

# Southeastern Pennsylvania Hospitals Are Economic Anchors

**Each year, southeastern Pennsylvania hospitals and health systems provide care to nearly 600,000 inpatients, serve patients through 3.3 million outpatient visits, and provide care through 1.7 million emergency department visits.**

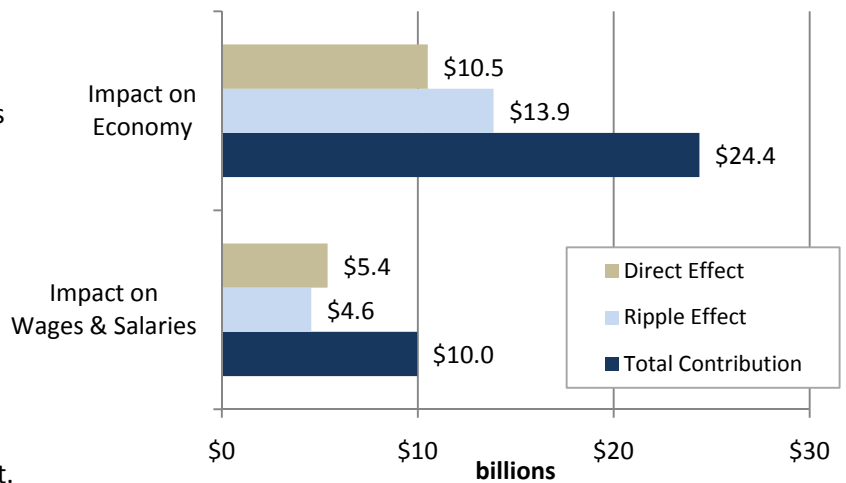
- ★ In all southeastern Pennsylvania counties, hospitals are among the “Top 5” employers.
- ★ Hospitals are the first, second, or third largest employers in three of five counties.

The economic contributions made by southeastern Pennsylvania’s hospitals to local communities and the state continue to increase, rising to \$24.4 billion during 2007, up \$2 billion (8 percent) from \$22.4 billion in total contributions during 2006. In every aspect, from employment to economic investment, the numbers are growing.

Given the economic crisis and the significant contribution that hospitals make to the region’s economy, hospitals must be included in state and federal economic stimulus plans to ensure they are able to maintain and recruit a strong health care workforce, and to invest in clinical resources, technology, and capital infrastructure to ensure the best quality care.

- Southeastern Pennsylvania hospitals and health systems provide a total of \$10.5 billion in direct spending to the region’s economy.
- Southeastern Pennsylvania hospitals and health systems make a total direct and secondary contribution of \$24.4 billion to the region’s economy.
- Nearly 215,000 southeastern Pennsylvanians depend on hospitals for their jobs through direct employment and the ripple effect of hospital employment.

## Southeastern Pennsylvania hospitals and health systems support other businesses and jobs in the region.



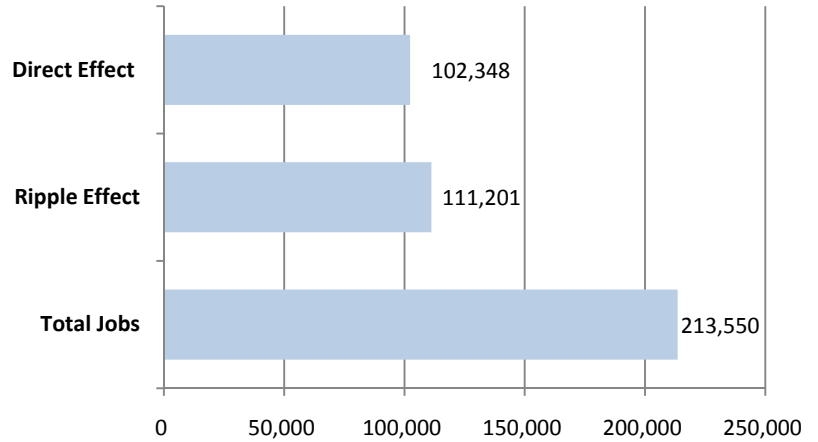
Source: Based on analysis of Bureau of Economic Analysis, U.S. Department of Commerce

- During 2007, direct hospital employment was more than 102,000, up from 100,600 during 2006.
- The labor income multiplier for hospitals is 1.85, meaning that every additional dollar in employee compensation in the hospital sector results in 85 cents of wages to other southeastern Pennsylvania industries.

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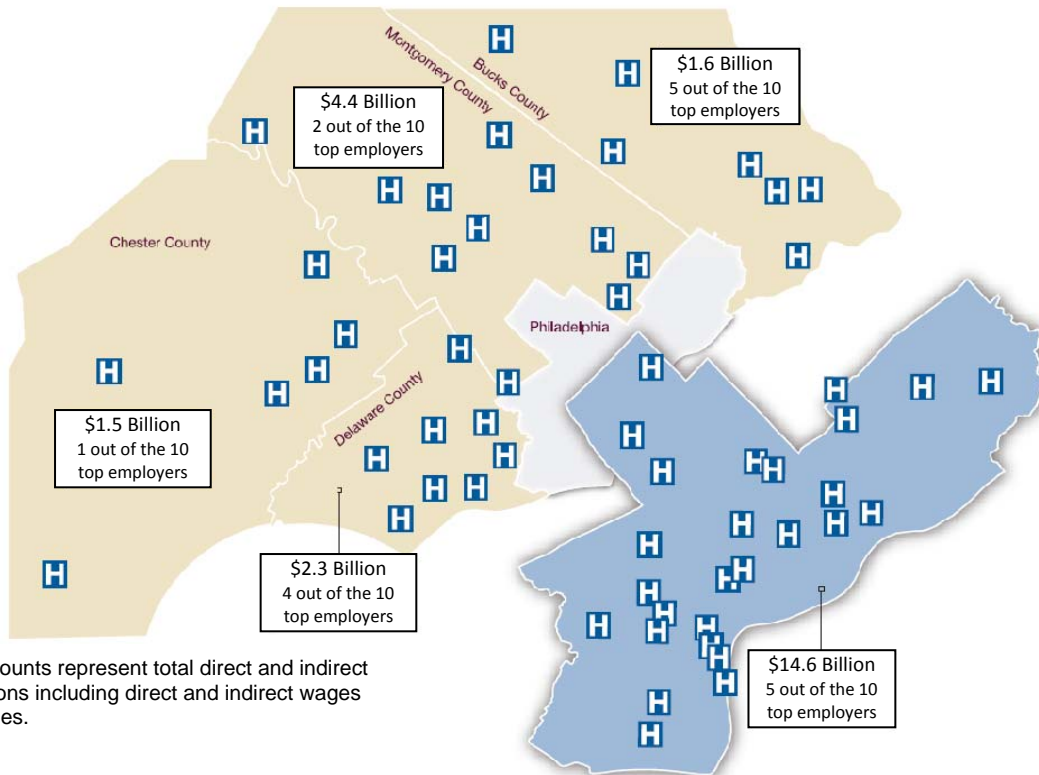
- The federal Bureau of Economic Analysis says the employment multiplier for southeastern Pennsylvania hospitals is 2.08, suggesting that for every hospital job, 2.1 additional jobs are supported within the region.
- When 102,000 hospital employees spend money on products and services, it translates to nearly 111,000 additional hospital service-related jobs, more than \$4.5 billion in employee compensation.
- Nearly \$10 billion in total labor income is generated directly and indirectly by southeastern Pennsylvania hospitals.

## Southeastern Pennsylvania hospitals support more than 200,000 jobs in the region.



Source: Based on analysis of Bureau of Economic Analysis, U.S. Department of Commerce and 4th Quarter 2007 Census of Employment and Wages

## Regional Economic Impact of Southeastern Pennsylvania Hospitals & Health Systems



Dollar amounts represent total direct and indirect contributions including direct and indirect wages and salaries.