



WHAT'S AT STAKE

INDIANA HOSPITALS:
IMPACT ON THE ECONOMY AND OUR
COMMUNITIES

12/30/2019





Indiana Hospitals

The Impact on the Economy and the State

Introduction

Indiana hospitals are proud to provide quality, efficient health care to communities across Indiana. Our members stand ready to care for Hoosiers 24 hours a day, seven days a week, 365 days a year. Every year, hospitals across the state serve thousands of individuals providing hope and healing.

Not only do hospitals provide millions with care, they serve as economic anchors in their communities and for the entire state of Indiana. **In 2018, Indiana hospitals provided a total of \$48,227,605,000 in direct and indirect economic impact to the state of Indiana** according to data from DataGen/HANYS, in partnership with the Indiana Hospital Association. **Indiana hospitals also generated 244,960 jobs.**

Indiana Hospitals 2018 Data

| | Direct Economic Impact | Total Economic Impact (Direct + Indirect) |
|---|-------------------------|---|
| Hospital Payroll | \$12,365,489,000 | \$25,988,549,000 |
| Purchased Goods | \$8,737,692,000 | \$18,364,006,000 |
| Capital/Infrastructure Investments | \$1,843,769,000 | \$3,875,050,000 |
| TOTAL | \$22,946,950,000 | \$48,227,605,000 |

Providing Well-Paying, Consistent Employment (Hospital Payroll): Direct and Indirect Economic Impact

Indiana hospitals employ **112,700 health care professionals**, with a total payroll of **\$12,365,489,000**. Hospital payroll expenditures serve as an important economic stimulus, creating and supporting jobs throughout the local and state economies.

Dollars earned by Indiana hospital employees and spent on groceries, clothing, mortgage payments, rent, etc., generate approximately **\$25,988,549,000** in economic activity and create an additional **132,260** jobs statewide.

Stimulating the State Economy with Purchases of Goods and Services: Direct and Indirect Economic Impact

Indiana hospitals spend about **\$8,737,692,000** per year on the goods and services needed to provide health care—for example, medical supplies, electricity for buildings, and food for patients. Funds spent to buy goods and services flow from hospitals to vendors and businesses and then ripple throughout the economy. Including the secondary effects of those direct purchases, dollars spent by Indiana hospitals generate approximately **\$18,364,006,000** in total for the state economy.

Improving Infrastructure for All Indiana Residents: Direct and Indirect Economic Impact

In 2018, Indiana hospitals spent **\$1,843,769,000** on buildings and equipment. Capital spending by Indiana hospitals generates approximately **\$3,875,050,000** for the state economy per year.

Conclusion

Hospitals are a key to Indiana's quality of life and to keeping communities healthy and vibrant. Indiana Hospitals are a major contributor to both the local and state economies and to keeping families healthy and secure by providing needed health care services.

The data and information contained in this report provide strong evidence that the economic benefit our hospitals have on the local and state economies is significant. To continue to attract jobs to and maintain families in Indiana, it is critical that the state have high-quality health care providers and services.

We urge our state legislators, members of Congress, and community leaders to recognize that our hospitals are instrumental to supporting the state and local economy and that steps need to be taken to continue to invest in our state's health care system.