Improving Our Communities

$95.3b
State Economic Impact

Illinois Hospitals and Health Systems

Illinois Health and Hospital Association

2018
466k
TOTAL JOBS GENERATED BY ILLINOIS HOSPITALS

+30%
GROWTH IN ILLINOIS HEALTHCARE EMPLOYMENT, 2000-2017

+12.4%
PROJECTED GROWTH ILLINOIS HEALTHCARE/SOCIAL ASSISTANCE BY 2024

Photo of the free flu immunization program that OSF HealthCare Saint Luke Medical Center began in 2015. Since then, 2,100 flu vaccines have been administered to students.
ILLINOIS HOSPITALS HAVE A VITAL ROLE IN THE COMMUNITIES THEY SERVE, PROVIDING CARE WHEN IT’S NEEDED MOST.

THEIR EFFORTS TO CREATE HEALTHY COMMUNITIES GO EVEN FURTHER. ILLINOIS’ MORE THAN 200 HOSPITALS AND NEARLY 50 HEALTH SYSTEMS ARE MAJOR ECONOMIC ENGINES.

This report details the impact of Illinois hospitals as major employers and large purchasers of goods and services. Together, they generate $95.3 billion in state economic impact annually and produce 466,000 jobs.

The state also benefits from hospital programs and initiatives aimed at creating safe, stable and healthy communities.

Illinois hospitals and health systems play a critical and irreplaceable role in the communities they serve.

In order to ensure the stability of our state’s economy, the productivity of its workforce and the health status of our residents, Illinois hospitals look to state and federal officials for support so hospitals can continue to strengthen communities as healthcare providers, community partners and major employers.
Major Economic ENGINES

$95.3b
TOTAL IMPACT
Annual amount Illinois hospitals infuse into the state’s economy

$1.40
RIPPLE EFFECT
For every dollar hospitals spend, an additional $1.40 is generated in spending in state and local economies

ILLINOIS HOSPITALS INFUSE $95.3B ANNUALLY INTO THE STATE’S ECONOMY

$50b
$40b
$30b
$20b
$10b
$0

PAYROLL
$43.1b
$18.0b

SUPPLIES
$44.2b
$18.5b

CAPITAL
$8.0b
$4.6b
$3.4b

Source: Estimates of the economic benefits of Illinois hospitals were based on Regional Input-Output Modeling System II (RIMS-II) developed by the U.S. Bureau of Economic Analysis (BEA). The Final Demand Multipliers, obtained from BEA RIMS II, were applied to 2016/2017 Medicare cost report data of hospital jobs and spending to obtain the “ripple effect” of jobs and spending throughout the economy.
ILLINOIS HOSPITALS PLAY A CRITICAL AND IRREPLACEABLE ROLE IN BUILDING HEALTHY COMMUNITIES AND A STRONG STATE ECONOMY

466k JOBS
Generated by Illinois hospitals

266k EMPLOYEES
Directly employed by Illinois hospitals

1.3 JOBS FROM RIPPLE EFFECT
For every Illinois hospital job, 1.3 jobs are created in other sectors

ANNUAL JOBS GENERATED BY ILLINOIS HOSPITALS

201,262 (FTEs) DIRECT JOBS

264,438 INDIRECT JOBS

A CONSISTENT CREATOR OF JOBS THAT BOLSTER THE MIDDLE CLASS

-10% -5% 0% 5% 10% 15% 20% 25% 30%
Cumulative Percent Change in Employment

30%

HEALTHCARE EMPLOYMENT

+30%

+0.5%

TOTAL ILLINOIS EMPLOYMENT


LEADING SOURCE OF JOB CREATION:
ILLINOIS HEALTHCARE/SOCIAL ASSISTANCE SECTOR

1 in 10 ILLINOIS JOBS IS IN THE HEALTHCARE INDUSTRY

12.4% PROJECTED JOB GROWTH BY 2024

NEW ILLINOIS JOBS CREATED JANUARY 2000 – SEPTEMBER 2017

-400k -200k 0 +200k

Change in Employment

HEALTHCARE & SOCIAL ASSISTANCE

PROFESSIONAL & BUSINESS SERVICES

LEISURE & HOSPITALITY

EDUCATION

TRANSPORTATION & WAREHOUSING

GOVERNMENT

CONSTRUCTION

FINANCIAL ACTIVITIES

TRADE, TRANSPORT & UTILITIES

INFORMATION

MANUFACTURING

ECONOMIC IMPACT OF ILLINOIS HOSPITALS BY GEOGRAPHIC REGION*

**NORTHWEST**
- Economic Impact: $4.6b
- Jobs: 23,500

**NORTH CENTRAL**
- Economic Impact: $8.2b
- Jobs: 43,000

**WEST CENTRAL**
- Economic Impact: $4.8b
- Jobs: 27,200

**METRO EAST AREA**
- Economic Impact: $3.3b
- Jobs: 16,800

**CHICAGO SUBURBS**
- Economic Impact: $16.5b
- Jobs: 70,300

**COOK COUNTY**
- Economic Impact: $49b
- Jobs: 232,000

**EAST CENTRAL**
- Economic Impact: $5.2b
- Jobs: 29,300

**SOUTHERN**
- Economic Impact: $3.7b
- Jobs: 23,500

*Total Impact on Spending and Total Impact on Jobs
Jobs total does not equal 466,000 due to rounding.
Illinois Hospitals Provide to Their Communities

Each year, in accordance with the Illinois Community Benefits Act,* more than 100 hospitals in Illinois file annual reports with the Office of the Attorney General. These reports show the financial value of their contributions to their communities.

$5.8b
TOTAL VALUE OF COMMUNITY BENEFITS

$3.2b
GOVERNMENT-SPONSORED PROGRAMS SHORTFALL

$27m
VOLUNTEERS, EMPLOYEE AND NON-EMPLOYEE

$29m
LANGUAGE ASSISTANCE

$45m
OTHER

$98m
DONATIONS

$494m
CHARITY CARE AT COST

$588m
EDUCATION

$153m
RESEARCH

$359m
SUBSIDIZED HEALTH SERVICES

$742m
BAD DEBT

Figures do not sum due to rounding.

* The Illinois Community Benefits Act requires non-profit hospitals to annually file reports with the Illinois Attorney General. Non-profit hospitals that are exempt from filing are: Public, Rural (outside MSA) and Small (100 beds or less). Reports submitted June 30, 2016 through March 31, 2017 for fiscal years ending December 31, 2015 through September 30, 2016.
Improving COMMUNITIES

HOW DO YOU STRENGTHEN COMMUNITIES ACROSS ILLINOIS?

One program at a time. Illinois hospitals are engaged in a variety of initiatives to improve individual health and community well-being. They are creating partnerships, providing funding, staffing new programs and more to respond to the needs of the communities they serve. Here are a few examples of the good work Illinois hospitals are doing.

COLLABORATING ON POPULATION HEALTH

Springfield’s Enos Park neighborhood—challenged by homelessness, poverty and unemployment—sits between HSHS St. John’s Hospital and Memorial Medical Center. In the face of economic challenges, individual health is often neglected, so the hospitals are funding a collaborative that connects residents with primary care, mental health services and dental services.

IMPROVING HEALTH WITH DENTAL CARE

Unemployment, school absenteeism and poor mental health are all linked to a lack of preventive and routine dental care. Individuals often neglect dental care if they can’t afford it. That’s where Advocate Illinois Masonic Medical Center comes in, taking dental services to Chicago residents through its Mobile Dental Van.
TUTORING TO HELP PATIENTS SUCCCEED
With academic success key to future well-being, La Rabida Children’s Hospital offers its patients a free tutoring program that’s opened opportunities for advancement and strengthened the communities it serves on Chicago’s south side. Thousands of children from low-income families have overcome educational challenges since the program began in 2000.

PARTNERING TO ADDRESS DIABETES
With 9 percent of Illinois adults diagnosed with diabetes, Southern Illinois Healthcare is raising awareness about this serious chronic condition and bringing resources to tackle it through partnerships with six local health departments serving the state’s 15 southernmost counties. The partnerships help create or expand Diabetes Today Resource Teams in the region.

PROTECTING MENTAL HEALTH SERVICES
With the state’s two-year budget impasse crippling community mental health providers, AMITA Health in 2016 committed to collaborating with and funding several organizations in the Chicago suburbs it serves. The health system’s goal was to ensure essential mental health services to underserved and underinsured Medicaid and Medicare patients.

SEE HOW OTHER HOSPITALS ARE IMPACTING THEIR COMMUNITIES AT TEAM-IHA.ORG/FINANCE/COMMUNITY-BENEFITS/HOSPITAL-STORIES
Illinois hospitals and health systems play a critical and irreplaceable role in building healthy communities and a strong economy.

Just as lives depend on our hospitals, our hospitals depend on the support of the government and the public.

It is imperative that state and federal officials ensure funding to strengthen these efforts. By working together, we will continue to improve health, increase access and reduce costs.

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