

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 |
| Total | \$40,373 | \$29,608 | 515,000 |

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

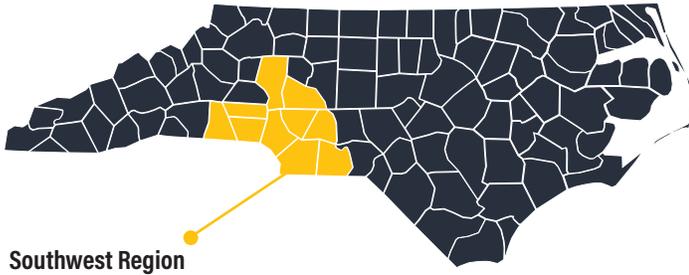
A message from the healthcare systems and hospitals of North Carolina

www.ncha.org/economic-impact/



IMPACT SUMMARY

FOR NORTH CAROLINA'S SOUTHWEST REGION



Health systems and hospitals in the Southwest Region of North Carolina serve the largest population in the state. The region spans from Cleveland to Anson County and shares a border with South Carolina. The region includes 28 different health systems or hospitals, and 17 are public and 11 are private. Currently, Novant Health is building a new medical facility in the South Charlotte area of Mecklenburg County. With an investment totaling approximately \$180 million, the 168,000-square-foot medical facility is scheduled to open in 2023. Health systems and hospitals supported 96,000 jobs in 2020 and provided workers with more than \$6.1 billion in salaries, wages, and benefits.

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

| TYPE OF IMPACT | STATE GDP (\$MILLIONS) | LABOR INCOME (\$MILLIONS) | EMPLOYMENT | COUNTY AND LOCAL TAXES (\$MILLIONS) |
|----------------|------------------------|---------------------------|---------------|-------------------------------------|
| Direct | \$3,498.5 | \$3,270.3 | 49,000 | \$19.4 |
| Indirect | \$2,715.1 | \$1,773.1 | 27,000 | \$67.1 |
| Induced | \$2,018.9 | \$1,082.5 | 20,000 | \$80.5 |
| Total | \$8,232.5 | \$6,125.9 | 96,000 | \$166.9 |

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 to Southwest Region Counties

- Cabarrus County (*Atrium Health*)
- Cleveland County (*Atrium Health*)
- Gaston County (*CaroMont Health*)
- Mecklenburg County (*Atrium Health*)
- Rowan County (*Veterans Administration*)
- Stanly County (*Atrium Health*)

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: Anson County, Iredell County, Lincoln County, and Union County. The average health system and hospital employment compensation, which consists of wages, salaries, and benefits, is \$67,296.