

The Economic Impact of Hospitals in Rhode Island

HARI
Hospital
Association
of
Rhode Island



HARI

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Hospitals in Rhode Island are proud to provide quality, efficient health care to our community. Our hospitals stand ready to care for you with doors open 24 hours a day, seven days a week, 365 days a year. Every year, we serve thousands of individuals and keep our community healthy, strong and vibrant. This record of service is, and always will be, our most valuable contribution to the community.

Less often recognized are hospitals' contributions to the local economy, such as the people they employ and the impact of their spending. Hospitals are critical to the economic viability of our state.

Stimulating the Economy

Hospitals in Rhode Island spend more than \$1 billion each year on goods and services they need to provide quality patient care. Examples include medical supplies, electricity for buildings, and food for patients. Funds spent to purchase these items flow from the hospitals to vendors and businesses and then ripple throughout the economy generating approximately \$2.2 billion for the local economy.

\$2,215,730,000

An Economic Anchor in Our Communities

In addition to enhancing the health and well-being of the communities they care for, hospitals also contribute significantly to the area's economic health. In 2007, the estimated total annual economic impact was \$5.9 billion. Hospitals truly represent an economic anchor in Rhode Island. They not only keep us healthy, but also invigorate our communities and contribute significantly to the quality of life.

\$5,873,129,000

Improving Infrastructure for All Rhode Islanders

In 2007, hospitals in Rhode Island spent nearly \$200 million improving their facilities to meet advances in patient care techniques and technology. This capital spending generates more than \$400 million for the local economy each year. Hospitals improvements and purchases support the creation of an additional 13,560 jobs in other businesses and industries.

\$403,898,000

Providing Well-Paying, Consistent Employment

Hospitals in Rhode Island employ 20,370 health care professionals, with a total payroll of \$1.6 billion. These jobs account for nearly 5% of the state's private sector employment. In addition, wages paid to hospital employees make up approximately 10% of the state's private sector payroll. Hospital payroll expenditures serve as an important economic stimulus, creating and supporting jobs throughout the local and state economies. Dollars earned by hospital employees and spent on groceries, clothing, housing and other goods generate \$3.2 billion in economic activity for the Rhode Island economy.

\$1,591,497,000

Hospitals are a key ingredient to Rhode Island's quality of life. They are a major contributor to both the local and state economies and to keeping families healthy and secure by providing needed health services.

The data and information contained in this report provide strong evidence that the economic benefit of hospitals is significant. To continue to attract jobs to and keep families in our state, it is critical that we have high quality health care providers and services. We urge our elected officials and community leaders to recognize that our hospitals are instrumental to a healthy, strong and desirable Rhode Island.