



# ECONOMIC CONTRIBUTION OF MAINE HOSPITALS

In 2011, Maine hospitals treated people in their emergency departments 765,481 times, provided outpatient care 6.2 million times, performed 160,685 surgeries and delivered 12,335 babies. Every year, Maine hospitals provide vital health care services like these to thousands of people. However, the importance of hospitals to their communities extends far beyond health care.

## HOSPITAL JOBS PRODUCE MAINE JOBS

Hospitals, and the health care industry as a whole, are important players in the Maine economy.

However, the economic benefits of the industry are sometimes lost in arguments about how we pay for care. When a hospital builds a new building to better deliver services, some focus exclusively on the cost of the construction and ignore the economic contribution such capital improvements bring to the state.

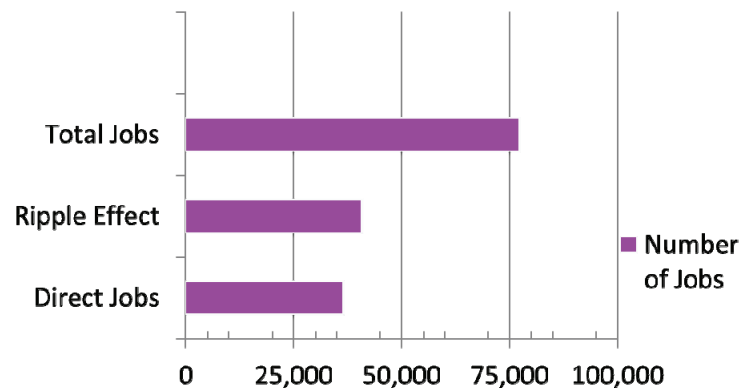
According to the Maine Department of Labor, Health Care & Social Assistance is the state's largest economic sector in terms of number of jobs and wages paid. The health care sector in Maine represents 21 percent of private employment and 22 percent of wages paid in the private sector. By comparison, the second largest private sector, retail, is 14 percent of employment and 9 percent of wages.

Thirty-four percent of those employed in the health care sector work for Maine hospitals. More than 36,400 people work for Maine hospitals.

The economic impact of the health care industry, particularly hospitals, goes far beyond the direct effect of jobs and salaries. Hospitals also stimulate economic activity when they buy goods and services from Maine businesses. These businesses, in turn, spend a portion of that revenue on local purchases and wage payments. And when hospital workers spend locally, they generate a similar ripple effect.

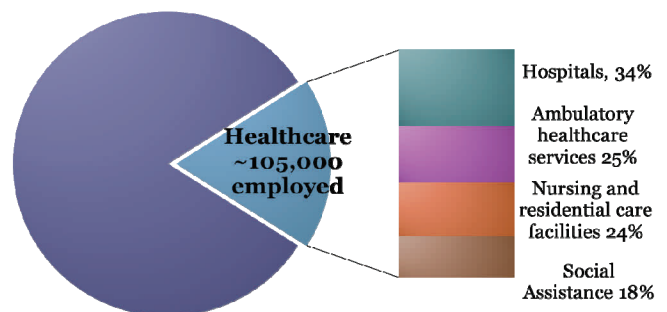
The *direct* economic impact of hospitals on the Maine economy is what they spend. The *total* economic impact, in contrast, is the sum of the ripples caused by this initial direct spending.

### More than 77,000 Mainers have jobs thanks to hospitals



Source: American Hospital Association, 2011

### Maine Health Sector Employment



- 62,000 health occupational workers
  - 85% employed in health sector
  - Healthcare practitioners
  - Healthcare support workers

Source: Maine Department of Labor

## HOSPITAL JOBS PRODUCE MAINE JOBS

Hospitals create slightly more than one additional job for every employee—so 77,239 Mainers can tie their employment to a hospital.

Those jobs aren't limited to just one region of the state. Every county but one in Maine has at least one hospital. And the one county that doesn't have a hospital has several within a few miles. In the 15 counties with hospitals, at least one is among the largest 5 employers. Thirteen hospitals were among the state's largest 50 employers during the first quarter of 2013.

Hospital jobs are good jobs. According to the Maine Department of Labor, the average hourly wages for practitioners and support workers were \$36 and \$13, respectively. That's compared to the statewide average hourly wage of \$19.

Maine hospitals contribute \$2.3 billion in wages and benefits directly to the Maine economy. According to the Department of Labor, hospitals' wages represent 8.3 percent of all wages paid in the state.

Hospitals also indirectly fund another \$1.5

billion in wages and benefits.

But that's not all. In 2011, Maine hospitals spent nearly \$4.2 billion purchasing goods and services—everything from laundry to landscaping. And those businesses purchase goods and services too.

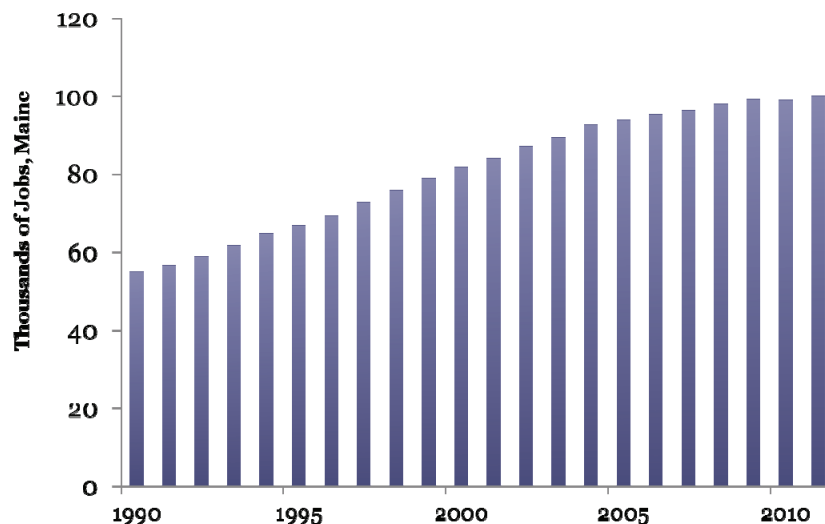
Because of the ripple effect, \$8.3 billion in the Maine economy can be attributed to hospitals.

Maine hospitals are an economic mainstay, providing stability and good jobs even during hard times.

*77,232 Mainers  
can tie their  
employment to a  
hospital*

### Maine's health sector has been a consistent and significant producer of jobs.

*(Healthcare & Social Assistance Employment, 1990-2011)*



Source: Maine Department of Labor