



NATIONAL CENTER FOR
THE MIDDLE MARKET



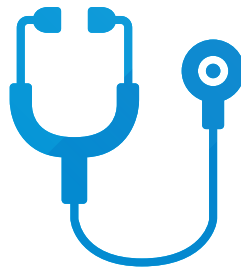
THE OHIO STATE
UNIVERSITY

FISHER COLLEGE
OF BUSINESS

HEALTHCARE

MIDDLE MARKET INDICATOR

Mid-Year | 2025



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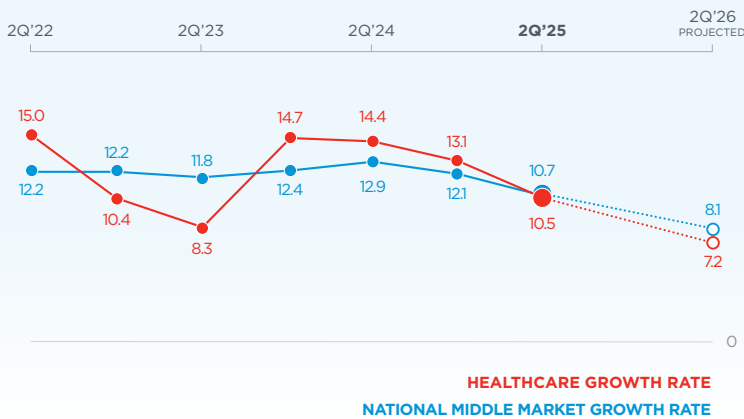
WELLS
FARGO



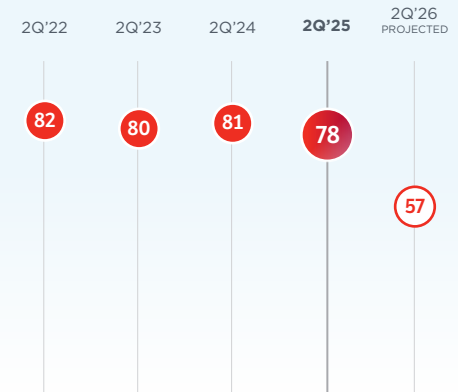
Revenue

More than three-quarters of healthcare companies continue to report revenue gains, but the rate of year-over-year revenue growth dropped nearly three points. Just 57% of companies say they will continue to grow revenues into 2026, and companies anticipate the growth rate will continue to slow.

Past, current, and projected revenue growth rates for the healthcare middle market and the national middle market (%)



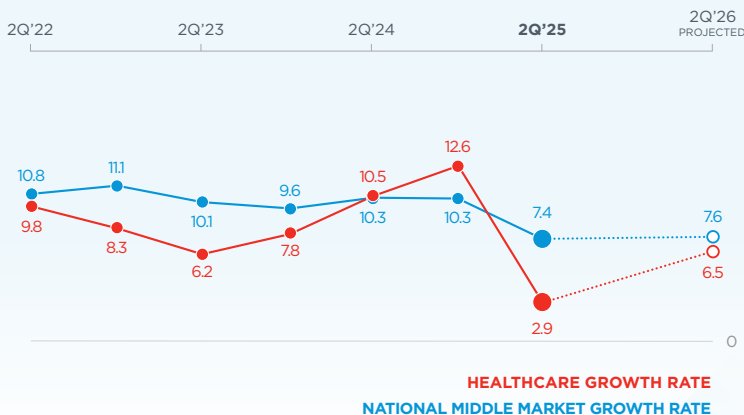
% of healthcare middle market companies reporting/projecting year-over-year revenue growth



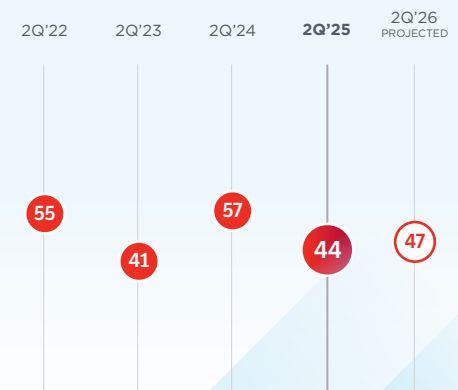
Employment

The healthcare sector reported the most dramatic drop in the rate of employment growth this reporting period. Fewer than half of companies expanded the workforce at an average year-over-year growth rate of 2.9%, well below the overall middle market average. A rebound in employment growth is expected over the next 12 months.

Past, current, and projected employment growth rates for the healthcare middle market and the national middle market (%)



% of healthcare middle market companies reporting/projecting year-over-year employment growth



Artificial Intelligence (AI) Adoption and Use

Healthcare companies primarily use AI for advanced analytics and automation of tasks. They are also one of the leading sectors when it comes to exploring robotics and physical automation.

	ALL MIDDLE MARKET COMPANIES	BUSINESS SERVICES	MANUFACTURING	RETAIL TRADE	CONSTRUCTION	FINANCIAL SERVICES	HEALTHCARE	TECHNOLOGY*
AUTOMATION OF ROUTINE TASKS	36%	44%	33%	41%	28%	35%	43%	47%
ADVANCED DATA ANALYTICS & PREDICTIVE MODELING	39%	46%	41%	43%	23%	45%	44%	52%
MACHINE LEARNING & DEEP LEARNING APPLICATIONS	28%	32%	35%	30%	26%	28%	29%	43%
NATURAL LANGUAGE PROCESSING & CONVERSATIONAL AI	26%	31%	24%	26%	21%	34%	25%	33%
ROBOTICS & PHYSICAL AUTOMATION	21%	19%	24%	24%	13%	21%	26%	26%
A COMBINATION OF THE ABOVE	23%	25%	24%	35%	23%	16%	14%	30%
OTHER	1%	1%	1%	0%	0%	0%	2%	0%
NOT USING AI IN ANY WAY	19%	14%	20%	12%	35%	15%	14%	6%

*Includes companies also represented in other industries, e.g., computer manufacturers, IT services, healthtech, fintech.

Healthcare's Middle Market Defined

ANNUAL REVENUE
\$10 MM–\$1B



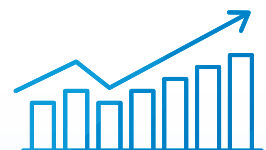
REPRESENTS
0.9%
OF ALL HEALTHCARE COMPANIES

MORE THAN
12,700
BUSINESSES



EMPLOYS
36.8%
OF THE HEALTHCARE WORKFORCE

GENERATING
\$765B
IN ANNUAL REVENUE



GENERATES
44.1%
OF ALL HEALTHCARE BUSINESS REVENUE

Source: 2014 D&B Data

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