



COMPTROLLER OF MARYLAND

MARYLAND INDUSTRY ANALYSIS: HEALTH CARE & THE ECONOMY

APRIL 2026

The Comptroller of Maryland is committed to publishing data-driven reports that explore economic trends in Maryland compared to the U.S. and neighboring states. This report is the first in a new series that examines the key industries driving Maryland’s economy and impacts on the state’s workers, communities, and finances.

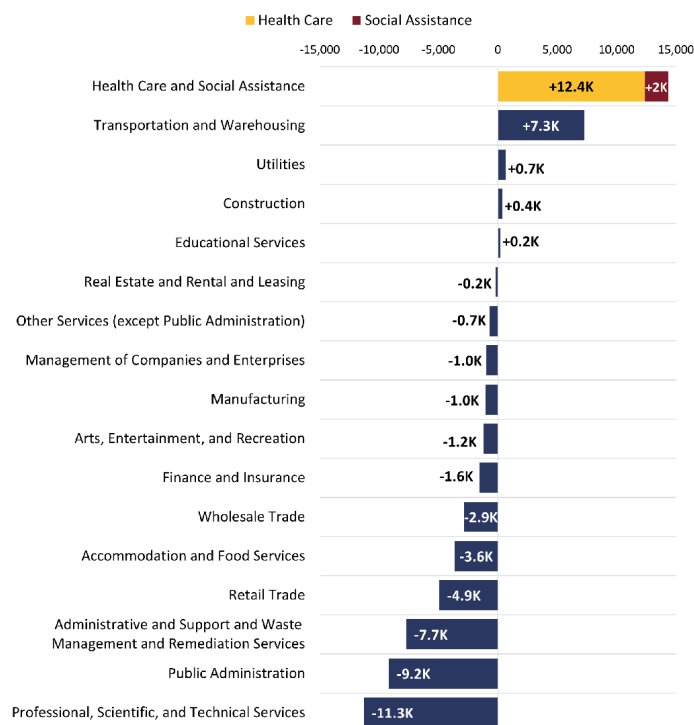
Industry Employment Data

The health care and social assistance sector is the largest industry in Maryland, employing 427,000 people. Health care employs the most people in 10 of 24 counties in the state and supports 16% of all jobs.

Compared to other industries in Maryland, health care and social assistance has been the leading job generator, adding more jobs than any other industry for seven of the past 10 years. A quarter of industry growth since 2015 occurred in 2025 alone (14,400 jobs). Since 2022, health care has added 51,000 jobs – nearly as many as all other industries in Maryland combined.

Leading drivers of employment growth in health care include: (1) an aging population; (2) increased health insurance coverage; (3) morbidity trends; and (4) state and federal policy and funding decisions – e.g., increased reimbursement rates for certain health care services, investments in home and

Change in Employment by Industry in Maryland, Q3 2024 to Q3 2025



Source: BLS

community-based services and primary care, and the implementation of global budgets and value-based care in Maryland hospitals.

Growth trends in health care vary significantly by subsector.

- In Maryland, ambulatory health care services have experienced the most employment growth over the past decade: 25% or 33,000 jobs.
- Hospitals and nursing and residential care facilities have experienced slower growth: 7% and 3%, respectively.
- Slower hospital growth may be attributable to Maryland’s value-based care model (“the Maryland Model”), which aims to shift service delivery to lower cost settings (e.g., primary care).

Read the full report at marylandcomptroller.gov/research

Occupation Data

There are 274,000 Maryland residents employed in “healthcare practitioner and technical occupations” and “healthcare support occupations.” Combined, employment in these occupation groups has grown 21% over the past decade (+48,000 jobs).

Registered nurse is the largest health care occupation in Maryland (50,000 jobs). The fastest growing occupations are home health and personal care aides and nurse practitioners, licensed practical/ licensed vocational nurses, and physicians.

Median wages for practitioner and technical occupations are more than double median wages for support occupations. Wages for health care occupations on average are higher in Maryland than the U.S. and all neighboring states except for Washington, D.C. (notably, most physicians are an exception). There is a disproportionately high share of foreign-born, women, Black residents, and older residents employed in health care occupations in Maryland compared to other states and the U.S.

Challenges

The health care industry creates economic benefits to the state through sustainable jobs, wages, and spending. The industry also helps keep the entire state labor force healthy. However, not all growth is good when it comes to health care, and expansion in health care does not necessarily signal a healthy economy.

- The cost of hospital services has increased far more than other common consumer goods and services in the U.S. since 2000 because the cost of labor and other inputs have risen steadily but productivity has not improved.
- In health care, costs are distributed across a collection of third-party payors: the federal government, state government, and employers all share the bill with patients/consumers. As health care costs and utilization increase, there is a crowding-out effect – as payors spend more on health care, they have less to spend or invest in other areas (e.g., housing, education).
- Growth in health care spending cannot be easily controlled because people typically don’t have a choice about whether or not to obtain care (demand is not discretionary).
- H.R. 1 (The One Big Beautiful Bill Act) will result in insurance coverage losses and funding cuts.
- Workforce shortages are a significant challenge, especially for nurses and home health aides.
- Federal immigration policy, the aging health care workforce, and new caps on student loans will serve as headwinds to full health care employment moving forward.

Several promising opportunities may be key to addressing the challenges discussed in this report: (1) Cost savings and quality improvements can be realized through value-based payment models and investments in primary and preventative care. (2) New health care jobs and training programs administered by the state (3) AI has the potential to enhance productivity.

Read the full report at marylandcomptroller.gov/research