

# Economic Impact of Long Term Care Facilities Alaska

January, 2011

**Long Term Care (LTC) facilities\* support an estimated \$325.4 million (0.7%) of the state's economic activity**

## Jobs

| Direct                                | Total                                 | Industry Rank |
|---------------------------------------|---------------------------------------|---------------|
| 3,180 employees<br>0.7% of employment | 4,080 employees<br>0.9% of employment | 38            |

## Labor Income

| Direct                                  | Total                                   | Industry Rank |
|---|---|---------------|
| \$114.6 million<br>0.5% of labor income | \$149.3 million<br>0.7% of labor income | 42            |

## Economic Activity

| Direct                                       | Total  | Industry Rank |
|--|--|---------------|
| \$205.1 million<br>0.4% of economic activity | \$325.4 million<br>0.7% of economic activity | 63            |

## Tax Revenue

| State/Local    | Federal        | Total          |
|----------------|----------------|----------------|
| \$17.4 million | \$27.0 million | \$44.4 million |

\*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.

Sources: Economic impact analysis: American Health Care Association using Impact Analysis for Planning (IMPLAN) software and data, Minnesota IMPLAN Group, Inc., 2009 data.

# Economic Impact of Long Term Care Facilities Alaska

January, 2011

| Estimated Impact                      | Direct  | Indirect           | Induced        | Total        | % of Total State Activity |
|---------------------------------------|---------|--------------------|----------------|--------------|---------------------------|
| Output (in millions of dollars)       | \$205.1 | \$42.8             | \$77.5         | \$325.4      | 0.7%                      |
| Labor Income (in millions of dollars) | \$114.6 | \$11.6             | \$23.1         | \$149.3      | 0.7%                      |
| Employment (jobs)                     | 3,180   | 290                | 620            | 4,080        | 0.9%                      |
| <b>Estimated Impact</b>               |         | <b>State/Local</b> | <b>Federal</b> | <b>Total</b> |                           |
| Tax Revenue (in millions of dollars)  |         | \$17.4             | \$27.0         | \$44.4       |                           |

LTC facilities support other industries and sectors statewide...

| Industry/Sector  | Estimated Impact  |                                    |
|--|-------------------|------------------------------------|
|  | Employment (jobs) | Economic Activity (in millions \$) |
| Nursing and Residential Care Facilities                          | 3,180             | \$205.1                            |
| Real Estate Establishments                                       | 80                | 12.8                               |
| Imputed Rental Activity for Owner-Occupied Dwellings             | 0                 | 12.3                               |
| Food Services and Drinking Places                                | 100               | 6.7                                |
| Offices of Physicians, Dentists, and Other Health Care Providers | 50                | 5.3                                |
| Private Hospitals  | 30                | 4.3                                |
| Petroleum Refineries   | 0                 | 4.0                                |
| Wholesale Trade Businesses                                       | 20                | 3.5                                |
| Electric Power Generation, Transmission                          | 10                | 3.4                                |
| All Other Industries   | 610               | 68.0                               |

### Economic Impact Definitions

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

# Economic Impact of Long Term Care Facilities United States

January, 2011

**Long Term Care (LTC) facilities\* support an estimated \$529.0 billion (3.7%) of the nation's economic activity**

## Jobs

| Direct                                    | Total                                     | Industry Rank |
|---|---|---------------|
| 3,121,960 employees<br>1.8% of employment | 5,445,420 employees<br>3.2% of employment | 10            |

## Labor Income

| Direct                                  | Total                                   | Industry Rank |
|---|---|---------------|
| \$102.5 billion<br>1.3% of labor income | \$205.2 billion<br>2.6% of labor income | 16            |

## Economic Activity

| Direct                                       | Total  | Industry Rank |
|--|--|---------------|
| \$183.5 billion<br>1.3% of economic activity | \$529.0 billion<br>3.7% of economic activity | 27            |

## Tax Revenue

| State/Local    | Federal        | Total          |
|----------------|----------------|----------------|
| \$22.2 billion | \$38.6 billion | \$60.9 billion |

\*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.

Sources: Economic impact analysis: American Health Care Association using Impact Analysis for Planning (IMPLAN) software and data, Minnesota IMPLAN Group, Inc., 2009 data.

# Economic Impact of Long Term Care Facilities United States

January, 2011

| Estimated Impact                      | Direct      | Indirect           | Induced        | Total        | % of Total State Activity |
|---------------------------------------|-------------|--------------------|----------------|--------------|---------------------------|
| Output (in millions of dollars)       | \$183,462.2 | \$112,450.2        | \$233,043.6    | \$528,956.1  | 3.7%                      |
| Labor Income (in millions of dollars) | \$102,502.5 | \$32,550.4         | \$70,143.9     | \$205,196.8  | 2.6%                      |
| Employment (jobs)                     | 3,121,960   | 704,970            | 1,618,480      | 5,445,420    | 3.2%                      |
| <b>Estimated Impact</b>               |             | <b>State/Local</b> | <b>Federal</b> | <b>Total</b> |                           |
| Tax Revenue (in millions of dollars)  |             | \$22,236.3         | \$38,630.1     | \$60,866.4   |                           |

LTC facilities support other industries and sectors statewide...

| Industry/Sector  | Estimated Impact  |                                    |
|--|-------------------|------------------------------------|
|  | Employment (jobs) | Economic Activity (in millions \$) |
| Nursing and Residential Care Facilities                          | 3,121,960         | \$183,462.2                        |
| Real Estate Establishments                                       | 180,130           | 26,020.1                           |
| Imputed Rental Activity for Owner-Occupied Dwellings             | 0                 | 17,402.8                           |
| Wholesale Trade Businesses                                       | 72,830            | 14,420.5                           |
| Insurance Carriers   | 37,630            | 12,055.7                           |
| Food Services and Drinking Places                                | 179,520           | 10,430.9                           |
| Private Hospitals  | 61,710            | 8,488.3                            |
| Offices of Physicians, Dentists, and Other Health Care Providers | 63,610            | 8,077.3                            |
| Petroleum Refineries   | 860               | 8,051.4                            |
| All Other Industries   | 1,727,170         | 240,546.9                          |

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