

Healthcare and Maine's Economy

HANLEY CENTER

HEALTH LEADERSHIP DEVELOPMENT PROGRAM

JANUARY 8, 2026

AMANDA RECTOR

MAINE STATE ECONOMIST

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES



Population change and migration

Housing

Demographics

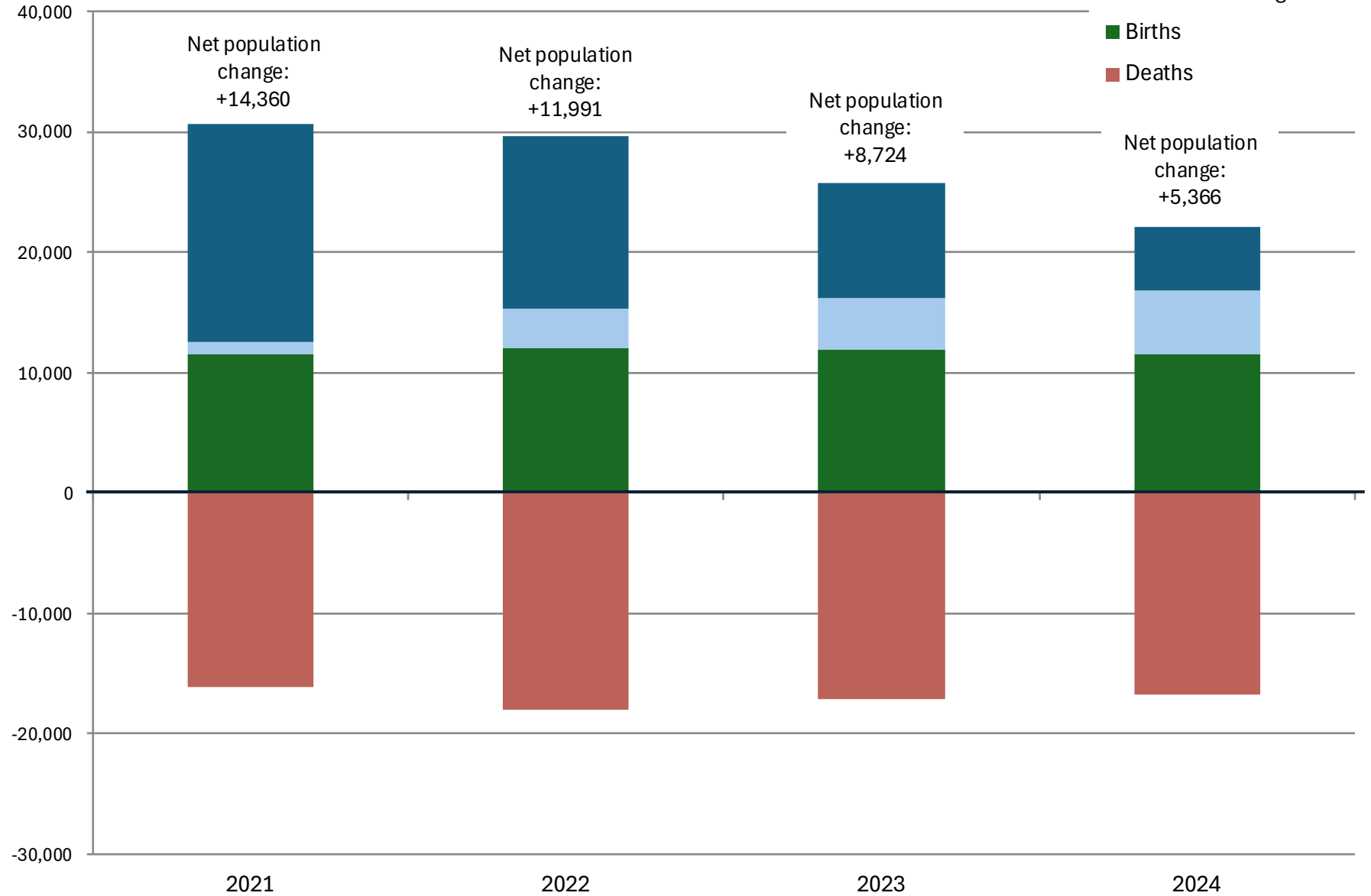
Labor force and employment

GDP, income, and spending

Population Change and Migration

Components of Population Change, Maine

- Domestic Migration
- International Migration
- Births
- Deaths



Population increase of 2.6%
from 2010-2020
(42nd in U.S.)

Population increase of 3.1%
from 2020-2024
(17th in U.S.)

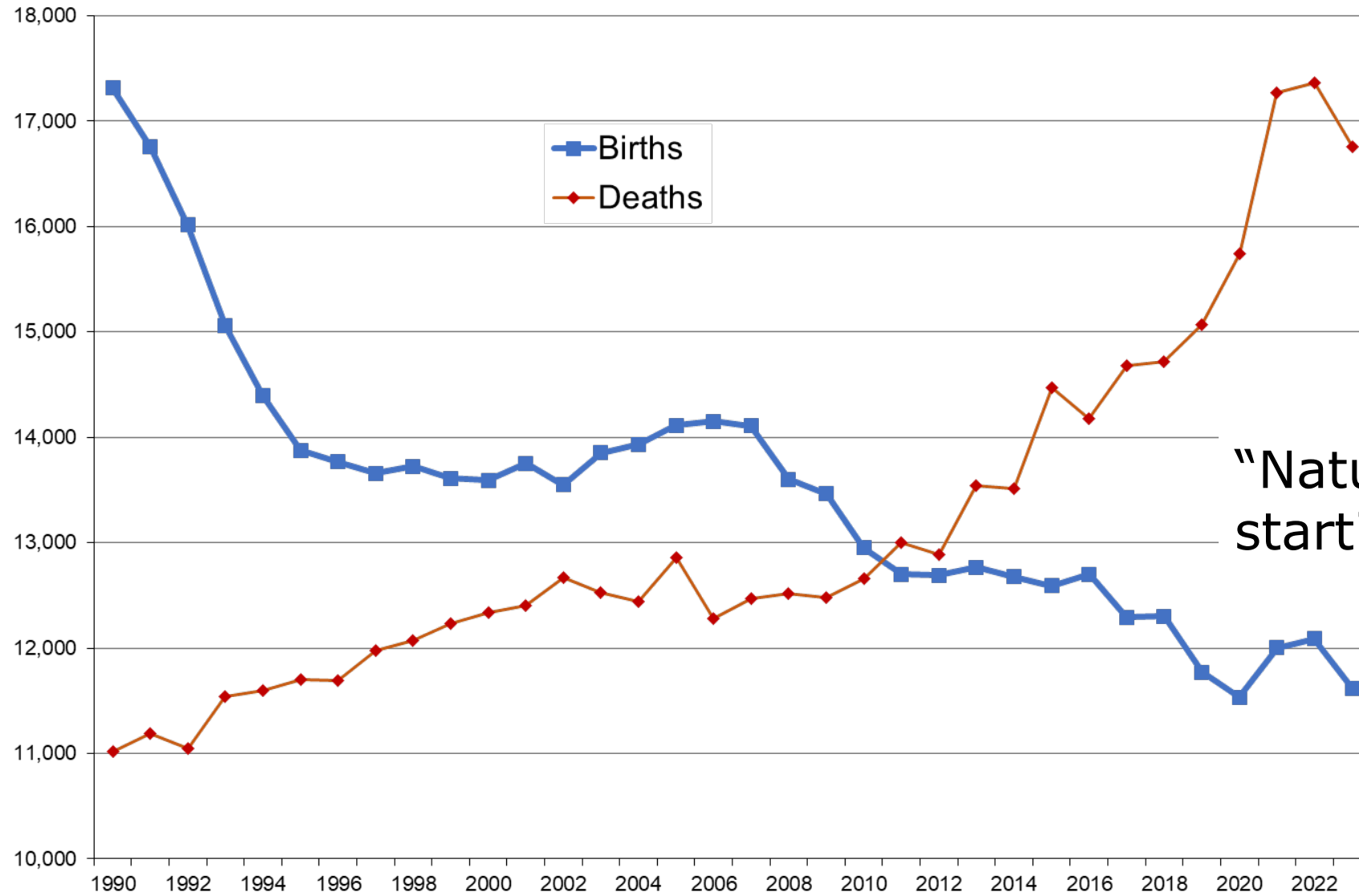
11th for net domestic
migration and 41st for
net international
migration in 2024

2024 Total Population =
1,405,012

Net international migration accounted for 84% of U.S. population growth from 2023-2024

U.S. Census Bureau made significant methodological changes in 2024 to better account for humanitarian migrants, resulting in large upward revisions to 2023

Births and Deaths per year in Maine



"Natural decline"
starting in 2011

Maine is not the only state seeing natural population declines

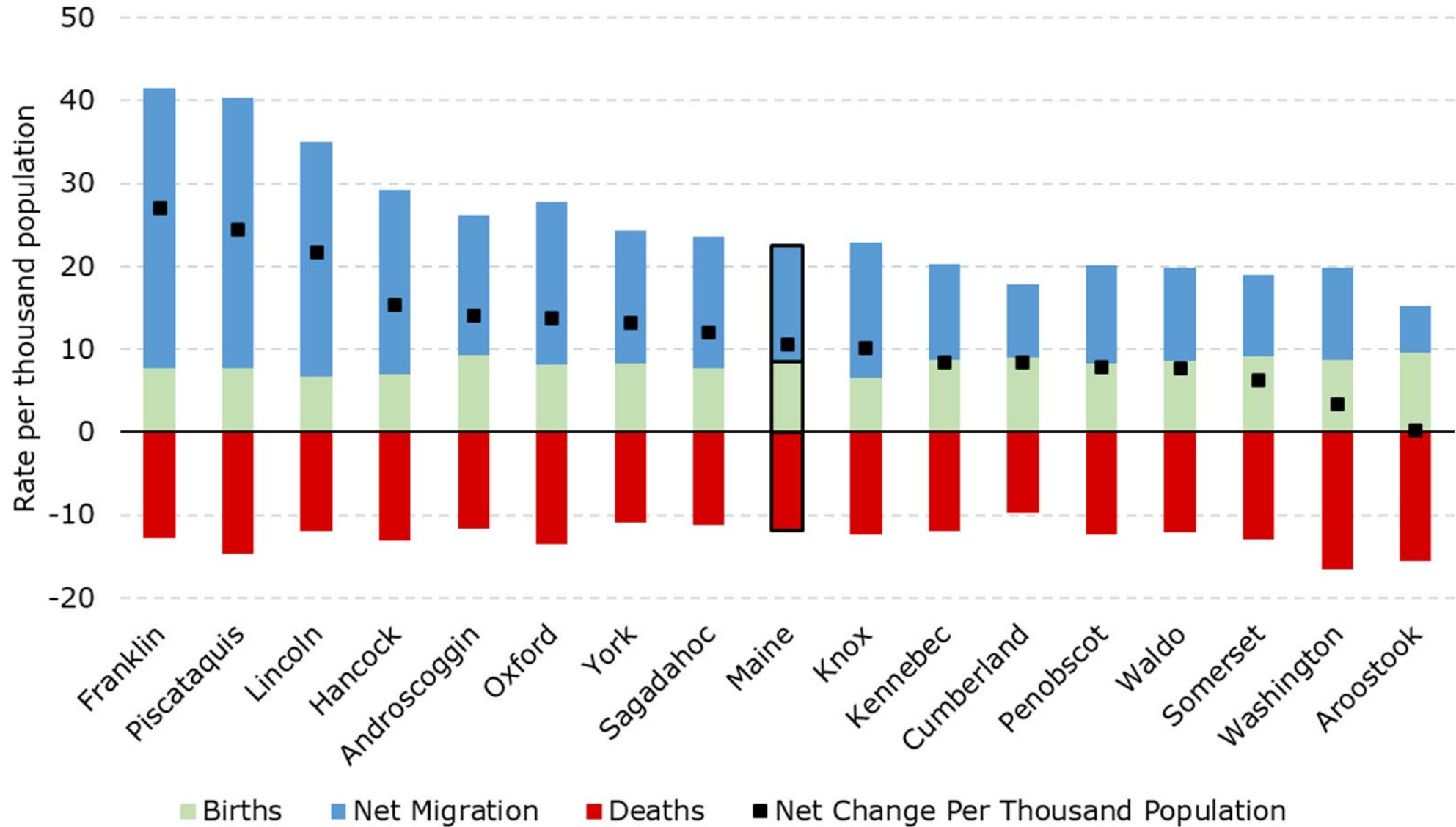
In 2024, 17 states had natural decline, with WV having the highest rate of decline, followed by ME, VT, and NH

Three states had population declines as a result (WV, VT, and MS) – positive net migration wasn't enough to offset natural declines

And this trend isn't confined to the U.S.

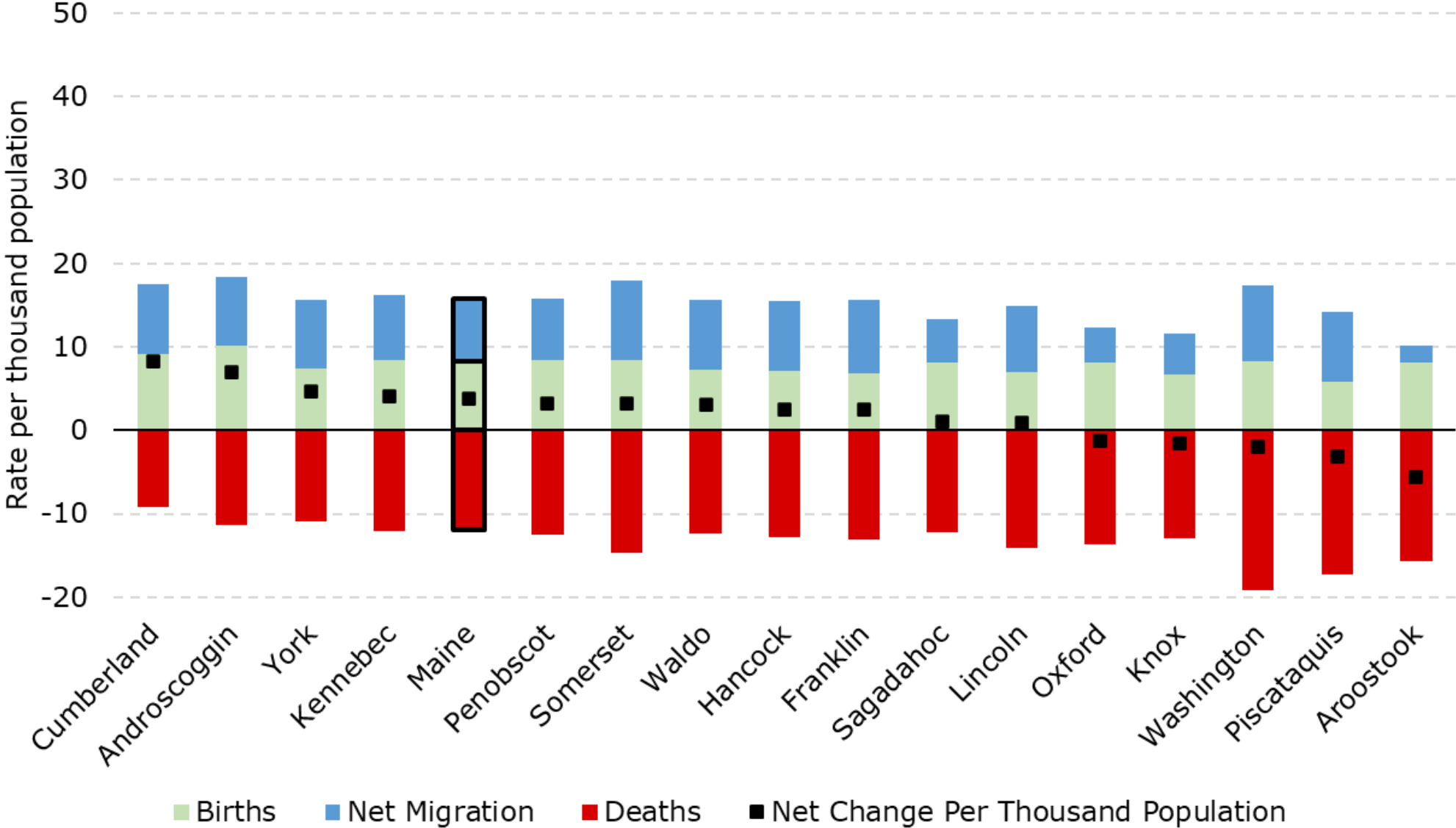
According to Eurostat, the European Union has seen natural population decrease almost every year since 2012, with the decline accelerating over time

Components of Population Change, 7/1/2020-7/1/2021 Rate per thousand population

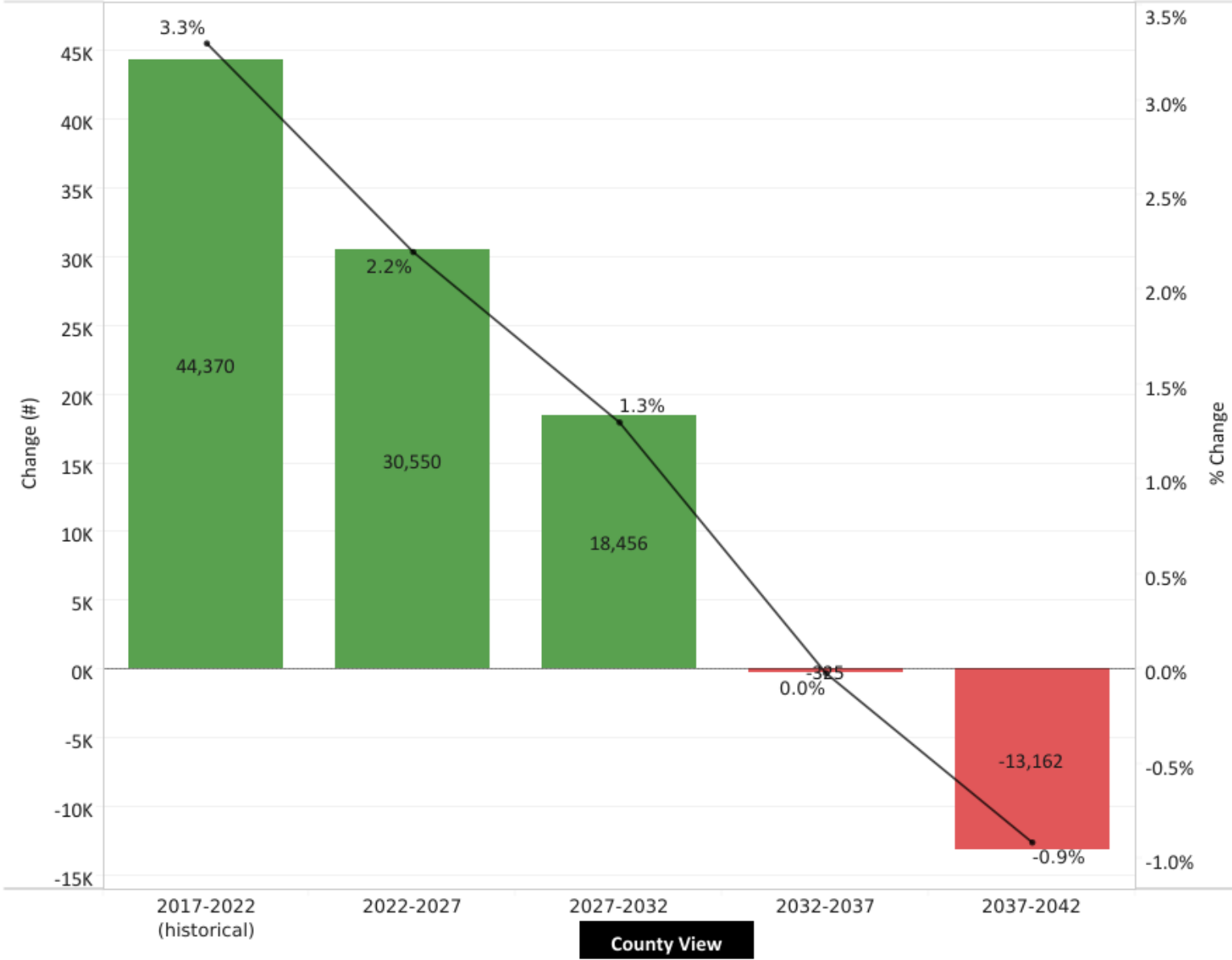


Components of Population Change, 7/1/2023-7/1/2024

Rate per thousand population



Statewide Population Change



Source: The Office of the State Economist, Maine State and County Population Projections, 2042. April 2025 release.

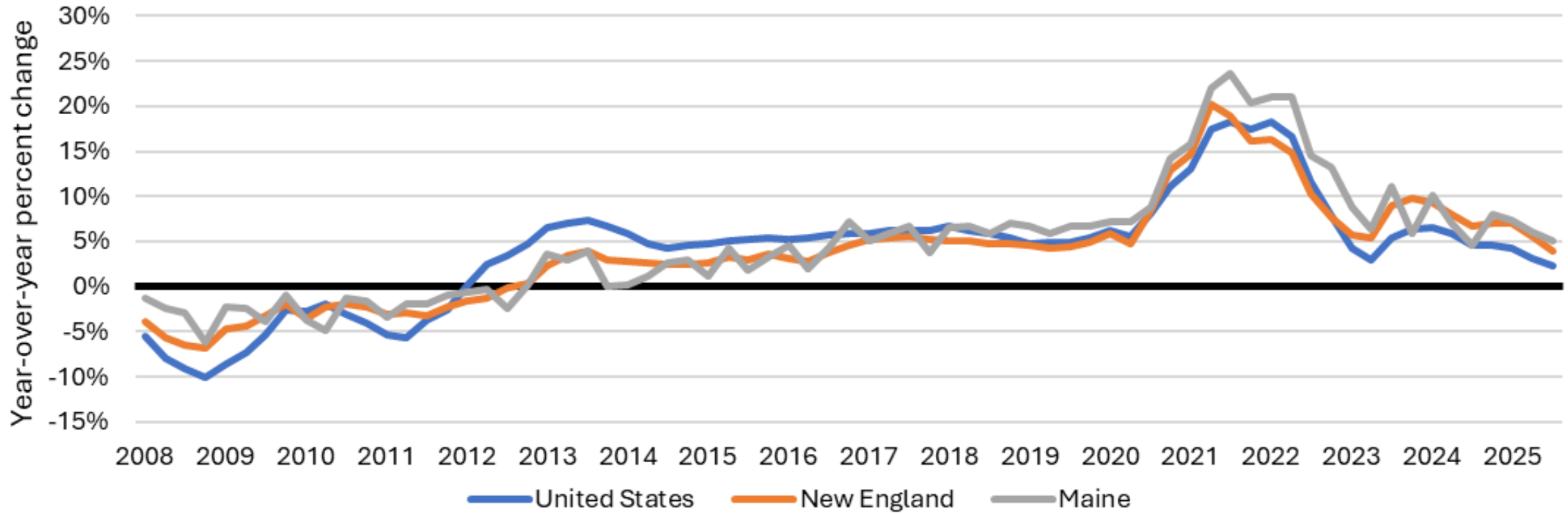
Housing



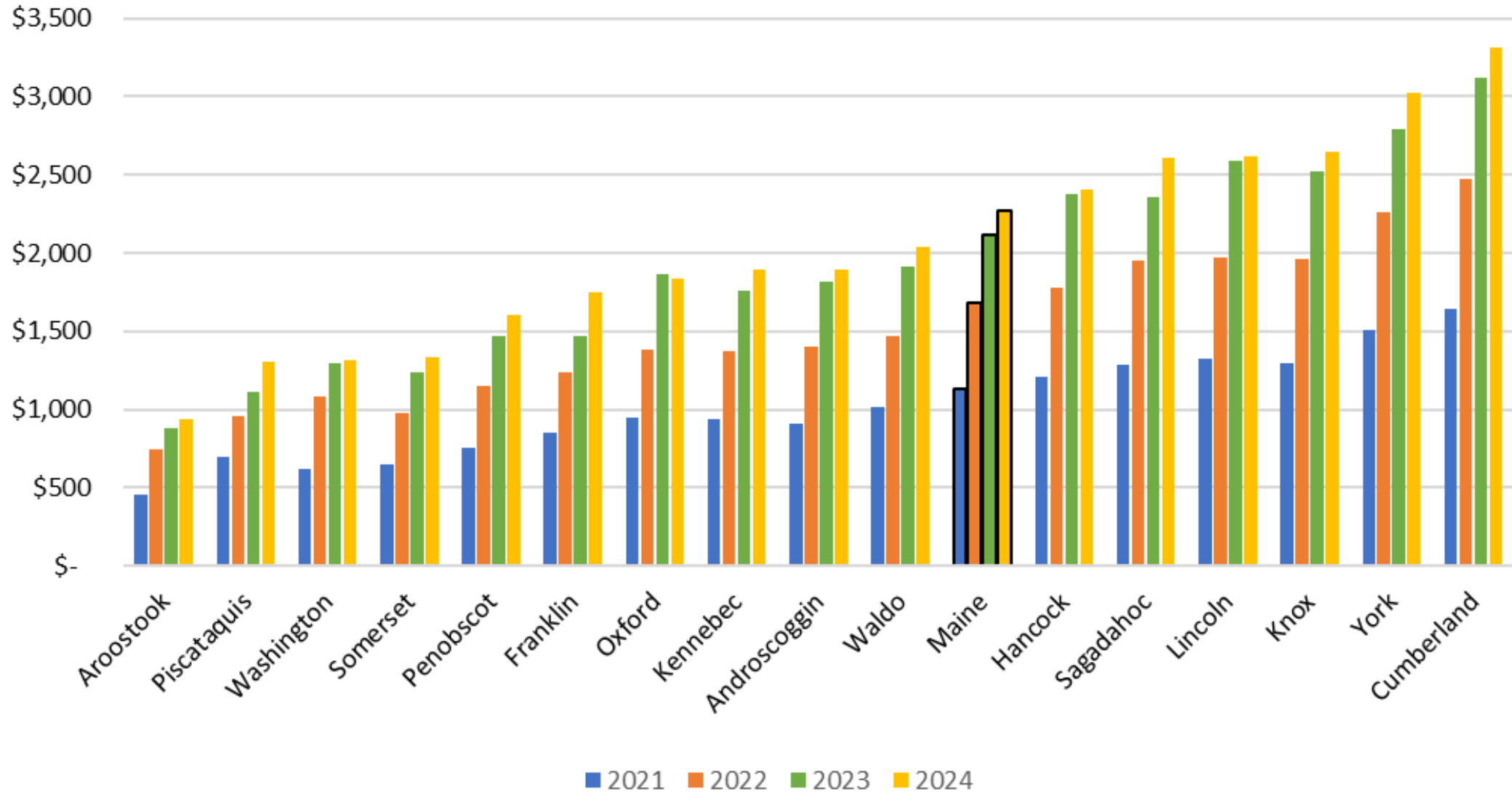
Migration into the state drove up demand for housing and further reduced the available supply while high mortgage rates locked people into existing homes, but there's been some improvement:

November 2025 about 4.5% higher than November 2024

Percent Changes, Year-over-year in FHFA House Price Index (Seasonally Adjusted)

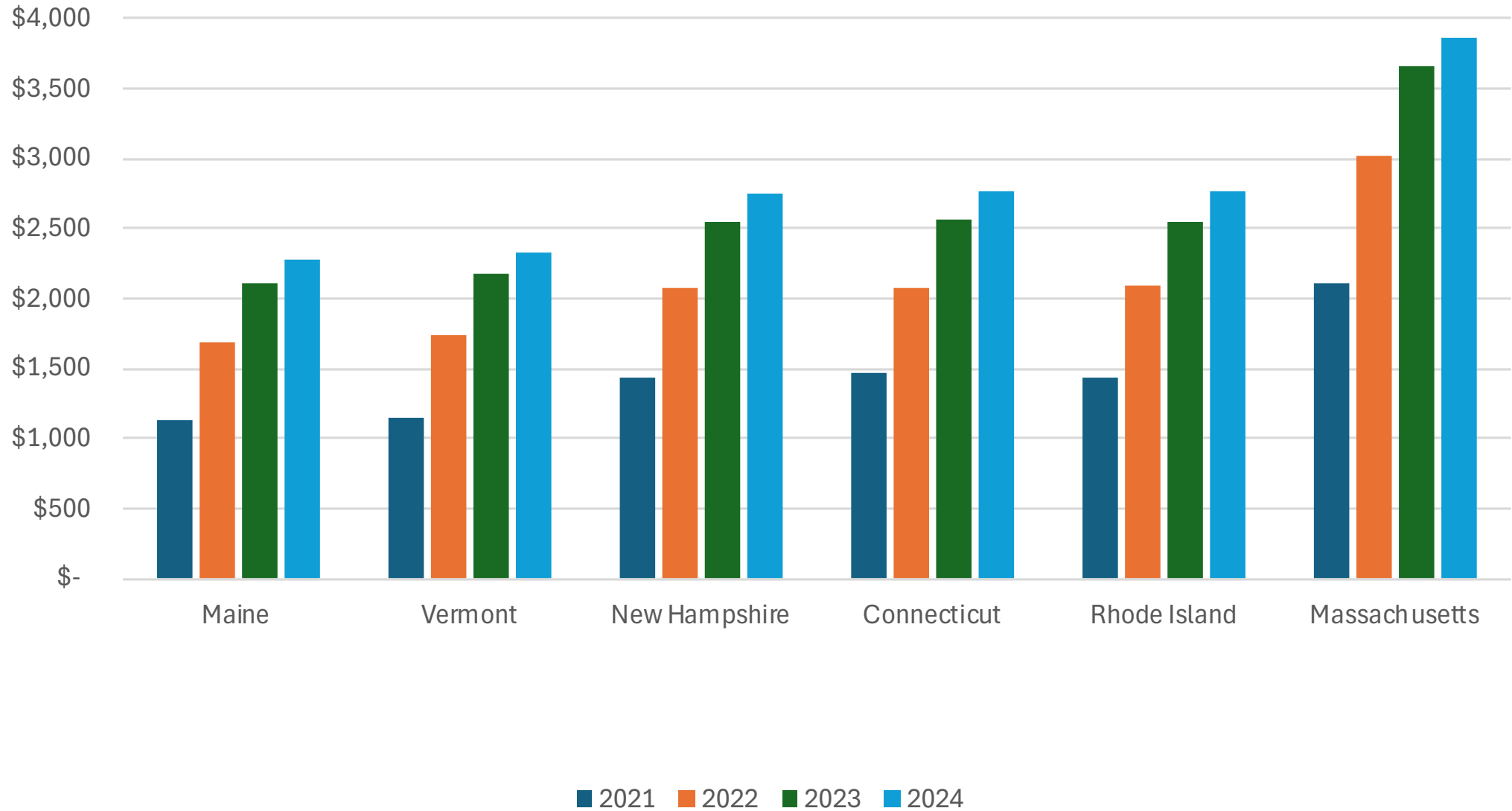


Monthly Mortgage Payment at the Median Sales Price 2021-2024

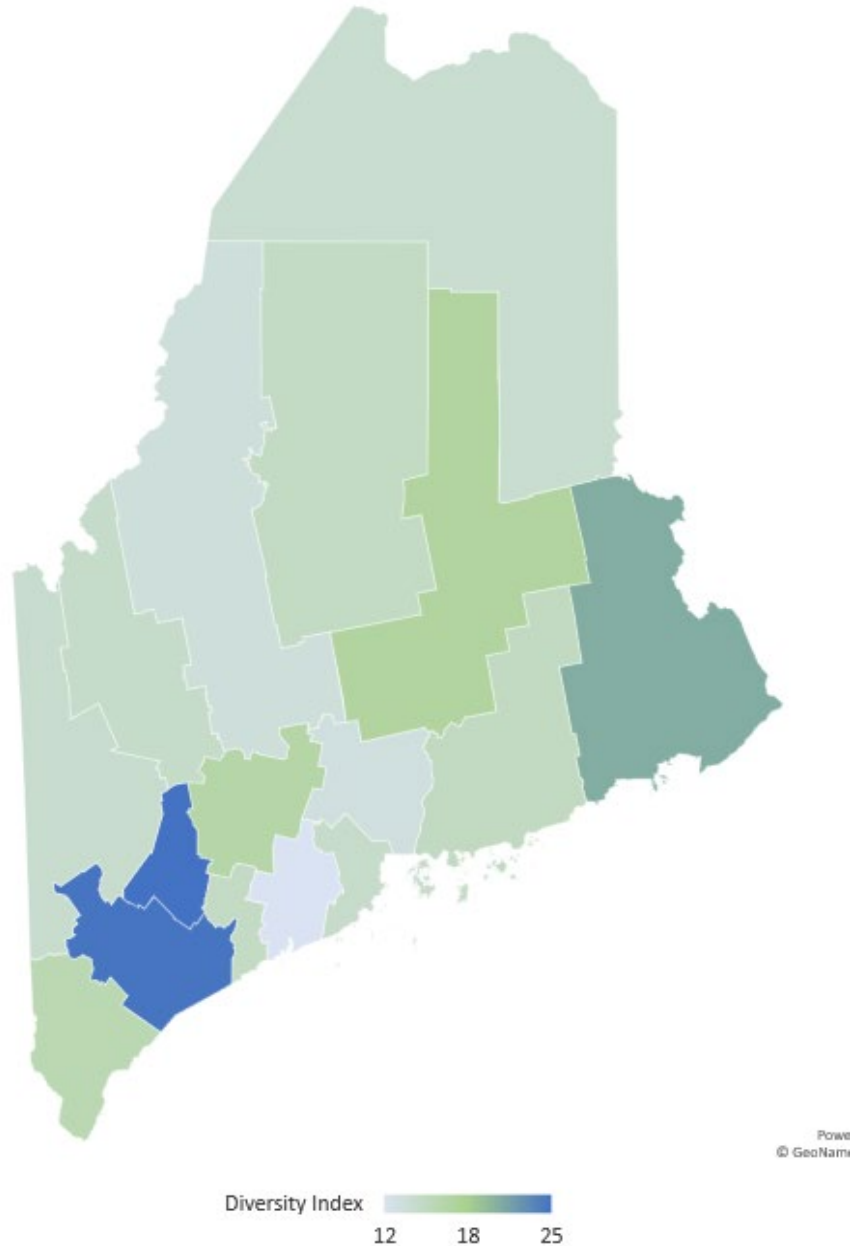


Sources: Maine Association of Realtors (median sale prices), FRED 30-year fixed rate mortgage rates, weekly (average of all weeks in the year). Assumes 30-year fixed rate mortgage and 10% down payment on a home at the median sales price.

Monthly Mortgage Payment at the Median Sales Price 2021-2024

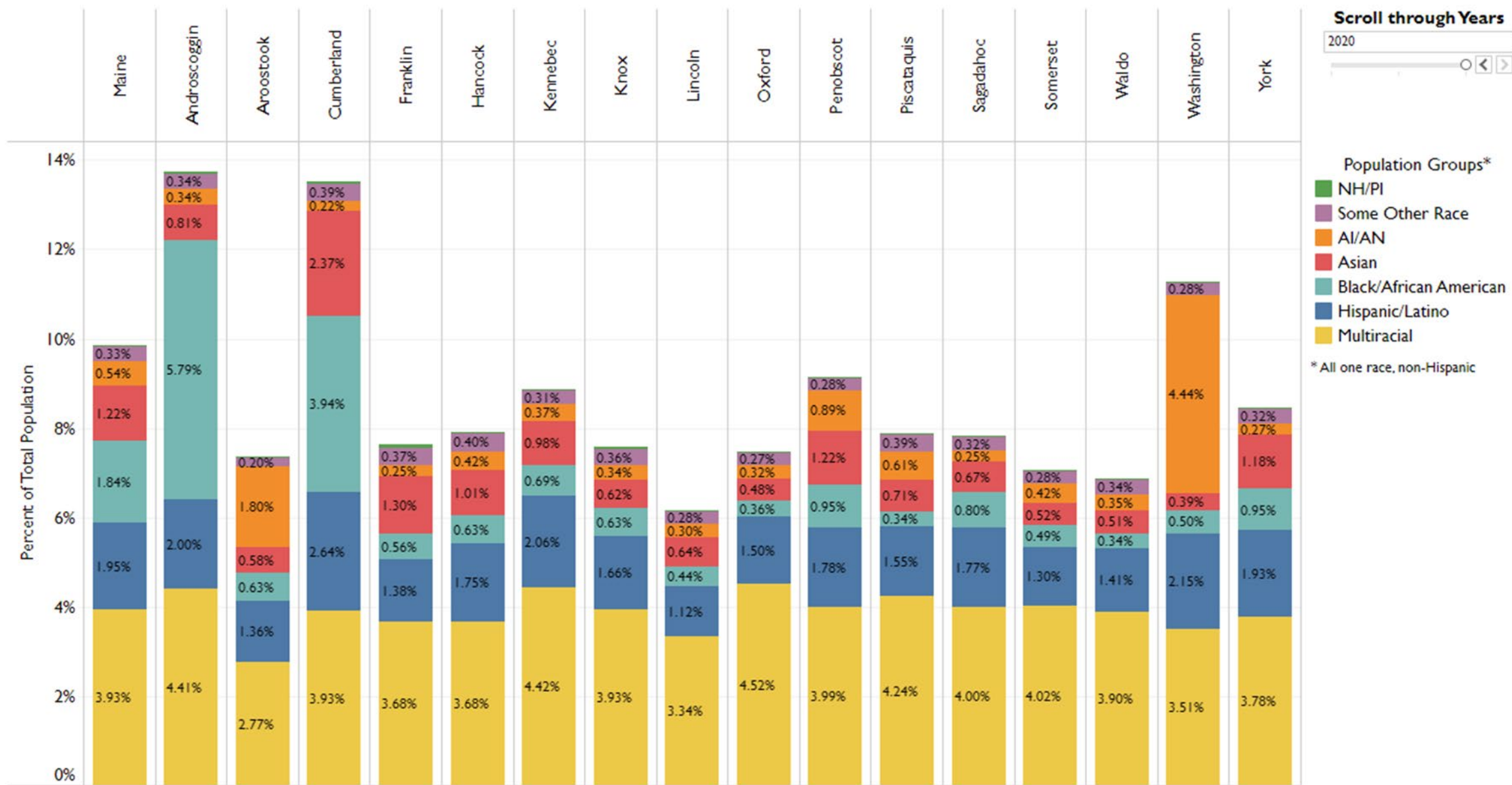


Demographics



The diversity index tells us the chance that two people selected at random will be from different race or ethnicity groups

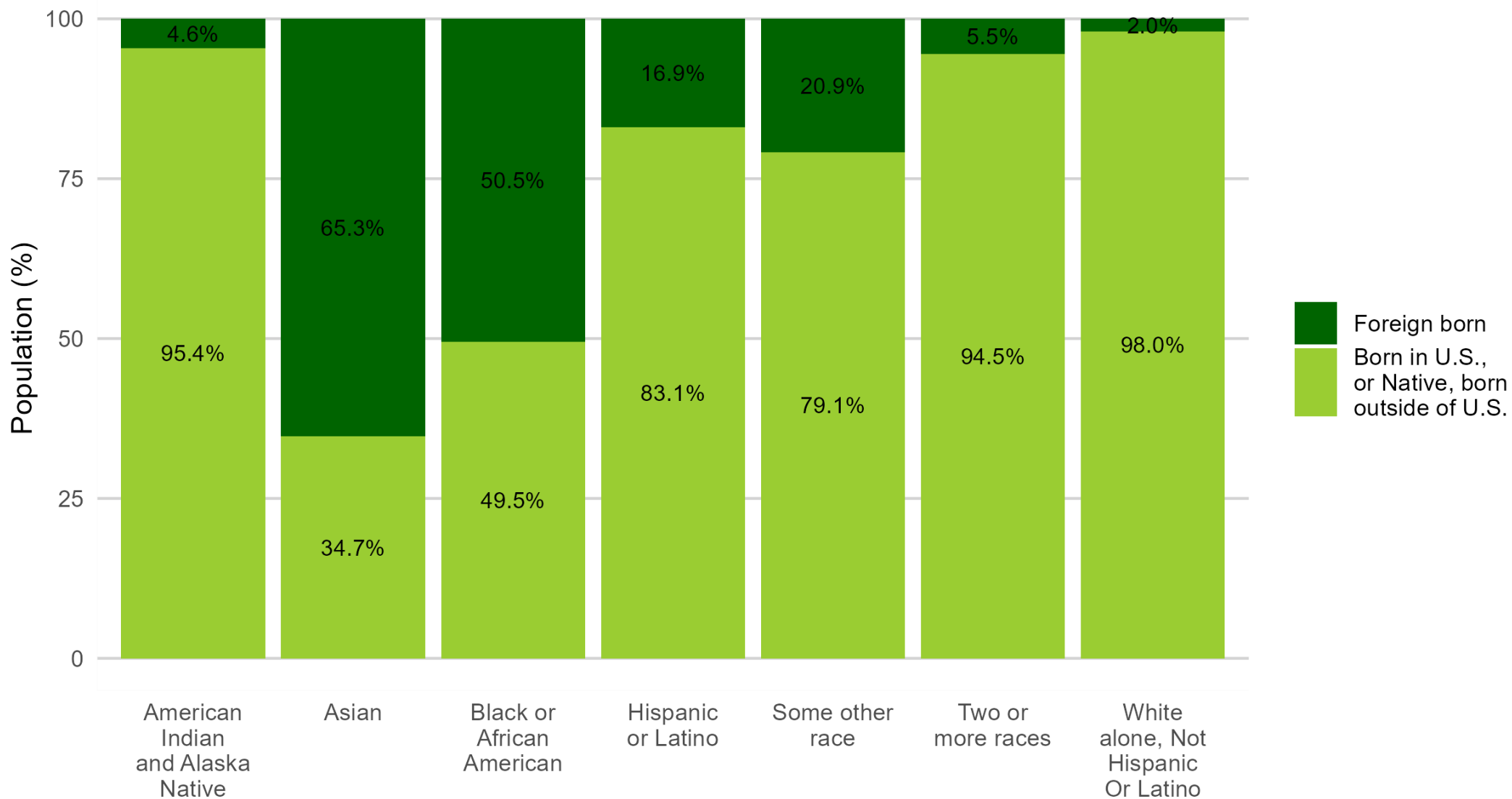
- In 2020, Maine ranked as the least diverse state in the U.S.
 - ME index = 18.5
 - U.S. index = 61.1
- But there is regional variation: Cumberland, Androscoggin, and Washington counties are more diverse



Share of Maine Population by Region of Birth by Race/Ethnicity, 2023

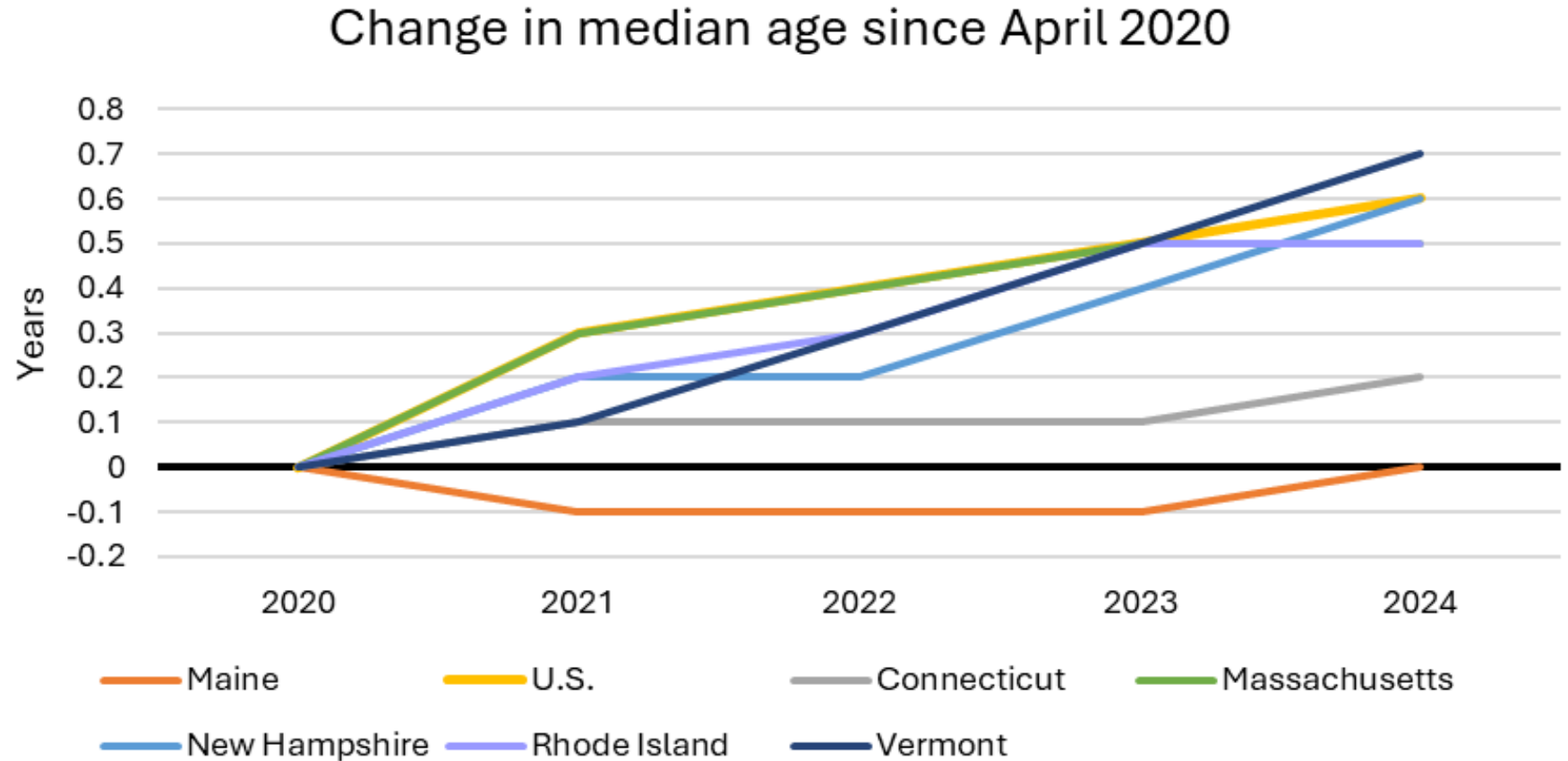
Foreign born statewide, 3.8%

Race and/or ethnicity is not the same as place of birth

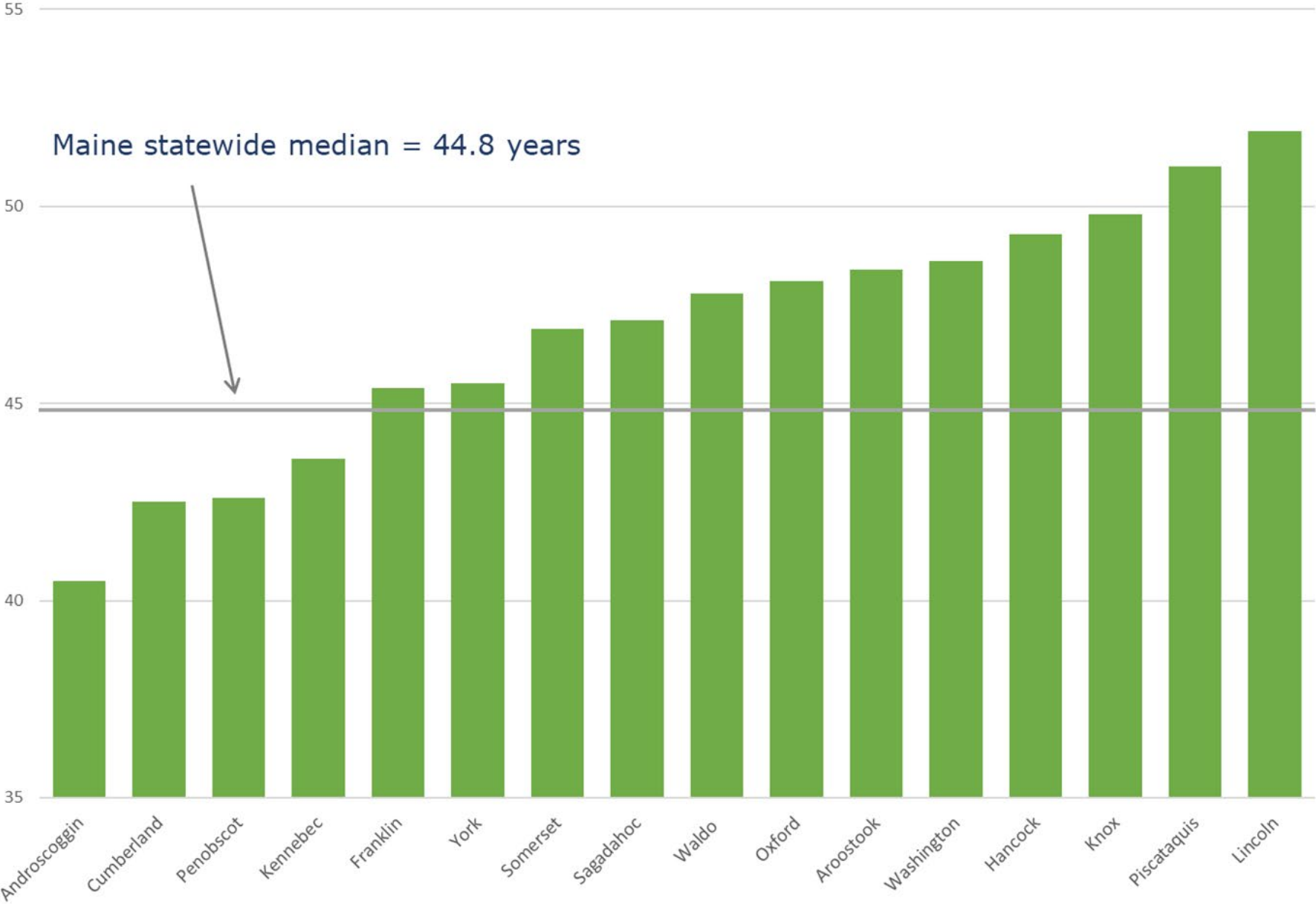


Maine's median age in 2024 is unchanged from 2020, while the U.S. median age has increased 0.6 years

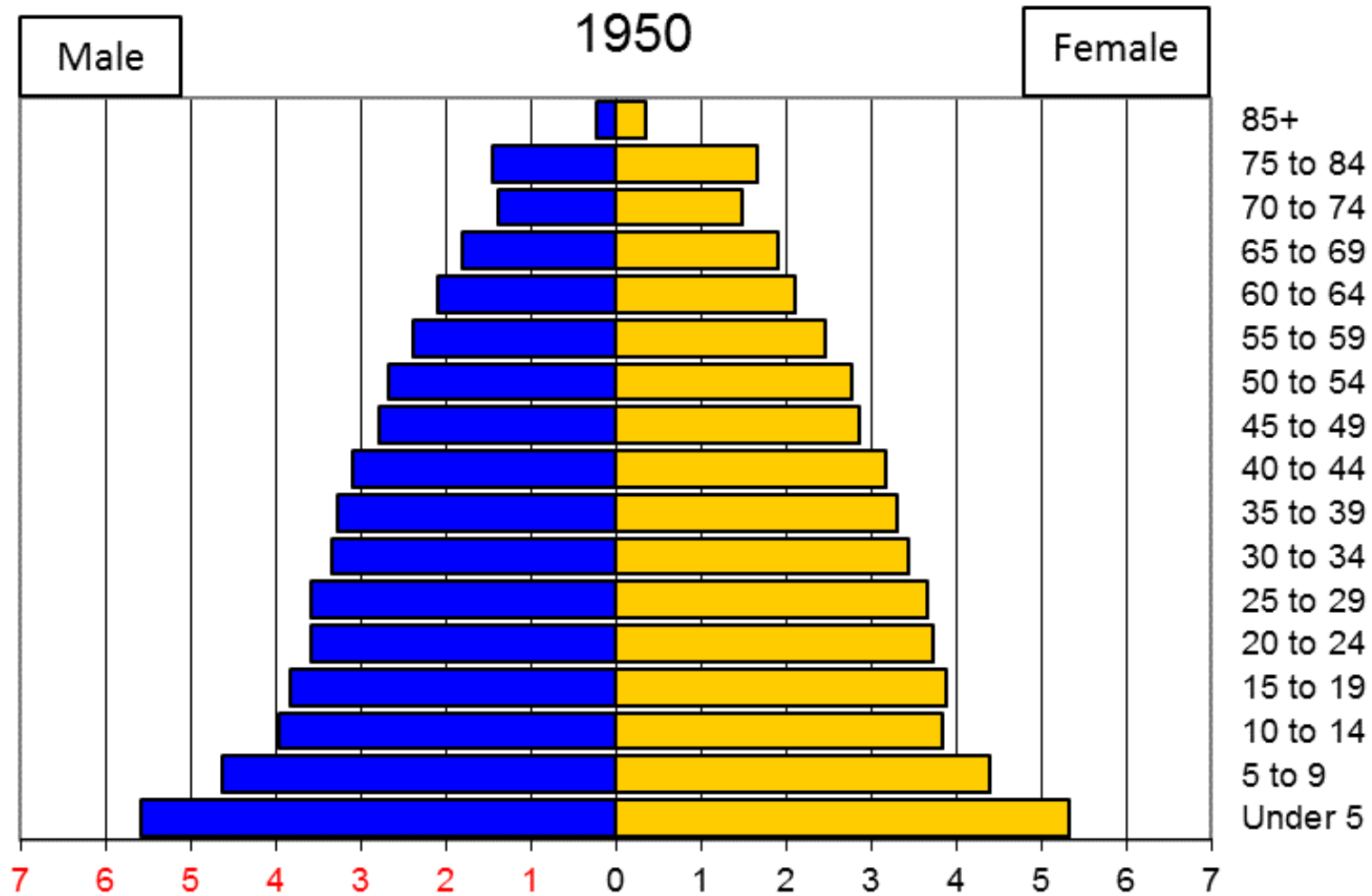
Maine still has the highest median age in the nation at 44.8 years; Vermont and New Hampshire are tied for second at 43.6 years



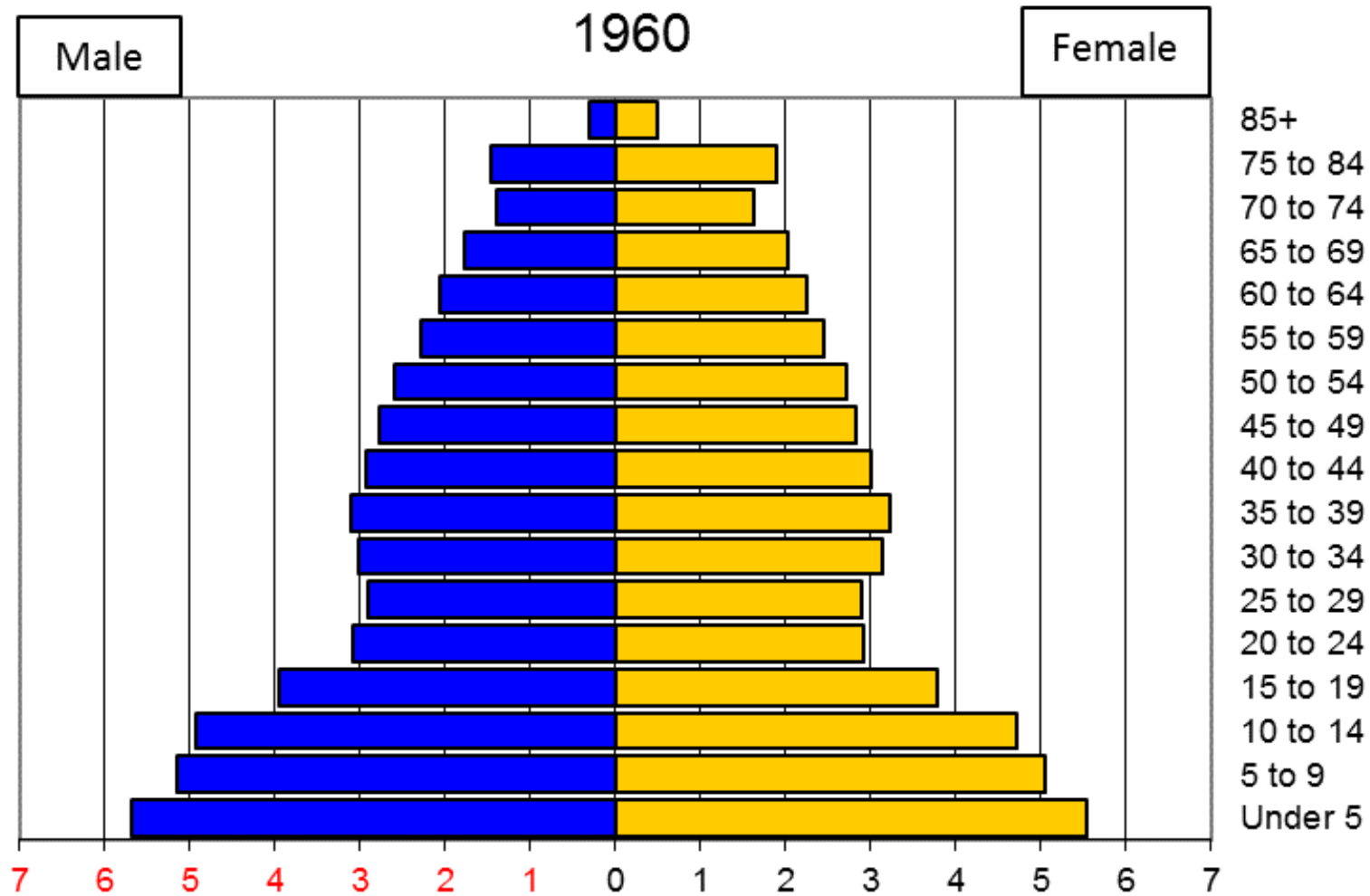
Median Age by County 2024



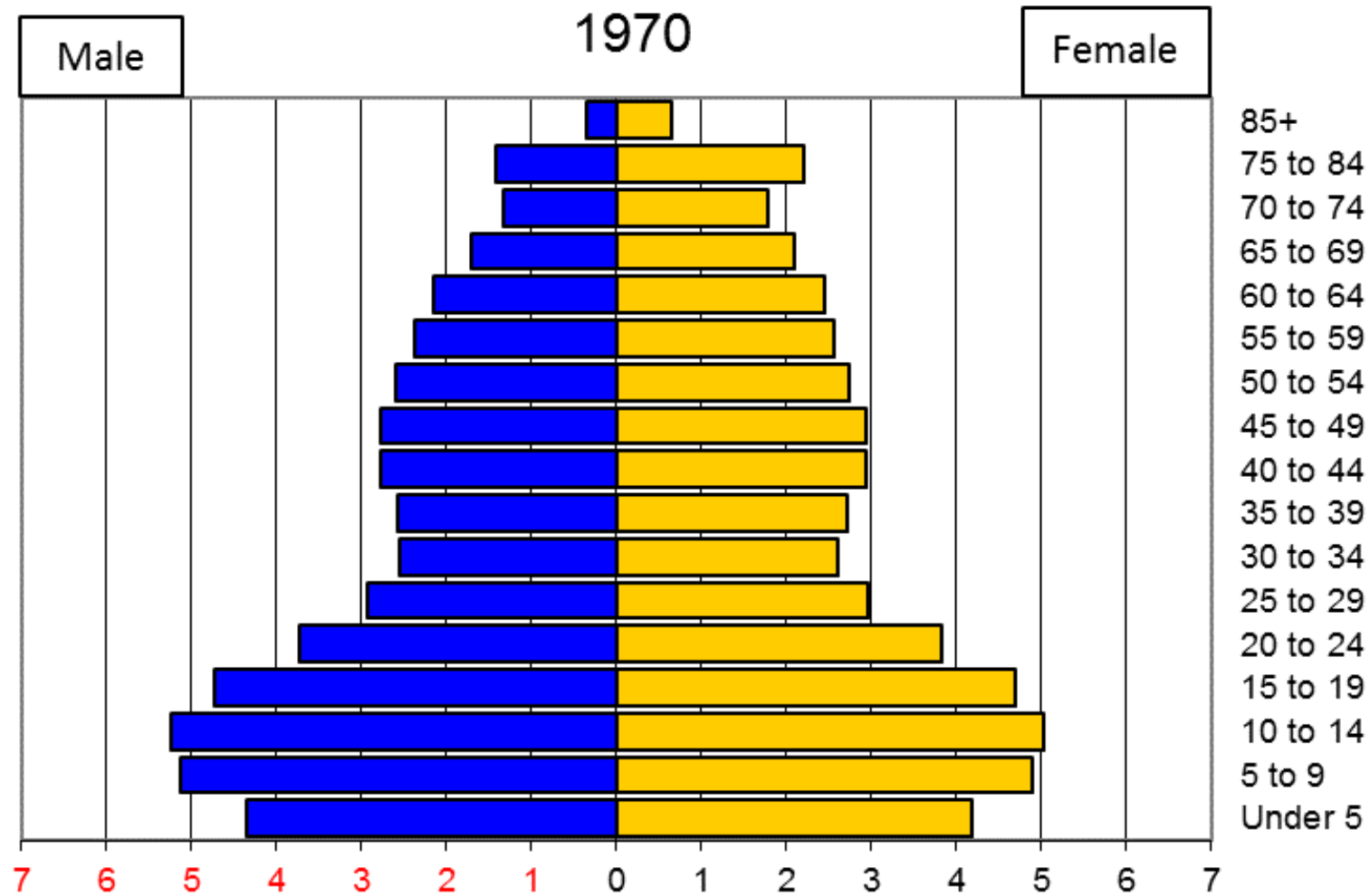
The Baby Boom: 1946-1964



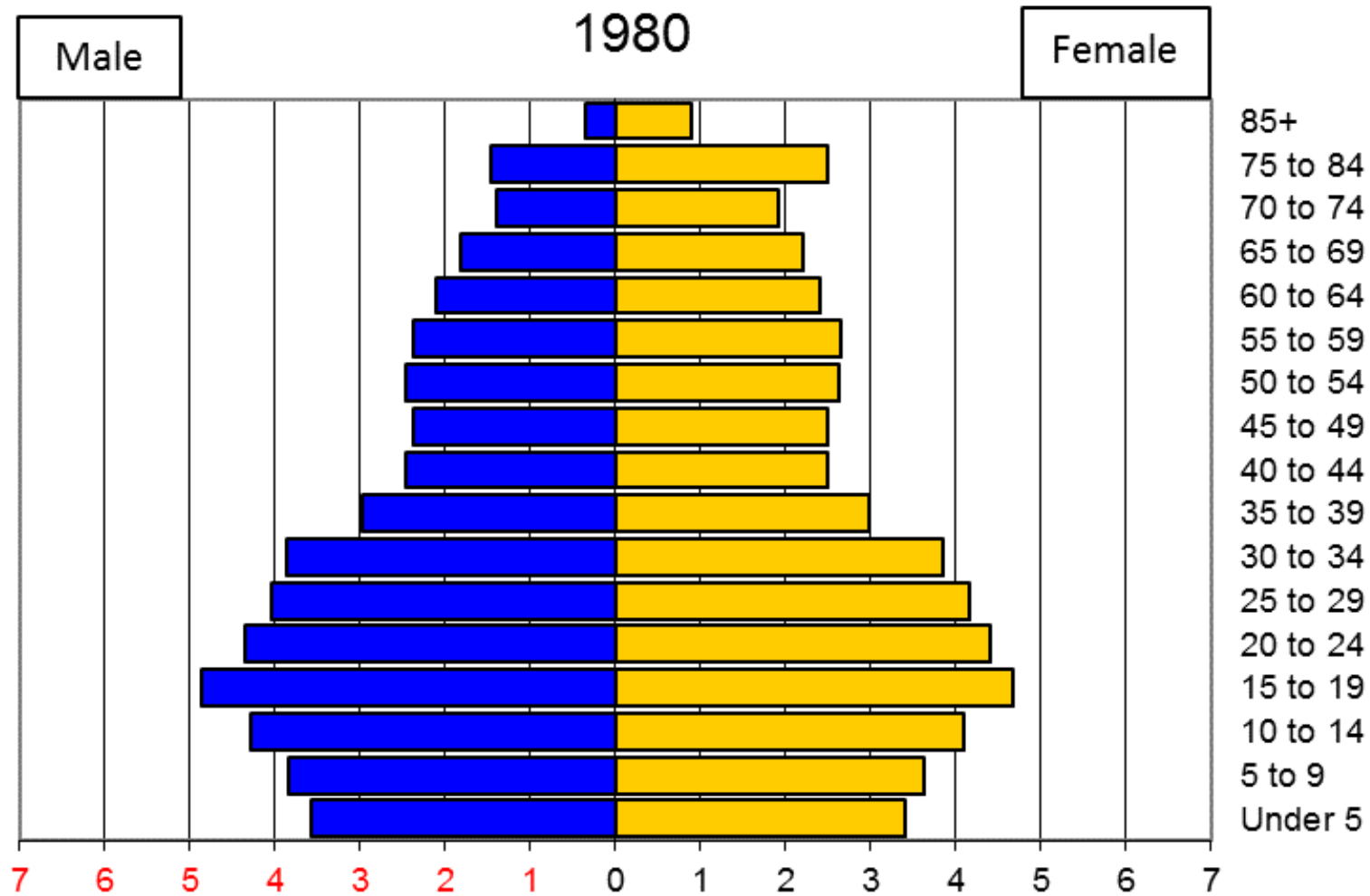
The Baby Boom: 1946-1964



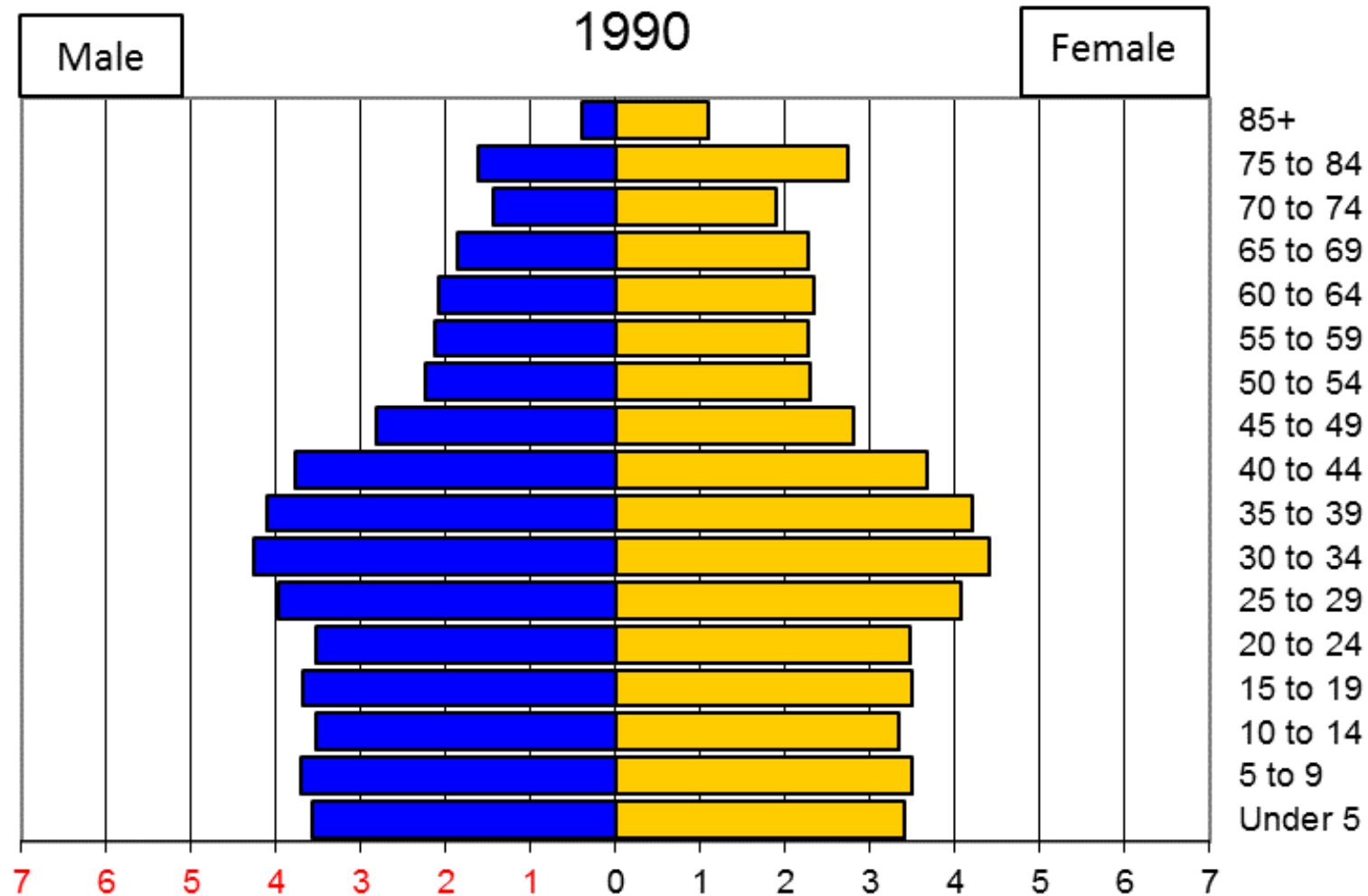
The Baby Boom: 1946-1964



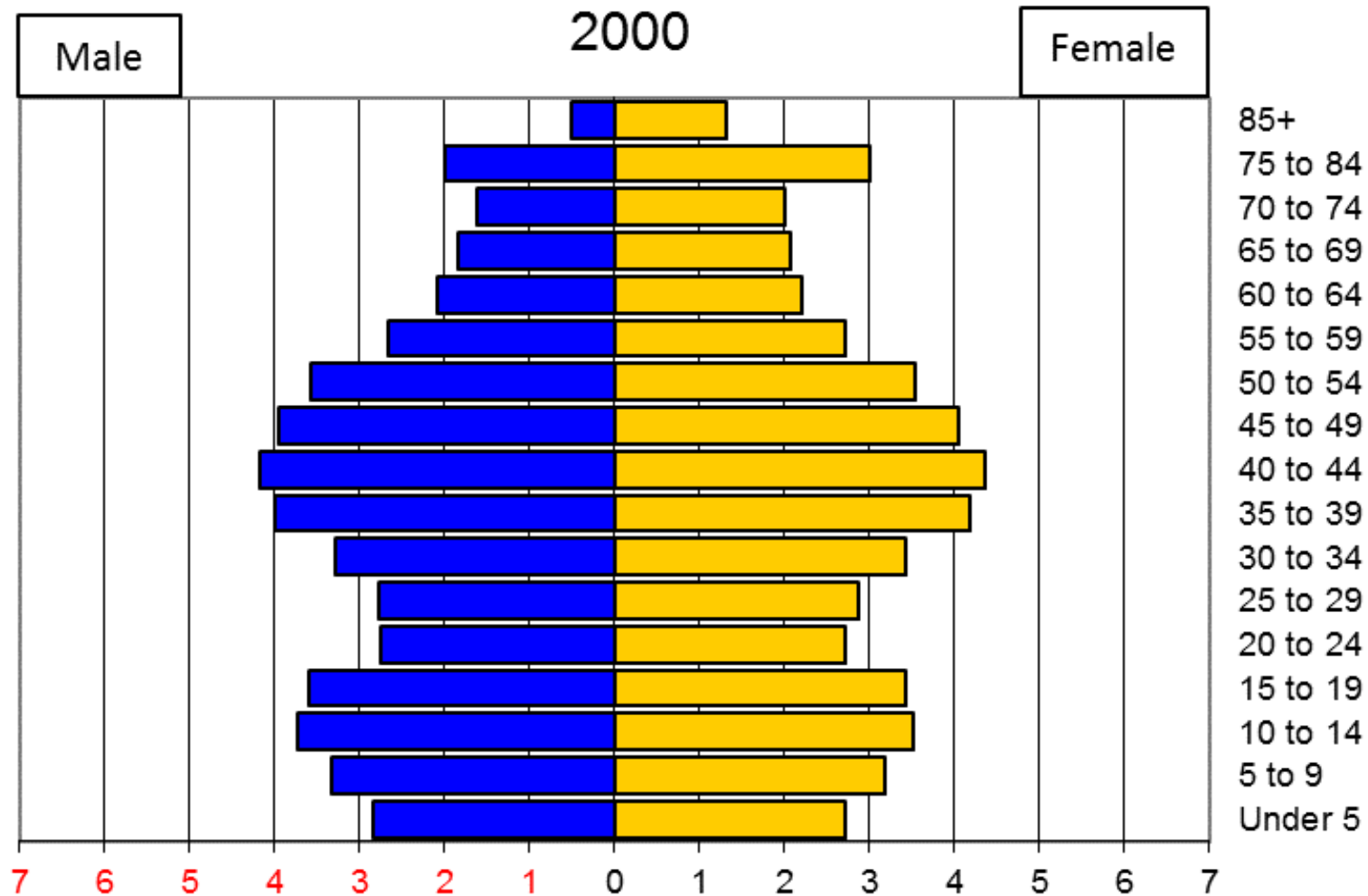
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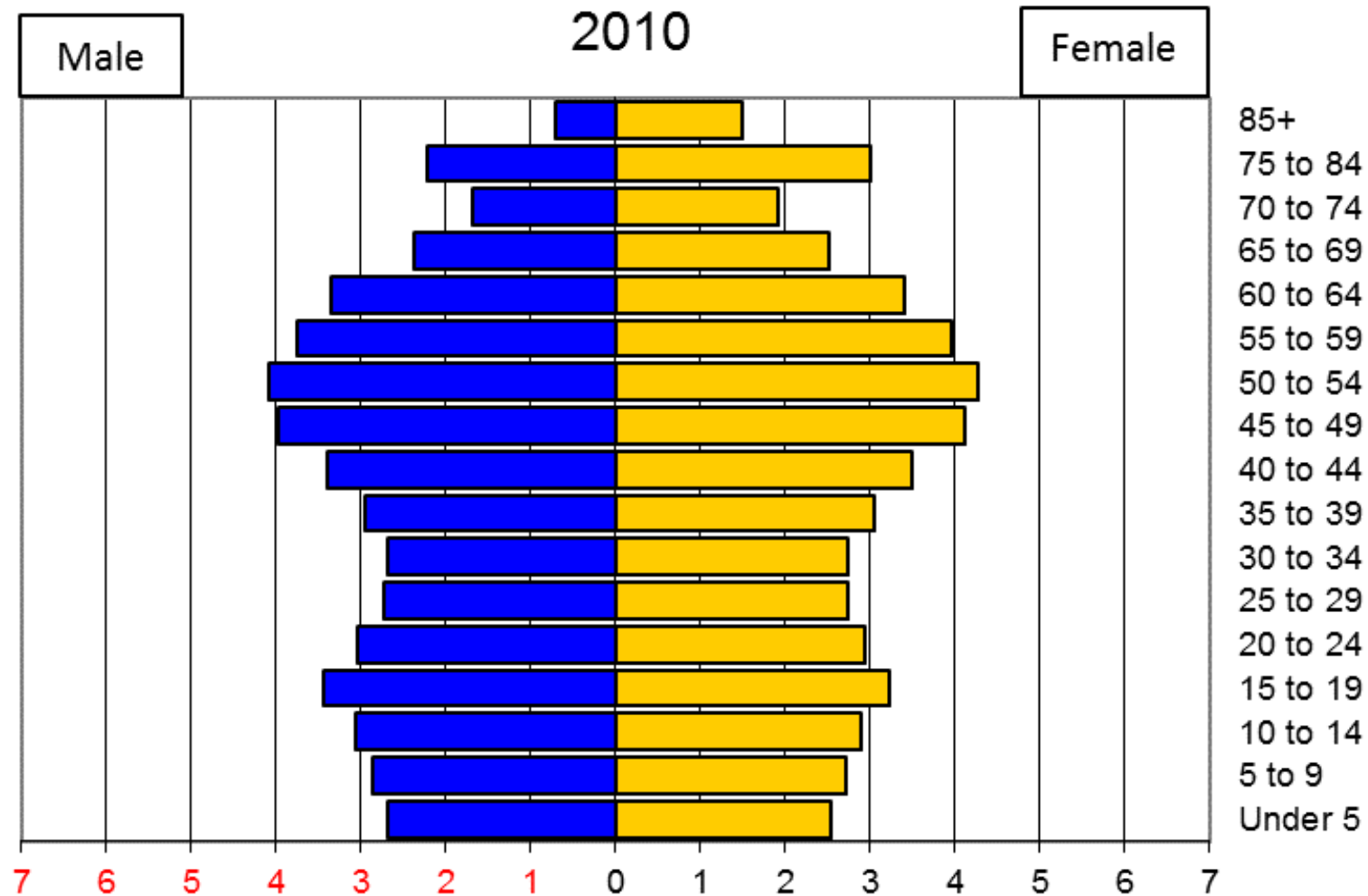
The Baby Boom: 1946-1964



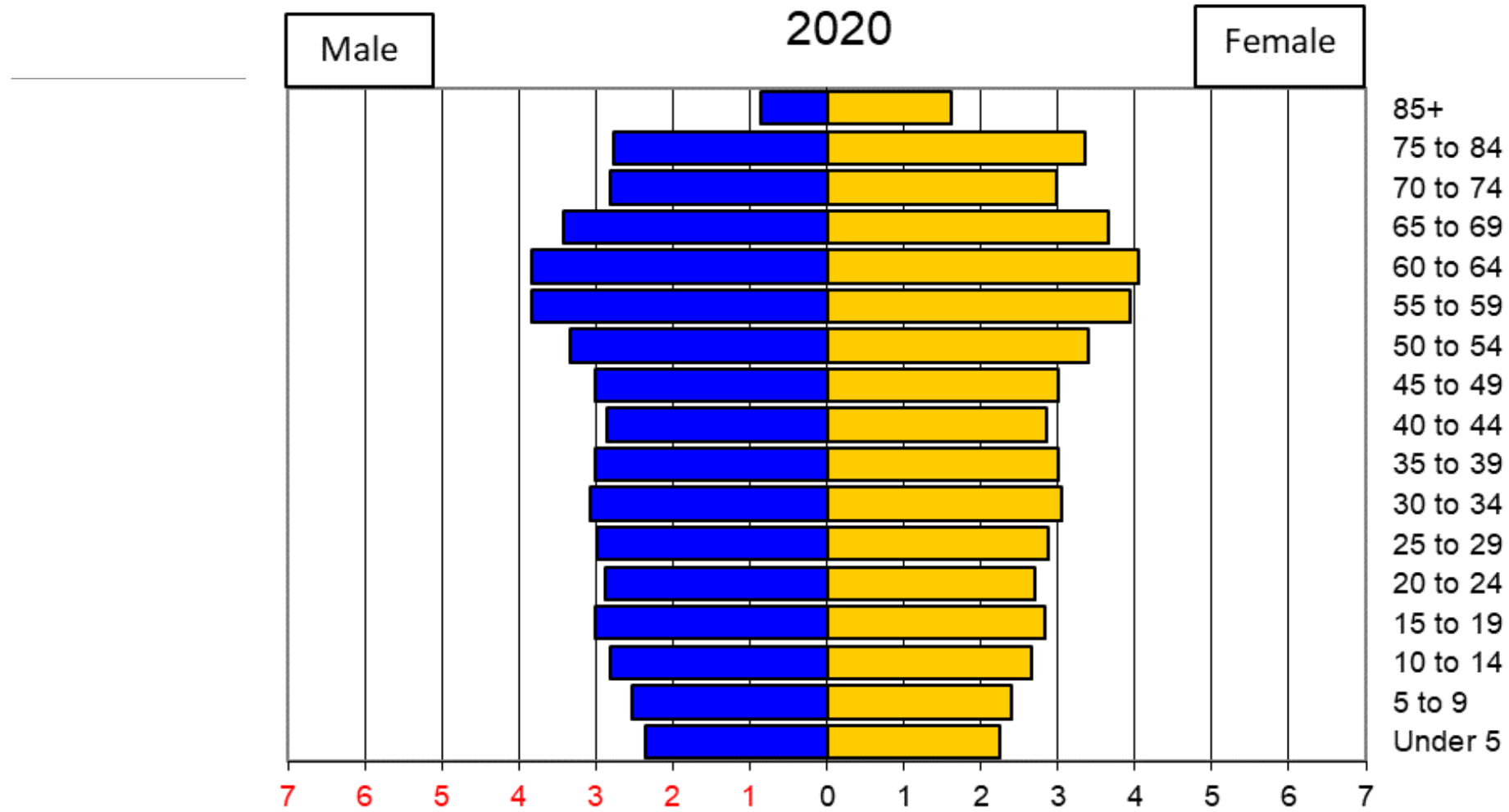
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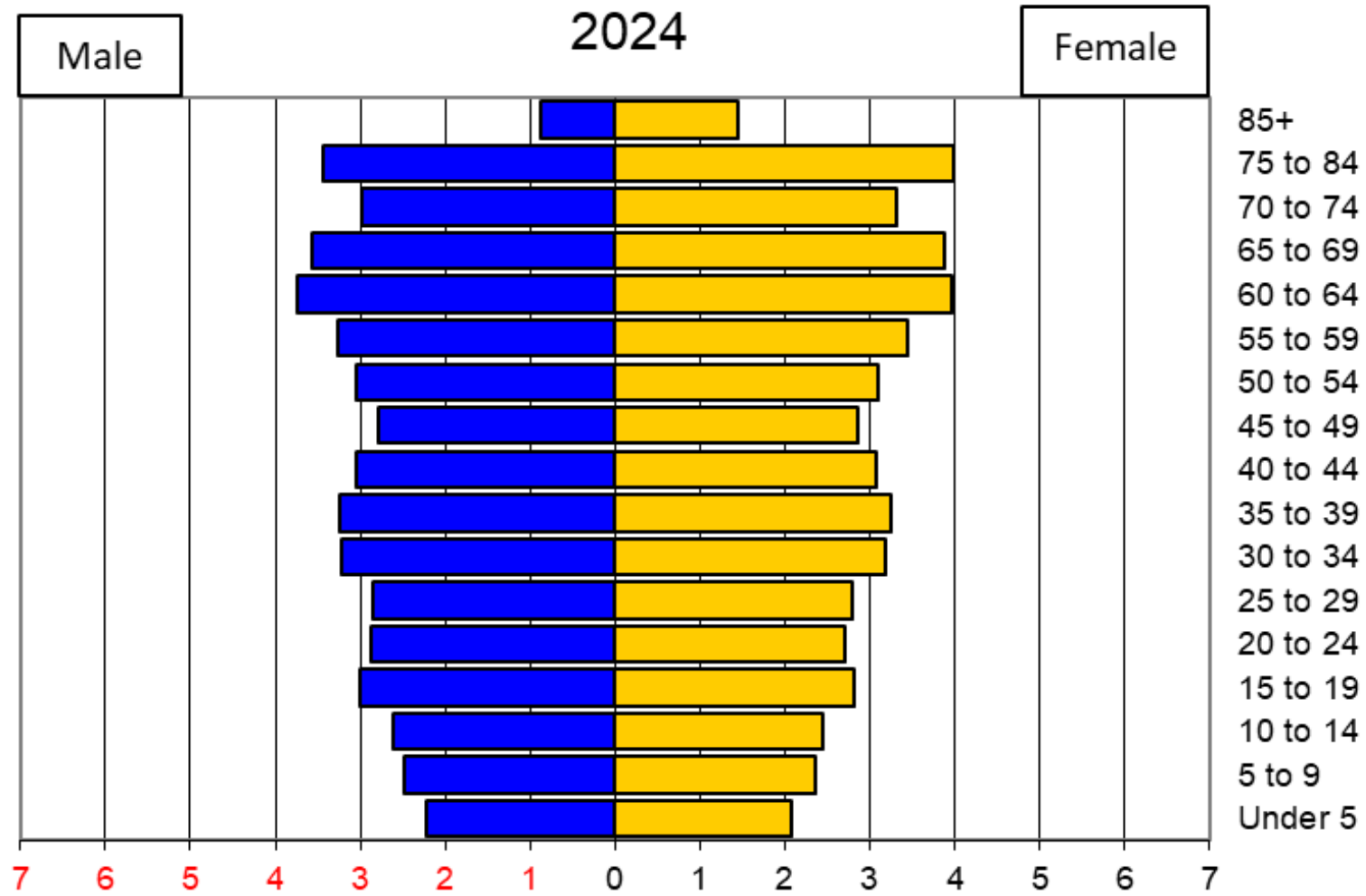


The Baby Boom: 1946-1964

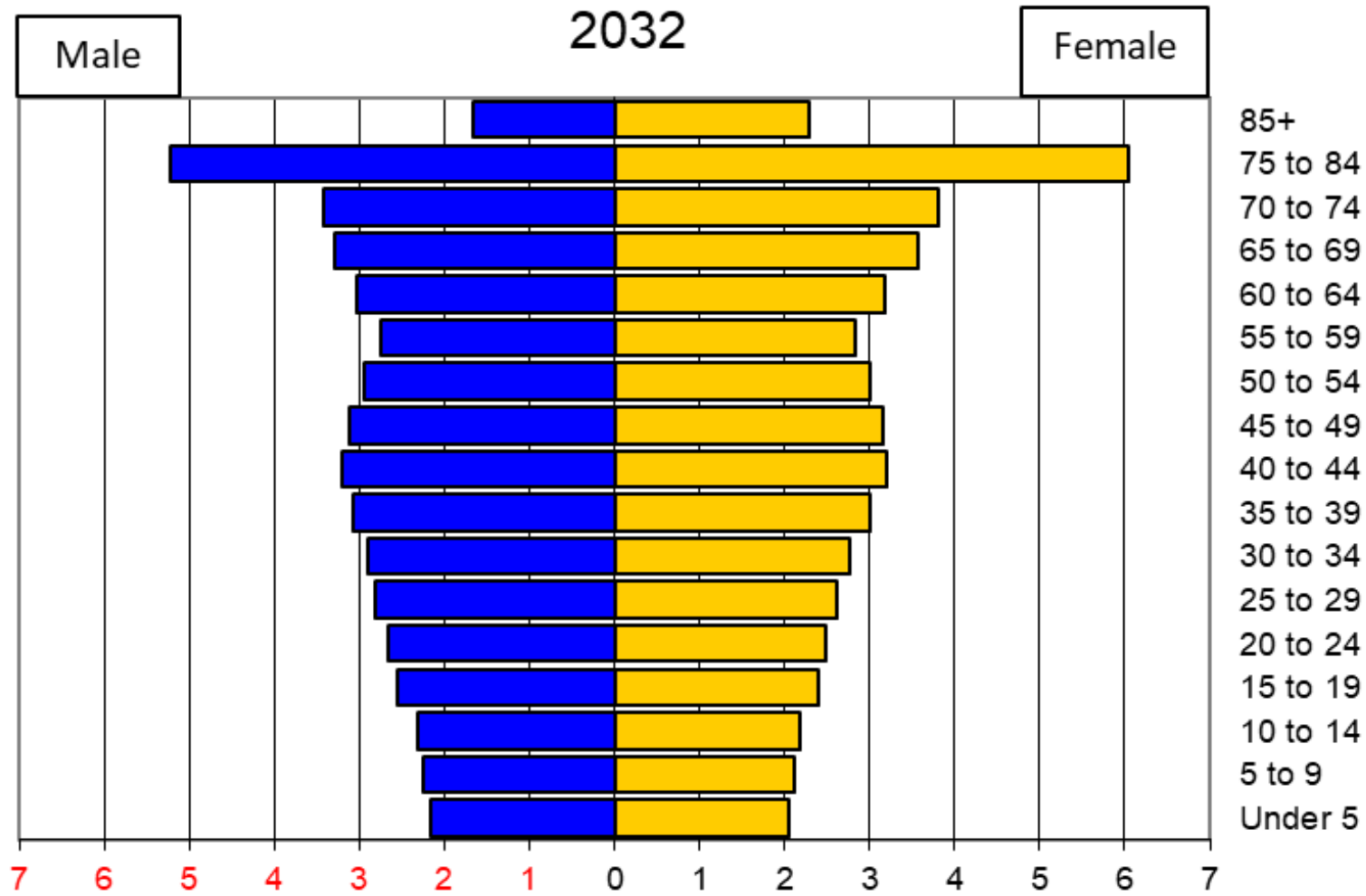


The Baby Boom: 1946-1964

Baby Boom generation in 2024: age 60-78



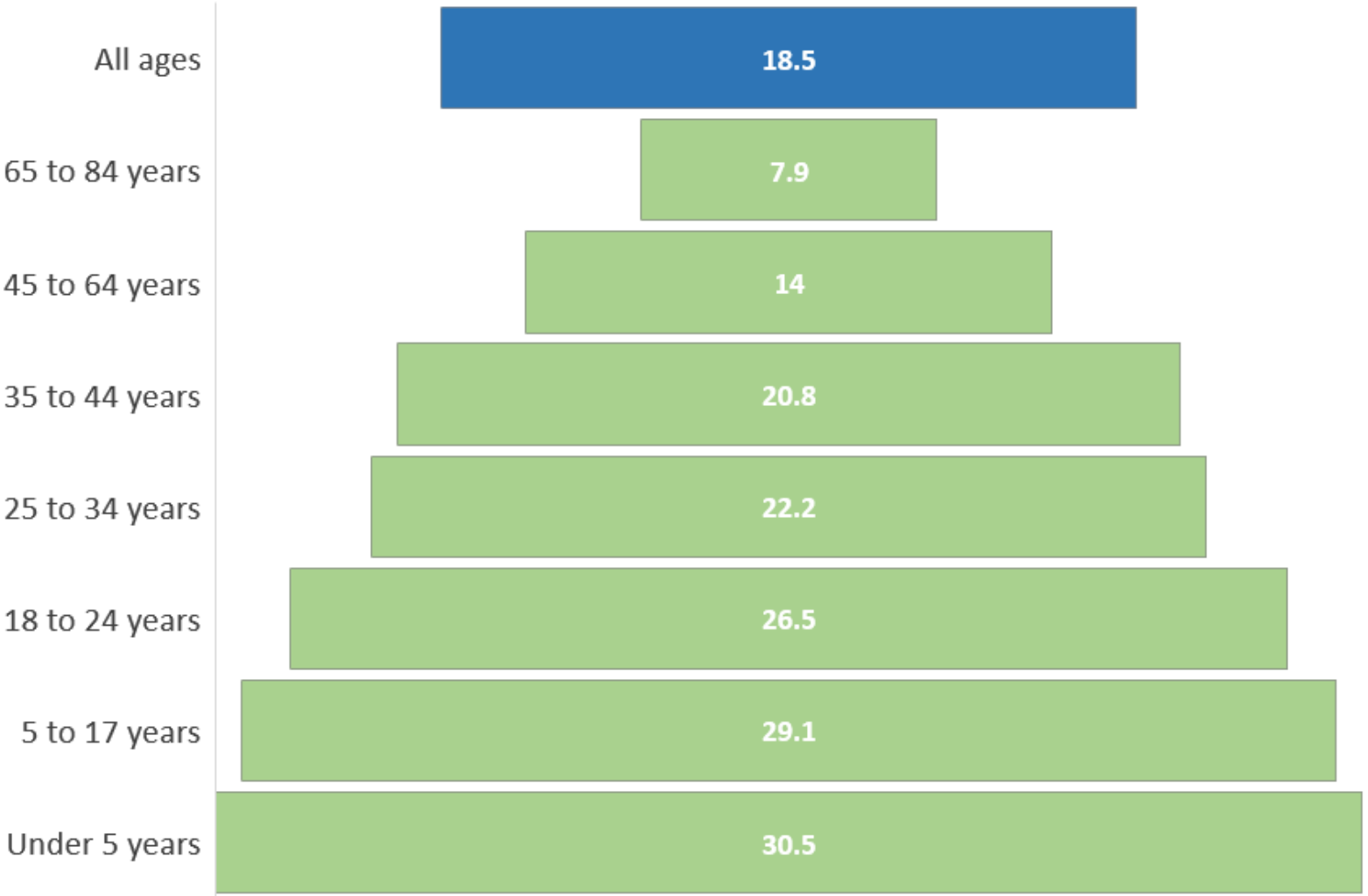
The Baby Boom: 1946-1964



Baby Boom generation in 2032: age 68-86

Prime working-age population (20-64 years) projected to decrease by 4.6% from 2022-2032

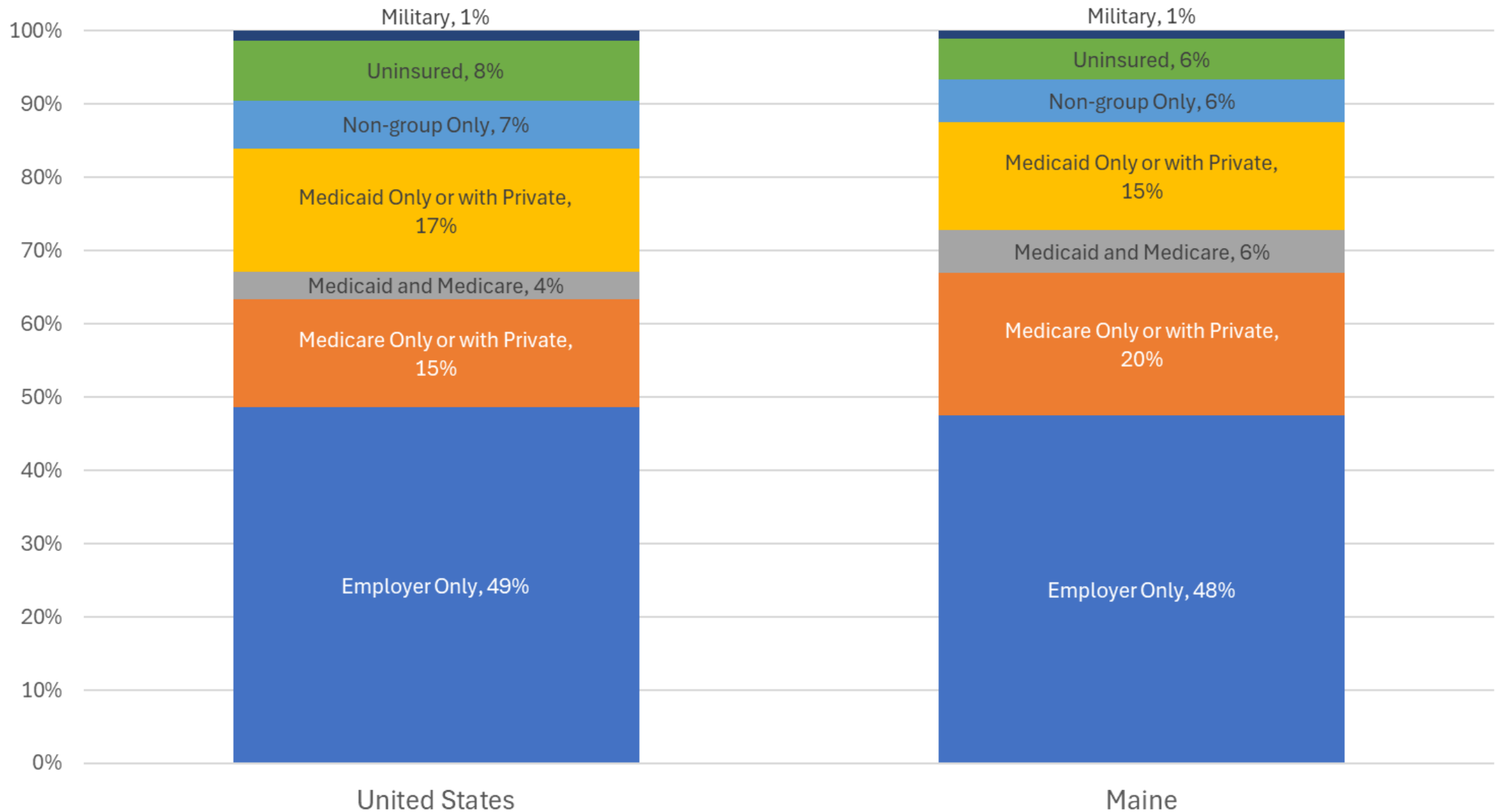
Diversity Index in Maine, 2020: Selected Age Groups



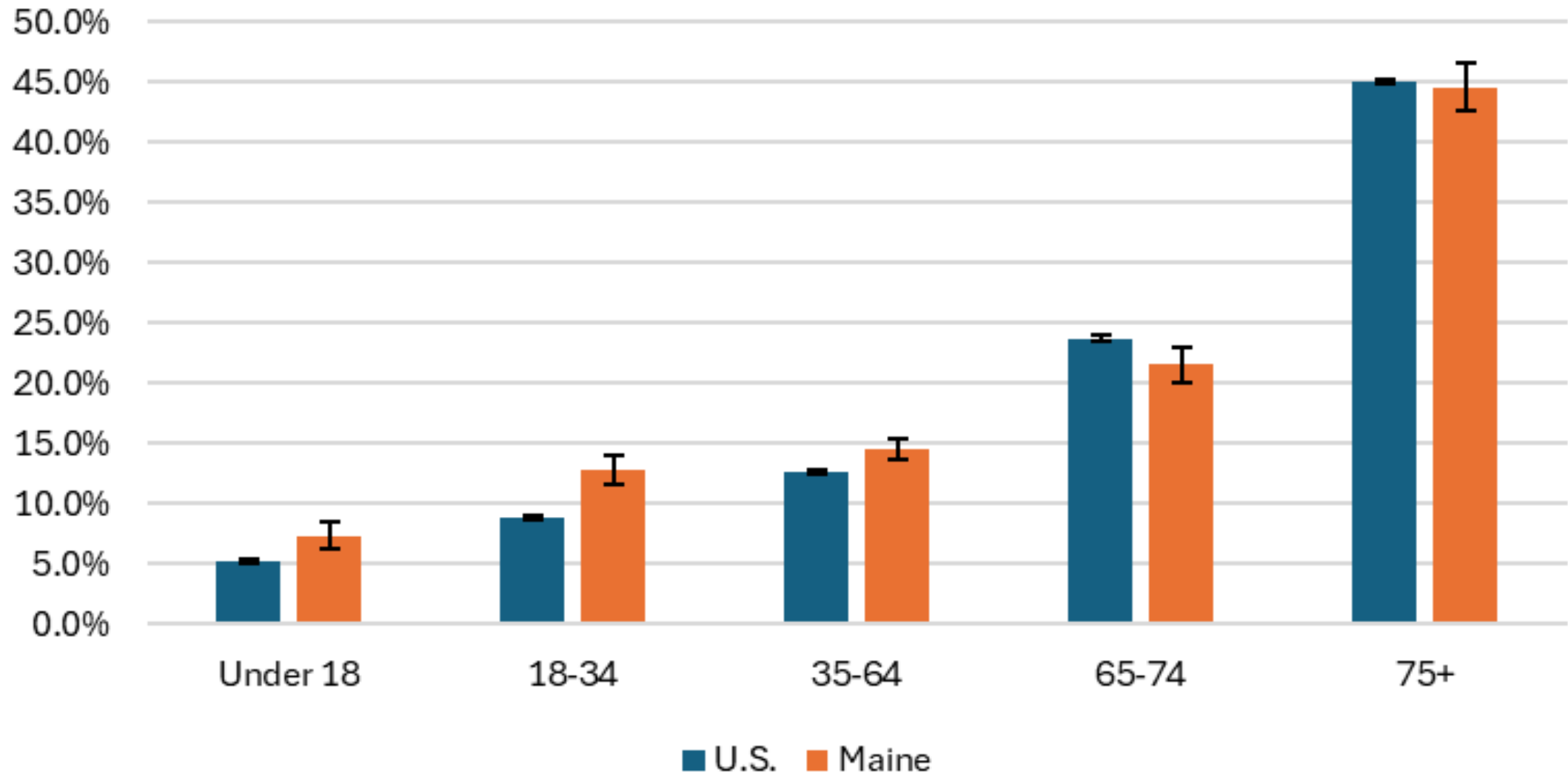
Younger generations in Maine are more diverse than older generations

SOURCE: U.S. CENSUS BUREAU

Health Insurance Coverage of the Population, 2024

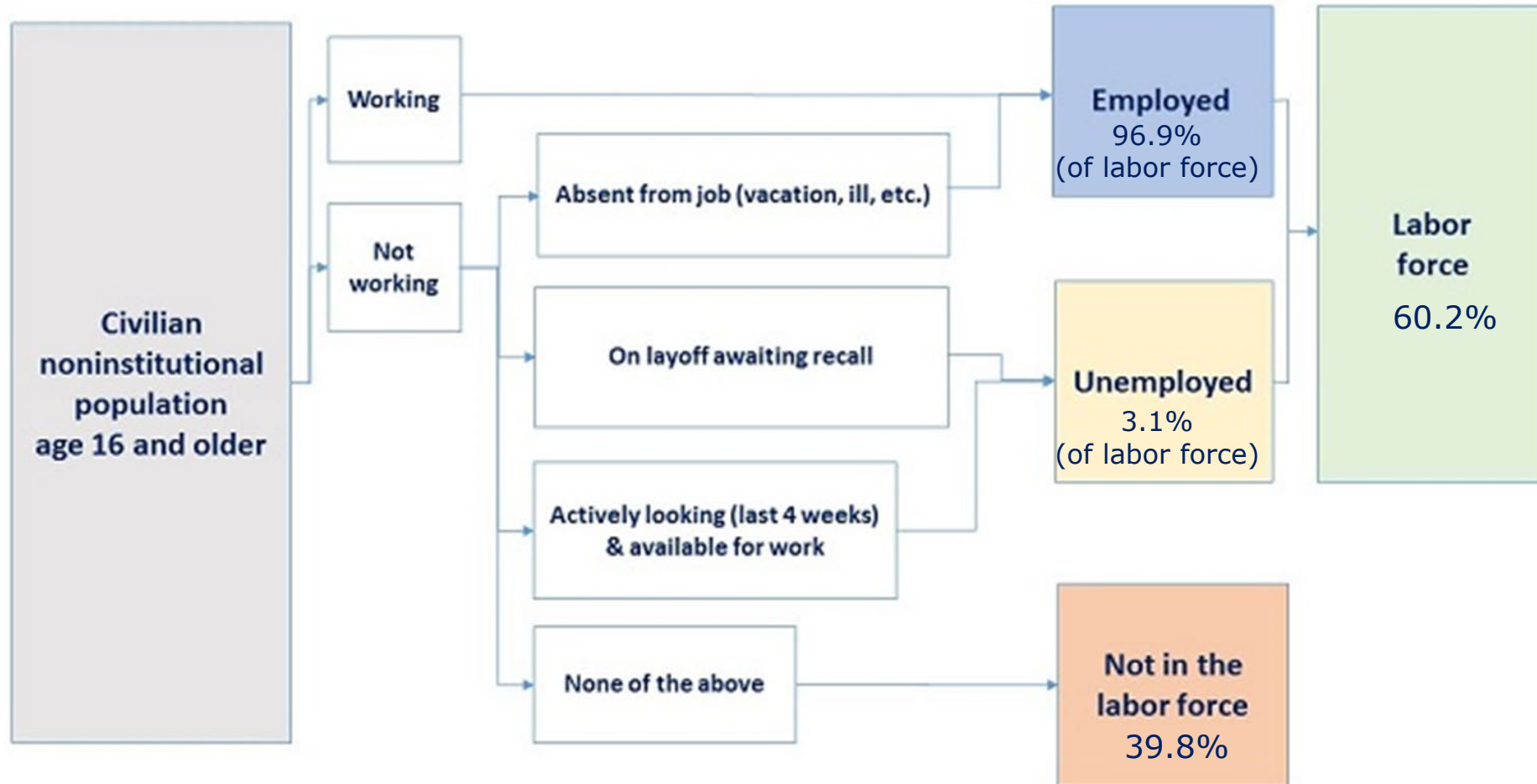


Disability Rate by Age Group, 2024



Workforce and Employment

Who is in the labor force?



What are the reasons people nationally are not in the labor force?

Retirement (primarily age 55+)

3/4 of difference in nonparticipation from 1999-2022 due to retirements

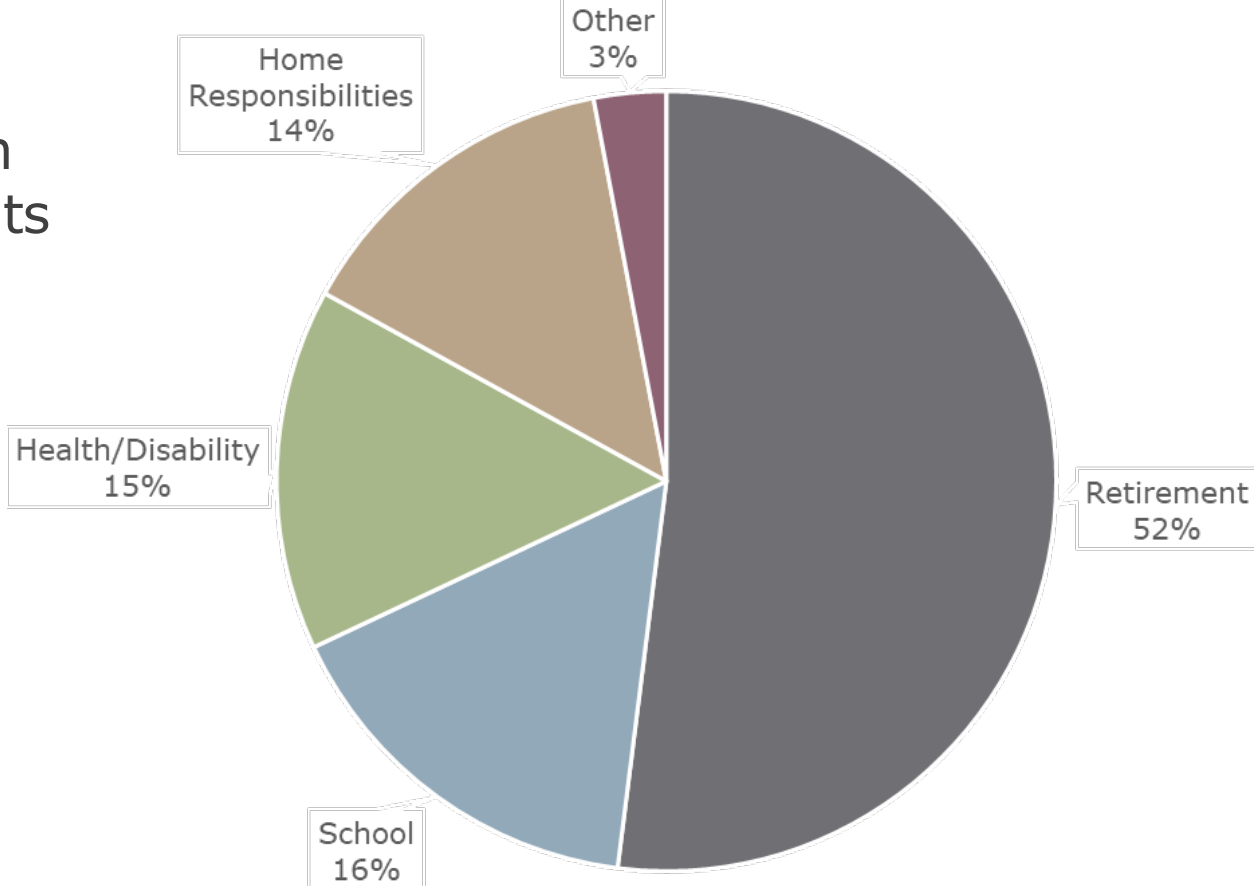
School attendance

Health/disability

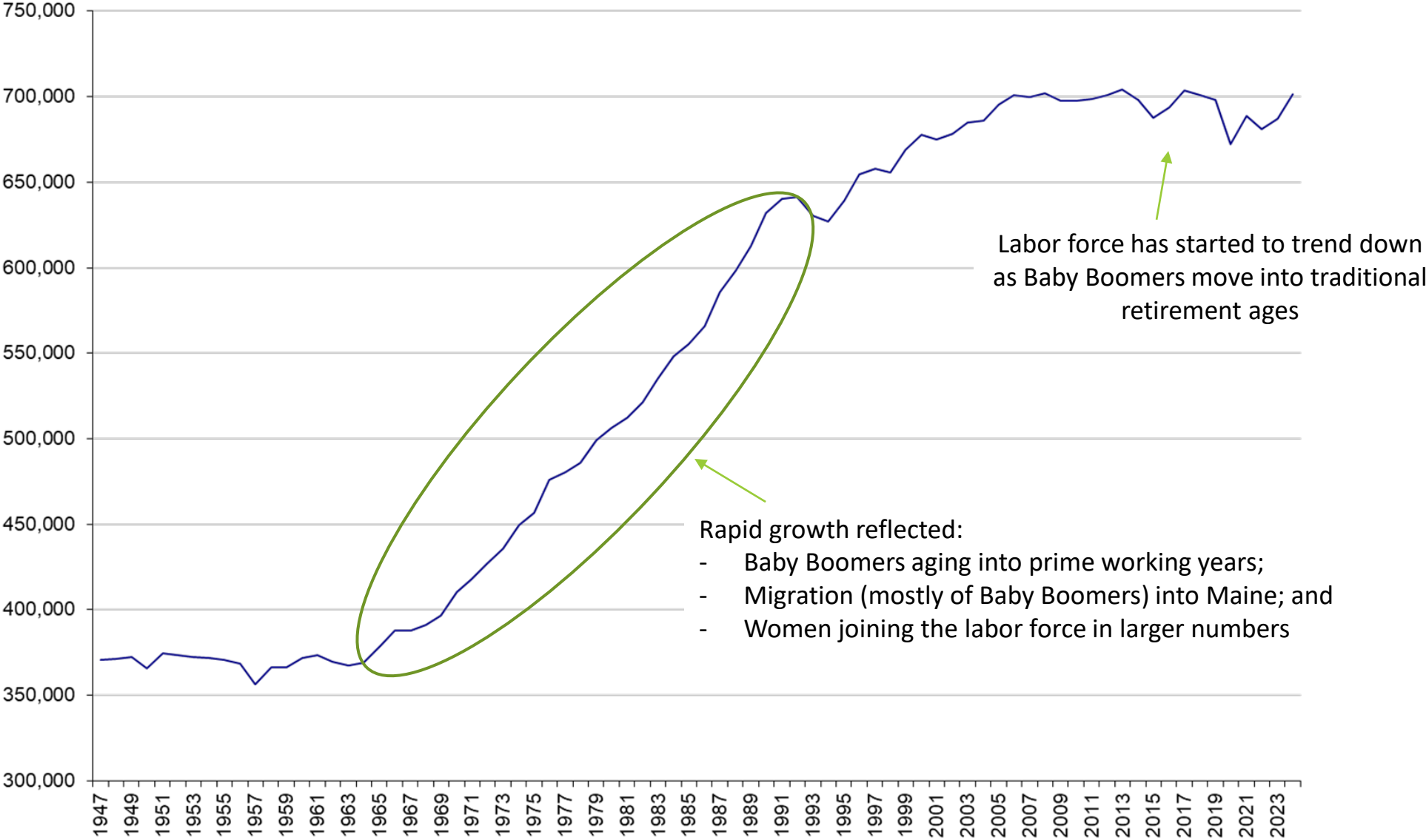
Home responsibilities

Other reasons

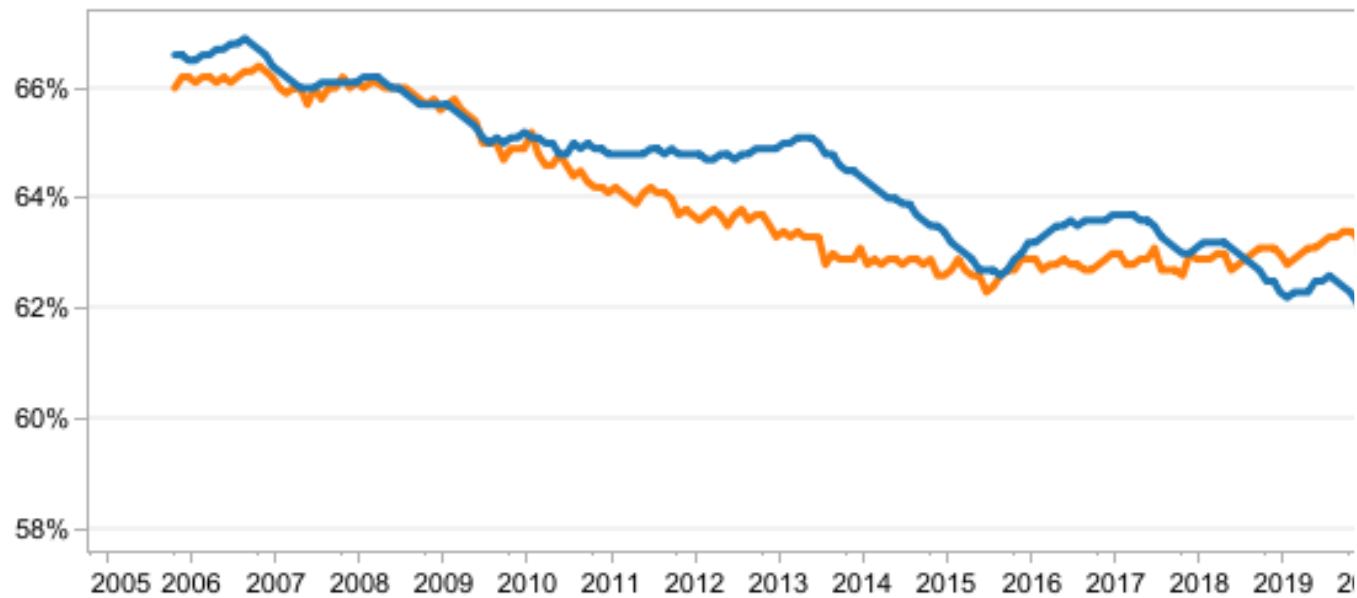
Share of Nonparticipants by Reason, 2022



Maine Civilian Labor Force



Labor Force Participation Rate (seasonally adjusted)

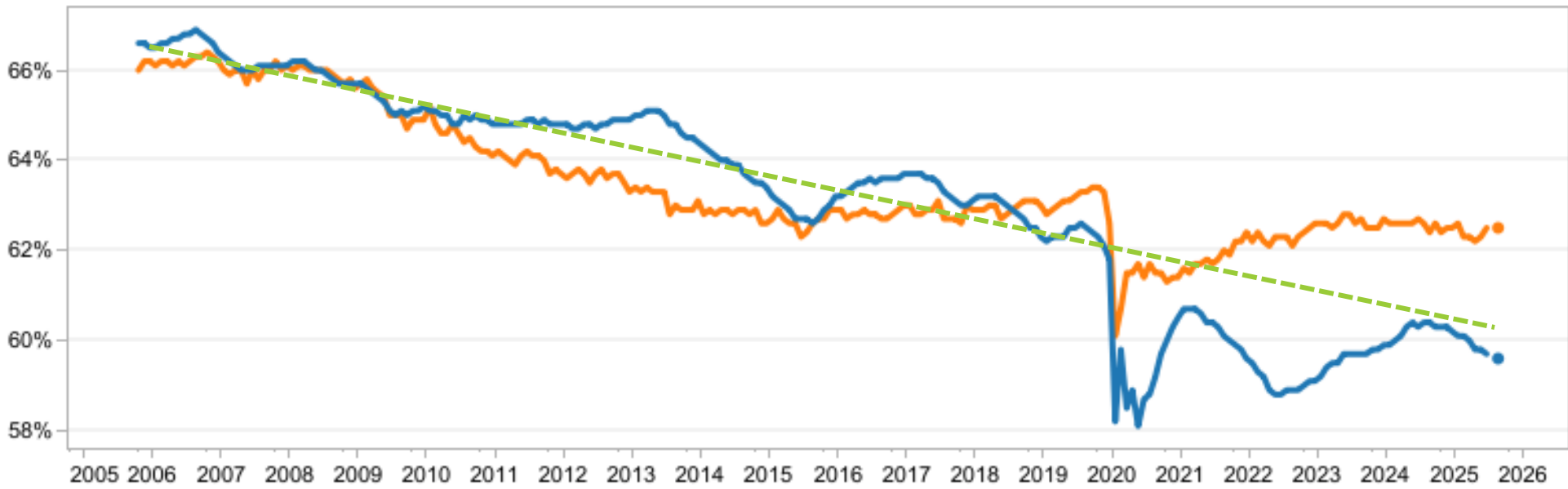


Dec, 2005 to Nov, 2025

- Unemployment Rate
- Labor Force & Employment
- Unemployment
- Labor Force Participation Rate
- Employment to Population Ratio

■ Maine
■ United States

Labor Force Participation Rate (seasonally adjusted)

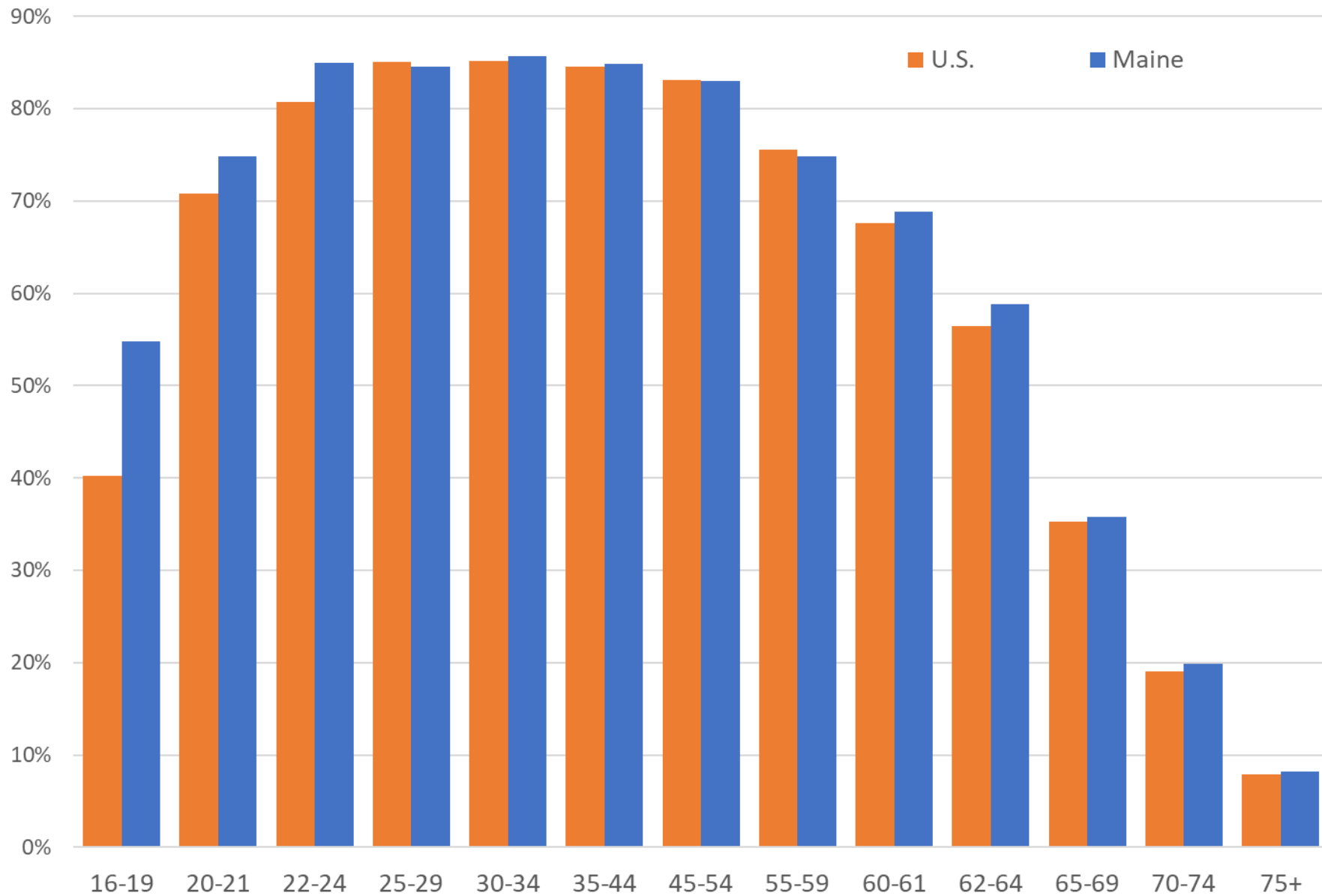


Dec, 2005 to Nov, 2025

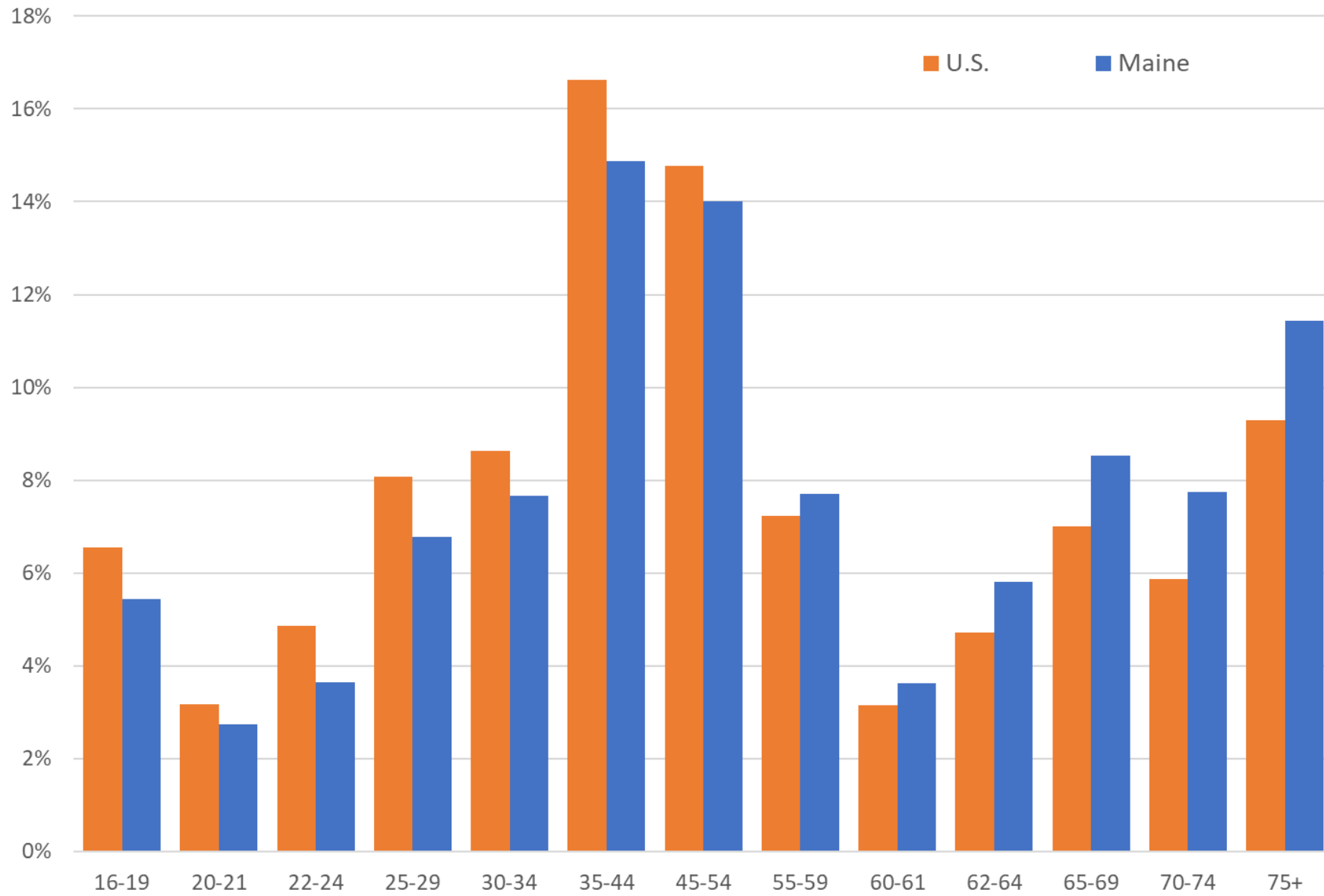
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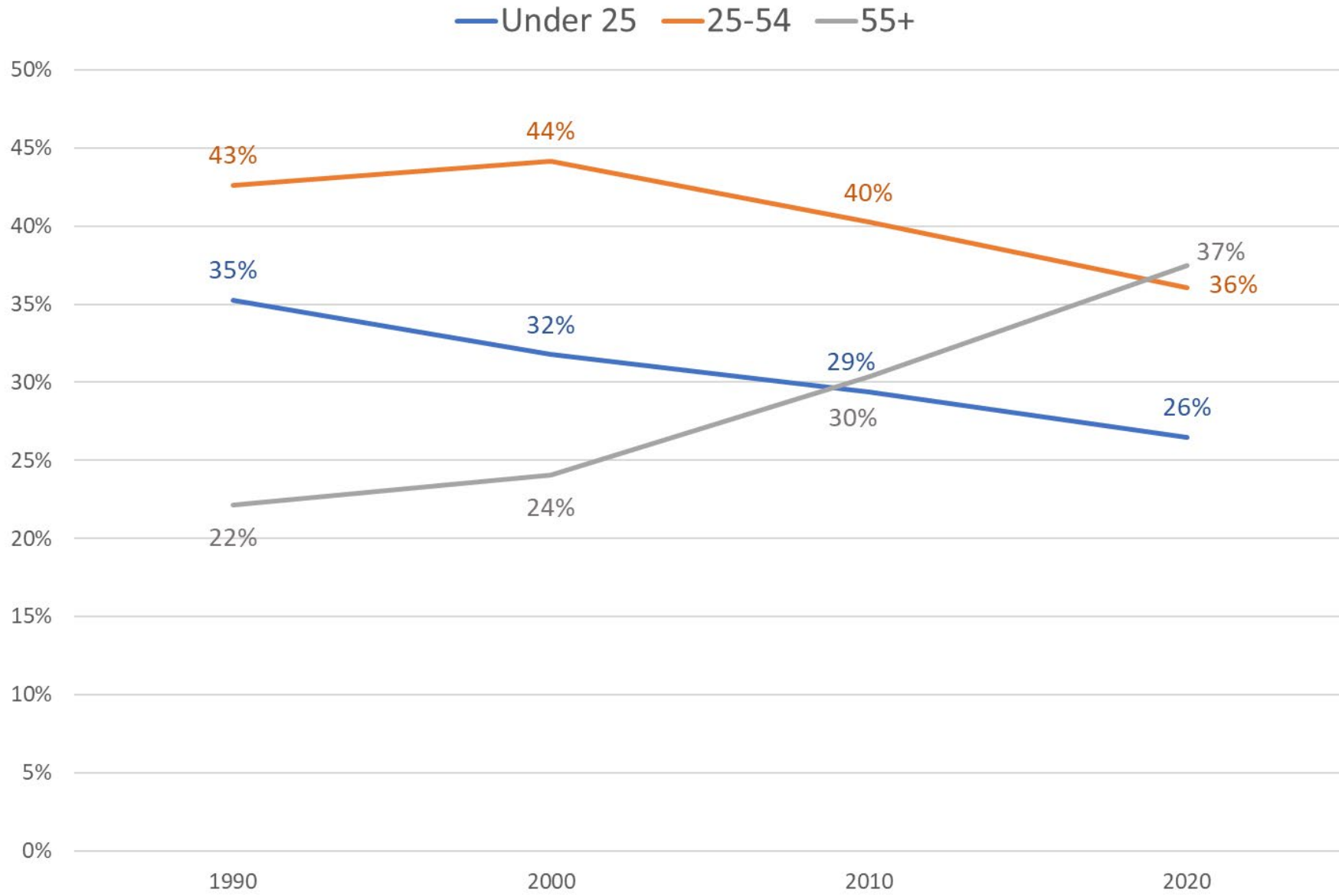
2024 Labor Force Participation Rate



Share of 16+ Population by Age, 2024



Share of Total Maine Population by Age



Maine's seasonally-adjusted 3.2% unemployment rate in November 2025 was below both the U.S. and New England rates

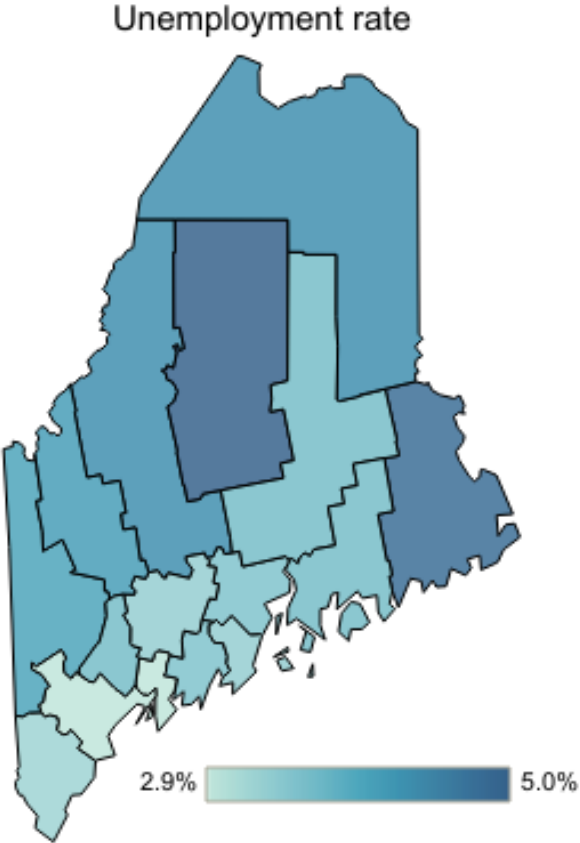
County Rates (not seasonally adjusted)

November, 2025

Table
 Graph

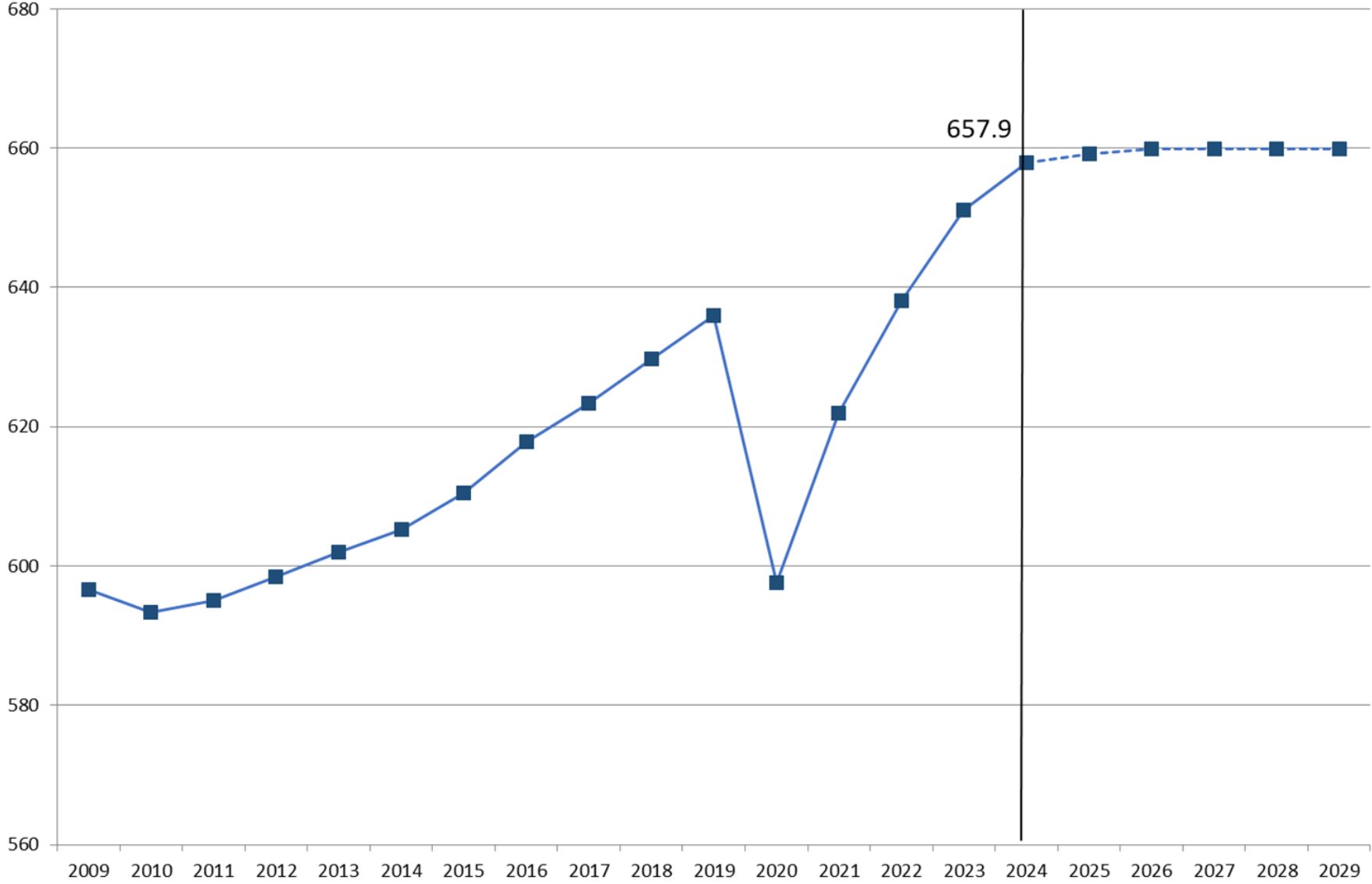
Map/Graph Display
 Unemployment rate
 One-year change

County	Rate	Year ago	One-yr change	
Maine	3.4%	3.6%	-0.2	↓
Androscoggin	3.6%	3.8%	-0.2	↓
Aroostook	4.3%	4.4%	-0.1	↓
Cumberland	2.9%	3.1%	-0.2	↓
Franklin	4.1%	4.5%	-0.4	↓
Hancock	3.6%	3.9%	-0.3	↓
Kennebec	3.3%	3.5%	-0.2	↓
Knox	3.3%	3.8%	-0.5	↓
Lincoln	3.5%	4.0%	-0.5	↓
Oxford	4.0%	4.2%	-0.2	↓
Penobscot	3.6%	3.9%	-0.3	↓
Piscataquis	5.0%	5.4%	-0.4	↓
Sagadahoc	2.9%	3.2%	-0.3	↓
Somerset	4.3%	4.5%	-0.2	↓
Waldo	3.5%	3.9%	-0.4	↓
Washington	4.8%	4.8%	0.0	▬
York	3.2%	3.3%	-0.1	↓

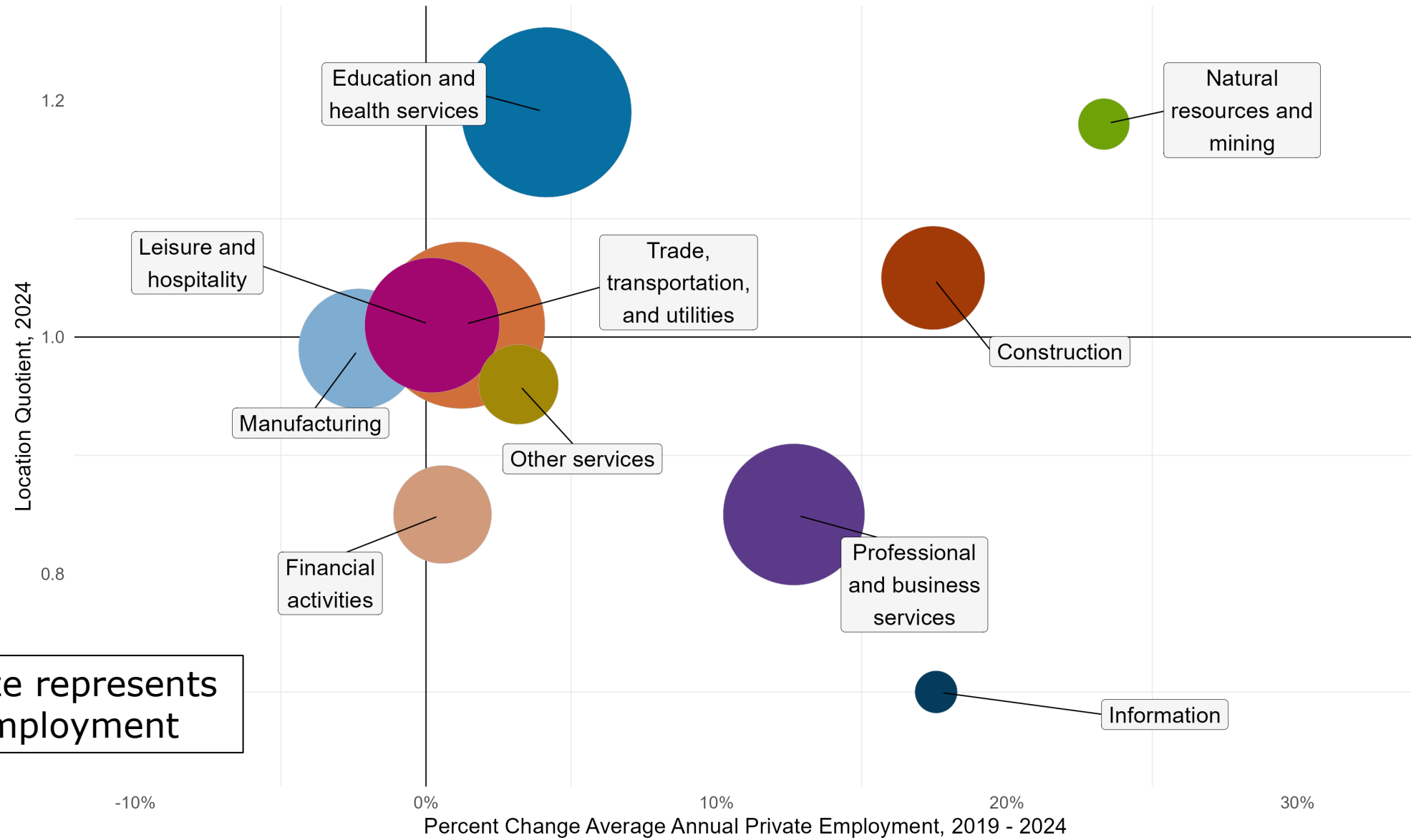


Maine Department of Labor, Center for Workforce Research and Information

Total Nonfarm Employment (in thousands) History and Consensus Economic Forecasting Commission forecast



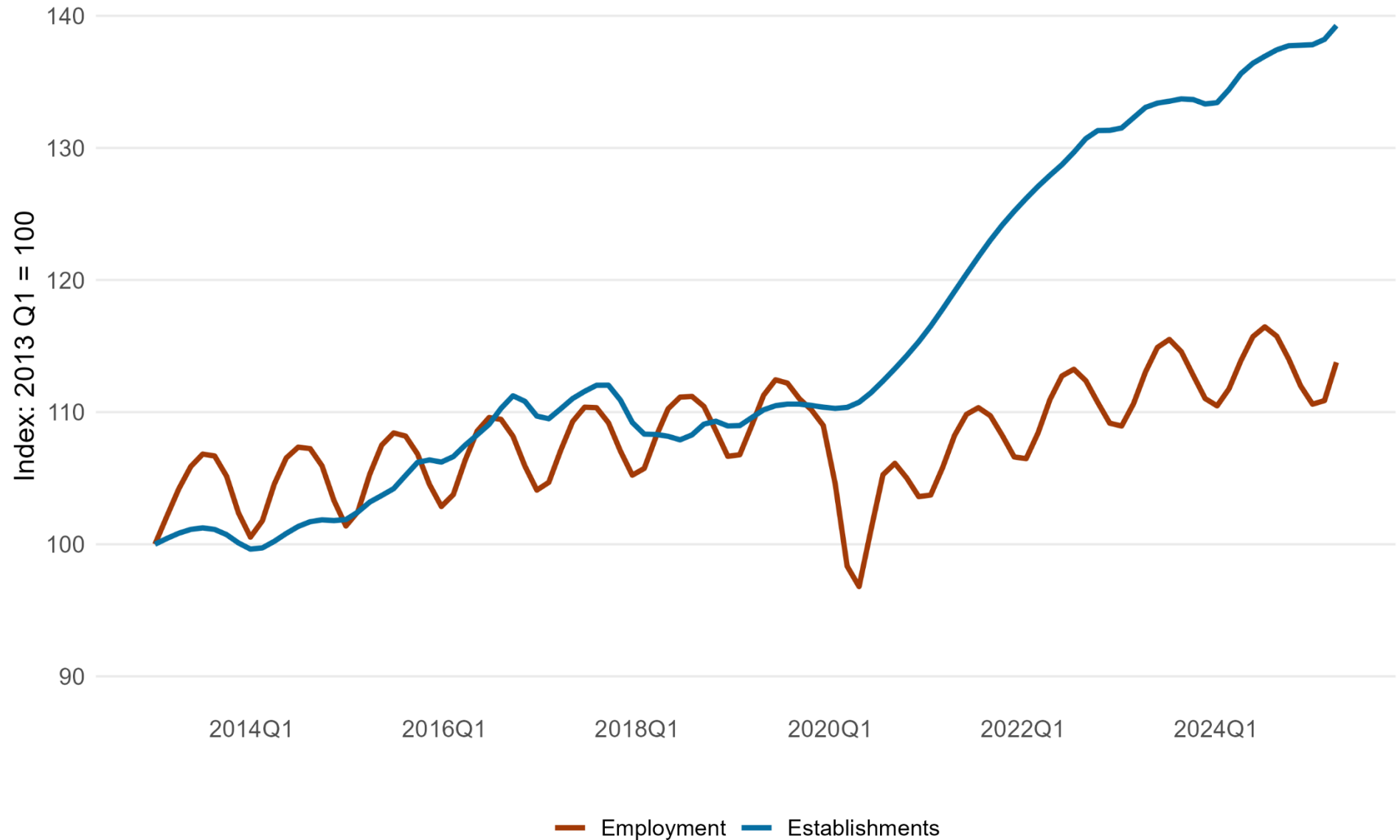
Maine Location Quotients for Private Industry Super Sectors, 2019-2024



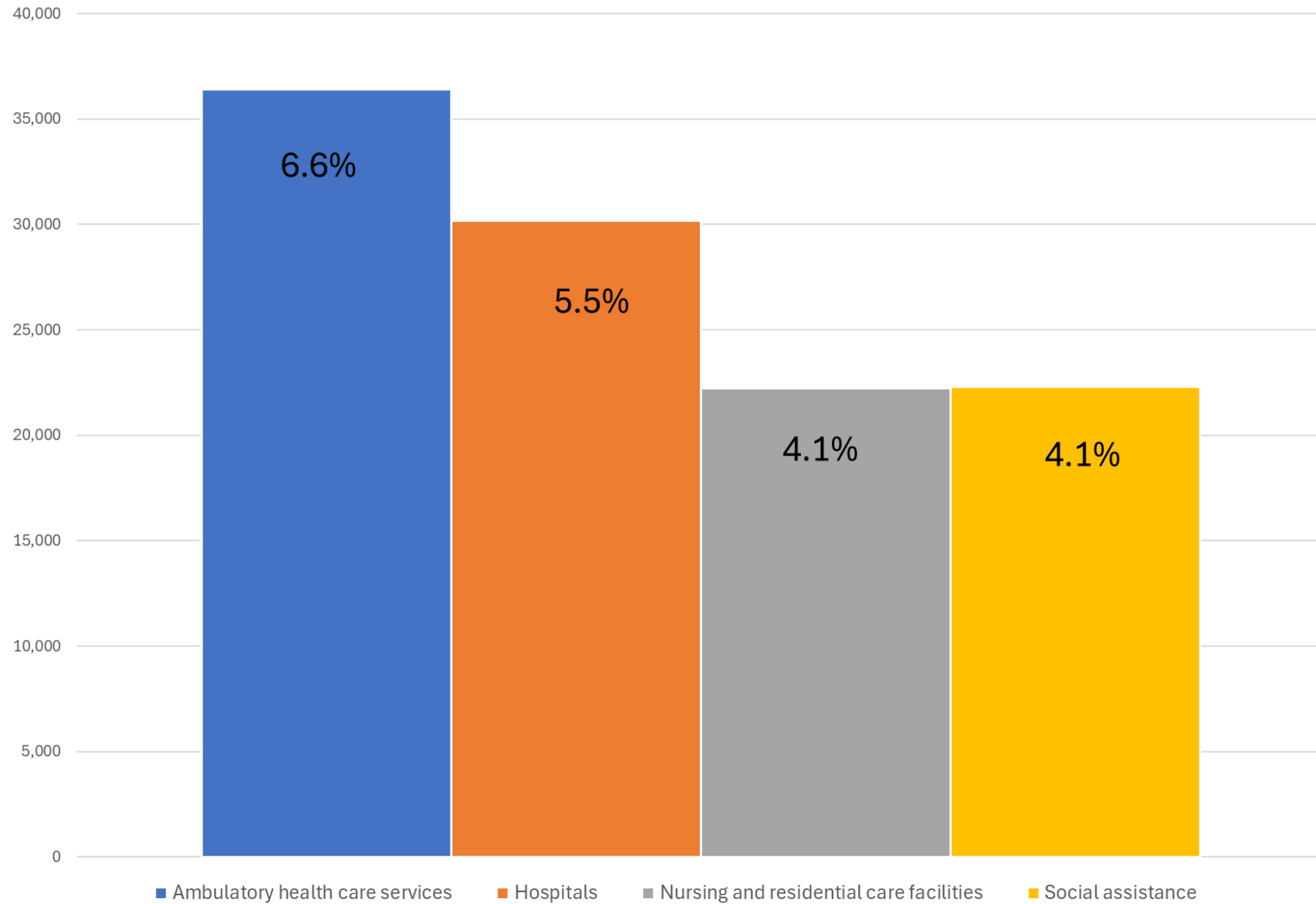
Bubble size represents 2024 employment

Maine Wage and Salary Employment & Private Employer Establishments

As remote work grew during the pandemic, Maine saw employer establishments grow at a faster rate than jobs as out-of-state firms reported small numbers of workers now in Maine.



Healthcare & Social Assistance Private Employment in Maine (2024)



Display

- Graph
- Table

Top

25 < >

Education Requirement:

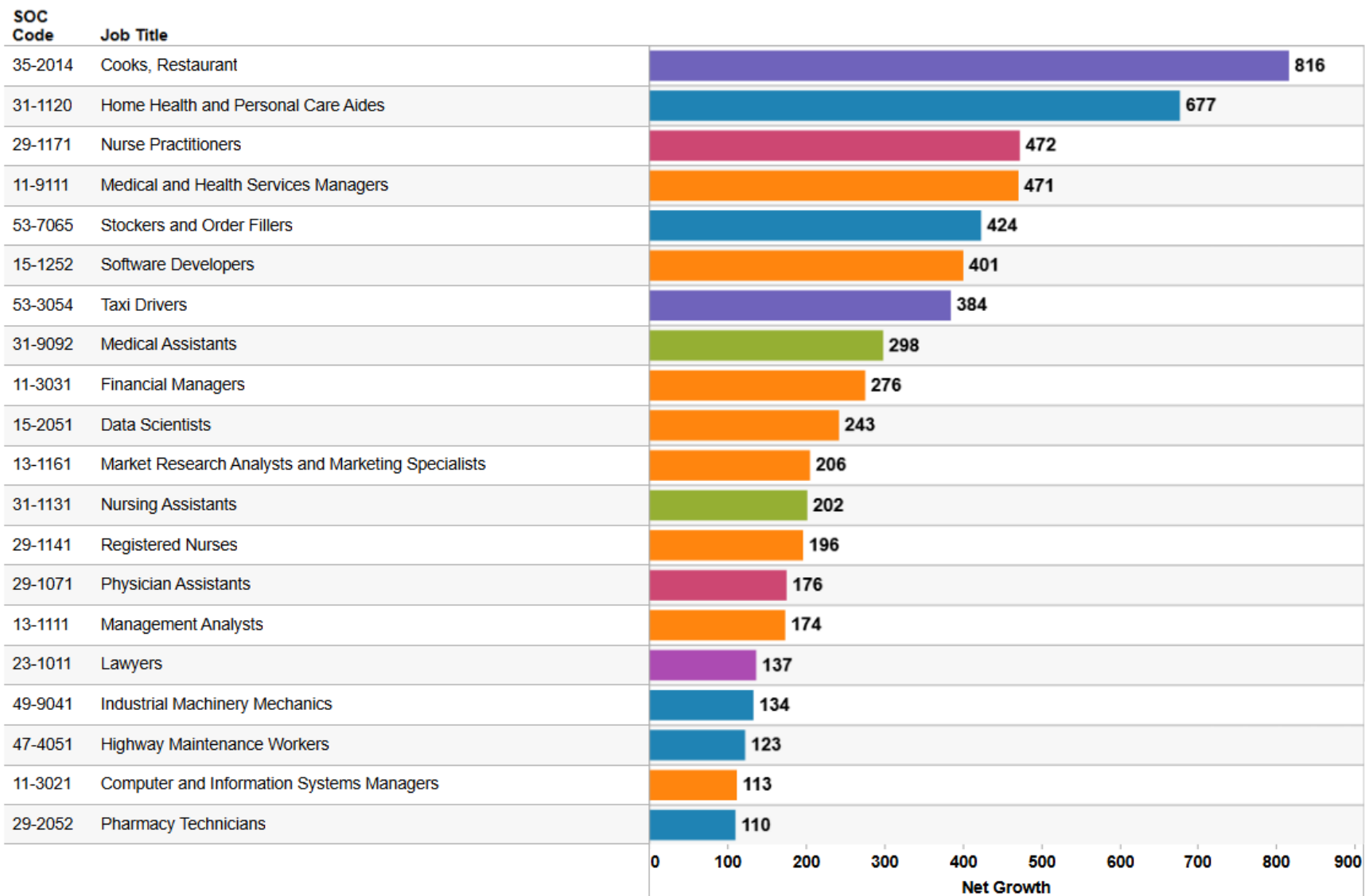
- All
- High School Diploma or Less
- Some College or Associate's Degree
- Bachelor's Degree or Higher

Select Topic:

- Largest Annual Openings
- Largest Net Job Growth
- Fastest Rate of Job Growth
- Largest Net Job Loss
- Fastest Rate of Job Loss

- Associate's degree
- Bachelor's degree
- Doctoral or professional degree
- High school diploma or equivalent
- Master's degree
- No formal educational credential
- Postsecondary non-degree award

25 Occupations with the Largest Projected Net Job Growth in Maine



How do we find enough workforce in the future?

Migration: continue to attract workers to Maine; housing is currently a constraint

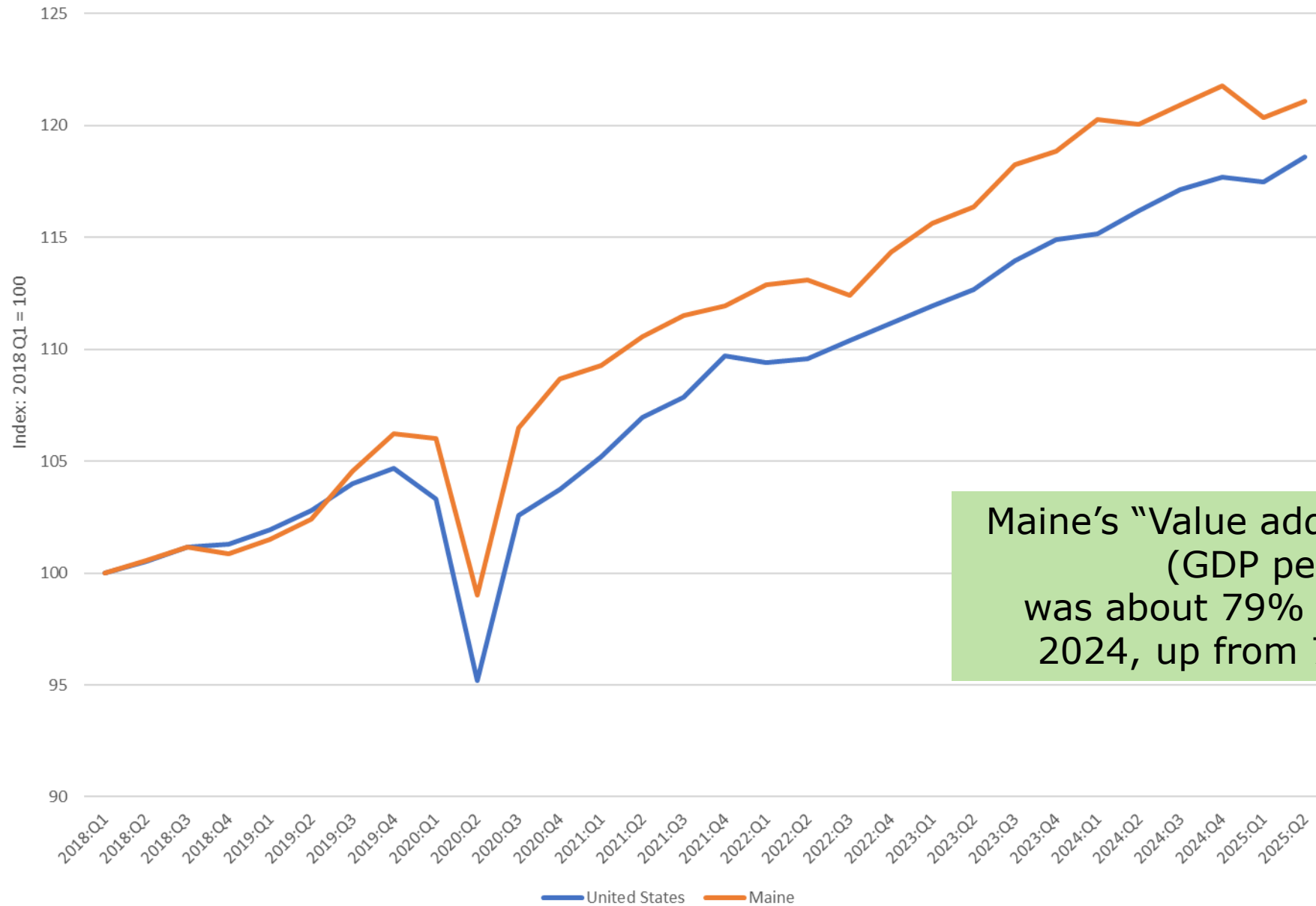
Retirements: find creative ways to keep older adults engaged in the workforce

Labor Force Participation: remove roadblocks for historically underemployed populations

Automation: use technology to substitute for/supplement labor

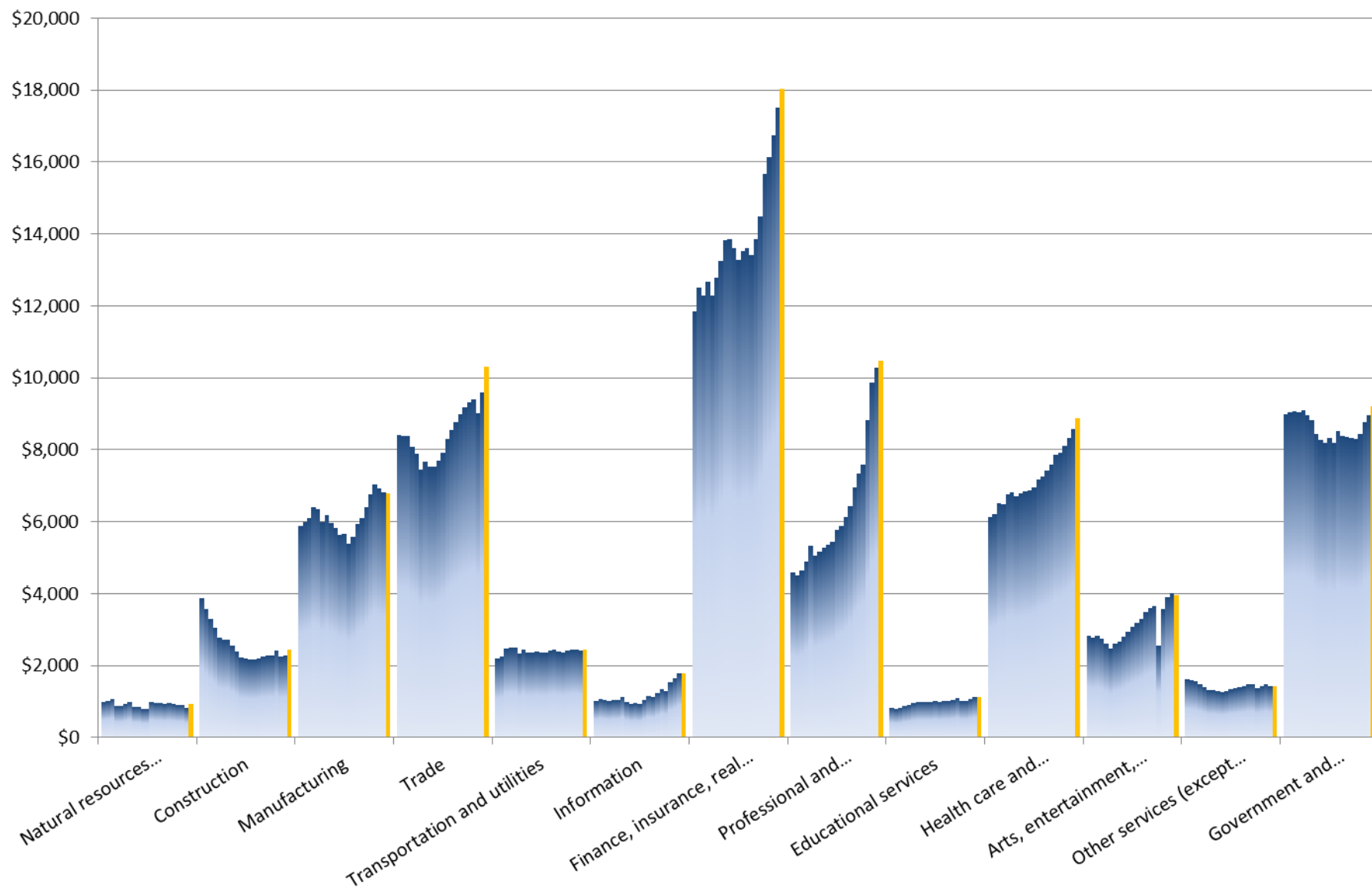
Gross Domestic Product, Income, and Spending

Quarterly Real GDP (in millions of chained 2017 dollars)

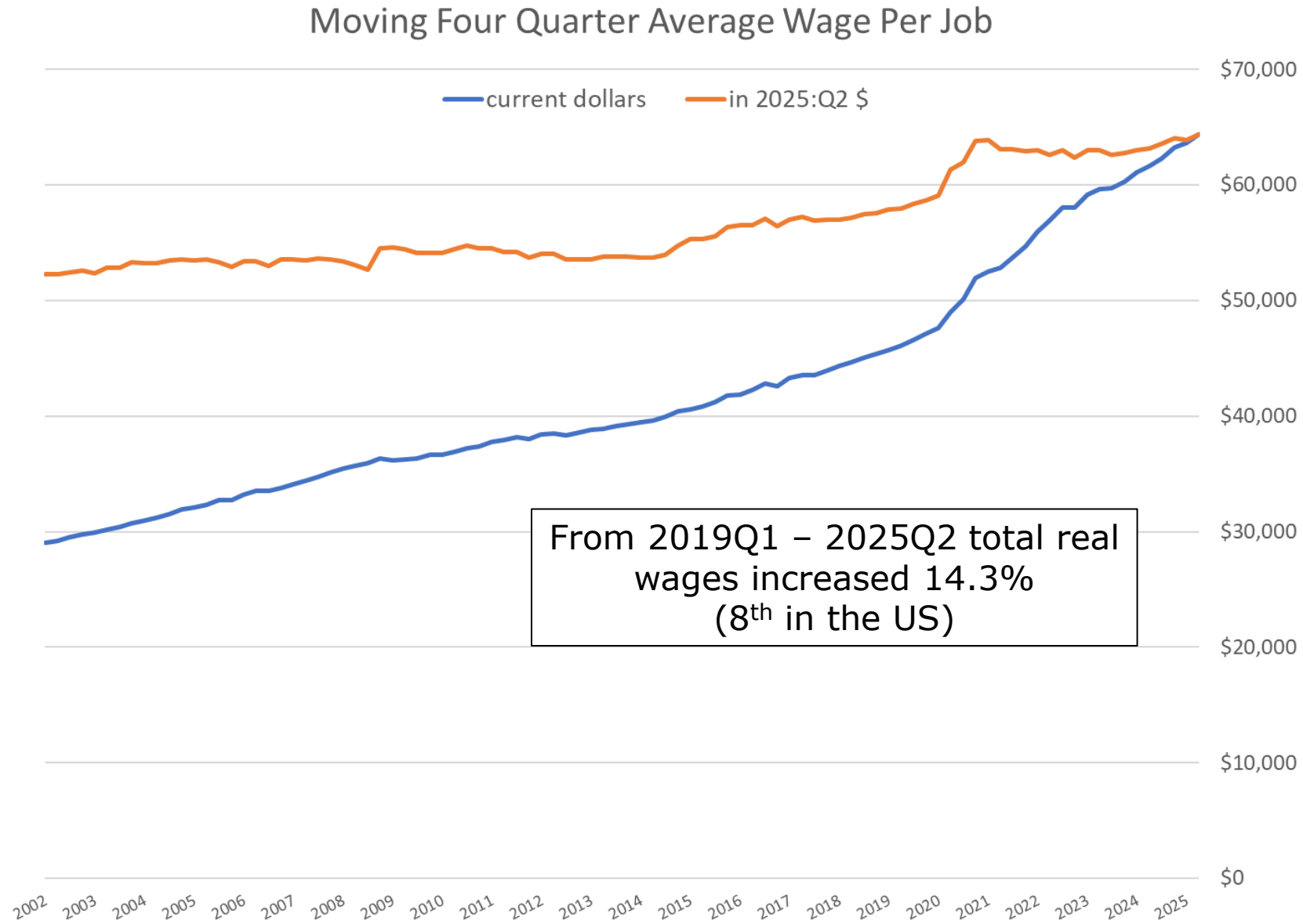


Maine's "Value added per worker" (GDP per job) was about 79% of the U.S. in 2024, up from 76% in 2018

Maine Real GDP by Industry, 2004-2024 (in millions of chained 2017 dollars)

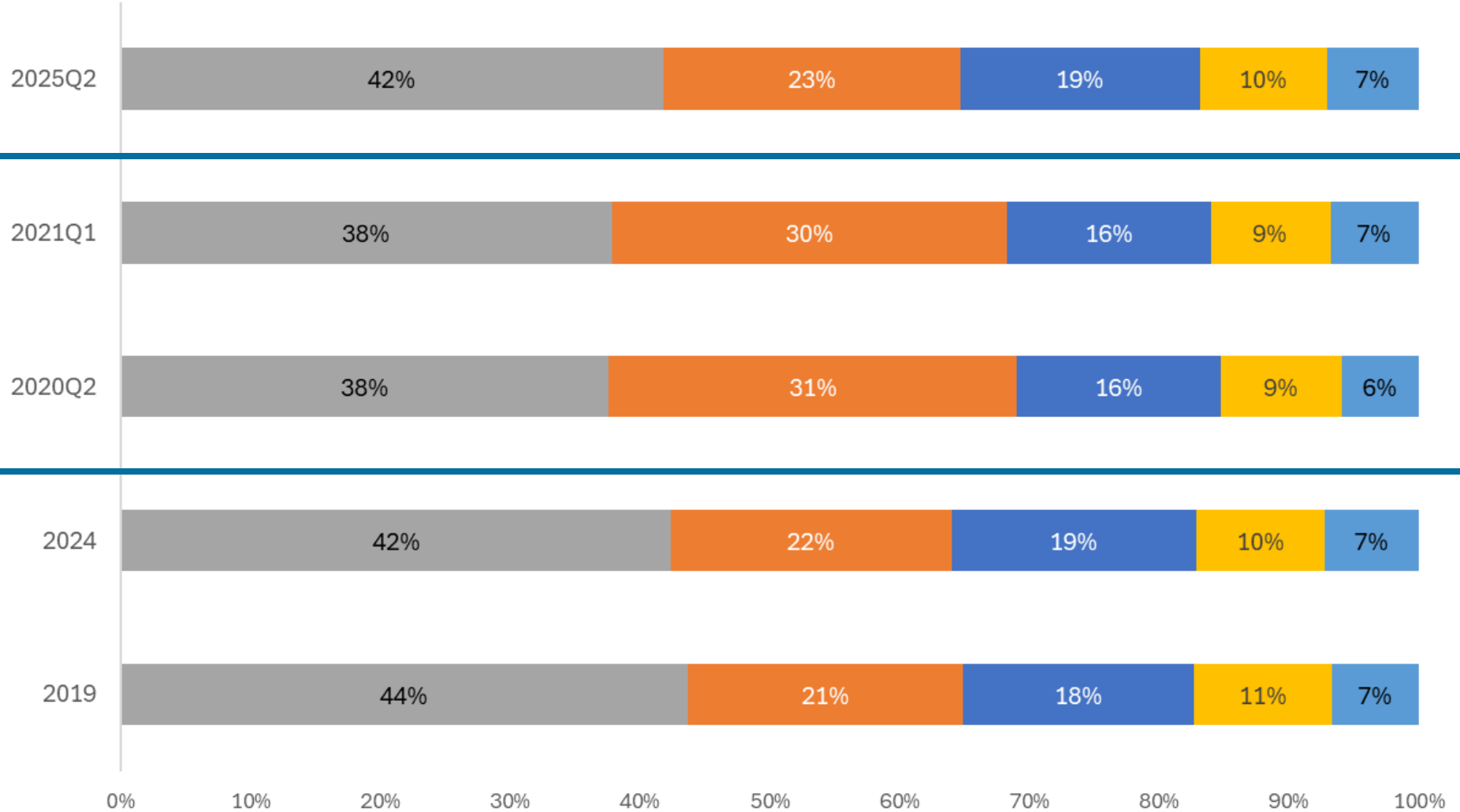


Wages increased sharply during the first part of the pandemic; increases since then have kept pace with inflation



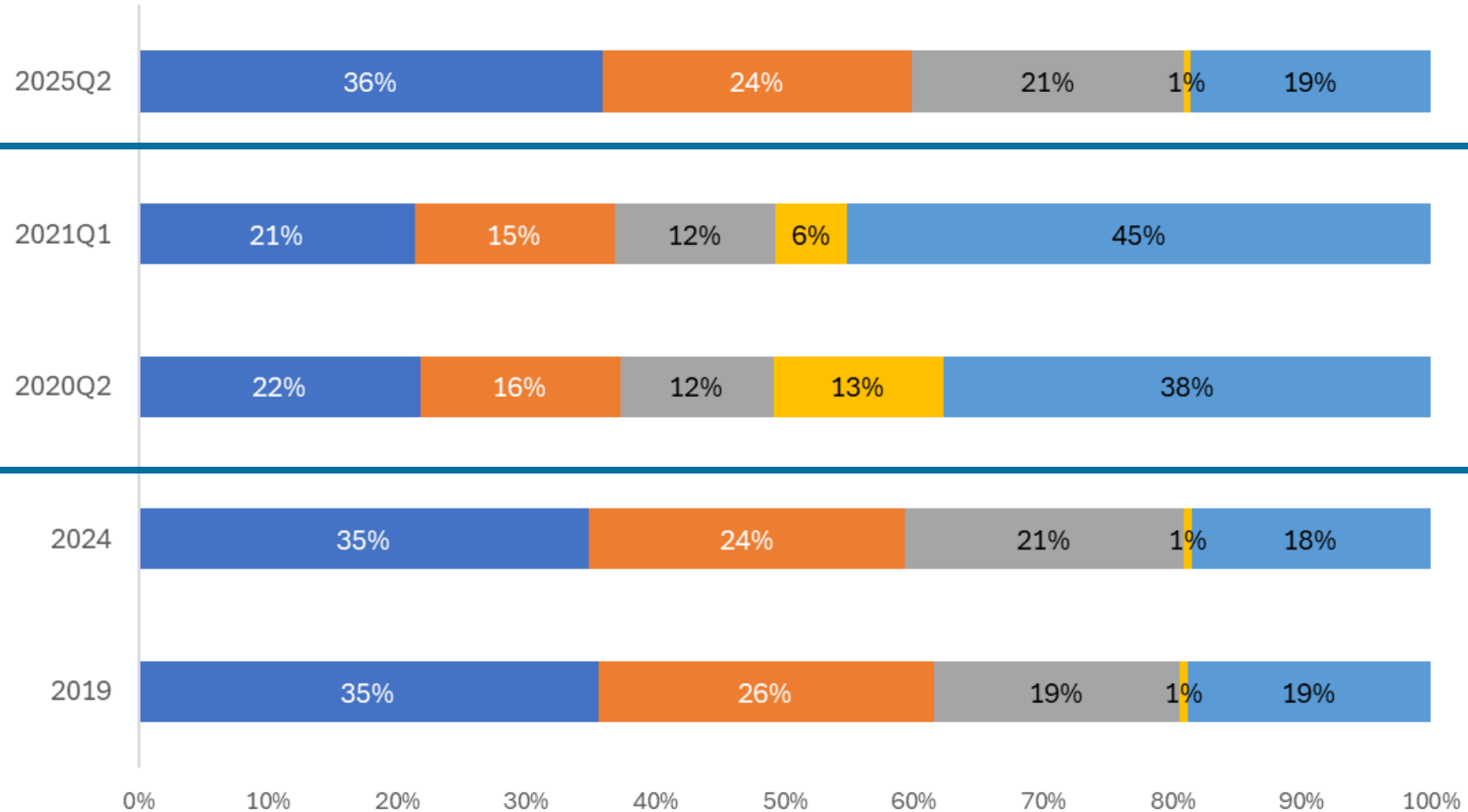
Major Components of Personal Income, Maine

■ Wages and Salaries
 ■ Personal current transfer receipts
 ■ Dividends, interest and rent
■ Supplements to wages and salaries
 ■ Nonfarm proprietors' income

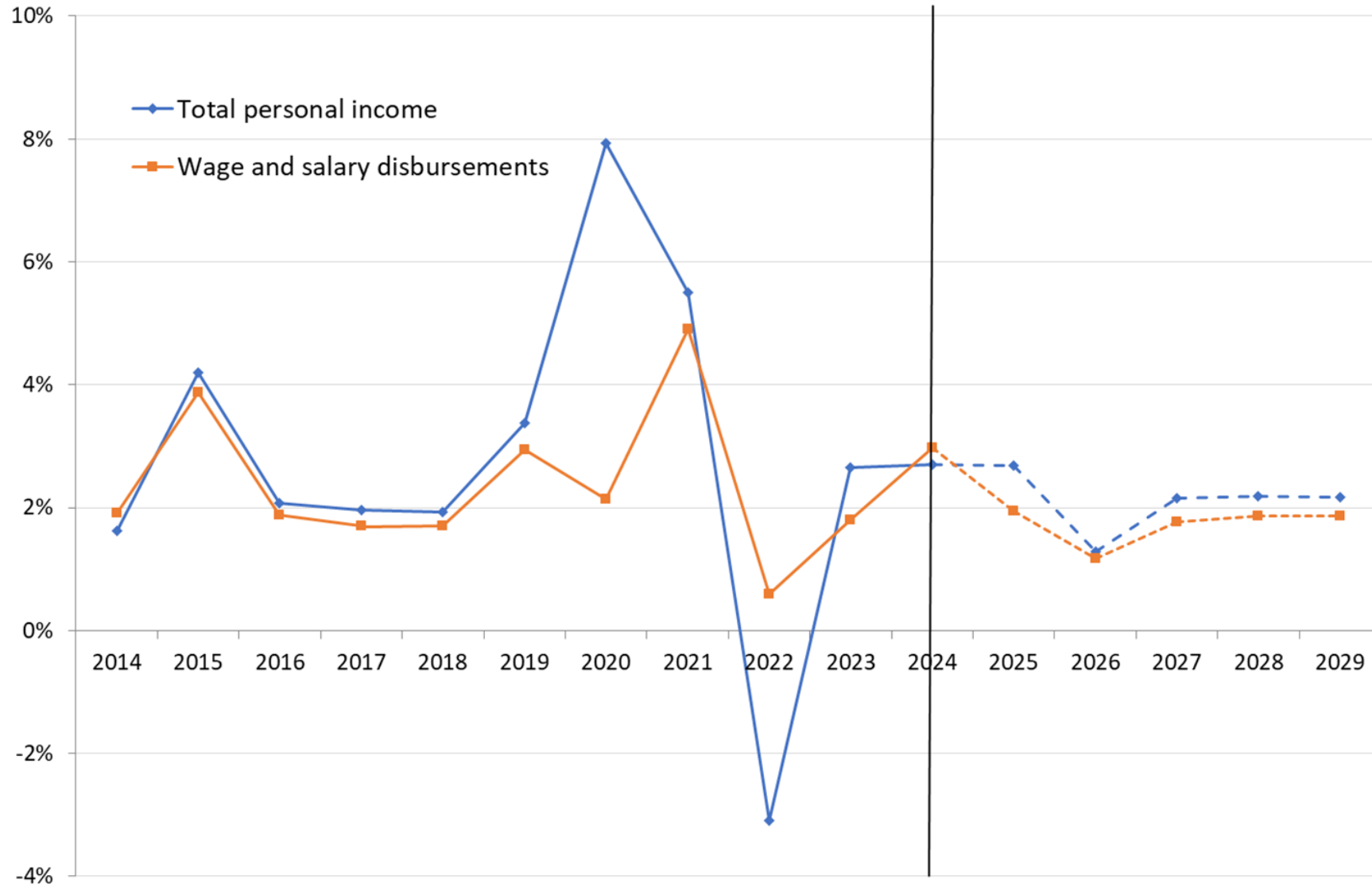


Components of Personal Current Transfer Receipts

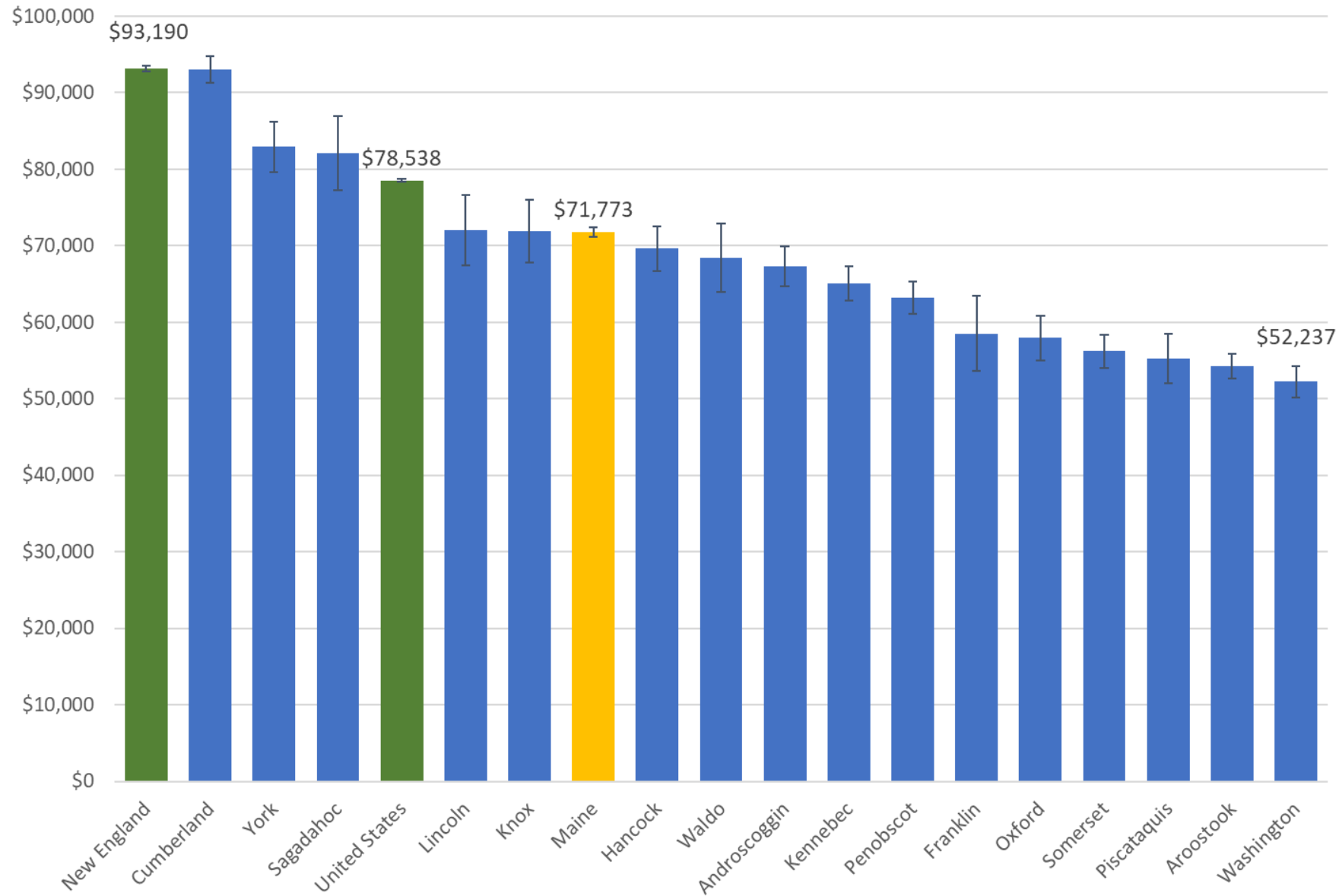
- Social Security benefits
- Medicare benefits
- Medicaid
- Unemployment insurance compensation
- All other personal current transfer receipts



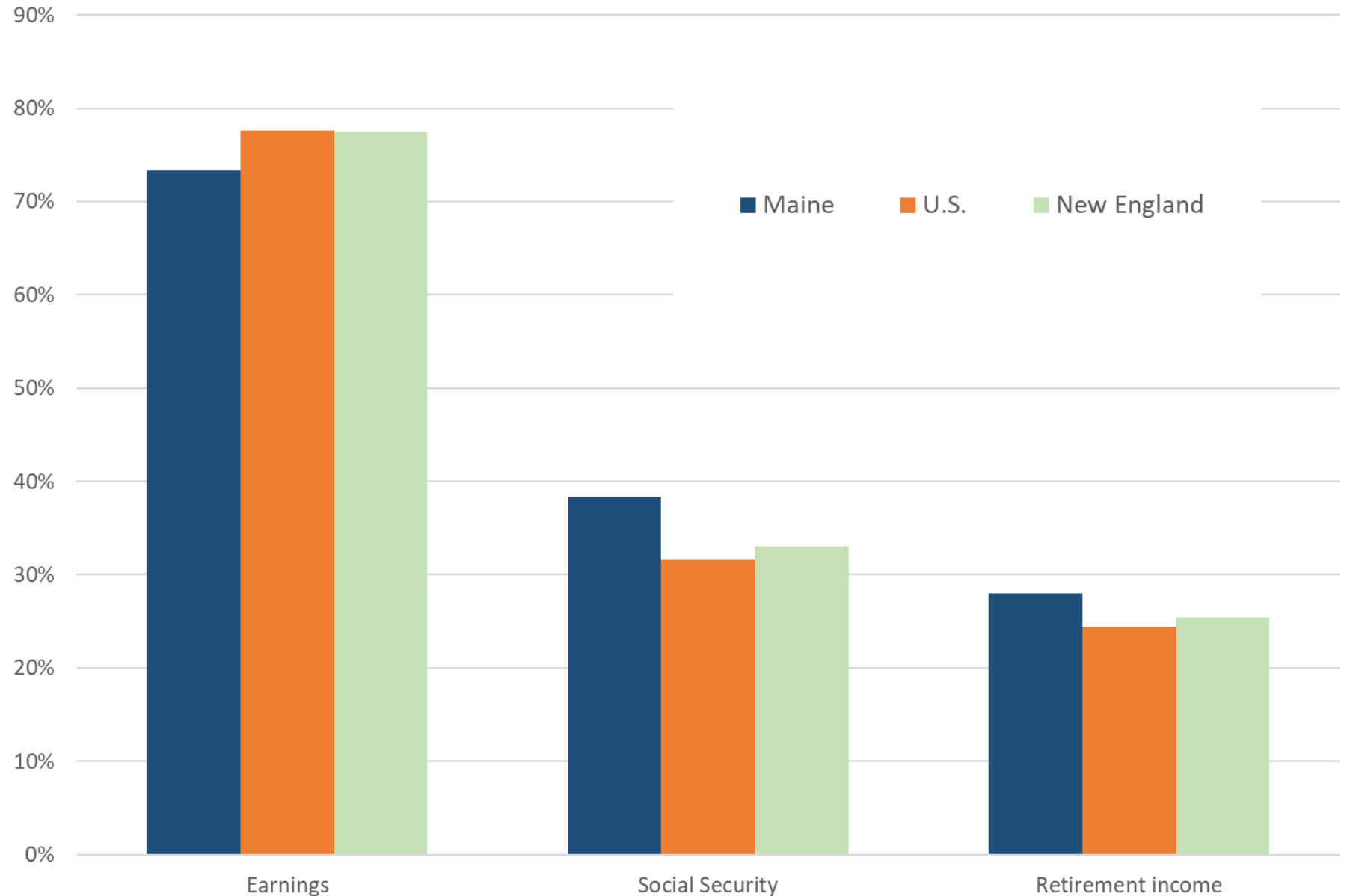
Percent Change in Real Personal Income (2024 \$), Maine 2014-2024 and forecast to 2029



Median Household Income

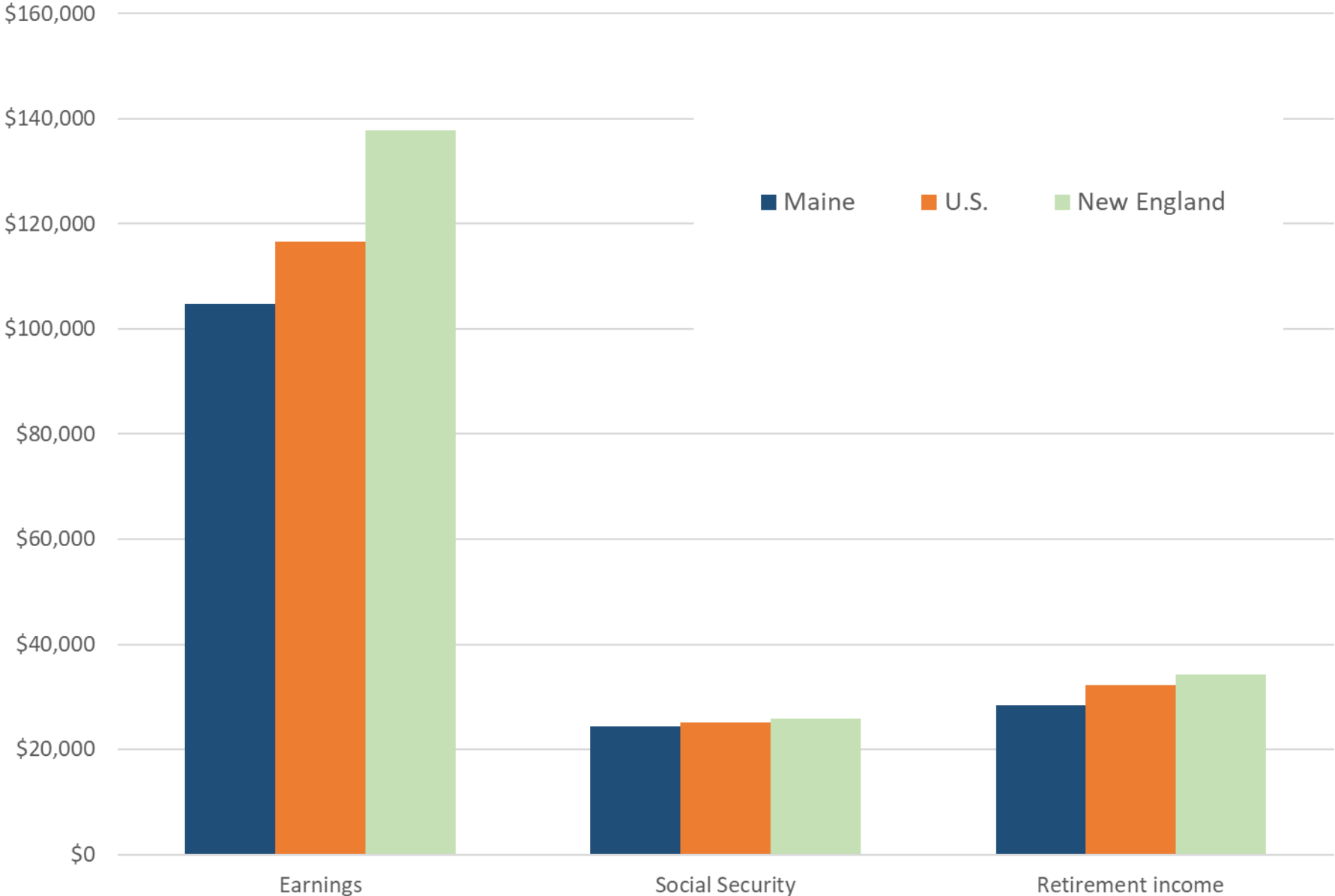


Percent of households with...



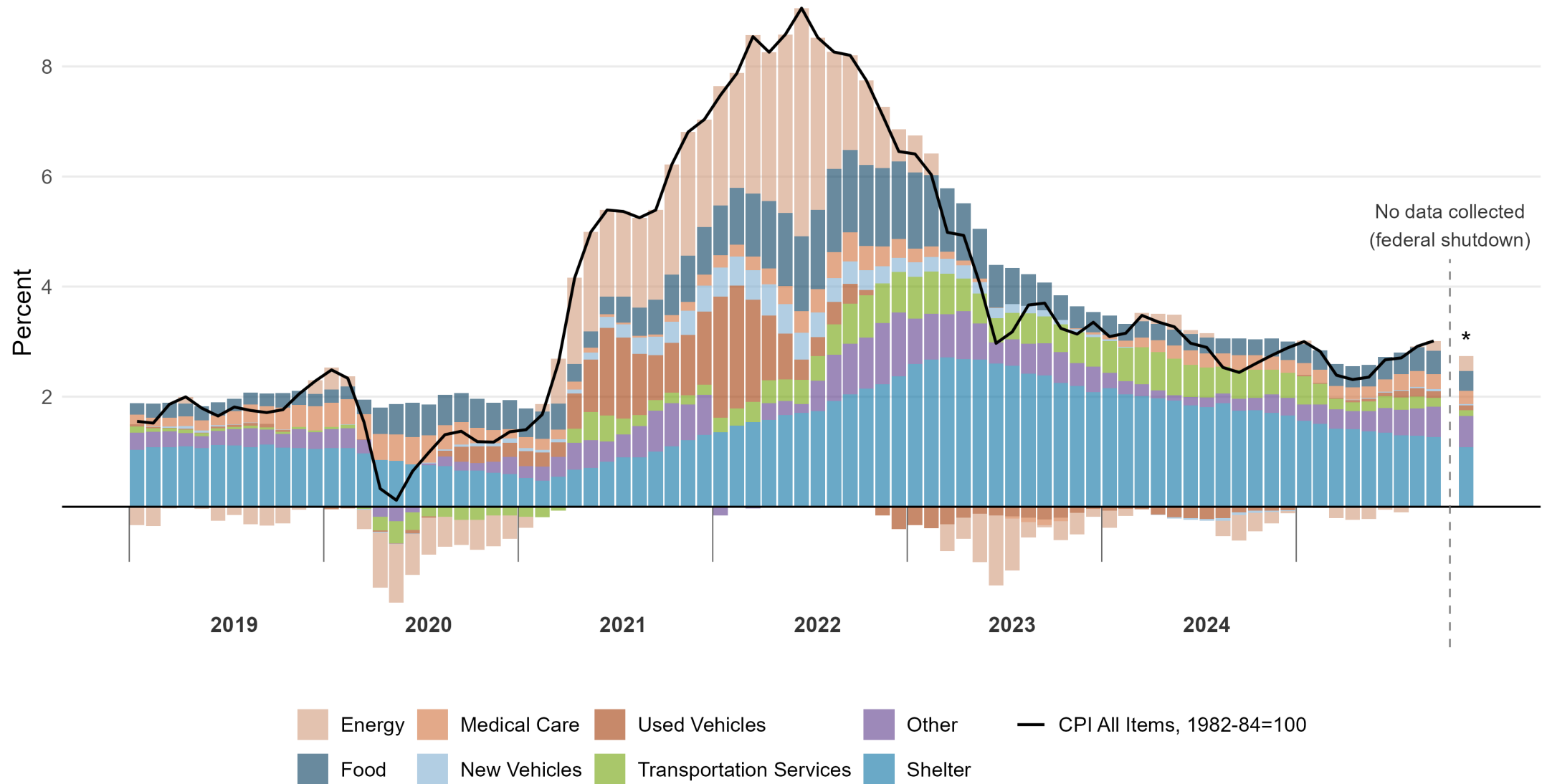
Maine has a higher share of households with Social Security and retirement income and a lower share of households with earnings

Mean amount for households with...



The amount of income from earnings is much higher than Social Security or retirement

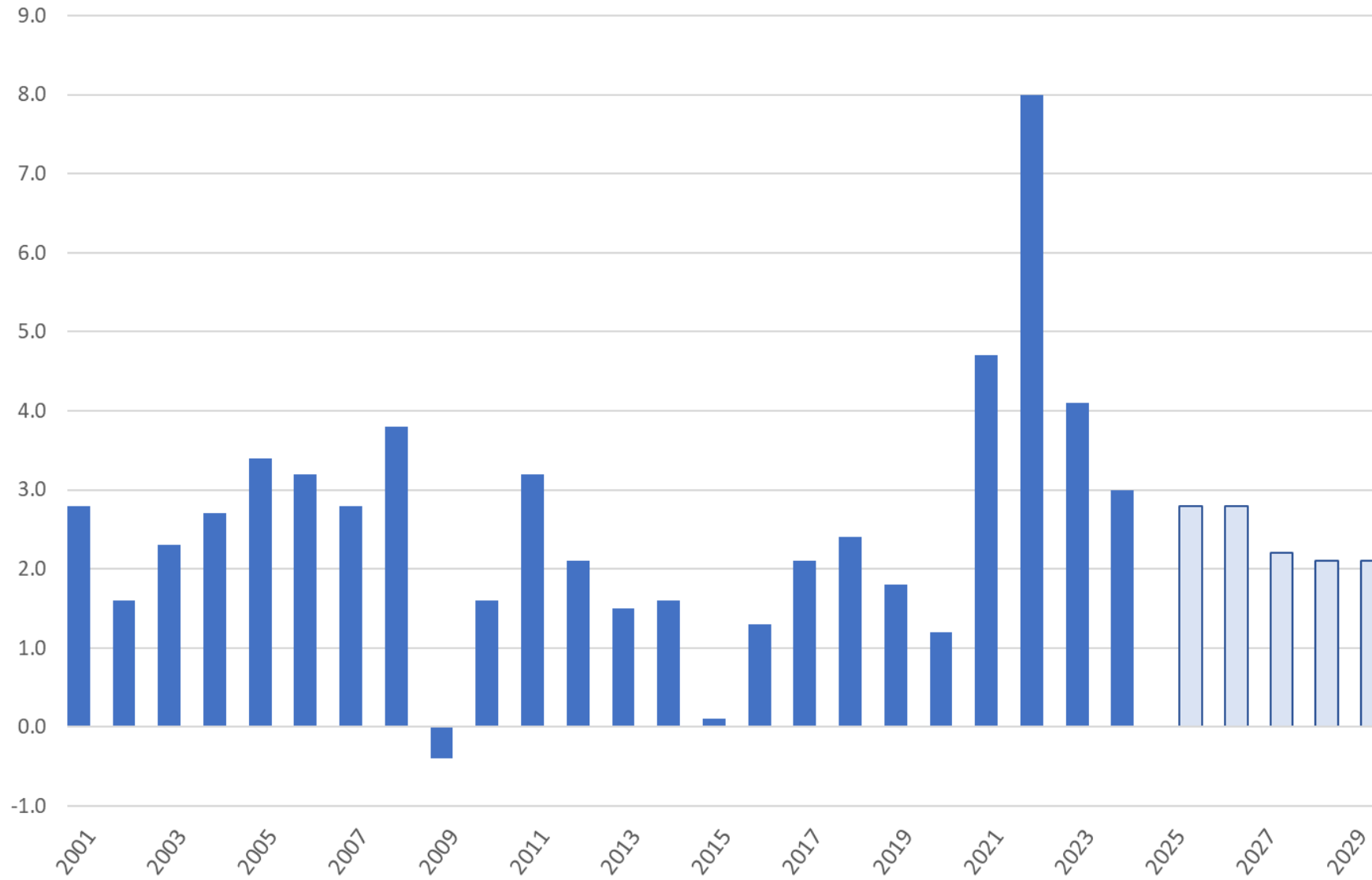
Percentage Point Contribution to Year-Over-Year Percent Change in CPI



Source: US Bureau of Labor Statistics & Calculations by OSE Staff

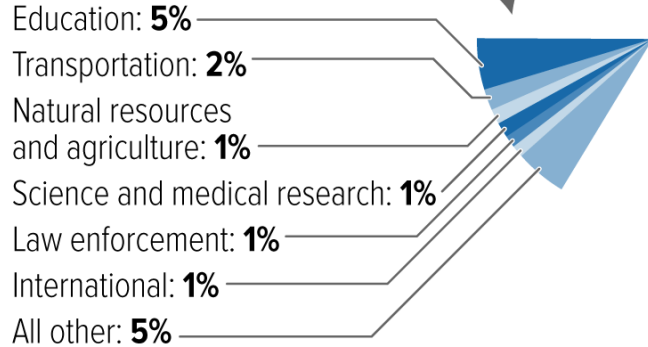
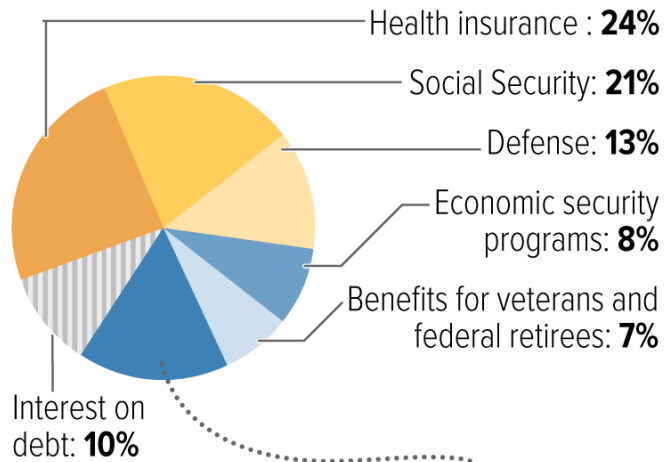
*November 2025: Shutdown not resolved until Nov 12; BLS operated on truncated schedule. Second half of November (Black Friday, holiday shopping) may have distorting effect

Year-over-year percent change in Consumer Price Index; 2001-2024 historical and 2025-2029 forecast



Federal

The Majority of the Budget Goes For Health, Social Security, and Defense



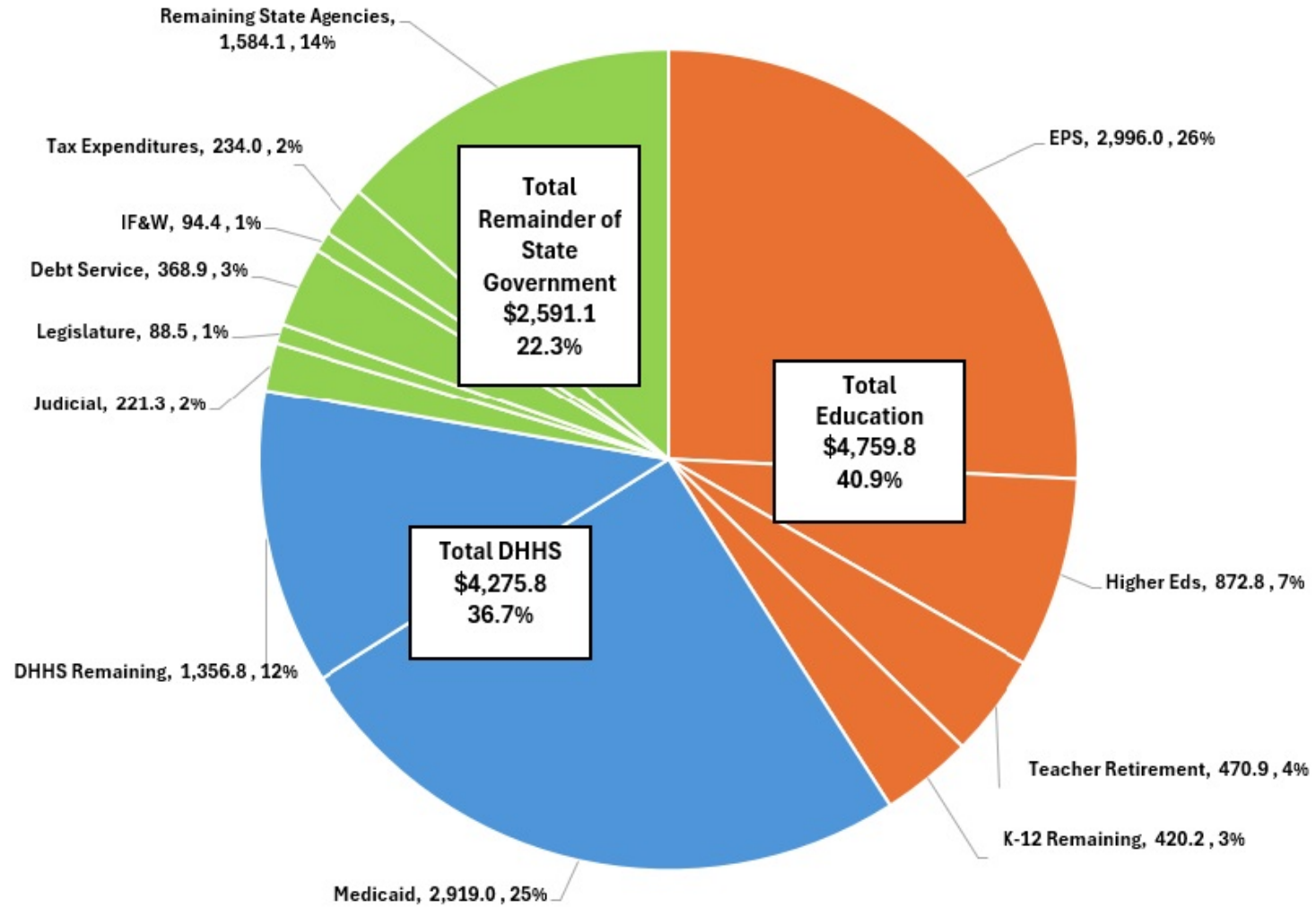
Note: Figures differ from OMB's for technical reasons related to the shifting status of the Administration's 2022 student loan forgiveness policy and its effect in 2023. Percentages do not add to 100 due to rounding.

Source: 2023 figures from the Office of Management and Budget, March 11, 2024

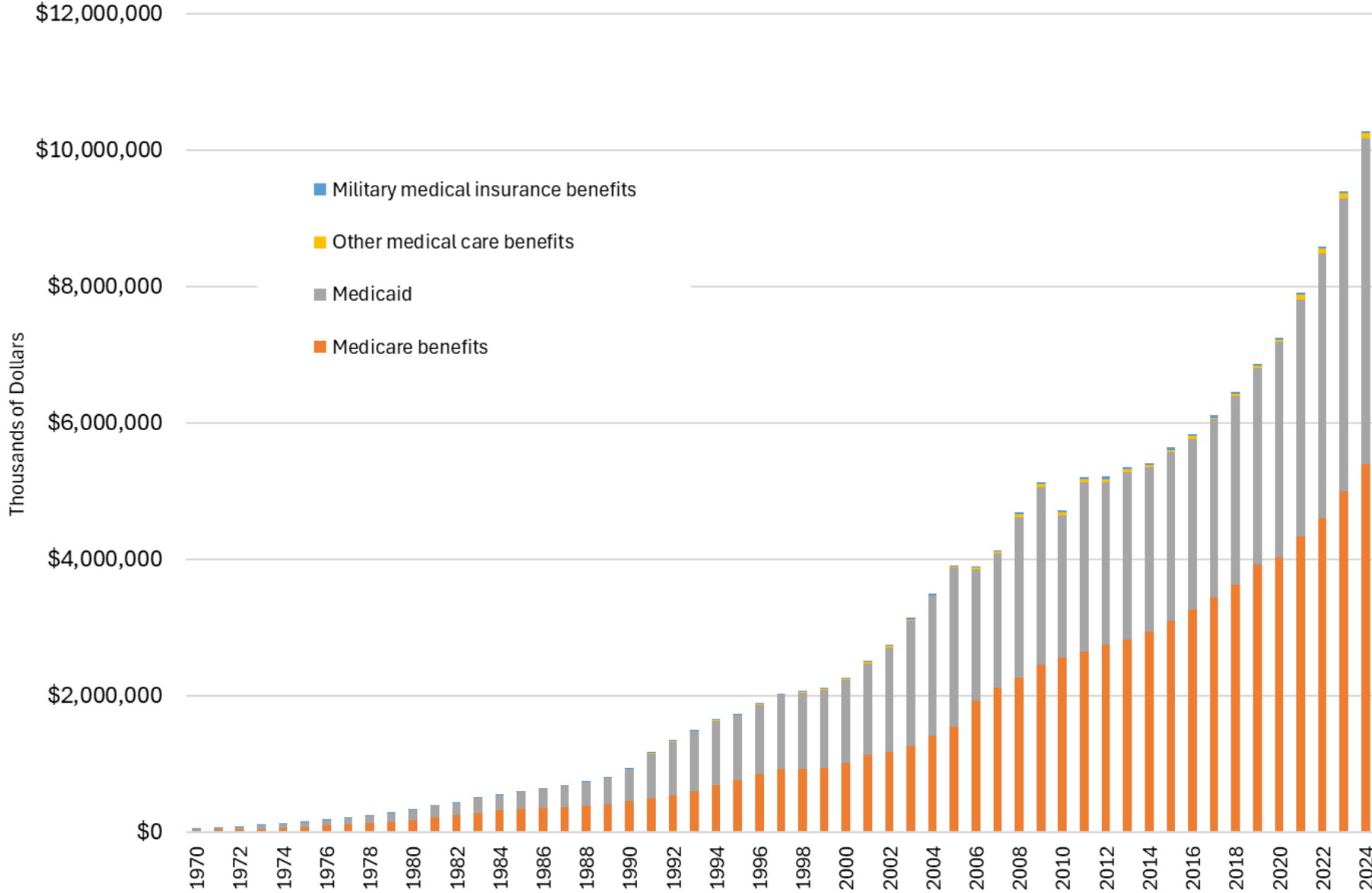
CENTER ON BUDGET AND POLICY PRIORITIES | CBPP.ORG

State

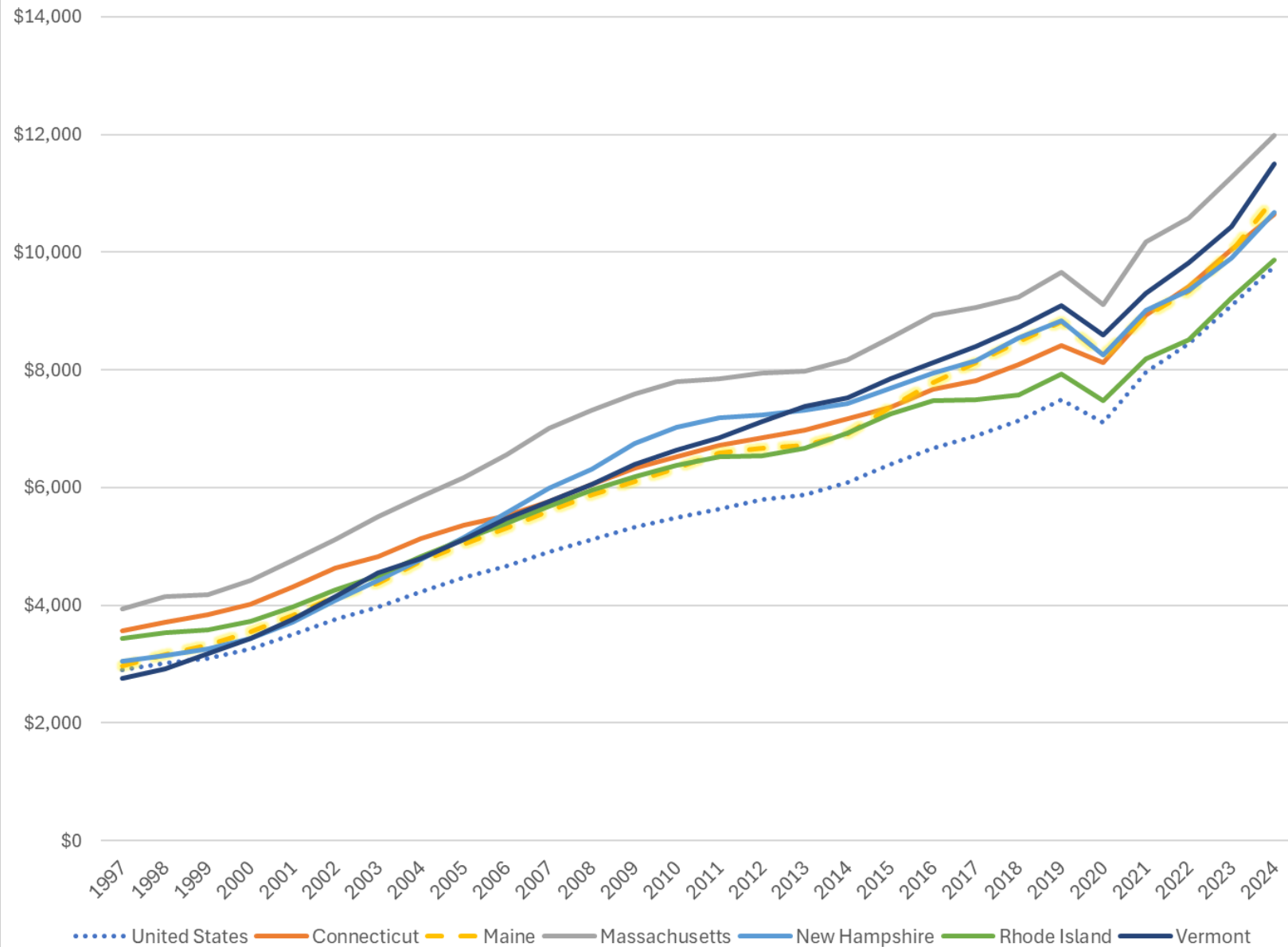
2026-2027 Biennium General Fund Recommended Appropriations - \$11,626.7 (dollars in millions)



Maine Personal Current Transfer Receipts: Medical Benefits



Per Capita Personal Consumption Expenditures on Healthcare (current dollars)



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Department of Administrative and Financial Services

<https://www.maine.gov/dafs/economist>

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