



Illinois Health and Hospital Association

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Illinois Hospitals and Health Systems Infuse MORE THAN \$100 BILLION ANNUALLY Into the State's Economy

Number one creator of good-paying jobs that support Illinois working families

Naperville, Ill.—Annually, Illinois' more than 200 hospitals and nearly 40 health systems infuse \$101.3 billion into the state's economy, according to a new report—[Illinois Hospitals and Health Systems: Powerful Economic Drivers](#)—released today by the Illinois Health and Hospital Association (IHA).

Using an economic modeling system developed by the U.S. Bureau of Economic Analysis¹ IHA calculated the full economic value of hospitals and health systems in Illinois, and found that Illinois hospitals and health systems generate:

- **\$101.3 billion** in statewide economic impact;
- **495,000** direct and indirect jobs that bolster working families; and
- **\$45.3 billion** in annual direct and indirect payroll that supports good-paying jobs.

“Illinois hospitals and health systems provide vital healthcare 24 hours a day, seven days a week, 365 days a year to millions of people across our state, regardless of their ability to pay. Often unnoticed, though, is the critical impact Illinois hospitals have on their local economies and our state's economy,” says IHA President and CEO A.J. Wilhelmi. “In addition to serving as centers of healing and hope, Illinois hospitals are also powerful drivers of economic activity and jobs. They spur additional economic activity through spending on goods, services and capital improvements.”

Among the report's other key findings:

- Healthcare and social assistance leads Illinois' job growth, creating MORE Illinois jobs for working families than any other industry. Between 2000 and 2019, this sector created 211,300 new jobs compared to manufacturing losing 279,900 jobs². In addition, the sector is expected to grow 13.5 percent by 2026³.

- One in every 10 Illinois jobs is in healthcare⁴, with the state’s hospitals and health systems employing about 285,000 people, representing 205,000 direct jobs (FTEs)⁵.
- Illinois healthcare employment has grown by 32.1 percent between 2000 and 2019. In contrast, overall Illinois employment, after declining in 2010, has grown by 2.8 percent in recent years⁶.
- For every hospital job in Illinois, 1.4 jobs are created in other sectors.
- For every dollar hospitals and health systems spend, an additional \$1.40 is generated in state and local economies.

Unlike other organizations, Illinois hospitals and health systems treat all individuals who come through their doors, regardless of their ability to pay. In fact, in 2018 Illinois hospitals provided \$911 million in unreimbursed charity care at cost.

“Illinois hospitals provided more than \$6.2 billion in unreimbursed community benefits in 2018, including charity care; research; training the next generation of healthcare professionals; shortfall of government-sponsored programs; subsidized health services; free educational programs; donations, and so much more,” Wilhelmi explains.

“To continue to attract business, create jobs and maintain community health, it is critical that Illinois have strong and adequately funded healthcare providers,” Wilhelmi adds. “Illinois hospitals have sustained billions and billions of dollars in state Medicaid and federal Medicare cuts since 2010. Just as lives depend on our hospitals, our hospitals depend on the support of government and the public.”

Notes:

¹ Estimates of the economic impact of Illinois hospitals are based on the Regional Input-Output Modeling System II (RIMS-II) developed by the U.S. Bureau of Economic Analysis (BEA). The final demand multipliers, obtained from BEA RIMS-II, were applied to 2018/2019 Medicare cost report data of hospital jobs and spending to obtain the “ripple effect” of jobs and spending throughout the economy.

² *Illinois Department of Employment Security, Current Employment Statistics Program, Selected Industries, January 2000-January 2019.*

³ *Illinois Department of Employment Security, Current Employment Statistics Program, Selected Industries, Long-Term Occupational Projections, 2014-2026.*

⁴ *Illinois Department of Employment Security, Current Employment Statistics Program, Selected Industries, September 2019.*

⁵ *AHA/Health Forum Annual Survey of Hospitals, 2017.*

⁶ *Illinois Department of Employment Security, Current Employment Statistics Program, January 2000-January 2019.*

About IHA

The Illinois Health and Hospital Association, with offices in Chicago, Naperville, Springfield and Washington, D.C., advocates for Illinois' more than 200 hospitals and nearly 40 health systems as they serve their patients and communities. IHA members provide a broad range of services—not just within their walls, but across the continuum of healthcare and in their communities. Reflecting the diversity of the state, IHA members consist of nonprofit, investor-owned and public hospitals in the following categories: community, safety net, rural, critical access, specialty and teaching hospitals, including academic medical centers. For more information, see team-iha.org.

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