

Economic Impact of Long Term Care Facilities Montana

January, 2011

Long Term Care (LTC) facilities* support an estimated \$931.6 million (2.6%) of the state's economic activity

Jobs

Direct	Total	Industry Rank
10,790 employees 1.7% of employment	14,140 employees 2.2% of employment	12

Labor Income

Direct	Total	Industry Rank
\$305.9 million 1.6% of labor income	\$401.2 million 2.0% of labor income	12

Economic Activity

Direct	Total	Industry Rank
\$579.1 million 1.6% of economic activity	\$931.6 million 2.6% of economic activity	29

Tax Revenue

State/Local	Federal	Total
\$42.9 million	\$71.0 million	\$113.9 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.

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January, 2011

Estimated Impact	Direct	Indirect	Induced	Total	% of Total State Activity
Output (in millions of dollars)	\$579.1	\$143.5	\$209.0	\$931.6	2.6%
Labor Income (in millions of dollars)	\$305.9	\$35.6	\$59.6	\$401.2	2.0%
Employment (jobs)	10,790	1,270	2,080	14,140	2.2%
Estimated Impact		State/Local	Federal	Total	
Tax Revenue (in millions of dollars)		\$42.9	\$71.0	\$113.9	

LTC facilities support other industries and sectors statewide...

Industry/Sector	Estimated Impact	
	Employment (jobs)	Economic Activity (in millions \$)
Nursing and Residential Care Facilities	10,790	\$579.1
Real Estate Establishments	400	42.7
Imputed Rental Activity for Owner-Occupied Dwellings	0	30.2
Food Services and Drinking Places	380	19.2
Electric Power Generation, Transmission	20	14.8
Offices of Physicians, Dentists, and Other Health Care Providers	120	14.4
Petroleum Refineries	0	13.2
Wholesale Trade Businesses	80	11.9
Insurance Carriers	40	10.3
All Other Industries	2,310	195.8

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 1.8% of employment	5,445,420 employees 3.2% of employment	10

Labor Income

Direct	Total	Industry Rank
\$102.5 billion 1.3% of labor income	\$205.2 billion 2.6% of labor income	16

Economic Activity

Direct	Total	Industry Rank
\$183.5 billion 1.3% of economic activity	\$529.0 billion 3.7% of economic activity	27

Tax Revenue

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

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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%
Estimated Impact		State/Local	Federal	Total	
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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