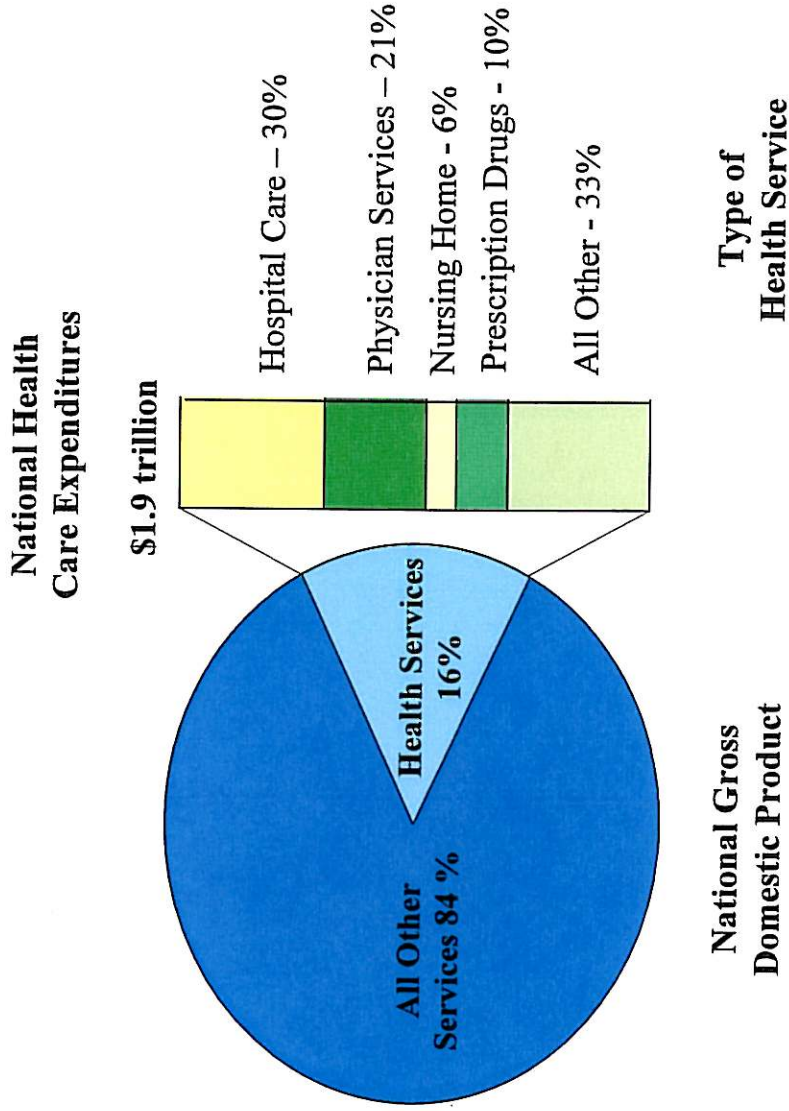


# HOSPITALS & THEIR IMPACT ON RURAL ECONOMIC HEALTH



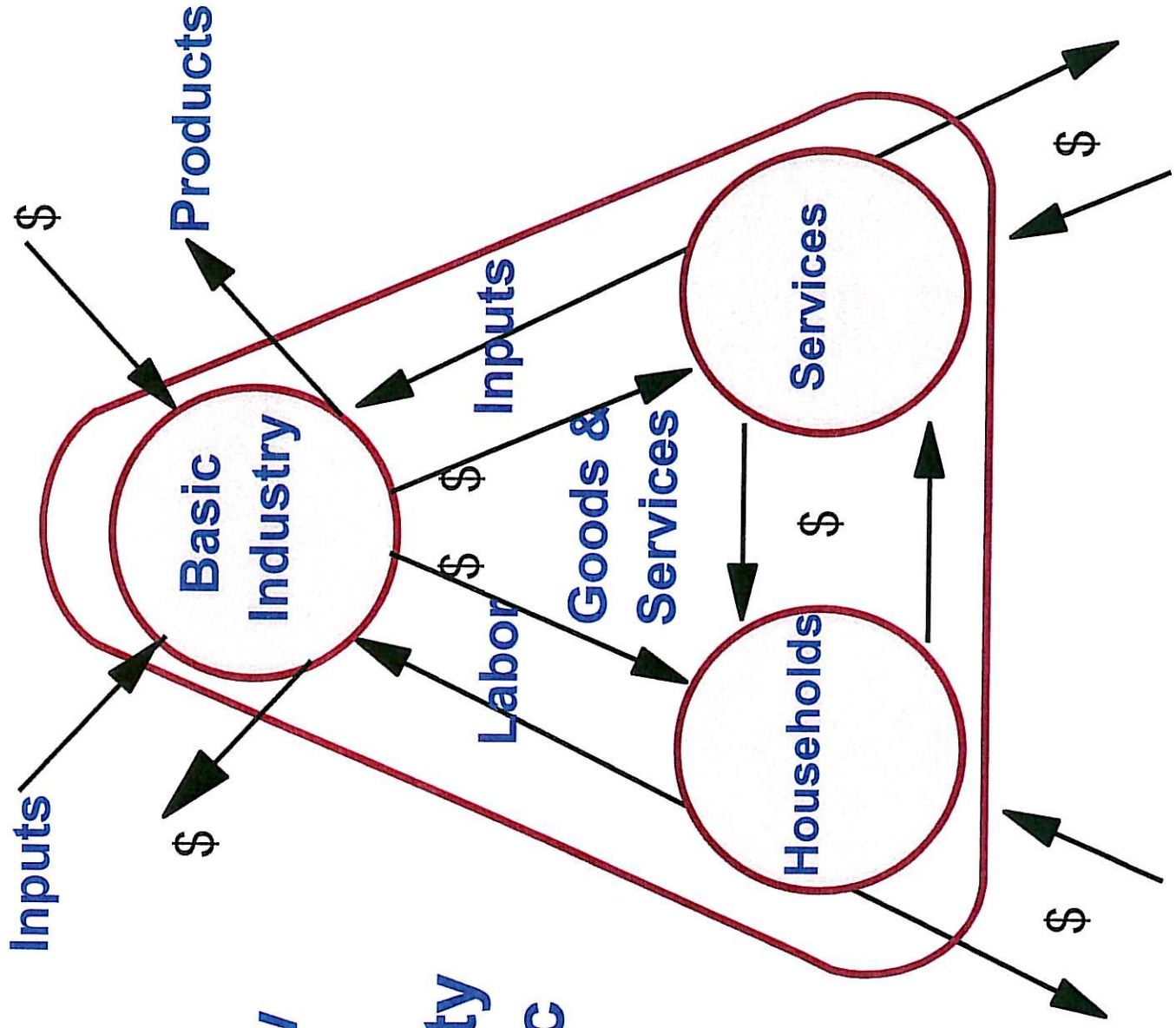
*“Good Jobs, New Jobs & An Apple a Day”*  
MHA Rural Economic Summit  
10/26/06

**United States Health Expenditures  
as a Percent of GDP and by Health Service Type, 2004**



SOURCE: National Health Expenditures 1970-2004; website: <http://www.cms.hhs.gov/NationalHealthExpendData>, data as of February 2006.

# Overview of Community Economic System



**Web Sites:**

**National Web Site:**

**[www.ruralhealthworks.org](http://www.ruralhealthworks.org)**

**Oklahoma State Web Site:**

**[www.okruralhealthworks.org](http://www.okruralhealthworks.org)**



**Employment Impact  
of Union Hospital of Cecil County**

| Health Care Component        | Number of Employees | Employment Multiplier | Secondary Impact | Total Impact |
|------------------------------|---------------------|-----------------------|------------------|--------------|
| Hospital                     | 918                 | 1.55                  | 505              | 1,423        |
| Adult Day Services           | 11                  | 1.31                  | 3                | 14           |
| Satellite Physician Services | <u>6</u>            | 1.53                  | <u>3</u>         | <u>9</u>     |
| <b>TOTALS</b>                | <b>935</b>          |                       | <b>511</b>       | <b>1,446</b> |

SOURCE: Local data from Union Hospital of Cecil County, 2006; IMPLAN Multipliers, 2003.

**Income Impact  
of Union Hospital of Cecil County**

| Health Care Component        | Income (\$1000s) | Income Multiplier | Secondary Impact (\$1000s) | Total Impact (\$1000s) |
|------------------------------|------------------|-------------------|----------------------------|------------------------|
| Hospital                     | \$36,404         | 1.37              | \$13,469                   | \$49,873               |
| Adult Day Services           | \$375            | 1.26              | \$98                       | \$473                  |
| Satellite Physician Services | <u>\$301</u>     | 1.26              | <u>\$78</u>                | <u>\$379</u>           |
| <b>TOTALS</b>                | <b>\$37,080</b>  |                   | <b>\$13,645</b>            | <b>\$50,725</b>        |

SOURCE: Local data from Union Hospital of Cecil County, 2006; IMPLAN Multipliers, 2003.

**Estimated Taxes Generated  
from Union Hospital of Cecil County, 2006**

| Type of Tax   | Amount (\$1000s)      |
|---|-----------------------|
| <b>Federal Income Taxes</b>   |                       |
| Paid by Hospital Employees  | \$4,227               |
| Paid by Secondary Employees   | <u>\$1,556</u>        |
| Total Federal Income Taxes  | <b>\$5,783</b>        |
| <b>Selected State Taxes</b>   |                       |
| <b>State Income Taxes</b>   |                       |
| State Income Taxes paid by Hospital Employees                       | \$1,326               |
| State Income Taxes paid by Secondary Employees                      | <u>\$ 726</u>         |
| Total State Income Taxes  | \$2,052               |
| <b>State Sales Taxes</b>  |                       |
| State Sales Taxes paid by Hospital Employees                        | \$1,195               |
| State Sales Taxes paid by Secondary Employees                       | <u>\$ 654</u>         |
| Total State Sales Taxes   | \$1,849               |
| <b>State Alcoholic Beverages Excise Tax and State Tobacco Taxes</b> |                       |
| Total State Income, Sales, & Selected Taxes                         | <u>\$ 166</u>         |
|   | <b>\$4,067</b>        |
| <b>Selected County Taxes</b>  |                       |
| <b>County Income Taxes</b>  |                       |
| County Income Taxes paid by Hospital Employees                      | \$ 884                |
| County Income Taxes paid by Secondary Employees                     | <u>\$ 484</u>         |
| Total County Income Taxes   | \$1,368               |
| <b>County Property Taxes</b>  |                       |
| County Residential Property Taxes paid by Hospital Employees        | \$1,037               |
| County Residential Property Taxes paid by Secondary Employees       | <u>\$ 567</u>         |
| Total County Property Taxes   | <u>\$1,604</u>        |
| Total County Income and Property Taxes                              | <b><u>\$2,972</u></b> |
| <b>GRAND TOTAL – Selected Federal, State, &amp; County Taxes</b>    | <b>\$12,821</b>       |

SOURCES: Data from Union Hospital of Cecil County; FY 2004 & FY 2005 State of Maryland Annual State Revenues and Expenditures Reports; FY 2004 & FY 2005 Cecil County, Maryland, Annual Revenues and Expenditures Reports and Assessed Value and Actual Value of Taxable Property; Bureau of Economic Analysis; Bureau of Labor Statistics