

Economic Impact of Long Term Care Facilities Rhode Island

January, 2011

**Long Term Care (LTC) facilities* support an estimated
\$1.8 billion (3.8%) of the state's economic activity**

Jobs

Direct	Total	Industry Rank
17,950 employees 3.1% of employment	23,420 employees 4.0% of employment	6

Labor Income

Direct	Total	Industry Rank
\$635.9 million 2.4% of labor income	\$852.1 million 3.2% of labor income	11

Economic Activity

Direct	Total	Industry Rank
\$1.1 billion 2.3% of economic activity	\$1.8 billion 3.8% of economic activity	18

Tax Revenue

State/Local	Federal	Total
\$143.4 million	\$147.3 million	\$290.7 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 Rhode Island

January, 2011

Estimated Impact	Direct	Indirect	Induced	Total	% of Total State Activity
Output (in millions of dollars)	\$1,098.2	\$241.4	\$456.9	\$1,796.5	3.8%
Labor Income (in millions of dollars)	\$635.9	\$68.7	\$147.5	\$852.1	3.2%
Employment (jobs)	17,950	1,770	3,710	23,420	4.0%
Estimated Impact		State/Local	Federal	Total	
Tax Revenue (in millions of dollars)		\$143.4	\$147.3	\$290.7	

LTC facilities support other industries and sectors statewide...

Industry/Sector	Estimated Impact	
	Employment (jobs)	Economic Activity (in millions \$)
Nursing and Residential Care Facilities	17,950	\$1,098.2
Real Estate Establishments	670	73.1
Imputed Rental Activity for Owner-Occupied Dwellings	0	67.4
Insurance Carriers	120	38.2
Food Services and Drinking Places	620	36.0
Offices of Physicians, Dentists, and Other Health Care Providers	240	29.9
Private Hospitals	190	26.0
Wholesale Trade Businesses	110	22.8
Pharmaceutical Preparation Manufacturing	20	19.3
All Other Industries	3,500	385.6

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 Rhode Island Congressional District 1

January, 2011

Long Term Care (LTC) facilities* support an estimated \$927.1 million (3.9%) of the district's economic activity

Jobs

Direct	Total	Industry Rank
9,370 employees 3.2% of employment	12,090 employees 4.2% of employment	7

Labor Income

Direct	Total	Industry Rank
\$333.6 million 2.4% of labor income	\$444.4 million 3.2% of labor income	12

Economic Activity

Direct	Total	Industry Rank
\$574.3 million 2.4% of economic activity	\$927.1 million 3.9% of economic activity	18

Tax Revenue

State/Local	Federal	Total
\$41.3 million	\$78.0 million	\$119.3 million

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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

Rhode Island Congressional District 1

January, 2011

Estimated Impact	Direct	Indirect	Induced	Total	% of Total District Activity
Output (in millions of dollars)	\$574.3	\$120.9	\$231.9	\$927.1	3.9%
Labor Income (in millions of dollars)	\$333.6	\$35.1	\$75.7	\$444.4	3.2%
Employment (jobs)	9,370	870	1,850	12,090	4.2%
Estimated Impact		State/Local	Federal	Total	
Tax Revenue (in millions of dollars)		\$41.3	\$78.0	\$119.3	

LTC facilities support other industries and sectors district-wide...

Industry/Sector	Estimated Impact	
	Employment (jobs)	Economic Activity (in millions \$)
Nursing and Residential Care Facilities	9,370	\$574.3
Real Estate Establishments	300	36.0
Imputed Rental Activity for Owner-Occupied Dwellings	0	35.0
Insurance Carriers	60	19.9
Food Services and Drinking Places	320	18.7
Offices of Physicians, Dentists, and Other Health Care Providers	130	15.6
Private Hospitals	100	13.7
Wholesale Trade Businesses	60	11.6
Monetary Authorities and Depository Credit Institutions	30	9.1
All Other Industries	1,720	193.2

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Economic Impact of Long Term Care Facilities Rhode Island Congressional District 2

January, 2011

Long Term Care (LTC) facilities* support an estimated \$866.7 million (3.6%) of the district's economic activity

Jobs

Direct	Total	Industry Rank
8,580 employees 2.9% of employment	11,340 employees 3.8% of employment	7

Labor Income

Direct	Total	Industry Rank
\$302.3 million 2.4% of labor income	\$407.4 million 3.2% of labor income	8

Economic Activity

Direct	Total	Industry Rank
\$523.9 million 2.2% of economic activity	\$866.7 million 3.6% of economic activity	18

Tax Revenue

State/Local	Federal	Total
\$39.9 million	\$75.6 million	\$115.6 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

Rhode Island Congressional District 2

January, 2011

Estimated Impact	Direct	Indirect	Induced	Total	% of Total District Activity
Output (in millions of dollars)	\$523.9	\$114.7	\$228.1	\$866.7	3.6%
Labor Income (in millions of dollars)	\$302.3	\$32.4	\$72.7	\$407.4	3.2%
Employment (jobs)	8,580	860	1,900	11,340	3.8%
Estimated Impact		State/Local	Federal	Total	
Tax Revenue (in millions of dollars)		\$39.9	\$75.6	\$115.6	

LTC facilities support other industries and sectors district-wide...

Industry/Sector	Estimated Impact	
	Employment (jobs)	Economic Activity (in millions \$)
Nursing and Residential Care Facilities	8,580	\$523.9
Real Estate Establishments	350	35.6
Imputed Rental Activity for Owner-Occupied Dwellings	0	34.0
Insurance Carriers	60	18.7
Food Services and Drinking Places	310	17.9
Offices of Physicians, Dentists, and Other Health Care Providers	120	14.6
Private Hospitals	100	13.0
Wholesale Trade Businesses	50	11.2
Pharmaceutical Preparation Manufacturing	10	9.7
All Other Industries	1,760	188.1

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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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