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The Economic Impact of the Health Care Sector on Nebraska's Economy

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The Economic Impact of the Health Care Sector In Nebraska, 2006*

- One job created in the health care sector of Nebraska would lead to the creation of an additional 0.69 job in other sectors of the state's economy.
- One dollar of income earned in the health care sector of Nebraska would lead to an additional \$0.50 of income earned in other sectors of the state's economy.
- One dollar of output created in the health care sector of Nebraska would lead to an additional \$0.82 of output created in other sectors.
- One dollar from the health care sector toward Nebraska's gross state product would lead to an additional \$1.02 added to the gross state product from other sectors.

** Not all of the government owned health care facilities were accounted for in the analysis, therefore these figures may understate the total number of employees and total income for the health sector in Nebraska.*

Sources: IMPLAN Data 2006. Minnesota IMPLAN Group, Inc. 2003. U.S. Census Bureau County Business Patterns, 2006. <http://www.census.gov/prod/www/abs/cbptotal.html>. National Council of Prescription Drug Programs, Pharmacy Database, 2007. Nebraska DHHS Division of Public Health , Hospital Roster (June 18 2008)

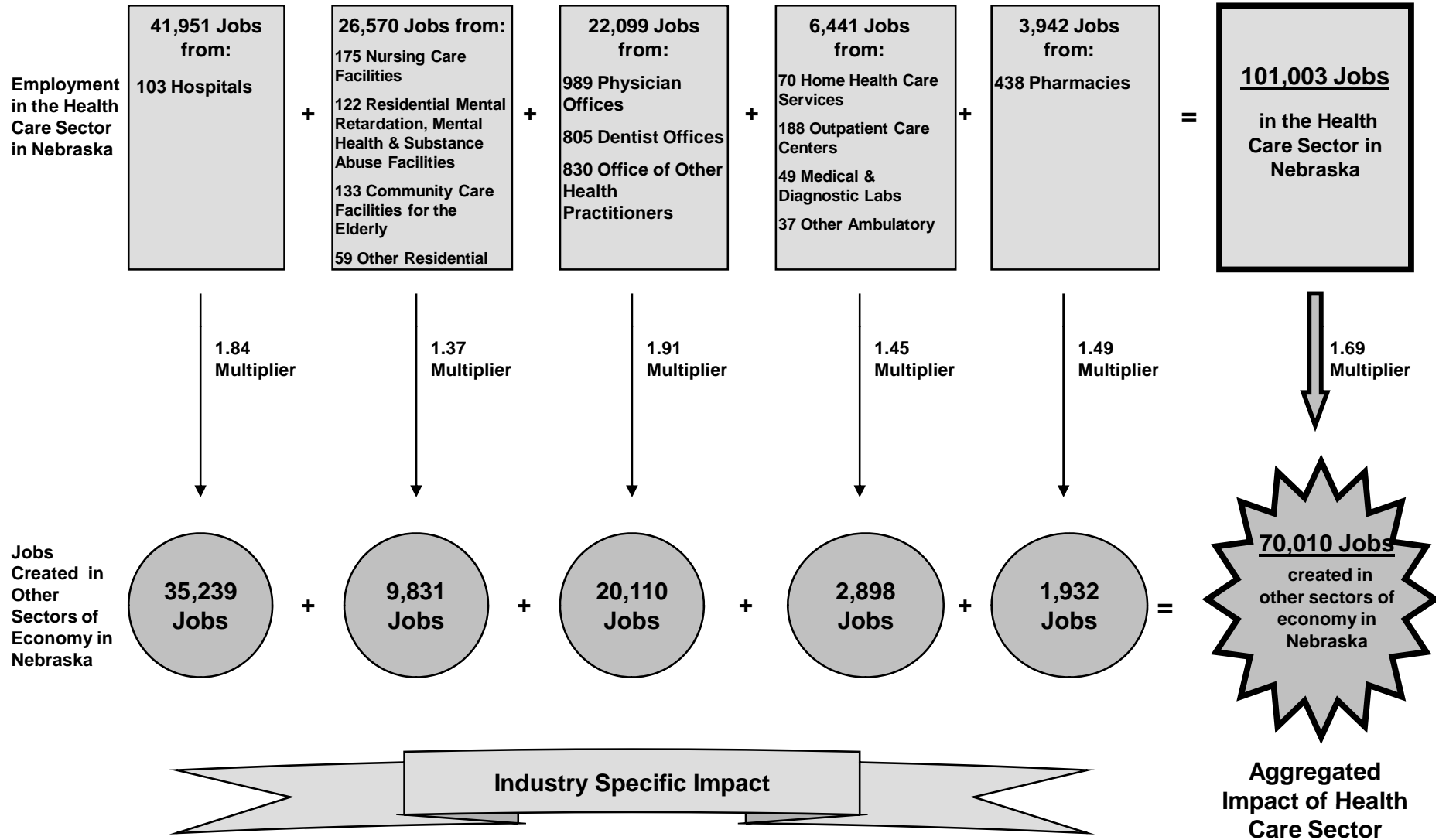
The Economic Impact of the Health Care Sector In Nebraska, 2006*

- The overall job creation due to health care (directly and indirectly) in Nebraska is estimated at 171,013 jobs, which accounts for 14% of the state's total employment.
- The overall income earned due to health care (directly and indirectly) in Nebraska is estimated at \$6.76 billion, which accounts for 14% of the state's total income.
- The overall output created by the health care industry (directly and indirectly) in Nebraska is estimated at \$16.2 billion, which accounts for 11% of the state's total output.
- The overall contribution of the health care sector to the gross state product (directly and indirectly) in Nebraska is estimated at \$9.17 billion.

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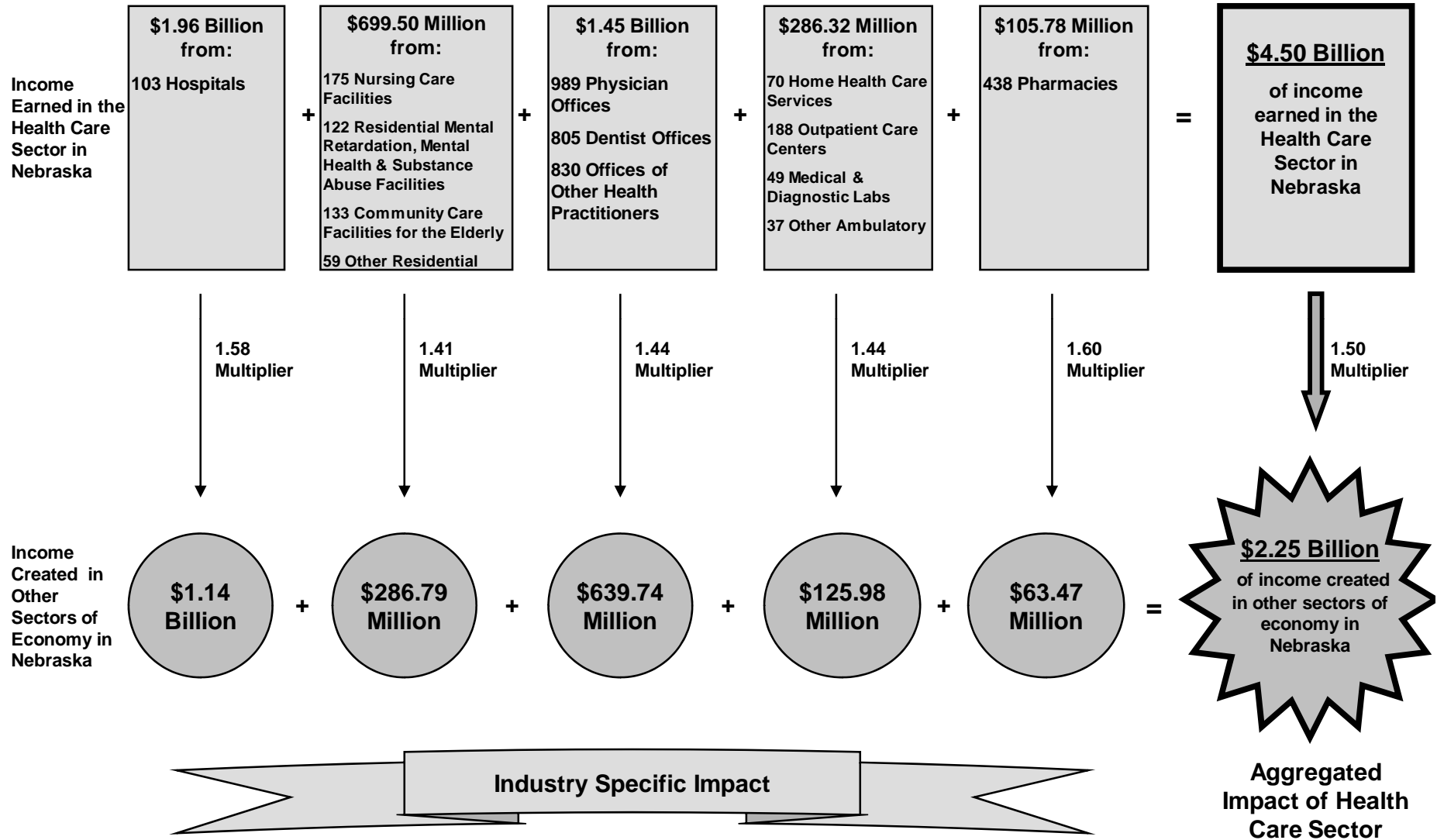
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The Economic Impact of the Health Care Sector on Employment in Nebraska, 2006



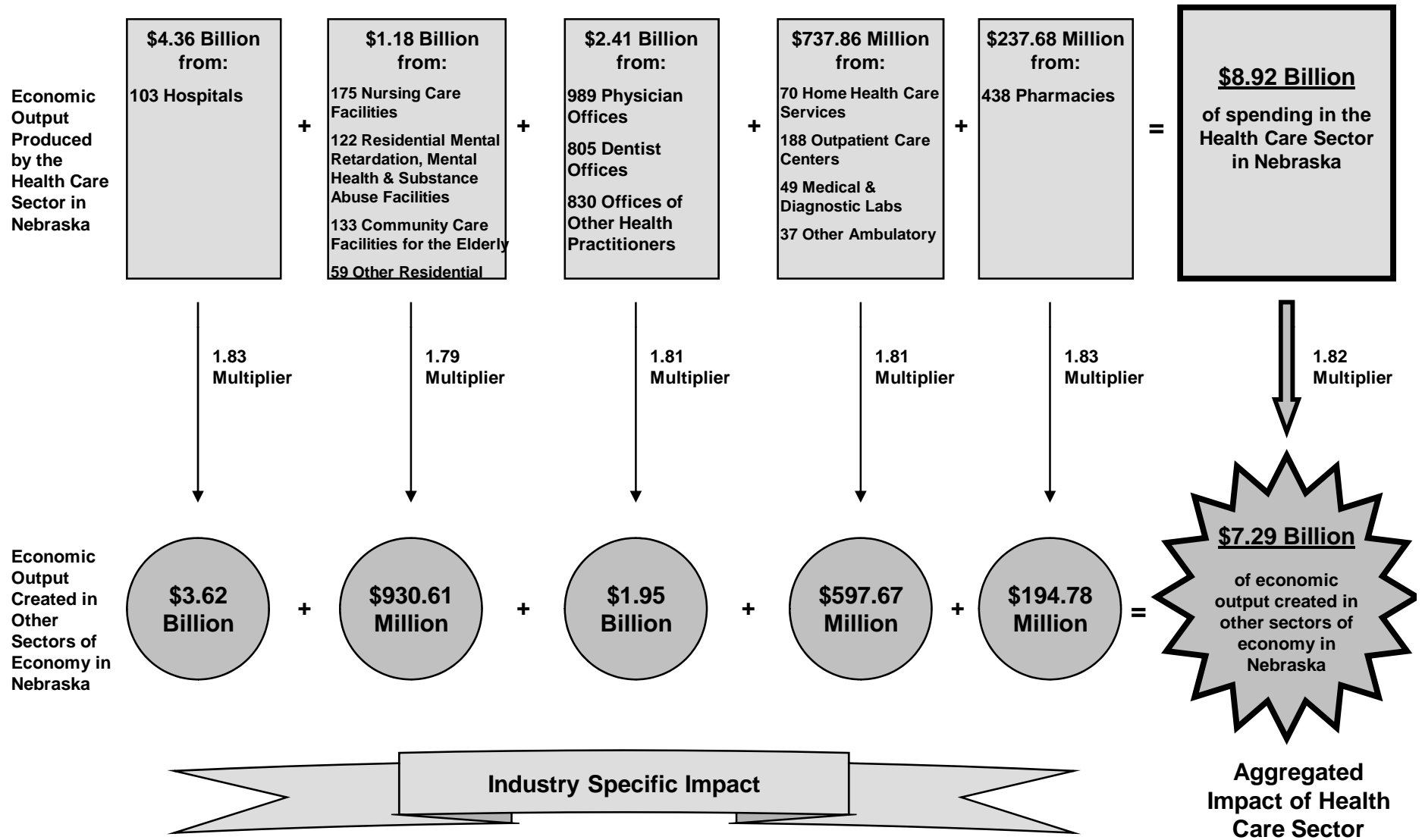
Sources: IMPLAN Data 2006. Minnesota IMPLAN Group, Inc. 2003. U.S. Census Bureau County Business Patterns, 2006, <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>. National Council of Prescription Drug Programs, Pharmacy Database, 2007. Nebraska DHHS Division of Public Health, Hospital Roster (June 18 2008).

The Economic Impact of the Health Care Sector on Income in Nebraska, 2006



Sources: IMPLAN Data 2006. Minnesota IMPLAN Group, Inc. 2003. U.S. Census Bureau County Business Patterns, 2006, <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>. National Council of Prescription Drug Programs, Pharmacy Database, 2007. Nebraska DHHS Division of Public Health, Hospital Roster (June 18 2008).

The Impact of the Health Care Sector on Economic Output in Nebraska, 2006



Sources: IMPLAN Data 2006. Minnesota IMPLAN Group, Inc. 2003. U.S. Census Bureau County Business Patterns, 2006, <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>. National Council of Prescription Drug Programs, Pharmacy Database, 2007. Nebraska DHHS Division of Public Health, Hospital Roster (June 18 2008).

Data Notes

We used the IMPLAN software to predict changes in overall economic activity as a result of change in the health care sector. The IMPLAN software analyzes county level data using an economic input-output model. Certain information required for reporting health sector impact could not be obtained from the IMPLAN database alone. For supplemental data we used the information from the U.S. Census Bureau's *County Business Patterns 2006*, and the *American Hospital Association Annual Survey Database: Fiscal Year 2007* to calculate estimates used to analyze health sector data.

Gross State Product includes employee compensation, proprietor's income, other property income, and indirect business taxes. We use the IMPLAN results for Nebraska's Value Added for the nine major industries and health care, as a proxy for the Gross State Product. For this analysis, reporting the Health Sector Impact to Nebraska's Value Added is preferred over using Economic Output. The figures for Output are more likely to be over-inflated when compared to the actual impact of an industry on the Gross State Product.

Multipliers represent the measure of total change throughout an economy from one unit change for a given sector. Multipliers are derived from the direct and indirect spending, plus induced effects (e.g. household spending based on the income earned from the direct and indirect effects) obtained from the IMPLAN database Total Requirements Table. Specifically, we use the Type SAM Multipliers, which are Type II Multipliers that have been adjusted based on spending patterns amongst different income groups.