

# Executive Summary

## ***Economic Activity of the Hospital Industry***

The 175 reporting hospitals of the six-county region served by the Hospital Association of Southern California (which includes the counties of Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara and Ventura), reported 37,020 available beds with an average occupancy rate of 64 percent. These hospitals provided almost 8.6 million inpatient days, with acute care accounting for more than 78 percent. More than 17.4 million outpatient visits were made to hospitals in the HASC region, of which almost one third were emergency room visits.

The hospital industry in the region is estimated to have generated \$33.6 billion in revenues in 2010.

## ***Economic and Fiscal Contribution***

The total economic contribution of the hospital industry extends beyond the activity generated within the sector itself. Wages paid to the staff and payments made for purchases of goods and services circulate throughout the economy generating additional indirect and induced activity.

We estimate that in 2010, the hospital industry in the HASC region contributed \$74.4 billion in total economic output and supported 507,550 full- and part-time jobs with total labor income (including benefits) of \$31.9 billion. This economic activity is estimated to have generated \$3.8 billion in state and local taxes.

The economic contribution is spread throughout the region. Over 58 percent of the total employment contribution is made by the ongoing operations at hospitals in Los Angeles County. Another 17.8 percent originates in Orange County hospitals, and ten percent from hospitals in San Bernardino County.

## ***Hospital Construction Spending***

The hospital industry continues to invest in construction projects at existing and new facilities, and carry out retrofits motivated by regulatory mandates. In 2010, we estimate that this spending reached \$1.1 billion in the six-county region. The total economic impact was \$2.4 billion in economic output, supporting 15,470 full- and part-time jobs with labor income of \$907.5 million. We estimate that this spending generated \$101.2 million in state and local taxes through its contribution to economic activity in the region.

### **Economic and Fiscal Contribution of Hospital Industry (HASC Region, 2010)**

<b>Estimated Annual Revenue</b> (\$ billions)	\$ 33.6
<b>Total Economic Contribution:</b>	
Output (\$ billions)	\$ 74.4
Employment (jobs)	507,550
Labor income (\$ billions)	\$ 31.9
<b>Total Fiscal Contribution</b> (\$ billions):	\$ 3.8

Source: Estimates by LAEDC

### **Total Employment Contribution by County (2010)**

Los Angeles County	296,230
Orange County	90,150
Riverside County	37,280
San Bernardino County	50,900
Santa Barbara County	11,890
Ventura County	21,100

**Total Employment Impact (HASC)** 507,550

Source: Estimates by LAEDC

### **Economic and Fiscal Impact of Hospital Industry Construction Spending (HASC Region, 2010)**

<b>Estimated Construction Spending</b> (\$ millions)	\$ 1,114.0
<b>Total Economic Impact:</b>	
Output (\$ billions)	\$ 2,380.9
Employment (jobs)	15,470
Labor income (\$ billions)	\$ 907.5
<b>Total Fiscal Impact</b> (\$ billions):	\$ 101.2

Source: Estimates by LAEDC