



LOUISIANA HOSPITAL ASSOCIATION

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REPORT: LOUISIANA HOSPITALS ARE VITAL TO STATE'S ECONOMY **Hospitals generate \$31.6 billion in economic activity and support 254,000 jobs**

(Baton Rouge) – Beyond saving lives, Louisiana hospitals also serve as economic agents in their local communities, generating more than \$31.6 billion annually in increased economic activity, while creating and supporting more than 254,000 jobs statewide, according to a new report, “Hospitals and the Louisiana Economy,” released today by the Louisiana Hospital Association.

The [report](#) by Dr. James A. Richardson, Alumni Professor of Economics at Louisiana State University, provides an analysis of the economic impact of the hospital industry on the Louisiana economy and regions within the state.

“Louisiana hospitals not only play a critical role in supporting the health of our residents, but also in fostering a vibrant economy,” said Richardson.

“As large employers in their communities, Louisiana hospitals help to stabilize our state’s recovering economy by providing highly-skilled jobs and by purchasing goods and services from surrounding businesses,” said Paul A. Salles, president and CEO of the Louisiana Hospital Association. “This economic ripple effect has helped protect large and small communities in every region of our state.”

According to the report, the healthcare sector in Louisiana employs 298,945 individuals with an annual payroll of more than \$12.9 billion. Hospitals directly employ more than 104,000 people with an annual payroll of almost \$5.6 billion.

Dr. Richardson explains in the report that the economic benefits of the hospital industry extend far beyond the doors of each hospital and its employees. The daily operations and one-time capital expenditures of Louisiana hospitals lead to the creation and support of jobs in hospitals and other sectors, including personal and business services, financial services, retail and wholesale trade, transportation and utilities. In each region, this translates to 71,250 workers in New Orleans; 32,335 in Lafayette; 30,711 on the Northshore; 29,854 in Baton Rouge; 28,803 in Shreveport; 21,694 in Alexandria; 16,129 in Monroe; 12,844 in Lake Charles; and 10,489 in Houma-Thibodaux.

The report also highlights ways Louisiana hospitals support the state budget. The overall economic impact of hospitals’ daily operations and one-time capital expenditures generated \$1.7 billion in state and local tax collections. These hospitals also contributed more than \$560 million in direct financial support to the Louisiana Medicaid program. Through this support, the state was able to draw down approximately \$1.3 billion in additional federal funding.

“As lawmakers begin to address the ongoing state budget challenges, we ask that they not only consider the life-saving services hospitals provide but also the critical role hospitals play in our economy,” said Salles.

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The Executive Summary is available online:

www.lhaonline.org/resource/resmgr/EIR2018HighlightsDocument.pdf.

The Full Report is available online:

www.lhaonline.org/?page=EconomicImpact

About the Louisiana Hospital Association: Established in 1926, the Louisiana Hospital Association is a non-profit organization representing hospitals and healthcare provider groups across the state. The mission of the LHA is to support its members through advocacy, education and services. For more information, visit the LHA website at www.lhaonline.org, or follow us on Facebook at www.facebook.com/LAHospitals or on Twitter [@LAHospitals](https://twitter.com/LAHospitals).

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