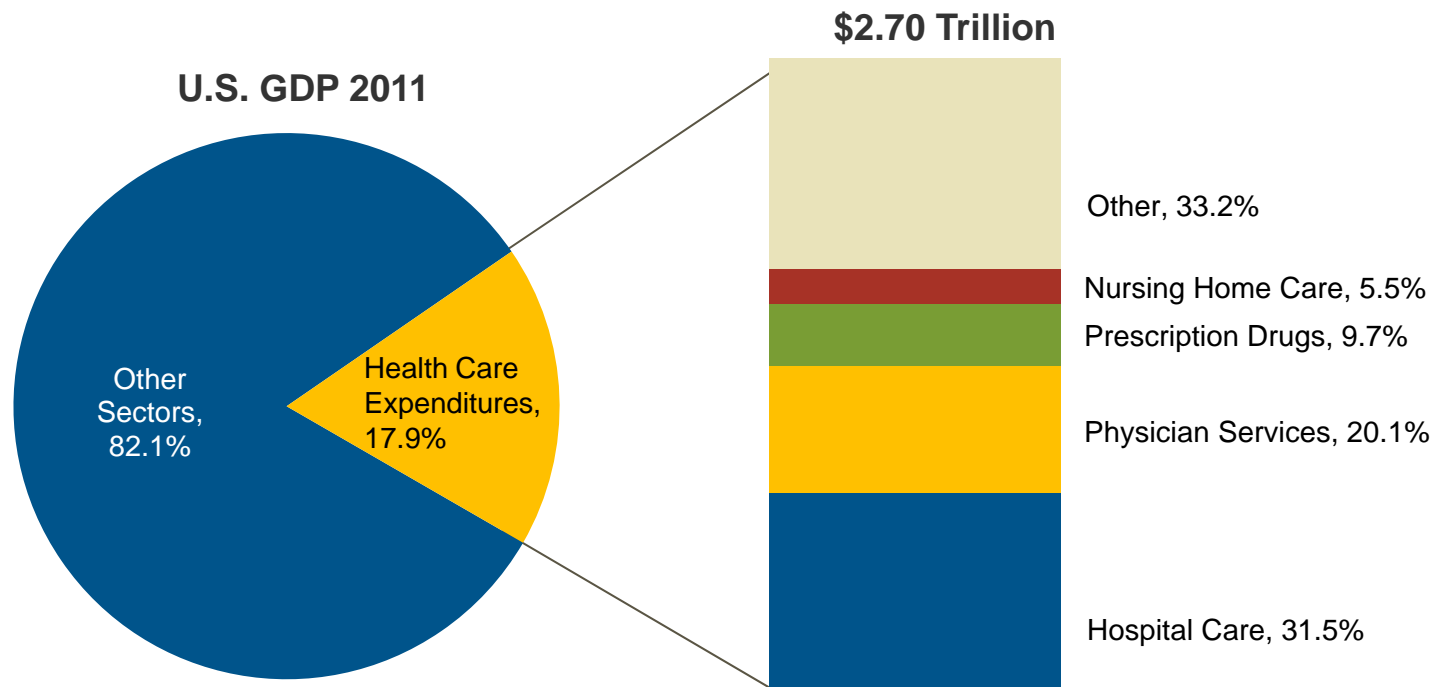




CHAPTER 6

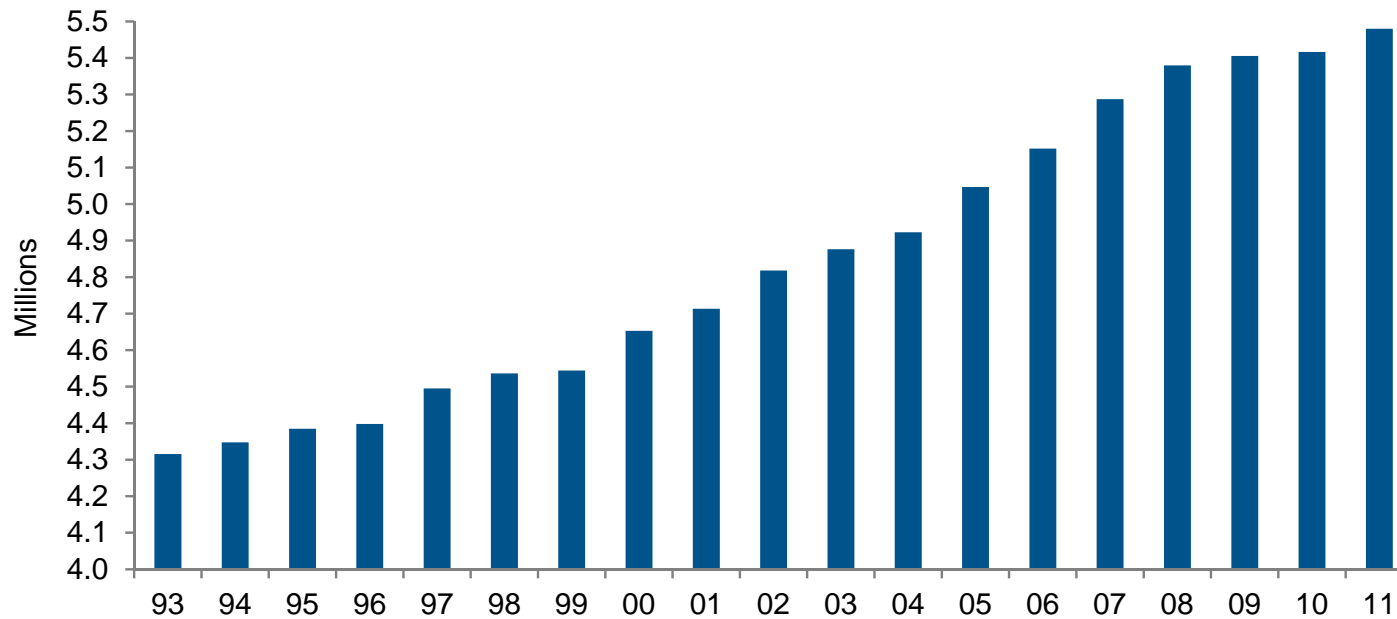
The Economic Contribution
of Hospitals

Chart 6.1: National Health Expenditures as a Percentage of Gross Domestic Product and Breakdown of National Health Expenditures, 2011



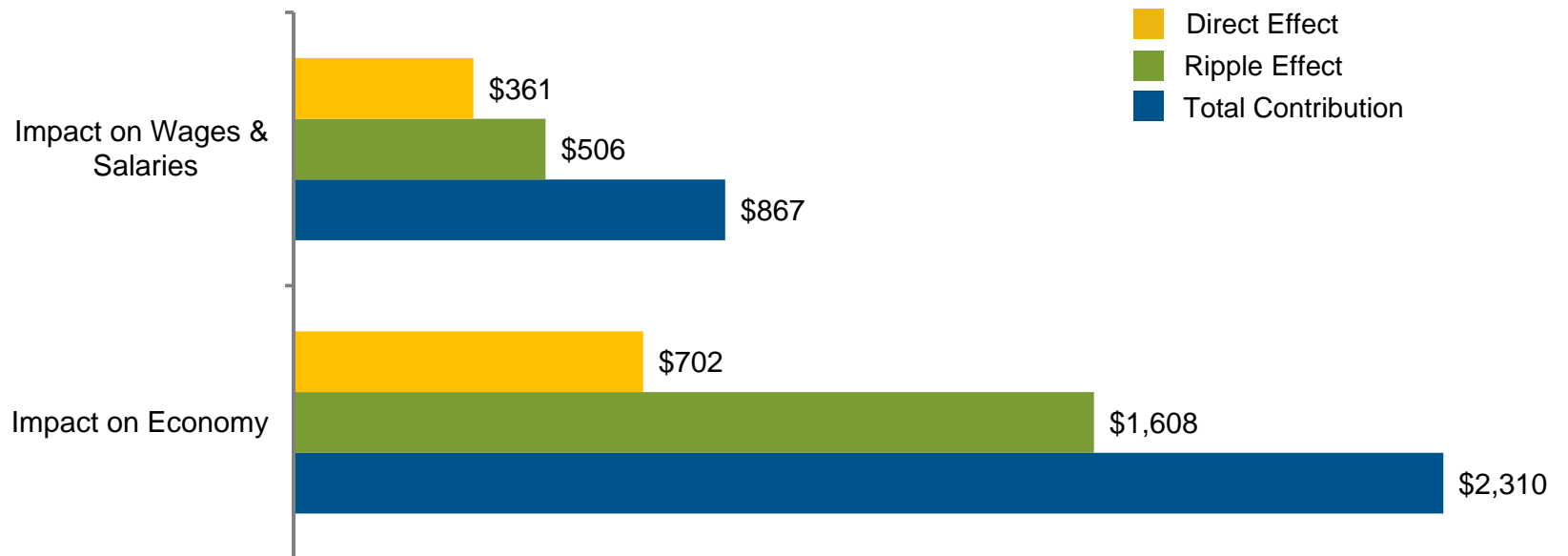
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released January 9, 2013.

Chart 6.2: Number of Full-time and Part-time Hospital Employees, 1993 – 2011



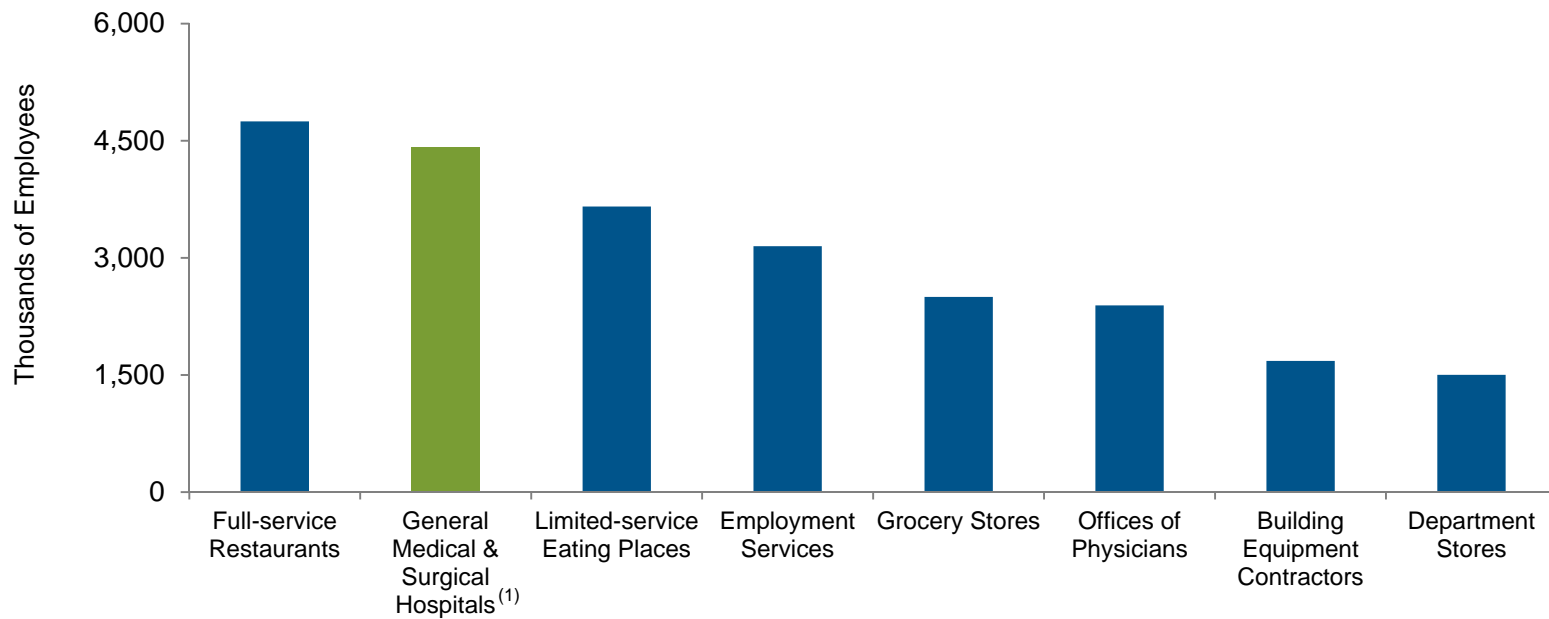
Source: Avalere Health analysis of American Hospital Association Annual Survey data, 2011, for community hospitals.

Chart 6.3: Impact of Community Hospitals on U.S. Economy
(in \$ billions), 2011



Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2011 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart.

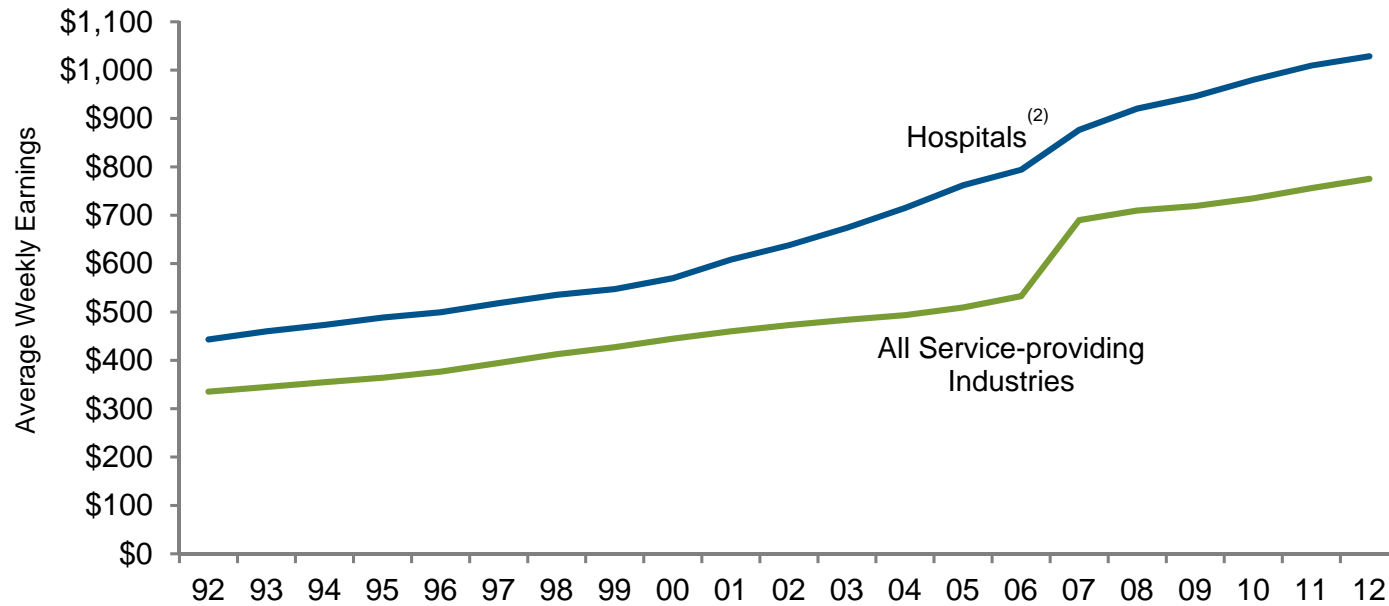
Chart 6.4: Hospital Employment vs. Employment in Other Industries, 2012



Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2013. Link: <http://www.bls.gov/ces>.

⁽¹⁾ Does not include public hospitals.

Chart 6.5: Average Weekly Earnings of Workers, Hospitals⁽¹⁾ vs. All Service-providing Industries, 1992 – 2012



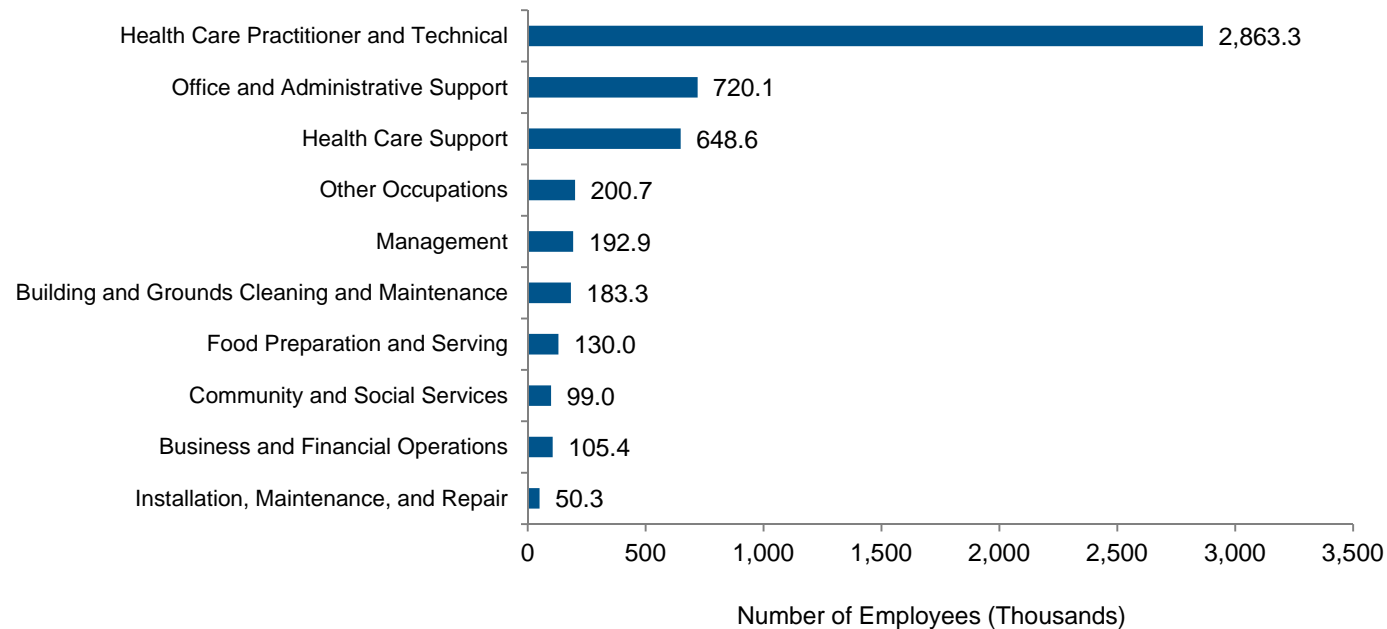
Source: Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES) Survey, customized tables. Data released 2013.

Link: <http://www.bls.gov/ces>.

(1) Includes physicians employed by hospitals.

(2) Does not include public hospitals.

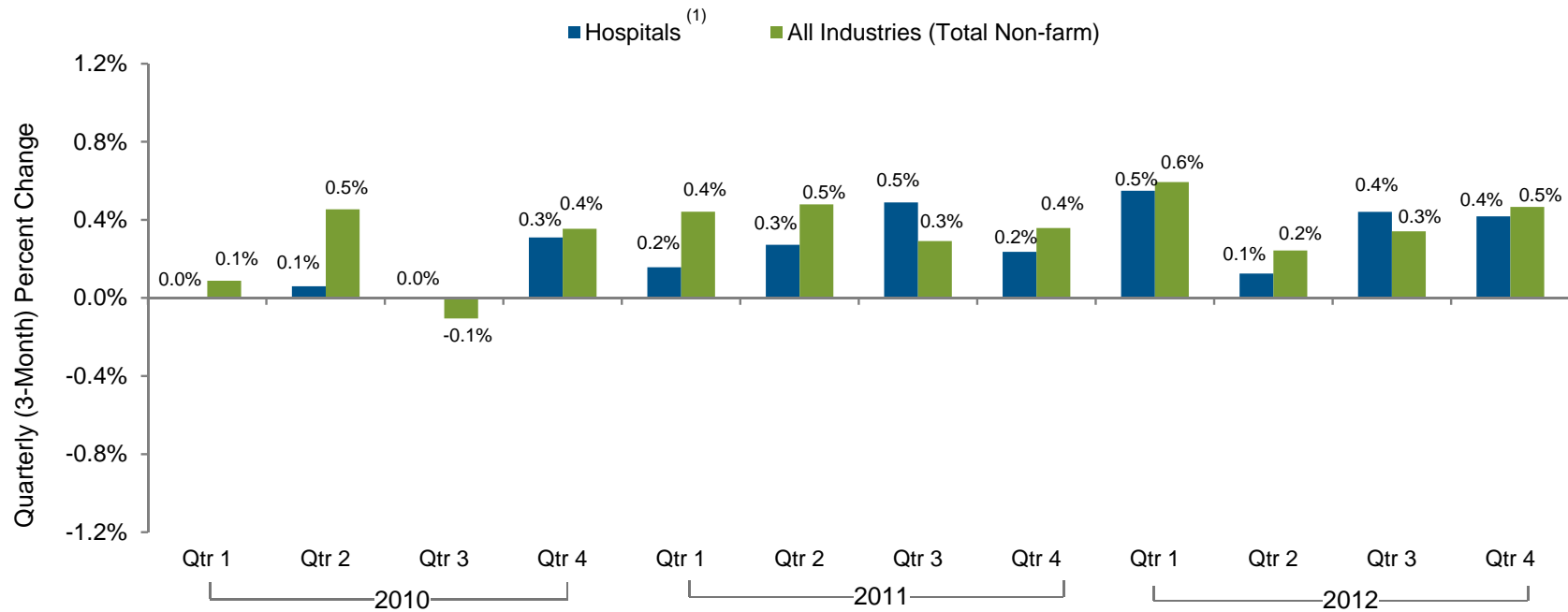
Chart 6.6: Hospital Employment by Occupation Type, 2012⁽¹⁾



Source: Department of Labor, Bureau of Labor Statistics, 2012 National Industry-specific Occupational Employment and Wage. Data released March 2013. Link: http://www.bls.gov/oes/current/naics4_622100.htm

⁽¹⁾ Does not include public hospitals.

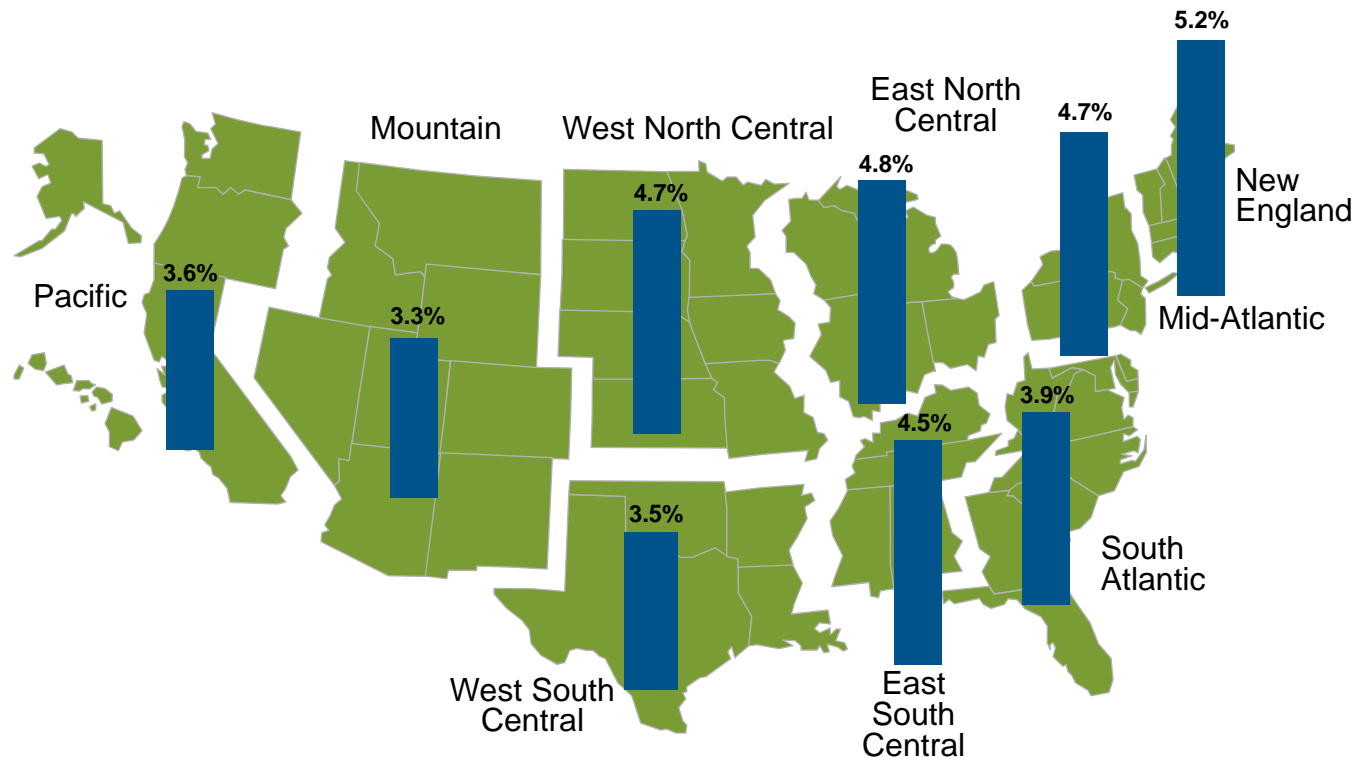
Chart 6.7: Percent Change in Employment, Seasonally-adjusted: Hospital vs. All Industries (Total Non-farm), 2010 – 2012



Source: Department of Labor, Bureau of Labor Statistics. Data released March 2013. Link: <http://www.bls.gov/bls/employment.htm>.

⁽¹⁾ Does not include public hospitals

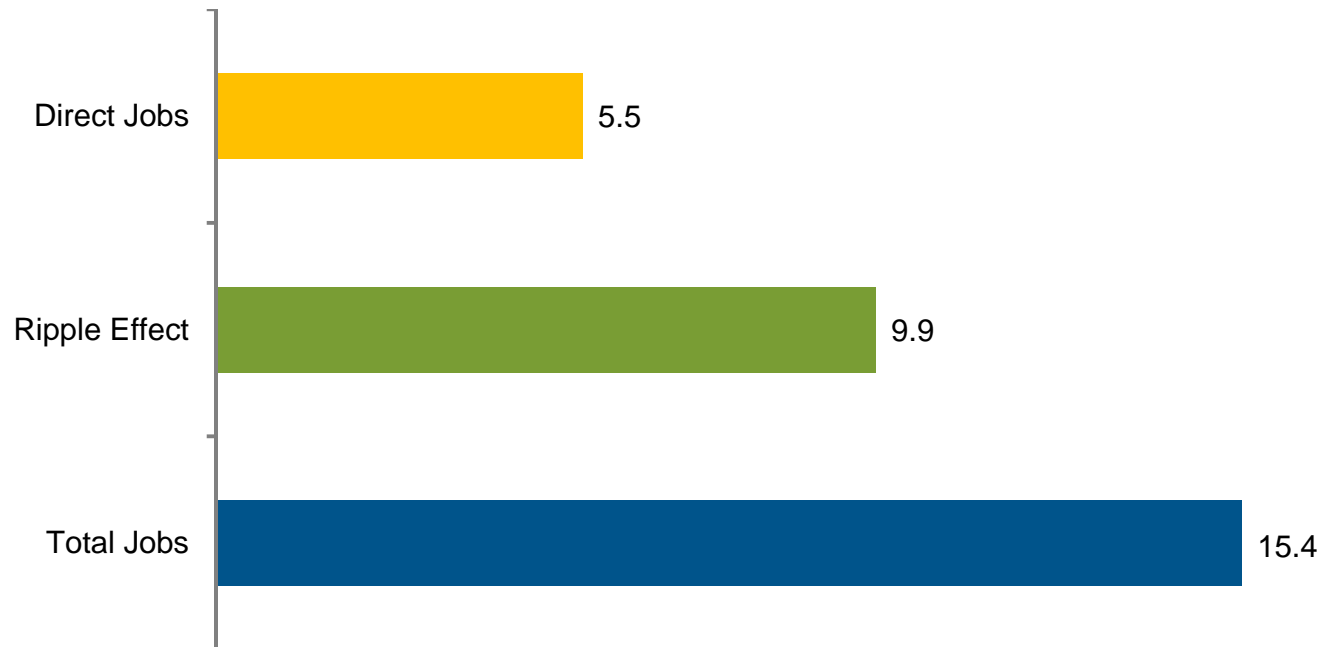
Chart 6.8: Percent of Total Regional Employment⁽¹⁾ by Hospitals, 2011



Source: Avalere Health analysis of American Hospital Association 2011 Annual Survey data and 2011 total non-farm employment data from the Bureau of Labor Statistics.

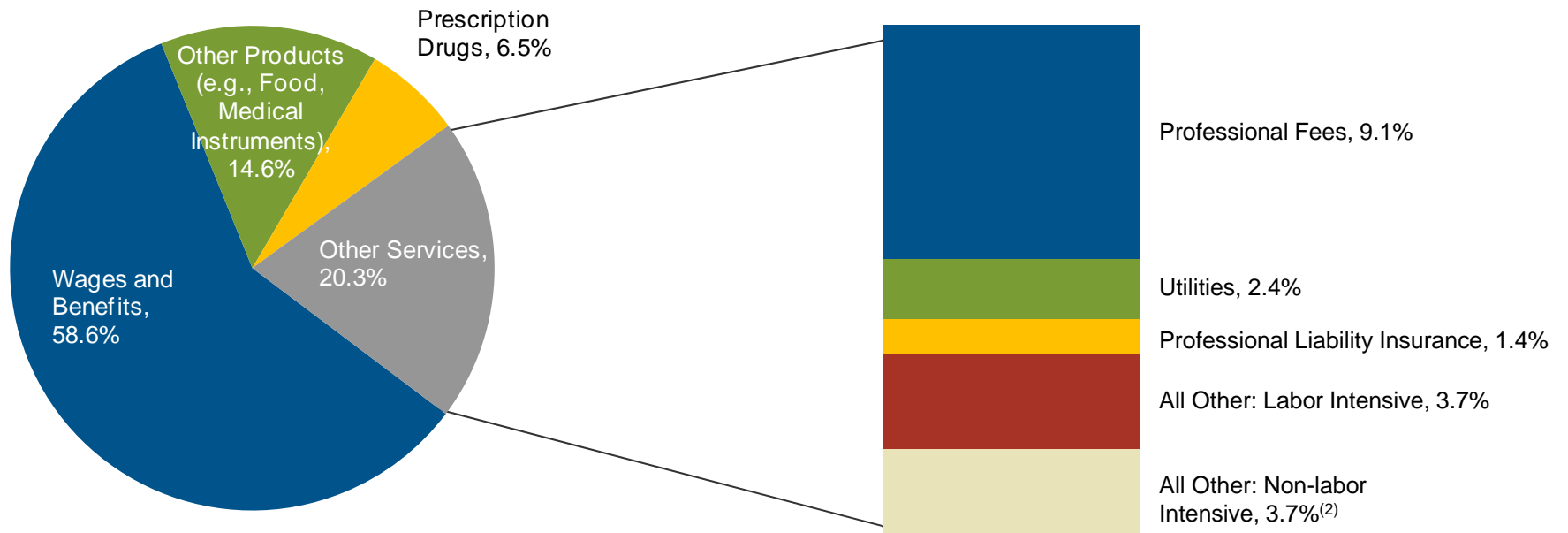
⁽¹⁾ Does not include farm employment.

Chart 6.9: Impact of Community Hospitals on U.S. Jobs (in millions), 2011



Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2011 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart.

Chart 6.10: Percent of Hospital Costs⁽¹⁾ by Type of Expense, 2012



Source: AHA analysis of Centers for Medicare and Medicaid Services data, using base year 2006 weights.

(1) Does not include capital.

(2) Includes postage and telephone expenses.

Chart 6.11: Hospital Impact on Sectors of the U.S. Economy
(in \$ billions), 2011

Industry	Economic Impact
Health care and social assistance	\$812.5
Manufacturing	346.0
Real estate and rental and leasing	218.7
Finance and insurance	147.6
Professional, scientific and technical services	96.0
Retail trade	94.4
Wholesale trade	75.6
Information	75.5
Transportation and warehousing	72.0
Administrative and waste management services	71.5
Accommodation and food services	59.3
Other services	57.9
Management of companies and enterprises	46.4
Utilities	41.1
Agriculture, forestry, fishing and hunting	34.0
Educational services	18.6
Arts, entertainment, and recreation	16.5
Mining	14.6
Construction	11.4
Total	\$2,309.6

Source: Avalere Health, using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2011 American Hospital Association Annual Survey data. Note: Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for this chart.

Chart 6.12: Impact of Community Hospitals on U.S. Economy; All States, DC and Total U.S., 2011

State Name	Number of Hospital Jobs (FT and PT)	Multiplier for Employment	Effect of Hospital Jobs on Total Jobs in State Economy	Percent of Total Employment Supported by Hospital Employment	Hospital Payroll and Benefits (\$ millions)	Multiplier for Earnings	Effect of Hospital Payroll and Benefits on Total Labor Income (\$ millions)	Hospital Expenditures (\$ millions)	Multiplier for Output	Effect of Hospital Expenditures on Total State Economic Output (\$ millions)
Alabama	79,898	2.0293	162,137	8.69%	\$4,161	1.6538	\$6,881	\$8,286	1.9782	\$16,391
Alaska	12,241	1.8145	22,211	6.76%	\$898	1.4829	\$1,332	\$1,747	1.7423	\$3,044
Arizona	83,961	2.3261	195,302	8.12%	\$5,707	1.7473	\$9,972	\$11,521	2.0921	\$24,103
Arkansas	49,854	1.8577	92,614	7.98%	\$2,537	1.5592	\$3,956	\$5,237	1.8417	\$9,644
California	499,739	2.3233	1,161,044	8.26%	\$40,702	1.8782	\$76,446	\$77,265	2.3155	\$178,908
Colorado	71,692	2.3607	169,243	7.50%	\$5,033	1.8929	\$9,527	\$10,054	2.3212	\$23,338
Connecticut	67,322	2.1168	142,507	8.78%	\$5,212	1.7191	\$8,961	\$9,562	2.0802	\$19,890
Delaware	20,054	2.0789	41,690	9.99%	\$1,381	1.5948	\$2,202	\$2,408	1.8967	\$4,567
District of Columbia	27,340	1.6374	44,767	6.15%	\$2,022	1.3241	\$2,677	\$3,766	1.3378	\$5,039
Florida	284,136	2.2413	636,834	8.76%	\$18,390	1.7906	\$32,930	\$36,909	2.1546	\$79,524
Georgia	139,681	2.3002	321,294	8.28%	\$8,200	1.8813	\$15,426	\$16,451	2.3035	\$37,895
Hawaii	16,043	2.1635	34,709	5.86%	\$1,271	1.6503	\$2,098	\$2,392	1.9679	\$4,707
Idaho	27,200	1.886	51,299	8.45%	\$1,474	1.5086	\$2,224	\$2,791	1.7539	\$4,895
Illinois	237,624	2.2589	536,769	9.48%	\$15,083	1.9129	\$28,851	\$29,832	2.3704	\$70,713
Indiana	126,860	2.0612	261,484	9.24%	\$7,942	1.7103	\$13,583	\$16,082	2.0808	\$33,464
Iowa	67,554	1.7103	115,538	7.82%	\$3,704	1.4704	\$5,446	\$7,174	1.7231	\$12,362
Kansas	53,397	1.7657	94,283	7.06%	\$3,143	1.5244	\$4,791	\$5,963	1.8186	\$10,845
Kentucky	82,488	2.0314	167,566	9.36%	\$4,817	1.6948	\$8,163	\$10,049	2.0341	\$20,441
Louisiana	86,129	1.9489	167,857	8.81%	\$4,809	1.6285	\$7,831	\$9,705	1.8985	\$18,425
Maine	36,478	2.1174	77,239	13.02%	\$2,312	1.6767	\$3,877	\$4,161	1.9987	\$8,316
Maryland	99,840	2.0626	205,930	8.08%	\$6,325	1.7266	\$10,921	\$12,731	2.0773	\$26,446
Massachusetts	184,839	2.1805	403,041	12.55%	\$11,444	1.8188	\$20,815	\$23,069	2.2142	\$51,079
Michigan	206,696	2.2037	455,496	11.57%	\$12,924	1.7709	\$22,886	\$25,328	2.139	\$54,177
Minnesota	116,593	2.235	260,585	9.74%	\$7,854	1.8076	\$14,197	\$14,475	2.2165	\$32,083
Mississippi	59,336	1.8678	110,828	10.17%	\$3,225	1.5474	\$4,990	\$5,805	1.8228	\$10,581
Missouri	136,871	2.1876	299,419	11.30%	\$8,121	1.8001	\$14,618	\$17,172	2.1788	\$37,415
Montana	21,806	1.8443	40,217	9.40%	\$1,307	1.474	\$1,926	\$2,486	1.7012	\$4,229
Nebraska	41,322	1.7205	71,095	7.53%	\$2,240	1.4993	\$3,358	\$4,659	1.7508	\$8,158
Nevada	25,884	2.2397	57,972	5.15%	\$2,041	1.6295	\$3,326	\$4,071	1.9298	\$7,855
New Hampshire	31,846	2.0467	65,179	10.41%	\$2,223	1.7353	\$3,858	\$3,948	2.007	\$7,924
New Jersey	144,120	2.2526	324,645	8.42%	\$9,882	1.8654	\$18,433	\$18,238	2.3092	\$42,114
New Mexico	24,705	2.0145	49,768	6.19%	\$1,919	1.5475	\$2,970	\$3,714	1.7898	\$6,646
New York	435,963	1.9938	869,223	10.01%	\$34,053	1.6732	\$56,978	\$58,543	2.0617	\$120,699
North Carolina	171,445	2.2429	384,534	9.80%	\$10,270	1.8107	\$18,595	\$20,063	2.212	\$44,379
North Dakota	23,142	1.6142	37,356	9.48%	\$1,238	1.4083	\$1,743	\$2,229	1.6154	\$3,602
Ohio	281,692	2.2008	619,948	12.20%	\$17,323	1.8469	\$31,994	\$32,606	2.2541	\$73,496
Oklahoma	57,732	1.9603	113,172	7.30%	\$3,258	1.6445	\$5,358	\$6,783	1.9496	\$13,224
Oregon	59,933	2.3049	138,140	8.54%	\$4,521	1.7395	\$7,865	\$8,727	2.082	\$18,169
Pennsylvania	285,235	2.2071	629,542	11.07%	\$17,067	1.8641	\$31,815	\$35,246	2.2768	\$80,249
Rhode Island	20,610	2.1003	43,287	9.41%	\$1,702	1.7022	\$2,898	\$3,022	2.0206	\$6,106
South Carolina	71,904	2.2139	159,188	8.69%	\$4,411	1.7258	\$7,612	\$9,707	2.1104	\$20,486
South Dakota	22,397	1.5601	34,942	8.60%	\$1,291	1.3914	\$1,796	\$2,353	1.6058	\$3,779
Tennessee	112,806	2.164	244,112	9.19%	\$6,294	1.8163	\$11,431	\$12,769	2.2215	\$28,367
Texas	338,472	2.2946	776,658	7.36%	\$22,457	1.8783	\$42,181	\$45,556	2.3343	\$106,342
Utah	40,429	2.3204	93,811	7.77%	\$2,248	1.847	\$4,151	\$4,680	2.2759	\$10,650
Vermont	14,654	1.9799	29,013	9.68%	\$1,087	1.551	\$1,685	\$1,777	1.7831	\$3,168
Virginia	112,994	2.0564	232,361	6.31%	\$7,301	1.7199	\$12,556	\$15,341	2.1081	\$32,341
Washington	104,754	2.2617	236,922	8.40%	\$7,926	1.7321	\$13,729	\$14,870	2.1029	\$31,270
West Virginia	43,022	1.8046	77,638	10.30%	\$2,344	1.5245	\$3,573	\$4,724	1.7444	\$8,241
Wisconsin	110,077	2.0695	227,804	8.31%	\$6,986	1.7308	\$12,091	\$14,997	2.0677	\$31,009
Wyoming	9,471	1.6148	15,294	5.35%	\$615	1.3738	\$844	\$1,047	1.5703	\$1,644
United States*	5,480,281	2.8048	15,371,092	11.70%	\$360,692	2.4031	\$866,779	\$702,091	3.2896	\$2,309,599

Source: Avalere Health, using BEA RIMS-II (2002/2010) multipliers for hospital NAICS Code 622, released 2012, applied to American Hospital Association Annual Survey data for 2011. Hospital jobs are total part time and full time jobs. Hospital labor income is defined as payroll plus benefits. The percent of total employment supported by direct and indirect hospital employment is based on 2011 BLS data. Expenditures are defined as total expenditures minus bad debt. In previous years, expenditures were defined as net patient revenue plus other operating revenue. *Multipliers released in 2010 and subsequent years no longer include the national level multipliers needed for the U.S. summary row. BEA RIMS-II (1997/2006) multipliers released in 2008 and applied to 2011 AHA annual survey data were used instead.

