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South Texas Market Intelligence
Rio Grande Valley edition | Healthcare and medical growth

The Rio Grande Valley: A Healthcare Economy in the Making

From medical school to medical economy: what it means for real estate

Starr, Hidalgo, Cameron and Willacy counties, Texas | November 2026

2013
Texas Legislature creates UTRGV and its School of Medicine

2016
First medical class: 55 students

2020
First 39 doctors trained in the Rio Grande Valley graduate

2026
760+ physicians and residents trained by UTRGV; 143 practicing in the Valley

145,100
Education and health services jobs, McAllen and Brownsville metros, Oct. 2026
Texas Workforce Commission [51]

31.6%
Of all McAllen-area jobs: the largest sector, Oct. 2026
Texas Workforce Commission [51, 52]

760+
Physicians, residents and fellows trained by UTRGV since 2016
UTRGV, Aug. 2026 [6]

$741M+
Medical facility investment tracked in this report, 2024–2028
Pages 6–7 [19–25, 28–44]

Healthcare is the Rio Grande Valley's largest employment base, and it is still building

Private hospital systems, universities and the State of Texas are all expanding healthcare in the Rio Grande Valley, from new hospitals and emergency rooms to residency programs, research and medical schools.

98,600

Education and health services jobs, McAllen metro

October 2026: the largest sector, up 1,800 jobs (+1.9%) from October 2025, 40% of all new jobs in the metro. [51, 52]

145,100

Education and health services jobs, both metros

October 2026: 30.8% of all nonfarm jobs in the McAllen and Brownsville metros. [51, 52]

24.4%

Of McAllen-area jobs are healthcare occupations

More than double the national share (11.4%), May 2025. [17]

143

UTRGV-trained residents practicing in the Valley

Of 420 residency and fellowship graduates since 2016; 255 practice in Texas. [6]

The physician pipeline is now local

UTRGV has trained more than 760 physicians, residents and fellows since 2016. Private hospital programs train 136 more residents, and Texas A&M adds about 100 nurses a year. [6, 33, 39, 47]

Research is built around the region's health needs

Diabetes affects about one in five adults in Hidalgo and Cameron counties, nearly double the Texas rate. That need anchors UTRGV's diabetes and obesity research. [12, 14]

Investment reaches every county

$741M+ across 19 projects from DHR Health, HCA, South Texas Health System, Prime Healthcare, Driscoll, UTRGV, Texas A&M and the State of Texas. A $1B hospital is also announced for North McAllen. [Pages 6–7]

Real estate follows the doctors

Each new physician, residency program and hospital expansion creates demand for medical office, outpatient clinic and campus-adjacent space.

Building the healthcare workforce

Before 2013, South Texas had never had a medical school. Today the UTRGV School of Medicine and private hospital systems train physicians who increasingly come from, and stay in, the Rio Grande Valley. [1, 33]

2013

Created by law

Texas Legislature establishes UTRGV and its School of Medicine. [1]

2014

Research institute

South Texas Diabetes and Obesity Institute established, Oct. 2014. [7]

2016

First class

55 students selected from 2,784 applicants. [2]

2020

First doctors

Charter class of 39 physicians graduates. [3]

2025

Cancer care at home

UT Health RGV Cancer and Surgery Center opens in McAllen; 123,974 patient encounters in FY2025. [6]

2026

Growing, and local

53 graduates match to residencies; first 18 podiatric physicians graduate in Brownsville. [4, 5]

Next

Planned growth

UTRGV seeks state funding to expand residents and fellows from 107 to 144. [6]

62%

Of incoming medical students have Valley ties

From the Rio Grande Valley or UTRGV undergraduate programs. Students trained locally are more likely to practice locally. [6]

1st in Texas

School of Podiatric Medicine

One of only 11 in the nation. 17 of 18 first graduates matched to residencies in 2026. Directly relevant to diabetes-related foot care. [6]

136

Residents at private hospital programs

76 at Prime Healthcare's Knapp, Harlingen Medical and Mission Regional; 60 in South Texas Health System internal medicine. [33, 47]

760+

Medical and residency graduates

341 physicians and 420 residents and fellows since 2016; 143 now practice in the Valley. [6]

Nursing and allied health

~100

New nurses a year from Texas A&M

BSN program in a new $49.9M building in McAllen, opened Jan. 2026. [39]

+51%

Texas A&M McAllen enrollment

650 students in 2026, up from 430 in 2024; a $50M health building is next. [38, 48]

150

STC nursing (BSN) graduates

A record class at South Texas College in 2025. [49]

10 for 10

STC nursing apprentices

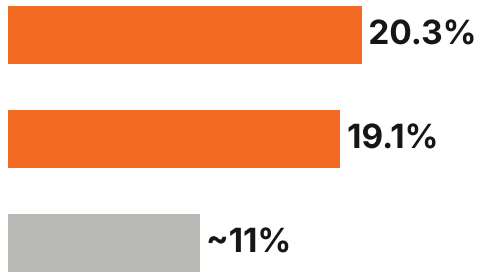
First class of the nation's first nursing apprenticeship all passed the licensing exam. [49]

Research built for the region

The region's high rates of diabetes and obesity make it one of the most important places in the country to study these diseases. Research dollars bring scientists, lab space and long-term federal funding.

Adult diabetes prevalence

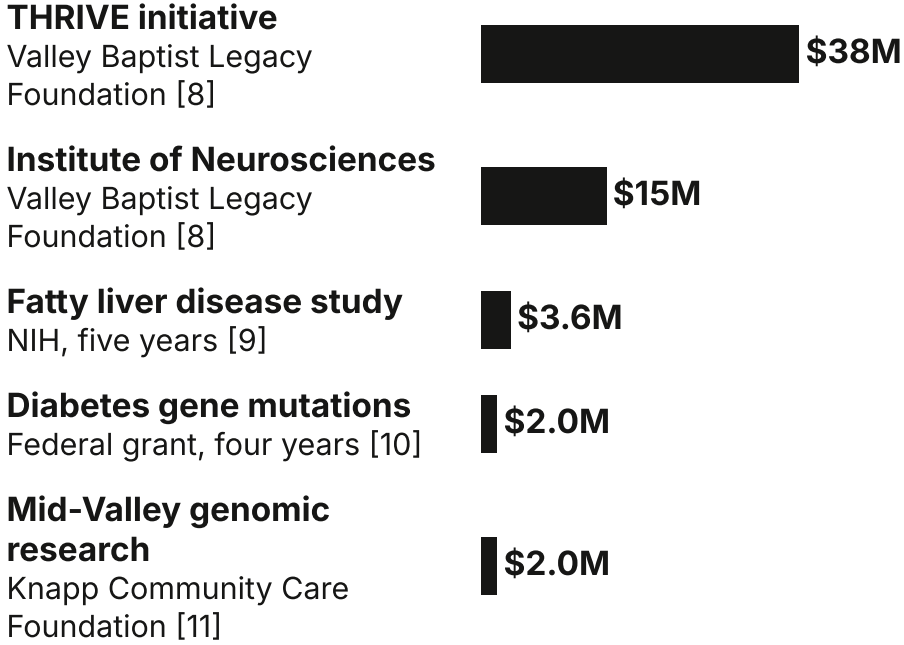
Percent of adults with diagnosed diabetes, Texas DSHS, 2020–2024 [12]



Starr (19.7%) and Willacy (18.1%) also ranked among the state's ten highest counties in the most recent available county data (2021). [13]

Selected research funding

Gifts and grants to UTRGV medical research, $ millions



Examples only, not a total. UTRGV university-wide research spending reached a record $86.9M in FY2024, up from $28.7M in FY2016. [27]

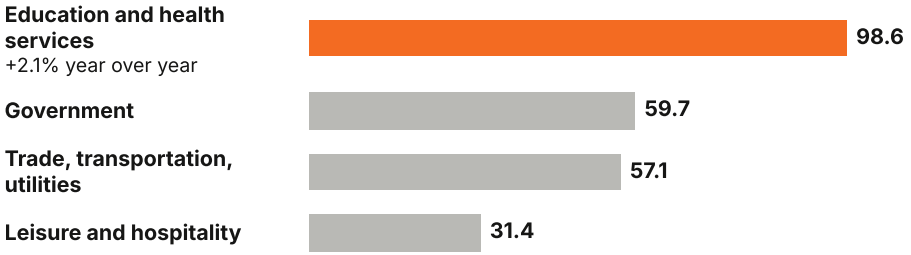
> **The $38 million THRIVE gift, the largest single donation in South Texas higher education history, was made to turn UTRGV into a national center for biomedical research. [8]**

Healthcare as an economic engine

Education and health services is the largest employment sector in both Rio Grande Valley metro areas. Healthcare is more concentrated in McAllen than in any other Texas metro, according to the Federal Reserve Bank of Dallas. [16, 18]

Largest sectors, McAllen metro

Jobs in thousands, Sept. 2026 (preliminary), latest month with all sectors [16]



Healthcare occupations, share of all jobs

Healthcare practitioners plus healthcare support, May 2025 [17]



The McAllen area has 46,380 home health and personal care aides, 5.65 times the national rate, averaging $11.78 an hour. Healthcare practitioners average $42.37 an hour, among the area's highest-paid occupations. [17]

Current employment by metro

Area	Education and health services jobs, Oct. 2026	Change from Oct. 2025
McAllen-Edinburg-Mission MSA (Hidalgo)	98,600	+1,800 (+1.9%)
Brownsville-Harlingen MSA (Cameron)	46,500	−1,000 (−2.1%)
Starr County (health care only, Q2 2026)	4,783	+396 (+9.0%)
Willacy County (health care only, Q2 2026)	562	−35 (−5.9%)
Share of all nonfarm jobs, Oct. 2026	**McAllen 31.6% · Brownsville 29.1% · Both metros 30.8%**	

Statewide, October 2026: Texas reached a record 14,500,500 nonfarm jobs, adding 203,300 over the year (1.4%), the most of any state. [50]
October figures: TWC Current Employment Statistics, private education and health services, not seasonally adjusted (2025 benchmark). Monthly data covers the two metro areas. [51] Starr and Willacy county figures come from quarterly TWC data (QCEW) and may lag by one or two quarters.

40%

Of McAllen's new jobs came from education and health

1,800 of the 4,500 jobs the metro added from Oct. 2025 to Oct. 2026. The sector grew 1.9%, faster than total jobs (+1.5%). [51, 52]

$124.7M

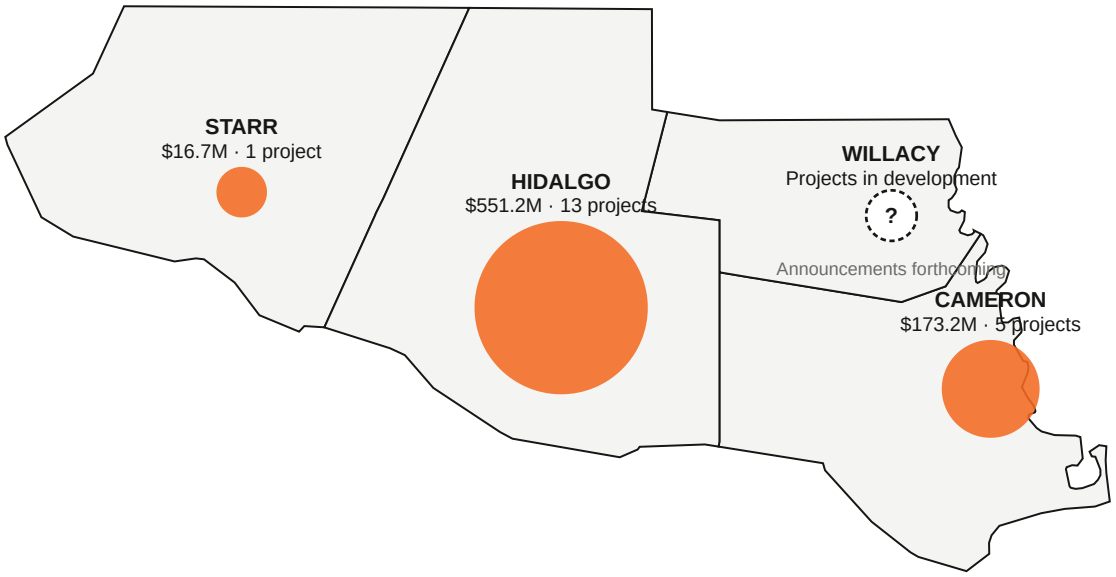
Annual economic growth, one hospital

Driscoll Children's Hospital Rio Grande Valley, per a Perryman Group study commissioned by Driscoll. [23]

Historical context: a 2019 RGV Partnership study estimated the four-county healthcare and bioscience industry's total economic output at $13.7 billion. [15]

$741.1 million in healthcare projects across the Valley

Private hospital systems, universities, nonprofits and the State of Texas are all investing. 19 projects completed, under construction or planned since 2024, from new hospitals and emergency rooms to training and research buildings. Full list on the next page.



County boundaries: U.S. Census (via Plotly datasets). Circle size shows reported investment by county.

$741.1M

Reported investment, 19 projects

Project costs, purchases and grants from public filings and announcements. [19–25, 28–44]

$188.3M private and nonprofit: DHR Health, HCA, South Texas Health System, Prime Healthcare, Driscoll, Tenet and others.

$552.8M public and university: UTRGV, Texas A&M, State of Texas and local authorities.

$1.15B

Announced or proposed, not counted

$1B Texas General Medical Center at Tres Lagos (announced; early stage) and UTRGV's $150M Harlingen facility request. [6, 46]

Private systems often do not disclose project costs, so the private total is a floor.

Healthcare investment tracker

Every project counted in this report, with owner, funding type, amount and status. Starr County: 1 project. Hidalgo County: 13. Cameron County: 5. Willacy County: projects in development, announcements forthcoming.

#	Project	City	Owner	Funding	$M	Status	Source
1	**DHR Health Starr County Medical Campus**	Rio Grande City	DHR Health	Public grant	16.7	Opened Mar. 2026	[19]
2	**DHR Health Behavioral Hospital**	Pharr	DHR Health	Public grant	85.0	Nearing completion	[20]
3	**UT Health RGV Cancer and Surgery Center**	McAllen	UTRGV	University	145.0	Opened 2025	[6, 21]
4	**Nursing Education and Research Building**	McAllen	Texas A&M	University	49.9	Opened Jan. 2026	[22, 39]
5	**Health Education and Research Building**	McAllen	Texas A&M	University	50.0	Building Dec. 2026–2028	[38]
6	**School of Optometry (former Monitor building)**	McAllen	UTRGV	University	53.4	Opens fall 2027	[28–30]
7	**Medical research and education center**	McAllen	DHR Health and Univ. of Houston	State	15.0	Broke ground Apr. 2026	[32]
8	**Children's hospital and PICU expansion**	Edinburg	Driscoll Health System	Private	109.1	Open; PICU 2026	[23]
9	**McAllen Medical Center reinvestment**	McAllen	South Texas Health System	Private	14.4	Planned; 500 jobs retained	[37]
10	**Palmview emergency department (400 W. Veterans Blvd.)**	Palmview	Mission Regional (Prime)	Private	10.5	Opens summer 2027	[40]
11	**Emergency medical center (100 Main St.)**	Palmview	RS Palmview, LLC	Private	8.5	Building June 2026–2027	[40]
12	**CareNow urgent care (retail conversion)**	Mission	HCA Healthcare	Private	6.5	Registered 2026	[42]
13	**Freestanding emergency clinic**	Mission	Clear Choice	Private	2.2	Planned	[43]
14	**Community clinic**	Mission	ACCESS Esperanza	Nonprofit	1.6	Registered Oct. 2026	[44]
15	**Rio Grande State Center expansion**	Harlingen	State of Texas	State	120.0	Under construction	[24]
16	**Behavioral health campus expansion**	Harlingen	Tropical Texas Behavioral Health	Public	17.8	Registered 2026	[41]
17	**DHR Health Brownsville expansion**	Brownsville	DHR Health	Private	17.3	Two-year build	[31]
18	**ER expansion and C-section rooms**	Brownsville	Valley Regional (HCA)	Private	16.4	2026–2028	[25, 36]
19	**Medical-surgical room conversion**	Harlingen	Valley Baptist (Tenet)	Private	1.7	2026	[35]
	Total reported investment				**741.1**	**Private and nonprofit $188.3M; public $552.8M**	

Also under way (cost not disclosed): HCA acquired two emergency centers in Brownsville and Harlingen [34]; H-E-B opening its first Valley primary care clinic in Harlingen [45]; South Texas Health System McAllen added a second da Vinci 5 surgical robot [37].

Announced or proposed (not counted): Texas General Medical Center, 300 beds, $1B, Tres Lagos, McAllen [46]; UTRGV Health Workforce Education and Advanced Care Facility, $150M request, Harlingen [6].

Four counties, one healthcare economy

The four counties reached 1.44 million residents in 2025, adding 53,000 since 2020. Each plays a different role, from the research and hospital hub in Hidalgo to new rural access in Starr. [54]

Starr

Rio Grande City, Roma

19.7%

Adult diabetes prevalence, 2021 [13]

DHR Health Starr County Medical Campus opened in 2026 with cardiology, oncology and general surgery services. [19]

Healthcare jobs up 9.0%: 4,783 in Q2 2026, up 396 from a year earlier, at 125 establishments. First family medicine residency in a federally designated shortage area. [19, 53]

Primary care need: 3,885 residents per primary care physician, more than double the Texas ratio of 1,657. [55]

Hidalgo

McAllen, Edinburg, Mission, Pharr, Weslaco

20.3%

Adult diabetes prevalence, 2020–2024 [12]

UTRGV School of Medicine, Edinburg, and the region's largest hospital systems. [1]

Driscoll Children's Hospital RGV: the region's only designated freestanding children's hospital. [23]

13 projects, $551.2M: cancer center, two Texas A&M health buildings, optometry school, Pharr behavioral hospital, STHS McAllen reinvestment, two new emergency facilities in Palmview, and new ERs and clinics in Mission. [Page 7]

Cameron

Brownsville, Harlingen

19.1%

Adult diabetes prevalence, 2020–2024 [12]

Residencies and research: Harlingen Medical Center trains 38 residents; UTRGV podiatry and diabetes research in Brownsville. [5, 33]

Private systems expanding: DHR Health Brownsville ($17.3M); HCA's Valley Regional ($14.8M ER, two acquired ERs); Valley Baptist adding med-surg rooms; H-E-B's first Valley clinic. [25, 31, 34, 35, 45]

Public investment: $120M Rio Grande State Center; proposed $150M UTRGV facility in Harlingen. [6, 24]

Willacy

Raymondville

18.1%

Adult diabetes prevalence, 2021 [13]

Operation Border Health: Raymondville hosts an annual Texas DSHS no-cost care site, reflecting need for local access. [26]

Projects in development: healthcare projects in Willacy County and Raymondville are in development, with announcements forthcoming.

Healthcare employment: 562 jobs at 31 establishments, Q2 2026; average weekly wage up 6.7% to $896. [53]

What it means for real estate

Healthcare growth creates long-term demand that does not depend on retail cycles. Here is where SVN | Hanna Solutions Commercial Real Estate sees the impact across the Rio Grande Valley.

Medical office

Each new physician needs practice space. As more residents train locally, more stay to open or join practices.

Evidence: Hidalgo has 2,158 residents per primary care physician and Cameron 2,034, vs. 1,657 statewide; Texas ranks last among states in primary care providers per capita. [55, 56]

Outpatient and specialty clinics

Chronic conditions like diabetes need frequent, convenient visits. That favors neighborhood clinics, dialysis, imaging and specialty care near where people live.

Evidence: HCA is converting a retail suite at Sharyland Towne Crossing in Mission into a $6.5M urgent care; new ERs in Mission and Palmview. [40, 42, 43]

Land near hospital campuses

New and expanded hospitals pull in supporting uses: medical office, pharmacies, labs, restaurants and lodging for patient families.

Evidence: UTRGV converted an 89,000 SF office and warehouse building, 1.5 miles from its Cancer and Surgery Center, into its School of Optometry. [28, 30]

Rural expansion

Underserved communities are getting new clinics and residency programs, often backed by state grants. Early sites in these markets can secure strong positions.

Evidence: DHR Health Starr County Medical Campus, 2026; Mission Regional's Palmview ER, 2027. [19, 40]

Research and lab space

Federal and foundation research funding brings scientists who need specialized lab and flex space.

Evidence: $38M THRIVE initiative and ongoing NIH-funded studies. [8, 9]

Workforce housing and services

Hospitals and schools hire nurses, technicians and support staff in large numbers, supporting nearby housing, childcare and retail.

Evidence: 145,100 education and health services jobs across the two metros, Oct. 2026. [51]

Planning a medical office, clinic or healthcare site?

Call us to discuss site selection, leasing, acquisition or development across Starr, Hidalgo, Cameron and Willacy counties.

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Methodology and primary references

Geography

Starr, Hidalgo, Cameron and Willacy counties, Texas. County figures are shown where available; metro figures are labeled.

Jobs data

Metro figures: TWC Current Employment Statistics, October 2026, not seasonally adjusted; "private education and health services" includes private schools. County figures: TWC Quarterly Census of Employment and Wages, health care and social assistance (NAICS 62), all ownerships, Q2 2026. The page 5 sector chart uses BLS September 2026 data.

Investment totals

Page 6 sums reported project costs and grant awards. Proposed projects are excluded. It is not a complete count of regional healthcare investment.

Health data

Diabetes figures come from Texas DSHS. Source years differ by county and are labeled on each figure.

Projections

Residency and enrollment targets are UTRGV projections, not guarantees.

Limits of this briefing

For market orientation only. Confirm details with the institutions named before making investment decisions.

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3. KRGV, 39 new doctors graduate from the UTRGV School of Medicine, May 2020.
4. UTRGV Newsroom, UTRGV medical students match to residency programs nationwide, Mar. 20, 2026.
5. KRGV, UTRGV School of Podiatric Medicine to graduate inaugural class, Apr. 27, 2026.
6. UT System, UTRGV School of Medicine Legislative Appropriations Request, FY2028–29, Aug. 2026.
7. UTRGV Office of Audits, South Texas Diabetes and Obesity Institute Audit, Report 21-AEN-05, Aug. 2022.
8. The Monitor (MyRGV), $38 million grant going to UTRGV School of Medicine (THRIVE).
9. Mega Doctor News, Diabetes and Obesity Institute receives five-year, $3.6 million NIH grant.
10. MyRGV, $2M grant to help UTRGV study genetics, diabetes.
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13. Texas DSHS, Texas Border Health Epidemiology and Data Overview, Feb. 14, 2023.
14. Texas Tribune, In Texas' Rio Grande Valley, a push to curb diabetes, Jan. 2025 (citing American Diabetes Association).
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54. Texas DSHS Health Professions Resource Center supply tables: county population, 2020 and 2025.
55. County Health Rankings (University of Wisconsin Population Health Institute), population per primary care physician, via Data USA and SmartAsset, 2025.
56. America's Health Rankings (United Health Foundation), primary care providers per 100,000 population: Texas 225.0 vs. U.S. 291.4, 2025.

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