

## LONG TERM CARE ECONOMIC IMPACT STATISTICS

### UNITED STATES

#### NURSING FACILITIES, STAFF & PATIENTS *In United States*

15,691 Nursing Facilities  
1,784,016 Employees  
1,401,295 Patients Cared for Every Day

14% of patients rely on Medicare; 64% rely on Medicaid; 22% pay for care with private or other funds.

#### LONG TERM CARE'S ECONOMIC IMPACT *Direct & Indirect Contribution To United States*

\$153.8 billion or 1.1% of state economic activity  
(direct effect)  
\$371.9 billion or 2.7% of state economic activity  
(total impact)

#### TOP 5 INDUSTRIES/SECTORS SUPPORTED BY LONG TERM CARE

	Economic Activity (in millions)	Employment (jobs)
Health and Social Services	\$170,340.7	3,156,900
Manufacturing	162,569.4	891,400
Real Estate and Rental	11,981.2	186,900
Finance and Insurance	5,894.3	6,700
Scientific/Tech Svcs	4,366.9	36,900
All Industries and Sectors	\$ 371,852.9	4,441,800

"Long Term Care Facilities" include nursing facilities, assisted living and other long term care residential facilities.

# Economic Impact of Long Term Care Facilities

United States

January 2009

Long Term Care (LTC) facilities\* support an estimated \$371.9 billion or 2.7% of the nation's economic activity

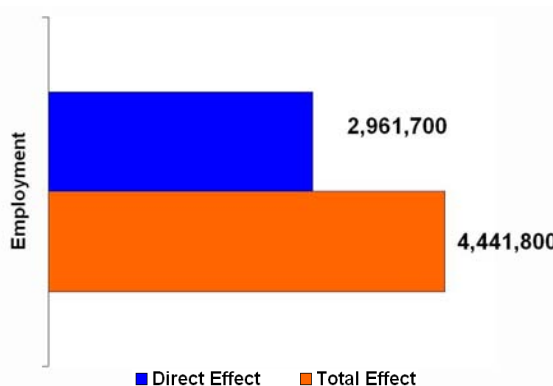
LTC facilities support \$371.9 billion in revenue...



LTC facilities support \$161.4 billion in labor income...



LTC facilities contribute to approximately 4,441,800 jobs...



\*Long Term Care (LTC) facilities include nursing homes, assisted living, and other residential care facilities. These facilities do not include government-owned or hospital-based facilities.

LTC facilities' **direct** economic impact on U.S. represents...

- 1.1% of economic activity
- 1.1% of labor income
- 1.7% of employment

LTC facilities' **total** economic impact on U.S. supports...

- 2.7% of economic activity
- 1.8% of labor income
- 2.5% of employment

LTC facilities generate \$56.1 billion in tax revenue...

- \$19.0 billion in state/local taxes
- \$37.1 billion in federal taxes

Demographics of U.S.

Population (2007)	299.4 million
% Population 65+ years (2007)	12.4%
% Population 85+ years (2007)	1.8%
U.S. economic activity (2007)	\$13.8 trillion

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# Economic Impact of Long Term Care Facilities

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## Summary: Economic Impact of LTC Facilities

Estimated Impact	Direct	Indirect	Induced	Total	% of Total U.S. Activity
Output (in billions of dollars)	\$153.8	\$67.1	\$151.0	\$371.9	2.7%
Labor Income (in billions of dollars)	\$93.8	\$20.4	\$47.3	\$161.4	1.8%
Employment (jobs)	2,961,700	416,300	1,063,700	4,441,800	2.5%
Estimated Impact	State/Local	Federal	Total		
Tax (in billions of dollars)	\$19.0	\$37.1	\$56.1	-	

LTC facilities support other industries and sectors nationwide...

Industry/Sector	Estimated Impact	
	Employment (jobs)	Economic Activity (in millions)
Health and Social Services	3,156,900	\$170,340.7
Manufacturing	891,400	\$162,569.4
Real Estate and Rental	186,900	\$11,981.2
Finance and Insurance	6,700	\$5,894.3
Professional - Scientific and Tech Services	36,900	\$4,366.9
Information	56,400	\$3,856.8
Administrative and Waste Services	20,300	\$3,566.1
Retail Trade	61,200	\$3,316.2
Wholesale Trade	11,200	\$3,103.2
All other industries	13,900	\$2,858.3
<b>Total</b>	<b>4,441,800</b>	<b>\$371,852.9</b>

NAICS: North American Industry Classification System

**Note:**

Numbers may not add due to rounding.

**Sources:**

Economic impact analysis: The Lewin Group analysis using Impact Analysis for Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc, 2007 data  
 Population data: U.S. Census Bureau, <http://www.census.gov/>

### Economic Impact Definitions

**Direct Effect** represents the impact (e.g., change in employment or revenues) for the expenditures and/or production values specified as direct final demand changes.

**Indirect Effect** represents the impact (e.g., change in employment or revenues) caused by the iteration of industries purchasing from industries resulting from direct final demand changes.

**Induced Effect** represents the impacts on all local industries caused by the expenditures of new household income generated by the direct and indirect effects of direct final demand changes.

**Total Impact** is the sum of the direct, indirect and induced effects.

**Labor Income** is the sum of employee compensation and proprietary income.

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