



B **INDUSTRY PROFILES 2025:** **HEALTHCARE AND LIFE SCIENCES IN BOSTON**

City of Boston Planning Department Research Division

HEALTHCARE AND LIFE SCIENCES

The healthcare sector encompasses a wide range of services, including hospitals, outpatient care centers, medical and diagnostic laboratories, home healthcare services, and nursing and residential care facilities. Additionally, the life sciences sector includes biotechnology, pharmaceuticals, medical services, and research and development. In Boston, the healthcare and life sciences sector includes approximately 1,569 business establishments that employ 146,189 workers, accounting for 5% of business establishments and 22% of total employment.

The healthcare and social assistance sector is projected to outpace all other industries in growth both nationally and in Boston, contributing around 45% of new jobs in the U.S. and 28% locally between 2022 and 2032. Occupations like nurse practitioners, physician's assistants, and medical and health services managers are expected to see significant and rapid job growth. Similarly, the life sciences sector is poised for strong expansion, driven by advancements in biotechnology and the increasing demand for innovative medical solutions.



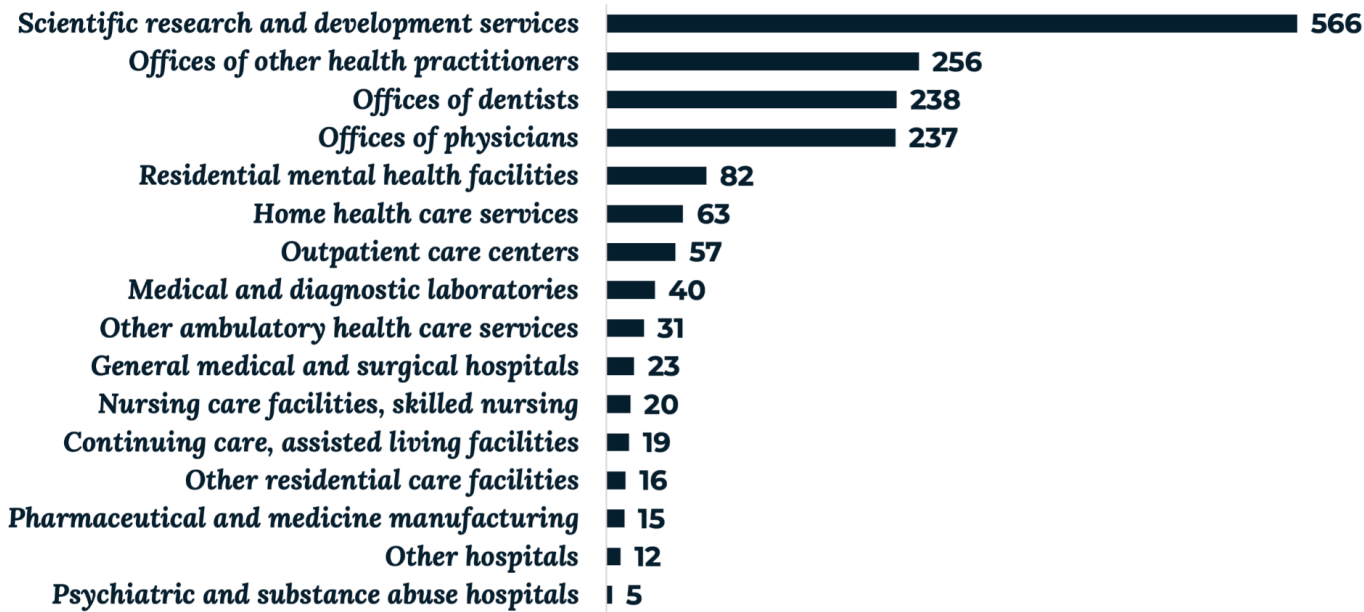
HEALTHCARE AND LIFE SCIENCES EMPLOYMENT

Hospitals dominate the sector, employing 105,169 workers and accounting for 68.3% of total employment. Ambulatory health care services, such as physician offices, outpatient care centers and dentist offices, follow with 24,357 workers, contributing 15.8% to the sector’s workforce.

A significant number of health care establishments are dedicated to primary and outpatient care, such as offices of physicians (237), dentists (238), and other health practitioners (256). Hospitals like general medical and surgical hospitals (23) and psychiatric hospitals (5) are central to employment. Scientific research and development services represent a substantial segment with 566 establishments.

NUMBER OF ESTABLISHMENTS BY INDUSTRY

Q3 2024



Source: Department of Economic Research 2024, City of Boston Planning Department Research Division Analysis

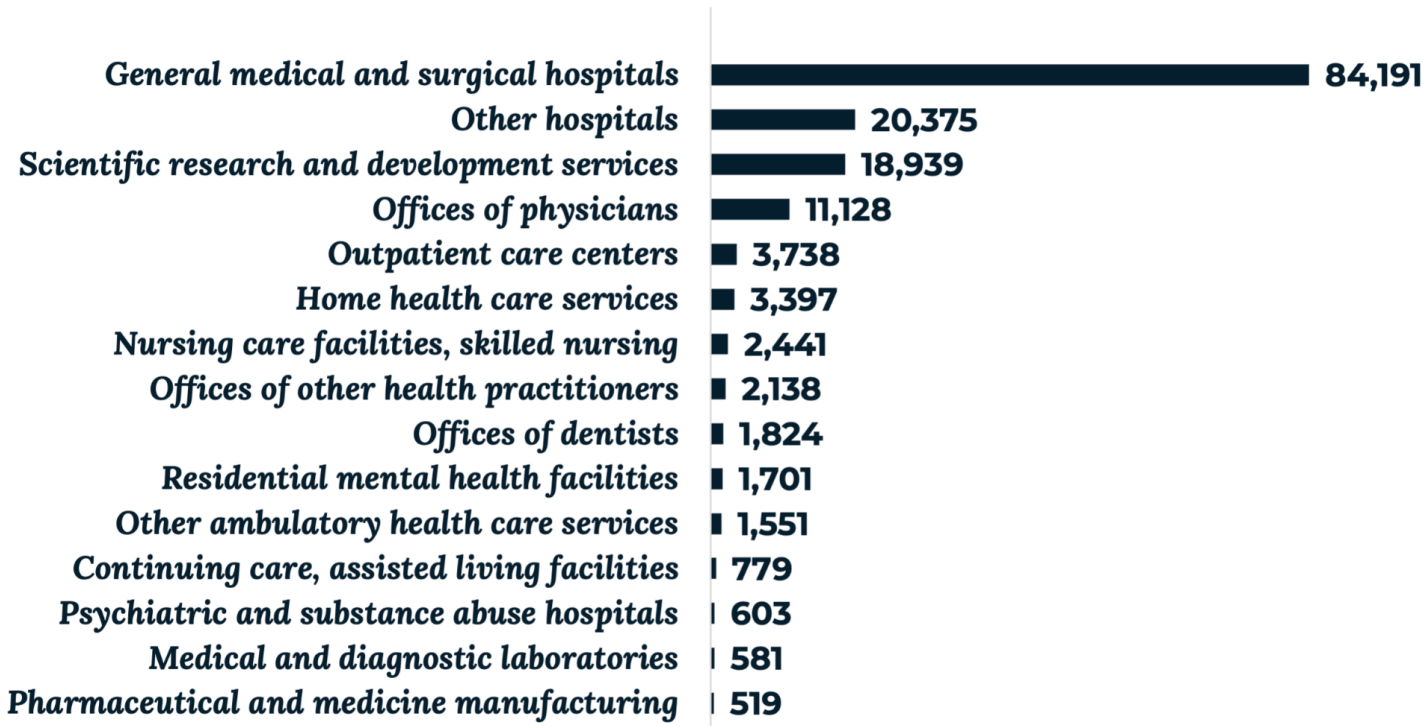
In 2024, the top six healthcare employers, including Boston Children's Hospital, Beth Israel Deaconess Medical Center, Boston Medical Center, and Dana-Farber Cancer Institute, employed 67,371 workers¹, representing 9.8% of Boston's total payroll workforce of 684,167. Massachusetts General Hospital and Brigham and Women's Hospital had the highest employment, with 19,418

¹ Center for Medicare and Medicaid Services, Form CMS-2552-10

and 14,858 workers, respectively. Large hospital systems contribute significantly to employment while serving as key providers of healthcare services.

NUMBER OF JOBS BY INDUSTRY

Q3 2024



Source: Department of Economic Research 2024, City of Boston Planning Department Research Division Analysis

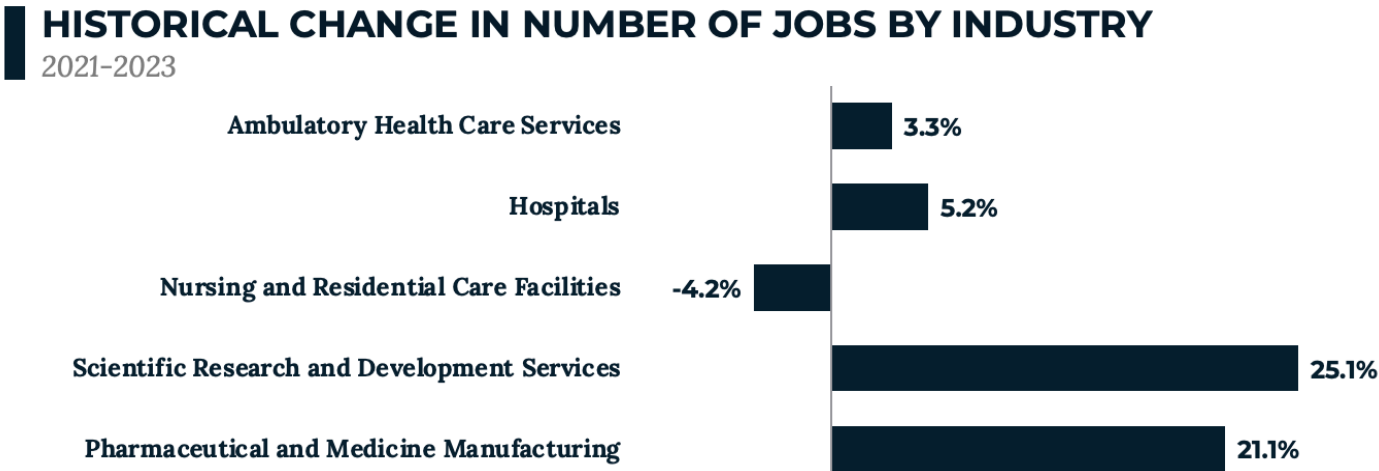
EMPLOYMENT GROWTH BY INDUSTRY

Boston's healthcare and life sciences sectors have experienced diverse trends over the past decade within a general pattern of growth. Industries like ambulatory health services and hospitals show steady growth, both growing around 22% from 2013 to 2023, while scientific research and development services have experienced explosive expansion, growing more than 150% over the same time period. However, nursing and residential care facilities have faced significant challenges over the past decade, shrinking about 20%.

In the wake of the COVID-19 pandemic, ambulatory health services and hospitals continued to grow, with increases of 3.3% and 5.2%, respectively, from 2021 to 2023. The most dramatic

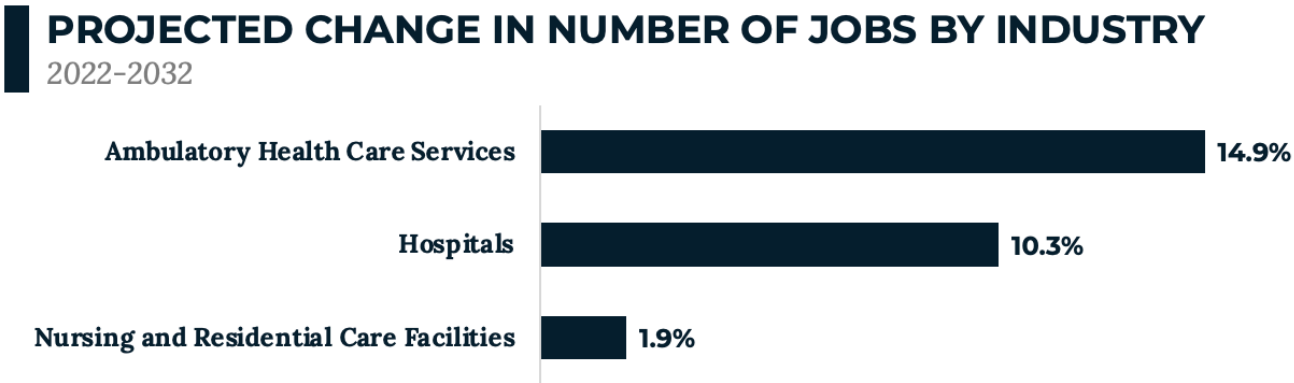


growth occurred in the scientific research and development services sector, which expanded by 25.1%, and pharmaceutical manufacturing saw strong growth of 21.1%, reflecting heightened demand for innovation in biotech and pharmaceuticals. Conversely, nursing and residential care facilities continued to face challenges, experiencing a 4.2% decline in employment.



Source: MA Department of Economic Research, Employment & Wages (ES-202), City of Boston Planning Department Research Division Analysis.

Hospitals and ambulatory care are also the largest contributors to job postings in 2024, with 38,646 and 25,666 postings, respectively, highlighting ongoing demand for roles in these areas. Meanwhile, nursing and residential care facilities posted just 2,1516 jobs in 2022. The job postings data emphasize the strong demand for ambulatory services. This trend is reinforced by employment projections² from the Massachusetts Department of Economic Research, which predicts 14.9% growth in ambulatory healthcare services between 2022 to 2032.



Source: Department of Economic Research 2022-2032, City of Boston Planning Department Research Division Analysis

² [Long-term Industry Projections](#)

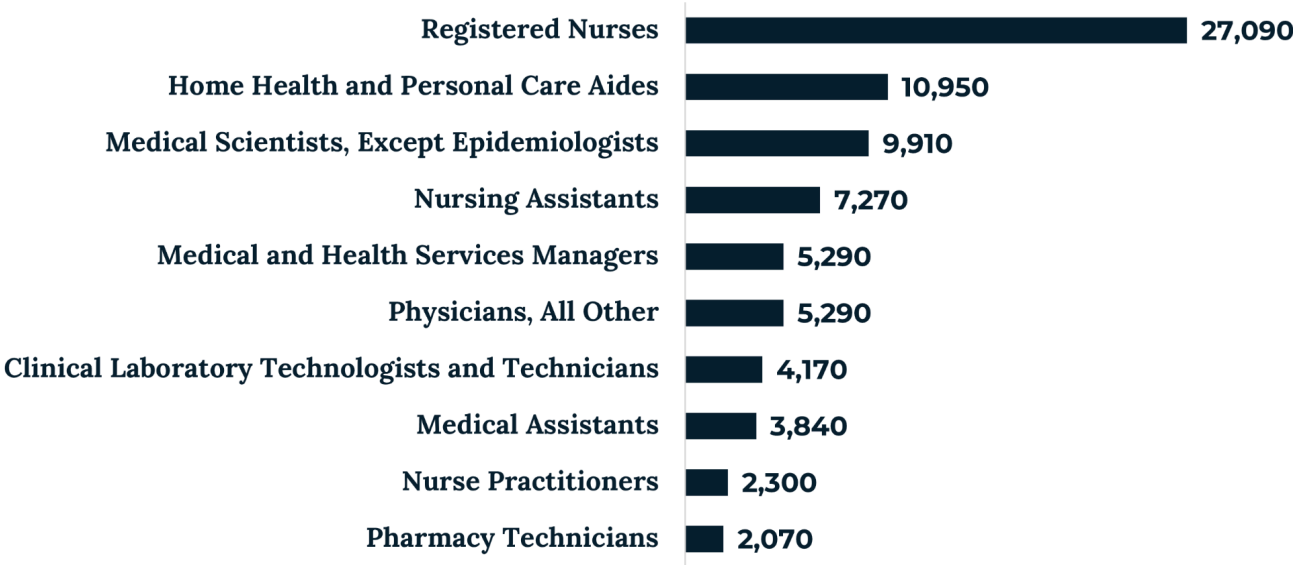
The Department of Economic Research does not provide Boston employment projections at the granularity needed for life science employment. However, statewide projections from MassBio show that Massachusetts is expected to see a 32% increase in life science employment by 2033, amounting to nearly 38,000 net new jobs across the Commonwealth.³

HEALTHCARE AND LIFE SCIENCES OCCUPATIONS

Registered Nurses are the largest occupational group, employing 27,090 workers, while Home Health and Personal Care Aides account for 10,950 jobs, highlighting the demand for both skilled nursing professionals and essential care workers. The Medical Scientists occupation employs 9,910 people in Boston.

NUMBER OF JOBS BY OCCUPATION

2023



Source: Department of Economic Research 2023, City of Boston Planning Department Research Division Analysis

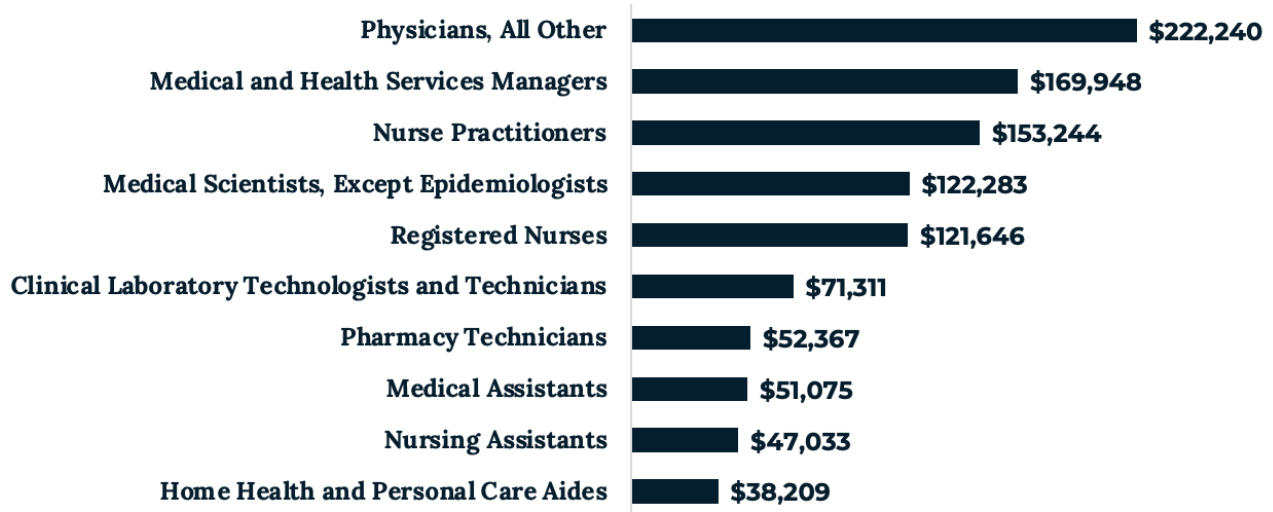
Of the most common healthcare and life sciences professions in Boston, physicians earn the highest average annual wages at \$222,240. This is followed by Medical and Health Services Managers and Nurse Practitioners with wages of \$169,948 and \$153,244 respectively. On the other end of the spectrum are Medical Assistants, Nursing Assistants, and Home Health and Personal Care Aides. Overall, this wage distribution underlines the diverse job opportunities available within the health care and life sciences industries.

³ [MassBio 2024 MA Life Sciences Employment Outlook](#)



AVERAGE ANNUAL WAGES BY OCCUPATION

2023



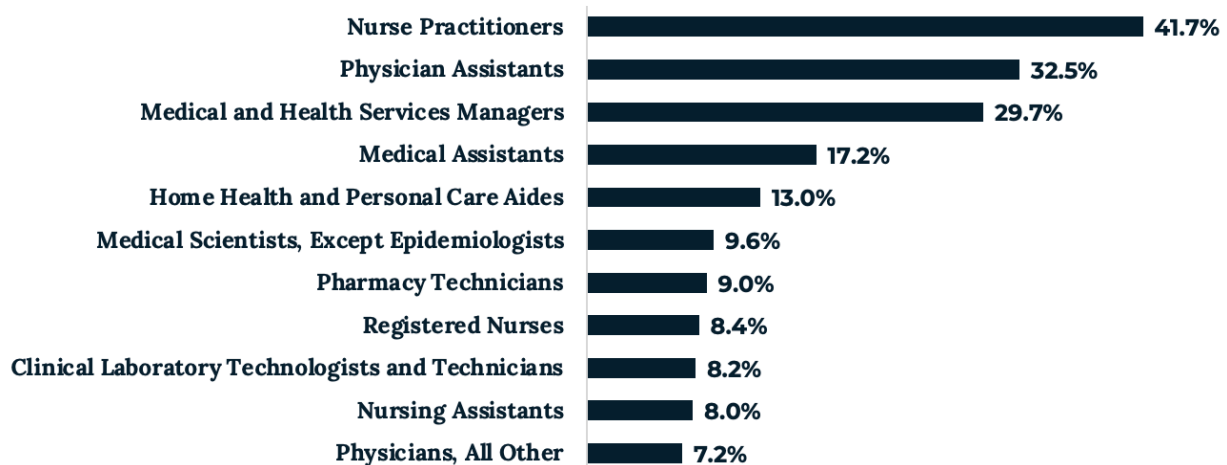
Source: Department of Economic Research 2023, City of Boston Planning Department Research Division Analysis

OCCUPATIONAL GROWTH PROJECTIONS

Nurse Practitioners and Physician Assistants are expected to see dramatic growth in employment in Boston 2022 to 2032, 41.7% and 32.5% respectively, while Medical and Health Services Managers are projected to grow by 29.7%.

PROJECTED CHANGE IN NUMBER OF JOBS BY OCCUPATION

2022-2032



Source: Department of Economic Research 2022-2032, City of Boston Planning Department Research Division Analysis

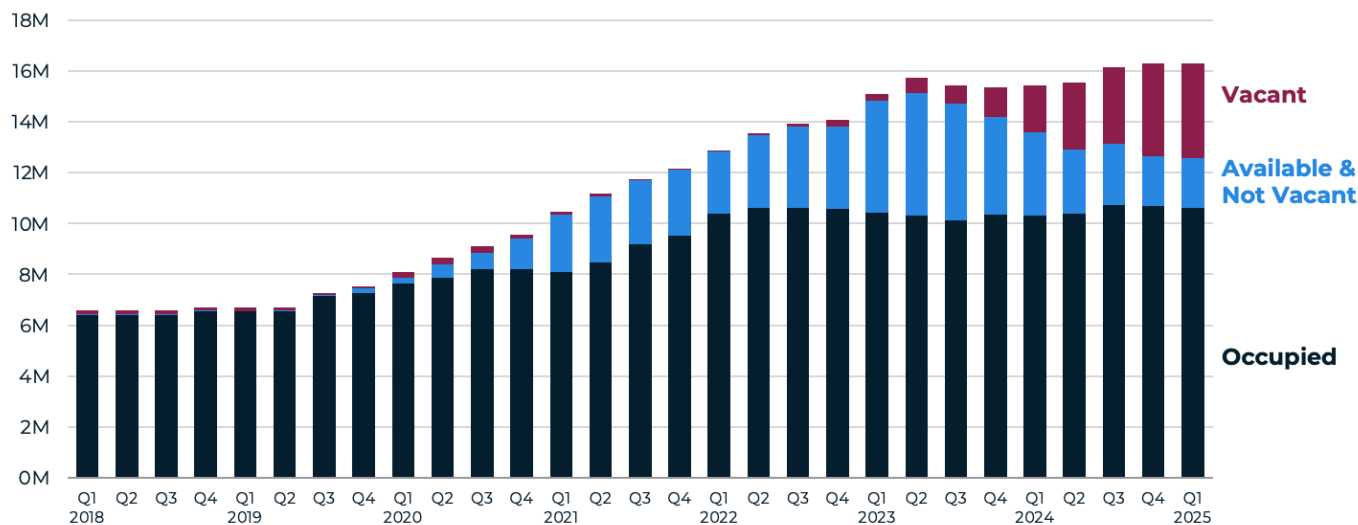


HEALTHCARE AND LIFE SCIENCES REAL ESTATE

The life sciences sector in Boston has experienced significant growth in recent years, as reflected in the expansion of commercial lab space and sustained investment from both venture capital (VC) and National Institutes of Health (NIH) funding. From 2018 to 2025, Boston's commercial lab inventory grew from around 6 million square feet to more than 16 million, with increasing amounts of available and vacant space. This rapid development of lab infrastructure indicates that Boston continues to attract significant investment in life sciences, which in turn drives demand for specialized labor. The growing inventory, despite some recent softening in demand, suggests ongoing opportunities for life sciences employment in the coming years as more space becomes available for research and innovation.

TOTAL COMMERCIAL LAB INVENTORY IN BOSTON

Q1 2018 - Q1 2025, in millions of square feet



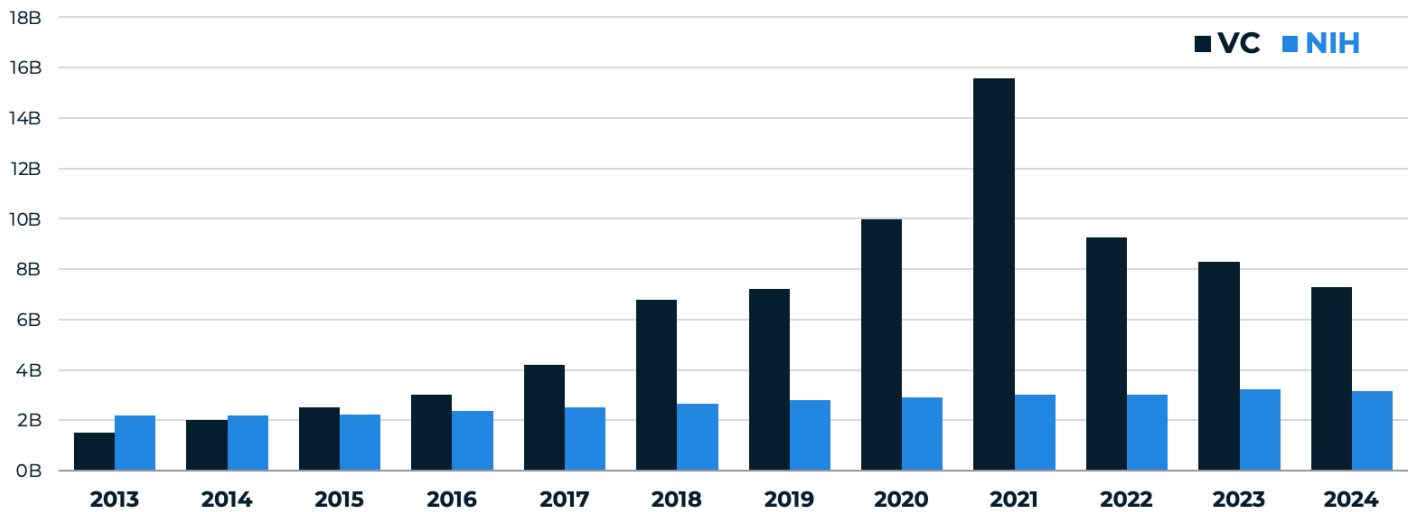
Source: CBRE Research, City of Boston Planning Department Research Division Analysis

Since 2013, NIH funding sent to Boston Metro researchers has been growing steadily, but VC funding saw a dramatic spike in 2021, nearly reaching \$16 billion, before settling at a still-robust level in subsequent years. This influx of capital has supported the rapid growth of life sciences startups and established companies.



VENTURE CAPITAL AND NIH FUNDING TO BOSTON METRO AREA

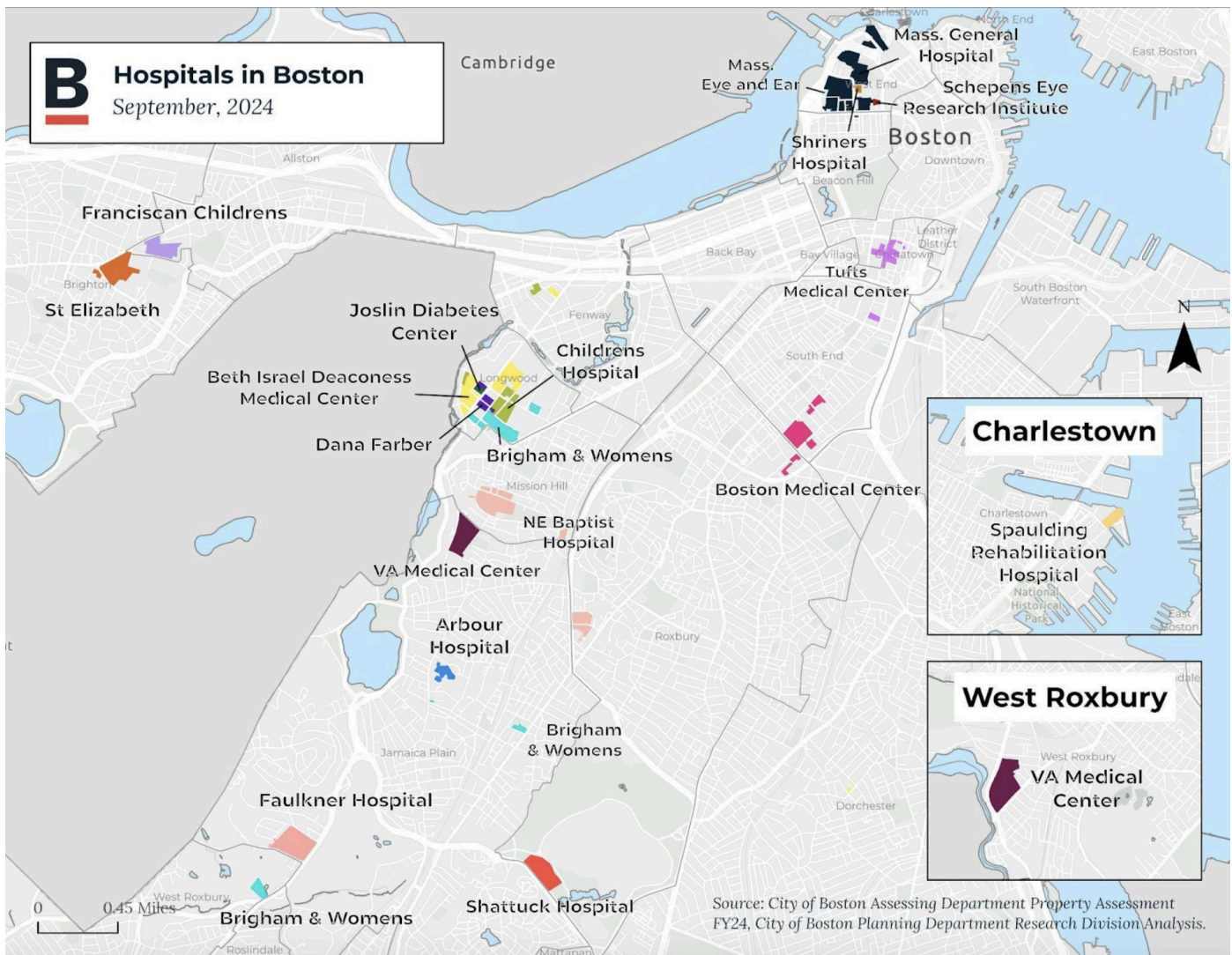
2013 - 2024, in billions of dollars



Source: CBRE, GLoBal Commercial Real Estate Services, National Institutes of Health, City of Boston Planning Department Research Division Analysis.

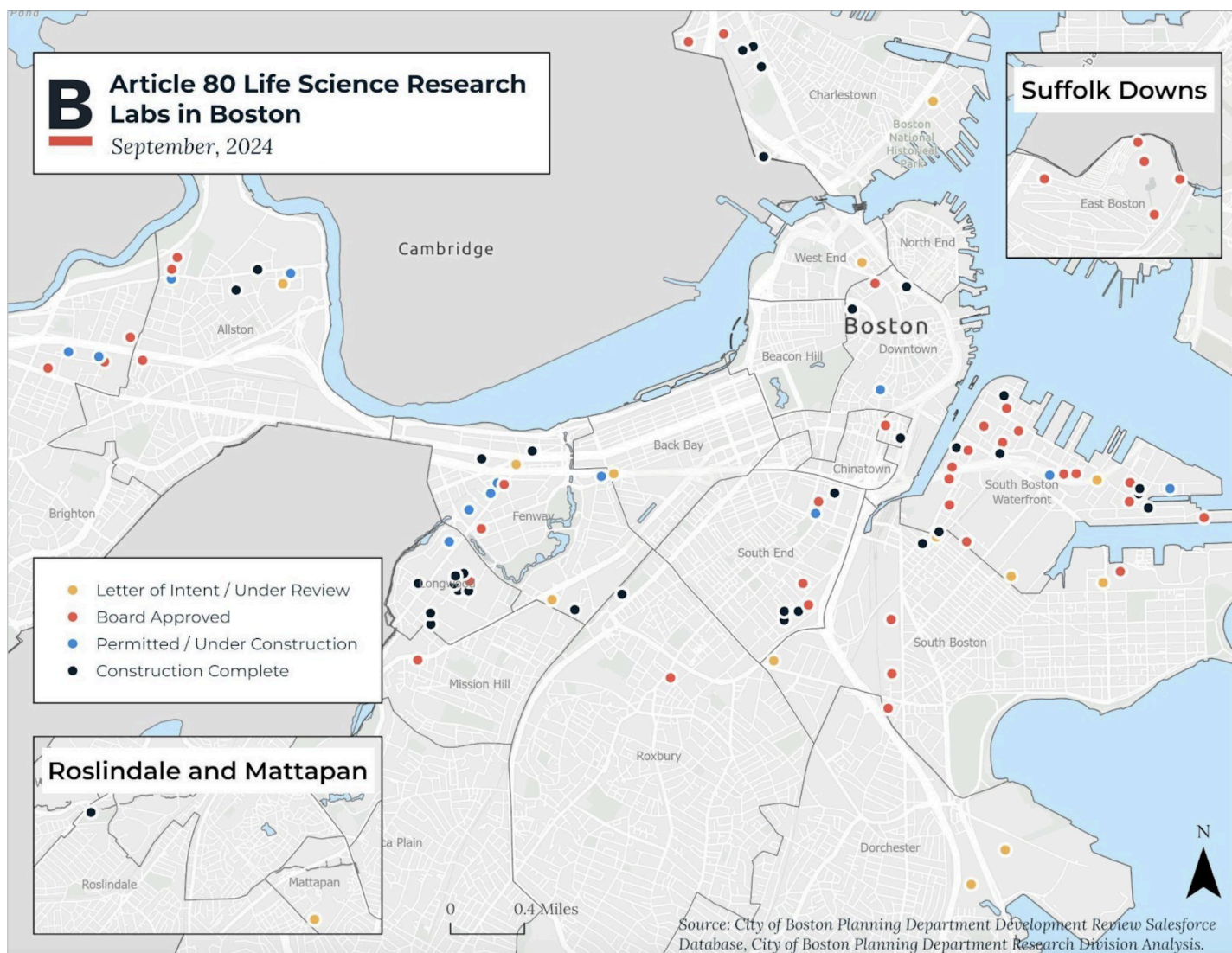
A handful of Boston neighborhoods are home to the city's leading hospitals and medical centers. Massachusetts General Hospital, Boston's top healthcare employer, is situated in the West End close to Downtown, and is surrounded by other key institutions, including Mass Eye and Ear and Shriners Children's Hospital. Many other leading healthcare centers, such as Brigham and Women's, Dana Farber, and Beth Israel Deaconess Medical Center are located in the Longwood Medical Area. Tufts Medical Center in Chinatown, and Boston Medical Center in the South End also hold prominence in their respective neighborhoods.





The growth of the life sciences sector in recent years has stimulated the approval and construction of new commercial lab space throughout Boston. As of Fall 2024, there is a significant and growing pipeline of research labs approved and under construction across the city, including in Allston-Brighton, Charlestown, and Suffolk Downs (East Boston). Many new research labs that have completed construction are located in the Longwood Medical Area near the city's leading hospitals and healthcare providers. There are also several labs in the South Boston Waterfront that have been approved, but have not yet started construction.





DATA SOURCES

1. **Historical Employment and Business Establishments:** Employment and Wage (ES-202) data, <https://lmi.dua.eol.mass.gov/lmi/employmentandwages>
2. **Employment Forecasts:** Lightcast, <https://lightcast.io/>
3. **NIH Funding:** NIH Awards by Location, <https://report.nih.gov/award/index.cfm>
4. **Life Sciences Lab Inventory and VC Funding:** CBRE Research, <https://www.cbre.com/insights>
5. **Hospital Parcels:** Assessing Department, <https://data.boston.gov/dataset/property-assessment>
6. **Article 80 Labs:** Planning Department, <https://www.bostonplans.org/projects/>



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