



Illinois Health and Hospital Association

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\$95.3 Billion: The State Economic Impact of Illinois Hospitals and Health Systems

As consistent job creators, hospitals generate 466,000 jobs directly and indirectly

Naperville, Ill.—Illinois' more than 200 hospitals and nearly 50 health systems generate a total impact of \$95.3 billion annually on the state's economy, according to a new report, [*Illinois Hospitals and Health Systems \\$95.3 Billion State Economic Impact*](#), released today by the Illinois Health and Hospital Association (IHA).

One in every 10 Illinois jobs is in healthcare, with the state's hospitals and health systems employing about 266,000 people and generating about 466,000 direct and indirect jobs. Hospitals provide good-paying jobs and substantial benefits for a wide range of workers. They spur additional economic activity through spending on goods, services and capital improvements.

At the same time, hospitals benefit communities beyond their role as job creators and economic engines. The report describes initiatives to improve individual and community health at no cost to the community. [Read more](#) about hospital programs and initiatives.

"Illinois hospitals and health systems serve their communities in so many ways. They provide needed healthcare around the clock, they strengthen local economies and employ local residents, and they lead and fund initiatives to improve individual and population health," says IHA President and CEO A.J. Wilhelmi. "Their role is vital and truly irreplaceable in communities across the state."

Among the report's key findings:

- Healthcare employment has grown by 30 percent between 2000 and 2017. In contrast, overall Illinois employment dropped significantly in 2010 then gradually increased to 0.5 percent growth in 2017.
- For every hospital job in Illinois, 1.3 jobs are created in other sectors.
- For every dollar hospitals and health systems spend, an additional \$1.40 is generated in state and local economies.

- The healthcare/social assistance sector, a key contributor to good health, ranked No. 1 in job growth between 2000 and 2017. The sector is expected to grow 12.4 percent by 2024.

“Illinois hospitals and health systems count on the support of elected officials at the state and federal levels. Illinois residents deserve to have quality healthcare and to live in economically thriving communities. For hospitals to continue to achieve these goals, they cannot sustain further cuts at the state and federal levels,” Wilhelmi said.

Illinois hospitals have sustained more than \$1 billion in state Medicaid cuts and nearly \$4 billion in federal Medicare cuts since 2010.

Yet Illinois’ hospital community provides community benefits totaling \$5.8 billion annually, including \$494 million in charity care from 106 hospitals, half of the state’s hospitals and health systems. IHA’s report also identifies the amount that hospitals and health systems absorb in uncompensated care; subsidization of high-cost services such as emergency and trauma care; medical research; education and training of physicians, nurses and other highly-skilled healthcare professionals; and underpayments for services to Medicare and Medicaid patients.

Estimates of the economic impact of Illinois hospitals are 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.

About IHA

The Illinois Health and Hospital Association, with offices in Chicago, Naperville, Springfield and Washington, D.C., advocates for Illinois’ more than 200 hospitals and nearly 50 health systems as they serve their patients and communities. IHA members provide a broad range of services—not just within their walls, but across the continuum of healthcare and in their communities. Reflecting the diversity of the state, IHA members consist of nonprofit, investor-owned and public hospitals in the following categories: community, safety net, rural, critical access, specialty and teaching hospitals, including academic medical centers. For more information, see team-iha.org.

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