



Press Release

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Re: Hospitals Economic Impact

Hospital Creates \$59.3 million Impact on Local Economy

In Iowa, Hospitals Generate \$6 Billion and 71,000 Jobs

DES MOINES – Marshalltown Medical & Surgical Center (MMSC) generates 692 jobs with 1,013 total jobs either directly or indirectly tied to the hospital. That adds \$36.7 million in direct worker income with \$47.6 million in workers income directly or indirectly associated with the hospital. This is a significant economic impact to Marshall County and surrounding areas, according to the 2014 study by the Iowa Hospital Association. In addition, MMSC employees spend \$11.1 million on retail sales and contribute \$667 thousand in state sales tax revenue.

“This report shows that our hospital does much more than just provide medical services,” said Hilary Dolbee, MMSC Chief Financial Officer. “The employment and income generated and its effect on businesses throughout the economy are significant. Also, by constructing a new hospital and other medical facilities, acquiring new health care providers and expanding services geographically, we improve the quality of life in the region,” said Dolbee. “The quality of health care services is a key attribute for businesses and the employees they recruit.”

The IHA study examined the jobs, income, retail sales and sales tax produced by hospitals and the rest of the state’s health care sector. The study was compiled from hospital-submitted data on the American Hospital Association’s Annual Survey of Hospitals and with software that other industries have used to determine their economic impact.

“The results of the IHA study further exemplify the importance MMSC plays in the community, not only as a health care provider, but major employer as well, Tom Deimerly, President of the Marshalltown Economic Development Impact Committee. This is another example of the need for state of the art facilities to ensure our area health care providers are able to recruit top level talent as we look into the future.”

The study found that Iowa hospitals directly employ 71,437 people and create another 57,792 jobs outside the hospital sector. As an income source, hospitals provide \$4.2 billion in salaries and benefits and generate another \$1.8 billion through other jobs that depend on hospitals.

In all, Iowa's health care sector, which includes employed clinicians, long-term care services and assisted living centers, pharmacies and other medical and health services, directly and indirectly provides 307,402 Iowa jobs, or about one-fifth of the state's total non-farm employment.

"People are often unaware of the contributions that hospitals make to their local economies, including the number of people they employ, the significance of hospital purchases with local businesses and the impact of their employees' spending and tax support for an entire region," said Kirk Norris, IHA president/CEO. "Just as no one provides the services and community benefits found at community hospitals, there is also no substitute for the jobs and business hospitals provide and create."

The Iowa Hospital Association is a voluntary membership organization representing hospital and health system interests to business, government and consumer audiences. All of Iowa's 118 community hospitals are IHA members.

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