Illinois Hospitals and Health Systems
Powerful Economic Drivers

$101.3b
Statewide Economic Impact

495k
Jobs Supporting Working Families

2020 Economic Impact Report
Critical and Irreplaceable

Illinois hospitals and health systems provide vital healthcare 24 hours a day, seven days a week, 365 days a year to millions of people across our state, regardless of their ability to pay.

In addition to serving as centers of healing and hope, Illinois hospitals are also powerful drivers of economic activity and opportunity in their communities and for Illinois.

Illinois hospitals and health systems generate:

- **$101.3b** Statewide economic impact
- **495k** Jobs that bolster working families
- **$45.3b** Payroll that supports good-paying jobs

The strength of local communities depends on the strength of local hospitals.
Using an economic modeling system developed by the U.S. Bureau of Economic Analysis, the Illinois Health and Hospital Association (IHA) calculated the full economic value of hospitals and health systems in Illinois.

**State Economic Impact**

- **$101.3b**
  - **Payroll**
    - Direct: $19.1b
    - Indirect: $26.2b
  - **Supplies**
    - Direct: $20b
    - Indirect: $27.4b
  - **Capital**
    - Direct: $3.6b
    - Indirect: $5b

- **Ripple effect**: $1.40
  - For every dollar hospitals spend, an additional $1.40 is generated in spending in state and local economies.
1 in 10 Illinois Jobs Is In Healthcare

495k
Jobs generated by Illinois hospitals

205k Direct Jobs (FTEs) representing
285k employees

290k Indirect Jobs

1.4 Jobs from ripple effect. For every Illinois hospital job, 1.4 jobs are created in other sectors.

A consistent creator of good-paying jobs

Illinois Healthcare +32.1%

Illinois Employment +2.8%

Illinois healthcare and social assistance has created MORE Illinois jobs for working families than any other industry


<table>
<thead>
<tr>
<th>Industry</th>
<th>Jobs Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare and Social Assistance</td>
<td>211,300</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>143,000</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>131,300</td>
</tr>
<tr>
<td>Educational Services</td>
<td>55,800</td>
</tr>
<tr>
<td>Other Services</td>
<td>12,900</td>
</tr>
<tr>
<td>Natural Resource and Mining</td>
<td>-2,300</td>
</tr>
<tr>
<td>Government</td>
<td>-4,400</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>-6,200</td>
</tr>
<tr>
<td>Trade, Transportation and Utilities</td>
<td>-11,100</td>
</tr>
<tr>
<td>Construction</td>
<td>-33,400</td>
</tr>
<tr>
<td>Information</td>
<td>-52,000</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>-279,900</td>
</tr>
</tbody>
</table>

Change in employment

-300k  -150k  0  +150k  +300k


13.5% Projected job growth by 2026
Unlike other organizations, Illinois hospitals and health systems treat all individuals who come through their doors, regardless of their ability to pay.

In fact, in 2018 Illinois hospitals provided:

$911m

Illinois hospitals provided more than $6.2b in unreimbursed community benefits in 2018, including:

• Charity care;
• Research;
• Training the next generation of healthcare professionals;
• Shortfall of government-sponsored programs;
• Cost of individuals who cannot pay their bills, but haven’t qualified for charity care;
• Subsidized health services;
• Free educational programs;
• Donations;
and so much more.

It takes more than medicine to build a healthy community.

1 Estimates of the Illinois hospitals’ economic benefits were based on the 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 2018/2019 Medicare cost report data of hospital jobs and spending to obtain the “ripple” effect of jobs and spending throughout the economy.


3 AHA | Health Forum Annual Survey of Hospitals, 2017

To continue to attract business, create jobs and maintain community health, it is critical that Illinois have strong and adequately funded healthcare providers.

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

To see how Illinois hospitals are serving their communities, visit team-iha.org