

2024

NEW JERSEY HOSPITALS'



Economic Impact Report

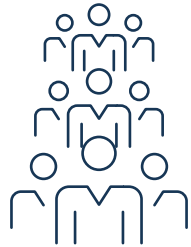


The Big Picture: New Jersey hospitals are the backbone of the community. Beyond their role protecting the health of New Jerseyans, hospitals strengthen our state with employment and other economic opportunity. Hospitals' essential work supports state and local economies with nearly **160,000 jobs** and **\$31.4 billion** in economic benefits, while caring for patients in more than **18 million** occasions annually, based on 2022 hospital cost report data.

Jobs



N.J. hospitals and health systems provide **158,600** full- and part-time jobs.



A single hospital job supports an additional **1.3 jobs** in other businesses and industries, according to the U.S. Bureau of Economic Analysis. That multiplier effect reaches a total of **357,000 jobs** across the N.J. economy.

Hospital jobs span a wide range of opportunities

Nursing	32,376
Therapies	5,177
Radiology	7,217
Pharmacy	3,043
Laboratory	3,919
Housekeeping	9,811

DYK: Hospitals' 158,600 jobs are equivalent to the combined N.J. workforce of these top employers: Johnson & Johnson, Merck, Horizon, Wakefern Foods, Amazon, PSE&G, Princeton University and Atlantic City's entire casino industry.

Salaries

N.J. hospital employees earn **\$11.3 billion in salaries** = spending power statewide



How much impact does \$11.3 billion have?

It would cover **four years** of Rutgers tuition, room and board for **81,250** N.J. residents, or the average N.J. downpayment on **160,000** homes.

Support for Other Businesses

N.J. hospitals are good customers. Their operations provide **\$5.4 billion** in support for other businesses from Main Street to the Turnpike.

Contract labor	\$2.8 billion
Pharmaceuticals	\$2.1 billion
Utilities	\$278 million
Dietary, laboratory, housekeeping supplies	\$174 million
Building	\$42.9 million

What could you do with New Jersey hospitals' \$5.4 billion total impact across New Jersey business and industry?

Build **13,944** new 2,100-square-foot homes at the average construction price of \$387,262 (land not included)

Drive home with **98,000** new SUVs from Subaru (headquartered in Camden)



Spend **5.4 million** nights in the Presidential Suite in Cape May's Congress Hall

Enjoy **54 million** season passes to Six Flags Great Adventure

Taxes

Hospital employees are taxpayers too. They contribute **\$624 million** in income taxes to state coffers.

DYK: Annual state income taxes paid by hospital employees would cover:

- the costs of Anchor property tax rebates for **462,000 N.J. residents**
- **four years of tuition scholarships** under New Jersey's College Promise programs.

Beyond their employees' taxes, hospitals pay annual community contribution fees to their host municipalities, plus a number of other fees and assessments that support state and local economies, including:

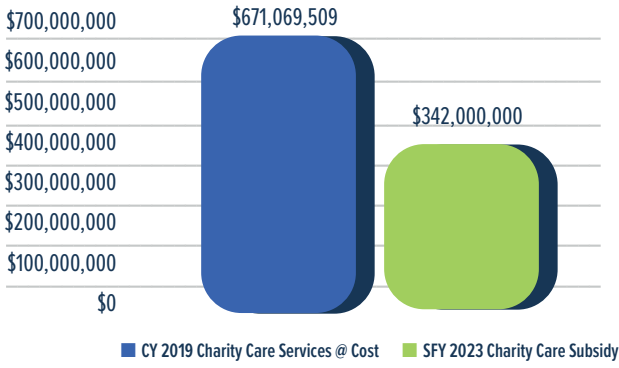
- **\$172.7 million** in a 0.53% assessment to the state
- **\$17.9 million** in an adjusted admission assessment to the state
- **\$16 million** to support the state's newborn screening program

These totals do not include funding support to the New Jersey Poison Information & Education System (NJPIES) and Maternal and Child Health Consortia.

Charity Care & Community Benefit

N.J. hospitals care for all, including those without the means to pay. This charity care comes at a significant cost to hospitals, reaching **\$402 million** in 2022.

Charity care funding falls short of the need



Hospitals also absorb losses due to underpayments from the Medicare and Medicaid programs. All told, N.J. hospitals' total unpaid costs of patient care reach **\$2 billion**.

Hospitals' charity care commitment + additional free and discounted care is part of **\$3.5 billion** in community benefits to support community health. These programs support:

- Food access
- Stable housing
- Community health programs including screenings and vaccination
- Career opportunities
- Health research
- And much more.

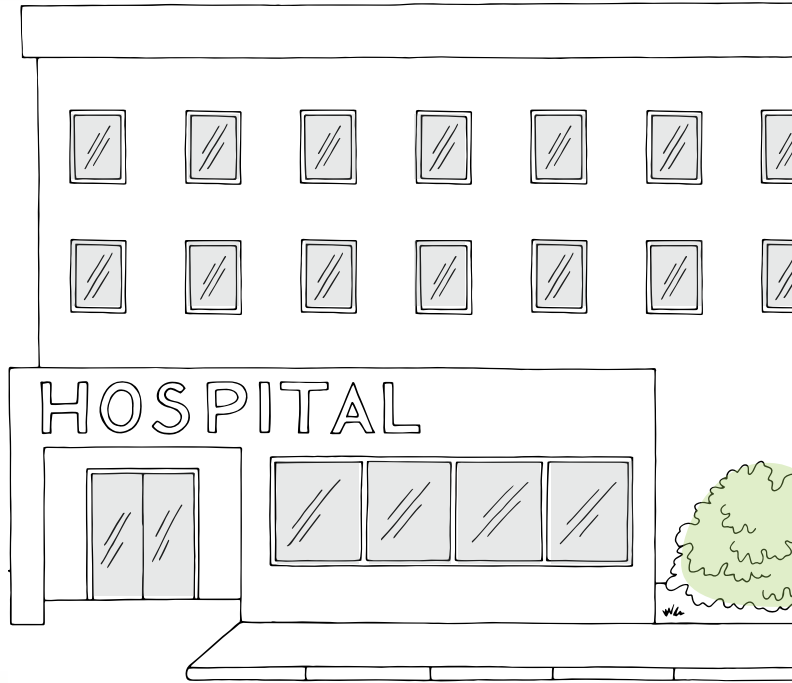


Hospitals' \$3.5 billion commitment to community health efforts equals \$377 for every N.J. resident.

The Bottom Line

New Jersey hospitals stand ready to deliver life-saving care 24 hours a day, seven days a week. They also provide direct impact of **\$31.4 billion in jobs**, taxes and spending that are vital to state and local economies. The multiplier effect of hospital operations and wages that bolster other businesses pushes New Jersey hospitals' contributions to 347,000 jobs and **\$70 billion** in economic activity. That's unflinching support that Garden State businesses, manufacturers and government budgets rely on.

Nationwide, hospitals are confronting the burden of rising expenses, labor shortages, government underfunding and sicker patients. Despite these challenging times, hospitals remain open 24/7 and continue to provide nationally ranked quality care, essential services, charity care, community benefits and economic contributions for a healthier New Jersey.



Visit the **N.J. Hospital Economic Impact** site to find customizable reports of hospitals' contributions by facility, county, legislative district and more.

