

By the Numbers:

North Carolina Health Systems and Hospitals

Spent approximately \$31 billion in 2020 on staff and operating expenses and an additional \$3 billion on new healthcare facility construction.² Slightly less than half of this spending was on staff salaries and benefits and compensation given to contract workers. This spending makes health systems and hospitals a significant economic driver, sustaining jobs and additional businesses across the state.

GDP

Gross Domestic Product (GDP) is the most common measure of the total value of income and expenditure in an economy. Health system and hospital operations generated **\$40 billion** in GDP impacts in 2020. This is roughly 6% of the total state GDP. Industry sectors with the highest amounts of indirect and induced GDP from health system and hospital spending were real estate services, employment services, banking, and insurance.

Jobs

Health systems and hospitals directly created **268,000** jobs, making them one of the 10 largest employers in 92 of North Carolina's 100 counties and a top 3 employer in 45 counties (U.S. Bureau of Labor Statistics, 2021).

Health system and hospital operations supported an additional **247,000** jobs in other industry sectors such as employment services, real estate services, restaurants, business consultants, and building services.

Altogether, more than **500,000** jobs, or 8% of all jobs in the state, were supported by health system and hospital activities.

Community Benefits

Health systems and hospitals provided **\$5.79 billion** in community benefits, which included charity care, losses from Medicare and Medicaid, graduate medical education, donations, and services (NCHA, 2021).

Health systems' and hospitals' operations, workers, and suppliers paid **\$2.5 billion** in state and local taxes, which sustained crucial public services such as K–12 education, law enforcement, and social services.

In addition, health systems and hospitals paid state fees to offset costs for programs such as Medicaid. Each year, \$112 million of the annual assessments paid by health systems and hospitals are contributed to the state's General Fund.

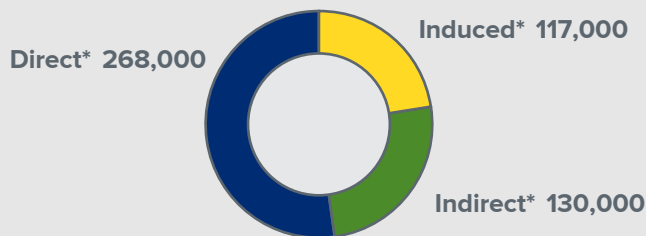


² Although 2018–2021 data were used, the majority of data were from 2020. Results are presented using 2022 dollars.

Health System and Hospital Contributions to North Carolina's Economy, 2020

TYPE OF IMPACT	STATE GDP (\$Millions)	LABOR INCOME (\$Millions)	EMPLOYMENT
Direct	\$19,313	\$17,222	268,000
Indirect	\$10,607	\$6,822	130,000
Induced	\$10,453	\$5,564	117,000
Total	\$40,373	\$29,608	515,000

Every Job in North Carolina Health Systems and Hospitals Creates Another Job in the Economy



Total jobs 515,000

Health systems and hospitals supported an additional **247,000 jobs** in other industry sectors such as real estate, employment services, management services, building services, and restaurants and food service.

45

Counties have a health system or hospital as a top 3 employer

Top 3

92

Counties have a health system or hospital as a top 10 employer

Top 10

*Indirect jobs are those sustained by health system and hospital spending among local businesses. Induced jobs are sustained by health system and hospital employees spending their wages in the local economy.

Altogether, more than **500,000 jobs**, or **8%** of all jobs in the state, were supported by health system and hospital activities.

Health Systems and Hospitals Support Jobs in Other Industries

22,339	Employment services
22,189	Real estate services
19,583	Construction of health care structures
8,598	All other food and drinking places
8,183	Limited-service restaurants
6,331	Full-service restaurants
5,601	Management consulting services
4,524	Services to buildings
4,391	Management of companies

Community Contributions



\$5.79 billion



\$2.5 billion



Contributes \$40.4 billion to North Carolina's state GDP