



Nevada's healthcare industry has been one of the state's fastest-growing economic sectors in recent years, easily outpacing the growth of Nevada's economy as a whole. However, despite this strong and steady growth, Nevada continues to have a significantly smaller healthcare sector compared to the national average, both in terms of healthcare GDP per capita and the industry's share of overall GDP. While the sector's relatively small size has in some ways impacted the efficacy of the state's healthcare system as the population has grown, it is also an indication of potential growth opportunities for an industry that has been resilient even during recessionary periods.

Economic Briefing

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In 2016 Nevada's healthcare and social assistance industry contributed \$8.9 billion to the state's GDP, roughly 6 percent of Nevada's total output, up from 4.2 percent in 2005. Much of healthcare's gain relative to the rest of the state economy came during the Great Recession and subsequent downturn. Between 2005 and 2012 the state averaged 0.8 percent annual GDP growth, weighed down by the negative recession years. During the same period the healthcare sector grew 4.9 percent annually, and it has grown even faster in the years since, expanding by 5.9 percent annually between 2013 and 2016. Despite this rapid expansion, Nevada's healthcare industry's relative size trails that of the national healthcare sector, which accounts for 7.4 percent of U.S. GDP.

Contributing to the small size of Nevada's healthcare system is the rapid population growth that the state has experienced over the past few decades. While the state's population has exploded, averaging 3.7 percent growth per year since 1980 compared to 1.0 percent

nationwide, the number of doctors and medical professionals who call the state home has struggled to keep up. Nevada ranks 48th in the nation in terms of doctors per 100,000 residents with 244.9, well behind the national average of 344.4, according to the U.S. Health Resources and Services Administration. The state has made a number of changes to help alleviate the strain of this physician shortage, including allowing nurse practitioners (APNs) and physician's assistants (PAs) greater freedom in their practices. The number of APNs and PAs in Nevada has grown considerably in recent years, both more than doubling in number per 100,000 residents over the past decade. However, even with these increases, Nevada ranks 38th in PAs per 100,000 residents and last in the country for the number of APNs.

The recent expansion of Nevada's healthcare industry has also been fueled by increasing demand as the number of people with health insurance has increased significantly. Since the Affordable Care Act was passed in 2010, Nevada has seen the

MONTHLY Employment Indicators

Nevada Employment		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
1,346,600	1,340,700	1,303,800
GROWTH RATE	0.4% ▲	3.3% ▲

Nevada Private Average Weekly Hours Worked		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
34.3	34.6	34.4
GROWTH RATE	-0.9% ▼	-0.3% ▼

Nevada Unemployment Rate		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
4.9%	4.8%	6.3%
GROWTH RATE	0.1% ▲	-1.4% ▼

TRAILING 12-MONTH Employment Indicators

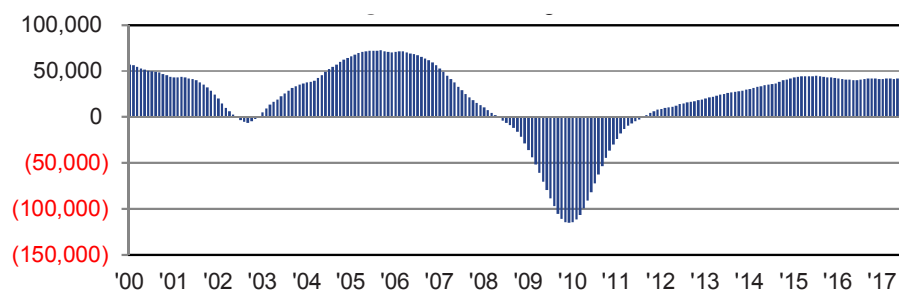
Nevada Employment ⁽¹⁾		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
1,327,717	1,324,150	1,286,033
GROWTH RATE	0.3% ▲	3.2% ▲

Nevada Private Average Weekly Hours Worked (1)		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
34.1	34.1	33.7
GROWTH RATE	0.0% ◆	1.1% ▲

Nevada Unemployment Rate (1)		Aug-17
Current Period	Prev. Period	Same Period Prev. Yr.
5.0%	5.1%	6.2%
GROWTH RATE	-0.1% ▼	-1.2% ▼

Notes: (1) Trailing 12-month/4-quarter averages.
(2) Trailing 12-month/4-quarter totals.

NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



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MONTHLY & QUARTERLY
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
10,728	11,131	10,962
GROWTH RATE	-3.6% ▼	-2.1% ▼

Nevada Residential Housing Units Permitted

Jul-17

Current Period	Prev. Period	Same Period Prev. Yr.
1,576	1,818	1,422
GROWTH RATE	-13.3% ▼	10.8% ▲

Nevada Taxable Retail Sales

Jul-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$4,696,710,631	\$5,109,965,054	\$4,460,349,844
GROWTH RATE	-8.1% ▼	5.3% ▲

Nevada Gross Gaming Revenue

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$989,510,649	\$997,969,300	\$861,137,241
GROWTH RATE	-0.8% ▼	14.9% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
4,638,278	4,726,430	4,448,018
GROWTH RATE	-1.9% ▼	4.3% ▲

Clark/Washoe County Visitor Volume

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
4,349,586	4,623,806	4,362,848
GROWTH RATE	-5.9% ▼	-0.3% ▼

Nevada New Business Creation

Q1 '17

Current Period	Prev. Period	Same Period Prev. Yr.
-2,702	109	1,589
GROWTH RATE	-2578.9% ▼	-270.0% ▼

Nevada Housing Price Index

(Q1 1991 = 100)

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
221.5	218.8	206.1
GROWTH RATE	1.2% ▲	7.5% ▲

Clark County Office Market Vacancy Rate

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
19.3%	19.7%	20.6%
GROWTH RATE	-0.4% ▼	-1.3% ▼

Nevada Hotel/Motel Occupancy

Q2 '17

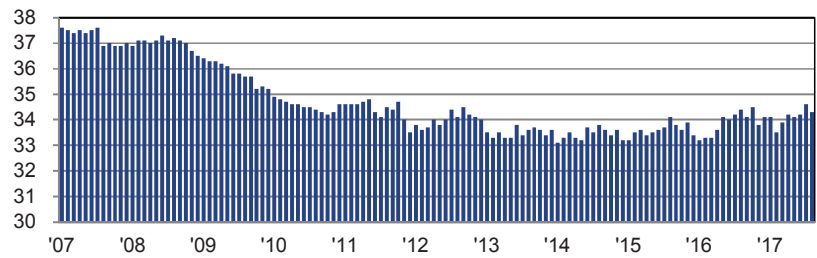
Current Period	Prev. Period	Same Period Prev. Yr.
84.8%	81.5%	84.4%
GROWTH RATE	3.3% ▲	0.4% ▲

State of Nevada Personal Income

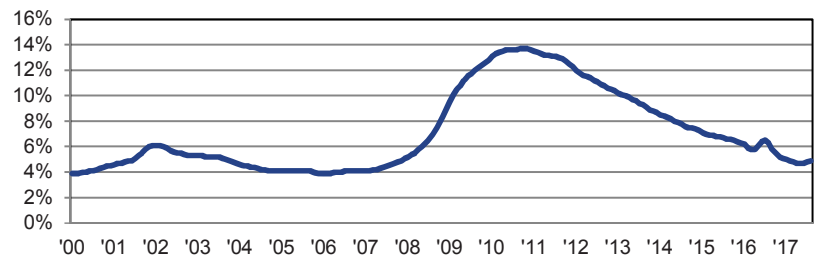
Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
\$33,313,674,750	\$32,879,691,750	\$31,802,621,000
GROWTH RATE	1.3% ▲	4.8% ▲

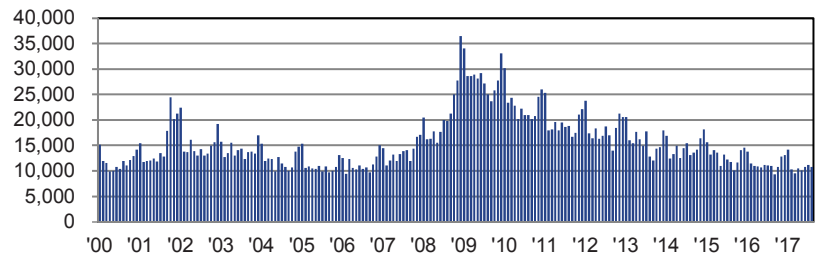
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



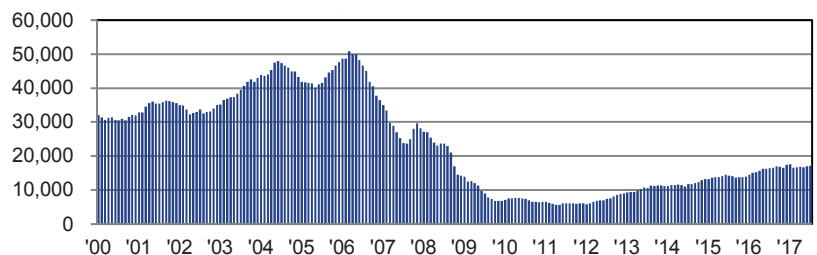
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



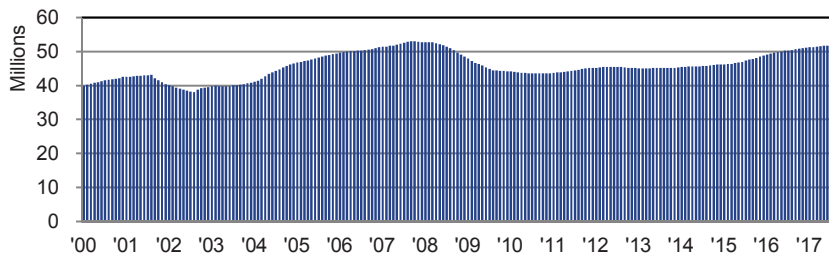
NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES



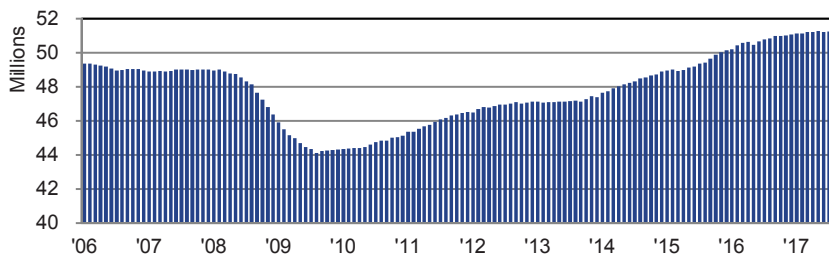
NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



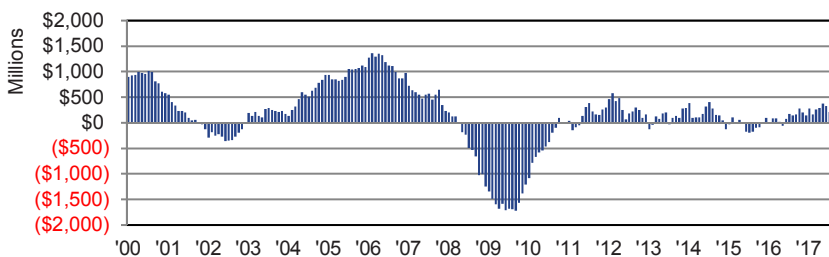
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS
TRAILING 12-MONTH TOTALS



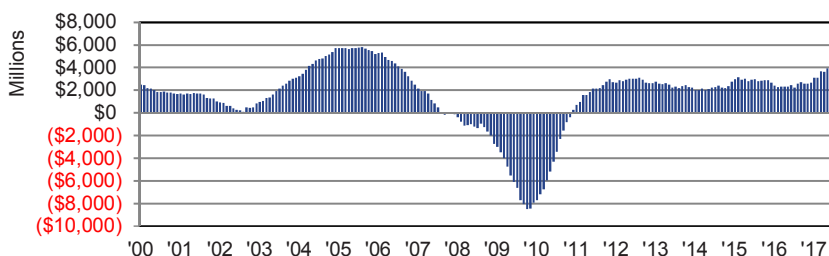
CLARK/WASHOE COUNTY VISITOR VOLUME
TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA GROSS GAMING REVENUE
TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA TAXABLE RETAIL SALES
TRAILING 12-MONTH TOTALS



TRAILING 12-MONTH
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims ⁽²⁾

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
133,291	133,525	141,090
GROWTH RATE	-0.2% ▼	-5.5% ▼

Nevada Residential Housing Units Permitted ⁽²⁾

Jul-17

Current Period	Prev. Period	Same Period Prev. Yr.
17,069	16,915	16,419
GROWTH RATE	0.9% ▲	4.0% ▲

Nevada Taxable Retail Sales ⁽²⁾

Jul-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$56,784,102,317	\$56,547,741,530	\$52,916,534,141
GROWTH RATE	0.4% ▲	7.3% ▲

Nevada Gross Gaming Revenue ⁽²⁾

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$11,555,341,389	\$11,426,967,981	\$11,166,834,329
GROWTH RATE	1.1% ▲	3.5% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers ⁽²⁾

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
52,158,962	51,968,702	50,407,003
GROWTH RATE	0.4% ▲	3.5% ▲

Clark/Washoe County Visitor Volume ⁽²⁾

Aug-17

Current Period	Prev. Period	Same Period Prev. Yr.
51,217,478	51,230,740	50,835,537
GROWTH RATE	0.0% ◀	0.8% ▲

Nevada New Business Creation ⁽²⁾

Q1 '17

Current Period	Prev. Period	Same Period Prev. Yr.
-1,440	2,851	3,684
GROWTH RATE	-150.5% ▼	-139.1% ▼

Nevada Housing Price Index ⁽¹⁾

(Q1 1991 = 100)

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
215.8	212.0	199.6
GROWTH RATE	1.8% ▲	8.1% ▲

Clark County Office Market Vacancy Rate ⁽¹⁾

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
19.8%	20.2%	21.5%
GROWTH RATE	-0.4% ▼	-1.7% ▼

Nevada Hotel/Motel Occupancy ⁽¹⁾

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
83.2%	83.1%	82.5%
GROWTH RATE	0.1% ▲	0.7% ▲

State of Nevada Personal Income ⁽²⁾

Q2 '17

Current Period	Prev. Period	Same Period Prev. Yr.
\$133,254,699,000	\$131,518,767,000	\$127,210,484,000
GROWTH RATE	1.3% ▲	4.8% ▲

Notes: (1) Trailing 12-month/4-quarter averages. (2) Trailing 12-month/4-quarter totals.

« Continued From Cover

largest reduction in the rate of uninsured people of any state with an improvement of over 11 percentage points. The expansion of Medicaid has played a significant role in that improvement. Since expansion began in 2014, Medicaid has added over 300,000 people, roughly doubling the total number of enrollees in Nevada during that time. Despite this improvement, Nevada continues to have the eighth-highest uninsured rate in the country and the second-highest among the 31 states that opted-in to Medicaid expansion, according to a recent WalletHub study.

The state continues to work on addressing the size of the healthcare industry, with one of the highest-profile endeavors being the new University of Nevada, Las Vegas School of Medicine. The school admitted its first class of students this year, began classes in July, and this month the design contract for the future campus was awarded. Upon completion of the permanent facilities, school leaders anticipate annual class sizes of roughly 120 students. This would triple the number of MD graduates in the state each year, as the University of Nevada, Reno's School of Medicine currently graduates roughly 60 students annually.

Ongoing efforts such as these to increase the number of healthcare professionals throughout Nevada will play a critical role in expanding the economic impacts of the healthcare sector as well as meeting the medical and healthcare needs of the state's fast-growing population.

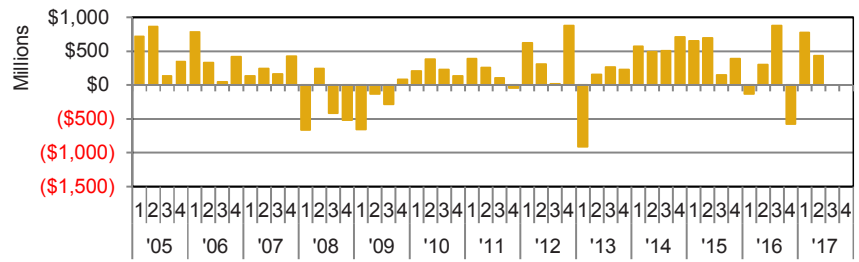
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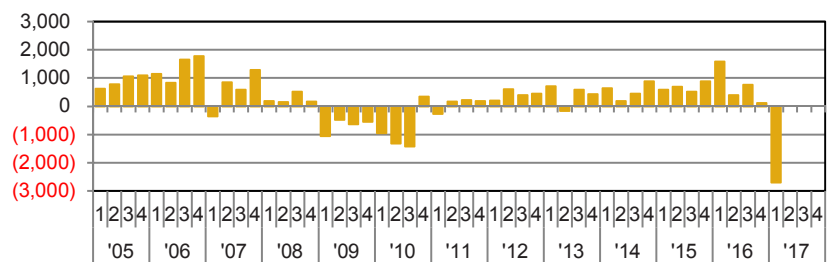
appliedanalysis.com

Methodology: Applied Analysis ("AA") was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including, without limitation, state and local governments. While we have no reason to doubt the accuracy of any of the data reported, we have not performed an audit or assurance procedures on these data, and as such, we cannot attest to their completeness. Generally speaking, data reported are for Nevada, Clark County, Washoe County, or the metropolitan areas therein. Please note that these geographies may differ slightly between data providers.

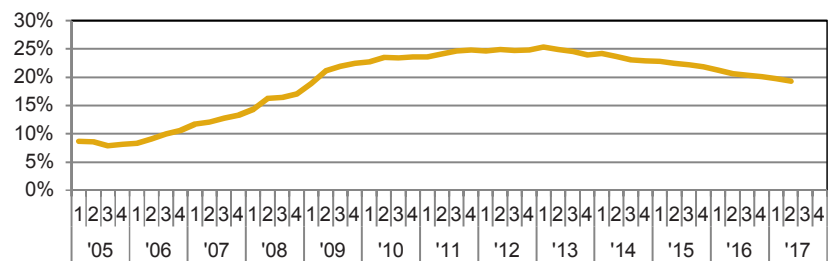
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

