North Dakota

The proposed $1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for North Dakota is a reduction of $2,907,709 in business activity, a reduction of $1,435,810 in labor income, and a loss of 56 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the state of North Dakota.

### Economic Impact of Medicare Nursing Facility Payment Cutback
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Activity Impacts ($)</strong></td>
<td>1,947,772</td>
<td>312,405</td>
<td>647,532</td>
<td>2,907,709</td>
</tr>
<tr>
<td><strong>Income Impacts ($)</strong></td>
<td>1,157,429</td>
<td>86,165</td>
<td>192,216</td>
<td>1,435,810</td>
</tr>
<tr>
<td><strong>Employment Impacts (Jobs)</strong></td>
<td>46</td>
<td>3</td>
<td>7</td>
<td>56</td>
</tr>
</tbody>
</table>

- **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) 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.

**Economic Impact Analysis**: Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.
United States

The proposed $1.05 billion reduction in Medicare Part A skilled nursing facility expenditures on a nationwide level has a substantial impact on the local, state, and national economies. The estimated economic impact for United States is a reduction of $2,538,574,941 in business activity, a reduction of $1,102,133,619 in labor income, and a loss of 30,323 jobs.

The following schedule illustrates the direct, indirect, and induced impact of this cut in reimbursement on the United States.

**Economic Impact of Medicare Nursing Facility Payment Cutback**  
**Fiscal Year 2010**

<table>
<thead>
<tr>
<th>Economic Impact</th>
<th>Direct</th>
<th>Indirect</th>
<th>Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Activity Impacts ($)</strong></td>
<td>1,050,000,000</td>
<td>457,958,967</td>
<td>1,030,615,974</td>
<td>2,538,574,941</td>
</tr>
<tr>
<td><strong>Income Impacts ($)</strong></td>
<td>640,413,737</td>
<td>139,085,410</td>
<td>322,634,472</td>
<td>1,102,133,619</td>
</tr>
<tr>
<td><strong>Employment Impacts (Jobs)</strong></td>
<td>20,219</td>
<td>2,842</td>
<td>7,262</td>
<td>30,323</td>
</tr>
</tbody>
</table>

**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) 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.

**Economic Impact Analysis:** Impact Analysis For Planning (IMPLAN) software, Minnesota IMPLAN Group, Inc., 2007 data.
