



MEDIA RELEASE

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Contact - Cindy Samuelson

csamuelson@kha-net.org

(785) 233-7436 office

(785) 249-1727 mobile

Kansas Hospitals Keep Kansas Healthy and Economically Strong

(January 10, 2018) – Hospitals and health care systems are a powerful economic force in Kansas. The state’s health care sector generated \$14.4 billion in income and \$25.7 billion in sales last year, ranking it fifth among all economic sectors in the state. Hospitals alone have a total impact on Kansas income of \$9.4 billion, and they employ 86,324 people across the state. New data confirms the health care sector is among the fastest growing in the economy. National employment in health care services increased by 92 percent from 1990 to 2015, and by almost 400 percent since 1970.

These are just a few of the findings in the January 2018 report, [*The Importance of the Health Care Sector to the Kansas Economy*](#), which details estimates of the “gross” impact of the health care sector on economic activity in the State of Kansas. In the report, K-State researchers identify three primary ways health care influences local economic development: health care attracts and retains business, attracts and retains retirees and creates local jobs.

Jobs are an essential part of the economic impact; however, funds also flow to businesses and throughout the economy as hospitals purchase goods and services. Hospitals generate nearly \$3.2 billion in local retail sales in Kansas each year. Additionally, the hospital sector generates nearly \$205 million in state sales tax. These are critical funds that the state uses for important programs such as education and transportation.

“Hospitals and health services truly are an economic anchor in our state,” said Tom Bell, president and CEO of the Kansas Hospital Association. “This report documents the importance of the health care sector to the Kansas economy. While the estimates of economic impact are substantial, they are only a partial accounting of the benefits that health care in general, and community hospitals in particular, provide to the state. Kansas community hospitals help stabilize the population base, invigorate their communities and contribute significantly to quality of life.”

According to the 2018 economic report, Kansas hospitals employ 4.4 percent of all job holders in the state. The report calculated economic multipliers, or “ripple effects,” and estimated that hospitals account for 75,659 additional jobs throughout all other businesses and industries in the state. In other words, for each new job in the hospital sector, another

0.88 jobs were created in other businesses and industries in Kansas. The hospital sector employment had a total impact on state employment of approximately 162,000 jobs.

Furthermore, the entire health sector in Kansas employs about 222,500 people, or 11.3 percent of all job holders in the state. This puts Kansas ahead of the national average, which is 10 percent of job holders in the United States working in health care services. The total employment impact of the health services sector in Kansas is approximately 369,210 jobs, making it the fourth largest aggregate employer in the state.

The study also found Kansas hospitals generate more than \$6 billion in direct labor income to the Kansas economy each year. For every dollar of income generated in the hospital sector, another \$0.56 was generated in other business and industry.

The full statewide report and links to county reports can be found on the [KHA website](#).

The Kansas Hospital Association is a voluntary, non-profit organization existing to be the leading advocate and resource for members. KHA membership includes 215 member facilities, of which 124 are full-service, community hospitals. Founded in 1910, KHA's vision is: "*Optimal Health for Kansas.*"

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