced plans to quadruple the number of physicians trained by the end of the decade. Equally impressive, prospective nursing students have many choices among nearly a dozen public and private programs in Sacramento. California Northstate University recently announced approval by the Board of Registered Nursing to move forward with the CNU College of Nursing which will begin matriculating students in fall 2024.