

# AT A GLANCE: THE ECONOMIC CONTRIBUTIONS OF NORTH CAROLINA'S HEALTH SYSTEMS AND HOSPITALS

Although hospitals' role in health care is well known, the economic impacts that health systems and hospitals have on their communities are less understood. The NCHA commissioned a study, *The Economic and Social Contributions of North Carolina's Health Systems and Hospitals*, which presents information for 136 hospital facilities in North Carolina containing more than 23,000 patient beds. 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. 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.

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
<b>Total</b>	<b>\$40,373</b>	<b>\$29,608</b>	<b>515,000</b>

Every Job in health systems and hospitals  
Creates Another Job in the Economy



**Total jobs 515,000**

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.

**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**

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.

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

## Community Contributions



\$5.79 billion



\$2.5 billion



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

**IT TAKES A HOSPITAL**

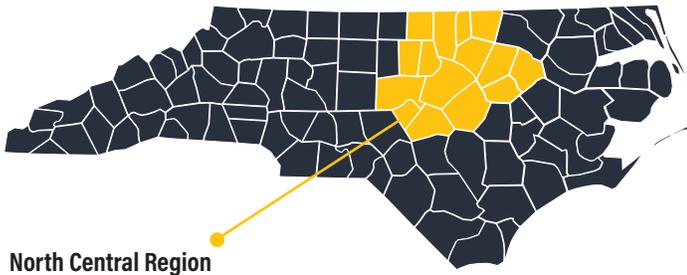
A message from the healthcare systems and hospitals of North Carolina

[www.ncha.org/economic-impact/](http://www.ncha.org/economic-impact/)



# IMPACT SUMMARY

## FOR NORTH CAROLINA'S NORTH CENTRAL REGION



The North Central (Triangle) Region of North Carolina contains Raleigh, Durham, Chapel Hill, and the counties within the greater Raleigh area. The region includes 27 health systems or hospitals: 13 of these are public and 14 are private. The North Central Region has the highest levels of economic contributions by health systems and hospitals in the state. As presented in Table 4, health systems and hospitals generated and sustained more than 150,000 jobs in the region and provided \$9.5 billion in salaries, wages, and benefits to workers.

### Health System and Hospital Contributions to North Carolina's North Central Region, 2020

TYPE OF IMPACT	STATE GDP (\$MILLIONS)	LABOR INCOME (\$MILLIONS)	EMPLOYMENT	COUNTY AND LOCAL TAXES (\$MILLIONS)
Direct	\$5,987.5	\$5,327.8	73,000	\$54.6
Indirect	\$3,725.0	\$2,378.1	41,000	\$86.4
Induced	\$3,442.8	\$1,841.9	37,000	\$122.8
<b>Total</b>	<b>\$13,155.3</b>	<b>\$9,547.8</b>	<b>151,000</b>	<b>\$263.8</b>

Source: RTI International analysis of HCRIS data; IMPLAN 2022. Values are expressed in 2022 dollars.

### North Central Counties with a Health System/Hospital as a Top 3 Employer

- Chatham County (*UNC Health*)
- Durham County (*Duke University Medical Center*)
- Granville County (*North Carolina Department of Health and Human Services*)
- Johnston County (*UNC Health Johnston*)
- Nash County (*Nash UNC Health Care*)
- Orange County (*UNC Health*)
- Wake County (*WakeMed Health and Hospitals*)

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2021.

In addition, the following counties have health systems or hospitals as a top 10 employer: Edgecombe County, Harnett County, Person County, Vance County, Warren County, and Wilson County. The average health system and hospital employment compensation, which consists of wages, salaries, and benefits, is \$69,995.