

# Economic Impact of Health Care in the LakeWood Health Center Service Area



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Hospitals



Nursing Home



Doctors &  
Other Professionals

Community



Other Medical Services



Pharmacies

# National Health Expenditures and Employment Data, 1970-2000

<b>Year</b>	<b>Total Expenditures (Billions)</b>	<b>Per Capita Expenditures (\$)</b>	<b>Expenditure % of GDP</b>	<b>Employment in Health Sector (Million Jobs)</b>
1970	\$73	\$348	7.0%	3,053
1980	246	1,067	8.8%	5,278
1990	696	2,736	12.0%	7,814
2000	\$1,300	\$4,637	13.2%	10,103

# Health Services Foster Rural Development



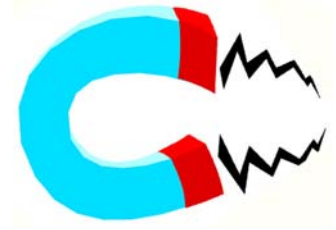
# Health Services Promote Job Growth

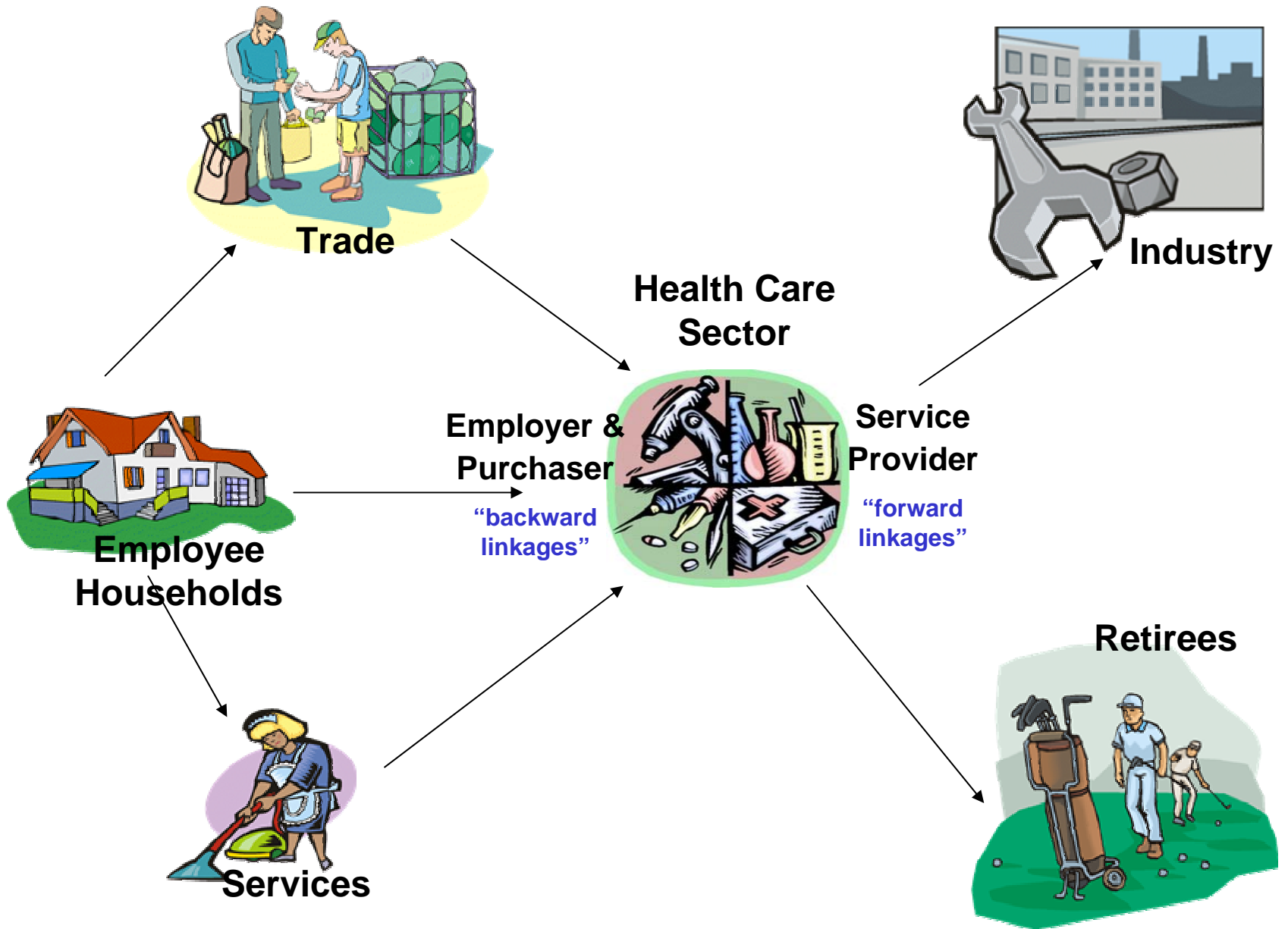


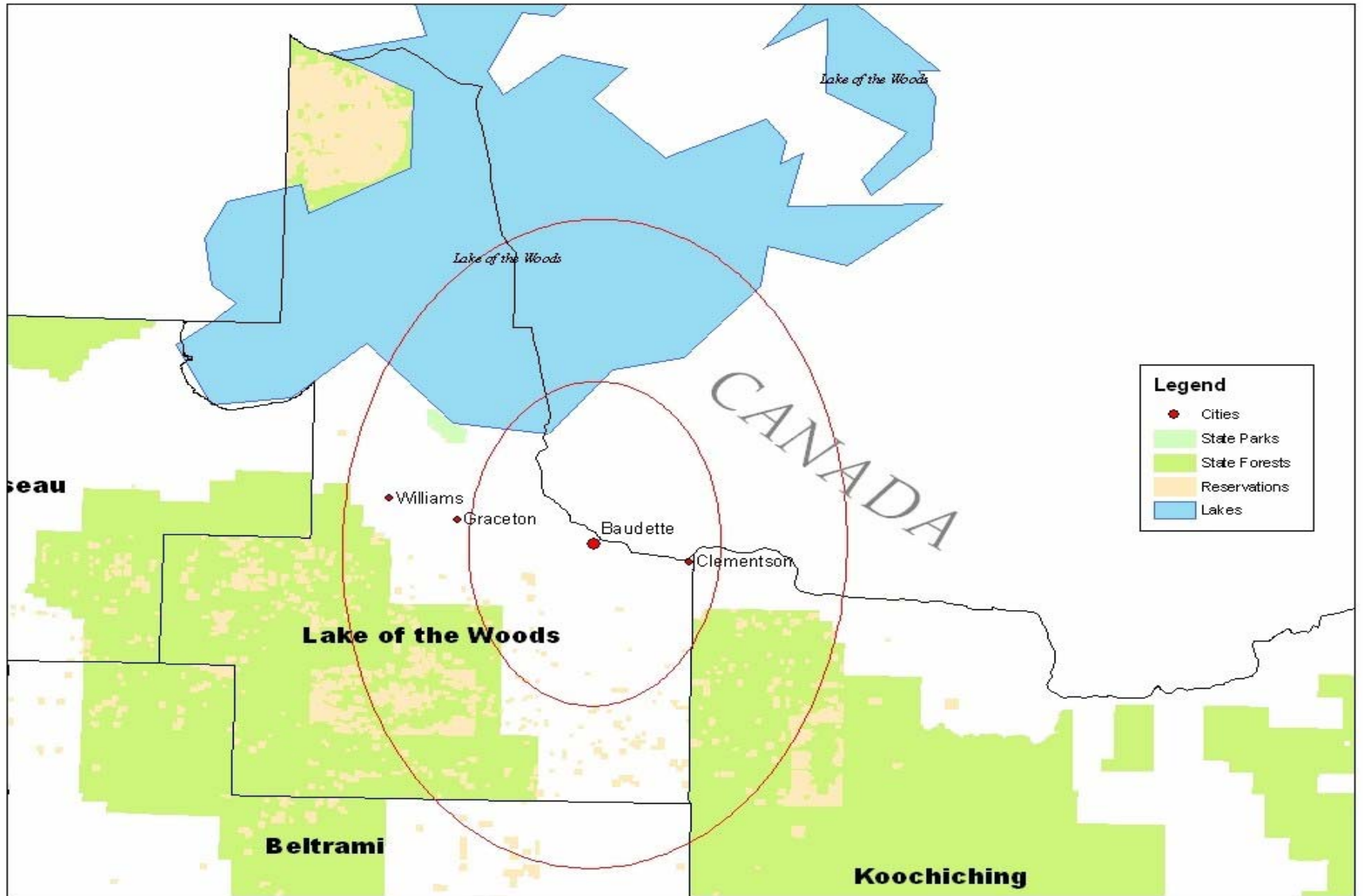
# Health Services

# Attract

# Retirees



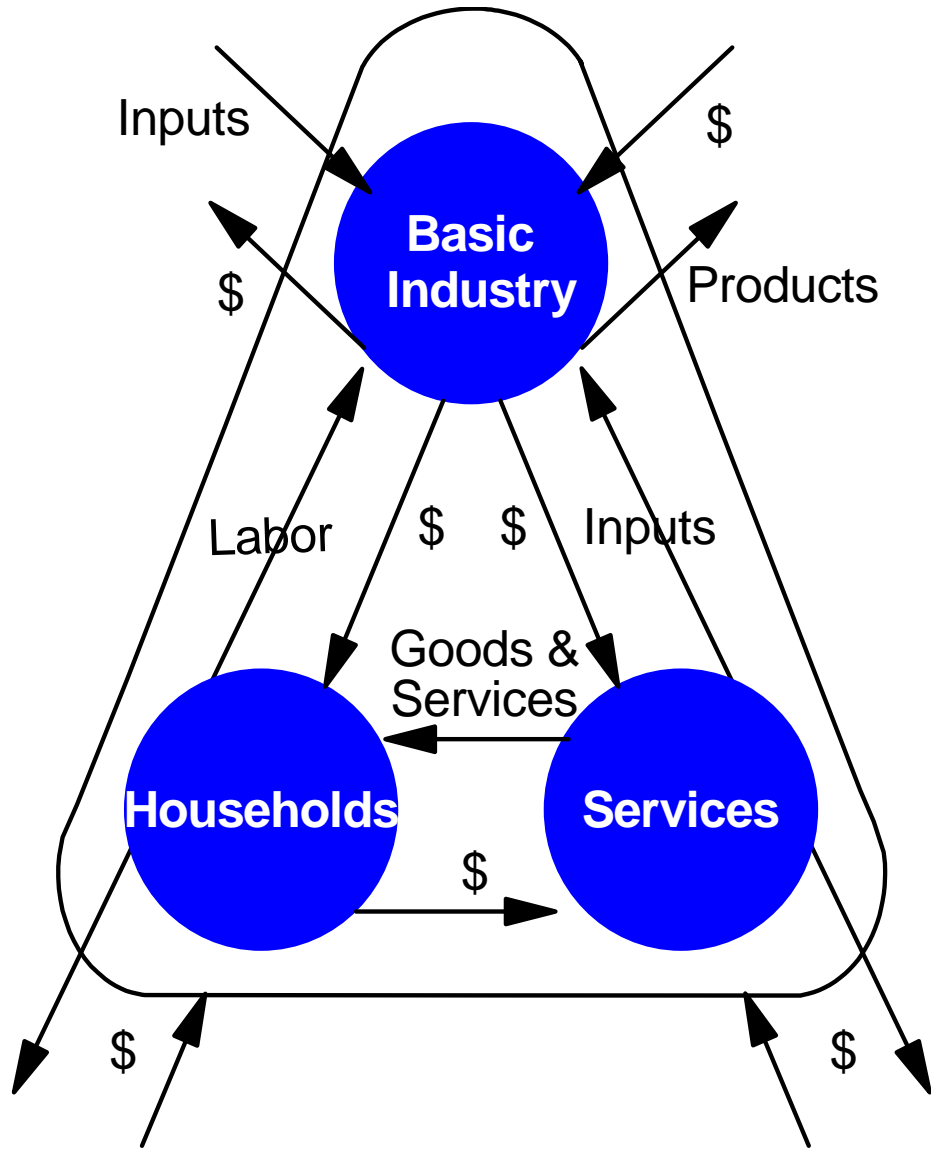




# LakeWood Health Center Service Area Population

- Lake of the Woods County 5,000
- Expanded Service Area 1,000
- Visitors 2,000
  
- Total Service Area Population (approx.) 8,000

# Overview of Community Economic System



# The Potential...



Dollars

and Cents!



## Estimated Potential Personal Primary Care Expenditures for the Lake of the Woods County and Related Health Sectors

<b>Health Services Market Area Population 8600</b>	<b>2001 Minnesota Per Capita</b>	<b>Percent Primary Care</b>	<b>Primary Care Per Capita</b>	<b>Market Area Potential Expenditures</b>
Hospital Care	\$1,329	61%	\$ 811	\$ 6,974,600
Physician & Professional Services	1,428	75%	1,071	\$ 9,210,600
Home Health Care	94	100%	94	\$ 808,400
Nursing Home Care	439	100%	439	\$ 3,775,400
Dental Services	229	75%	172	\$ 1,212,428
Drugs & Other Non-Durables	449	75%	337	\$ 2,898,200
Medical Durables	74	-----	-----	-----
Other Personal Health Care	182	-----	-----	-----
<b>Total</b>	<b>\$4,225</b>	<b>69%</b>	<b>\$2,924</b>	<b>\$23,390,000</b>

# Movement to Managed Care May Cause a By-Pass of Local Health Care



# Lake of the Woods County Health Center Sector Employment

<b>Health Sectors</b>	<b>Employment</b>
Hospital (LakeWood Health Center)	166
Doctors & Dentists (1 clinic, 1 dentist)	17
Nursing & Protective Care (Part of Hospital)	16
Other Medical & Health Services	2
Pharmacy	10
<b>TOTALS</b>	<b>211</b>
Health Related as % of Total	12.4%

# Lake of the Woods County Health Sector Impact on Employment

<b>Health Sectors</b>	<b>Employment</b>	<b>IMPLAN Multiplier</b>	<b>Impact</b>
Hospital	166	1.59	264
Doctors & Dentists offices	17	1.55	26
Nursing & Protective Care (Part of Hospital)	16	1.33	21
Other Medical & Health Services	2	1.85	4
Pharmacy	10	1.11	11
<b>TOTALS</b>	<b>211</b>		<b>326</b>

# Lake of the Woods County Health Sector Impact on Income

<b>Health Sectors</b>	<b>Estimated Payroll (Millions)</b>	<b>IMPLAN Multiplier</b>	<b>Income Impact (Millions)</b>
Hospitals	\$ 3,900,564	1.29	\$5,031,727
Doctors & Dentists	\$ 1,074,000	1.16	\$1,245,840
Nursing & Protective Care (Part of Hospital)	\$ 612,000	1.17	\$ 716,040
Other Medical & Health Services	\$ 96,000	1.35	\$ 129,600
Pharmacies	\$ 127,000	1.19	\$ 151,130
<b>TOTALS</b>	<b>\$ 5,809,564</b>		<b>\$7,274,337</b>
Non-Pay Expenditures	\$ 5,344,798		\$6,692,390
Total Expenditures	\$11,154,362		\$13,966,727

# Summary

- 10 new jobs in health sector creates 5 non-health care jobs in Lake of the Woods County
- \$100 of income earned in the health sector leads to another \$27 earned in other sectors of the region's economy
- One dollar spent on health care leads to another \$.27 spent in other sectors
- The overall economic impact due to health care in Lake of the Woods County is estimated at \$13.9 million

# Benefits of Rural Health Works

- Increase awareness of the vital economic role health care plays in rural communities
- Increase local support for services
- Enhance recruitment of healthcare providers
- Develop health care workforce partnerships
- Utilize Rural Health Works study for grants and access to capital
- Generate economic development for County

# Next Steps

If you, the local decision makers, wish to promote your health sector, here is how we can help you:

## Community Health Planning

- A. Where is the community now?
- B. Where does the community want to go?
- C. How will the community get there?



# Community Health Planning

- Update on health care issues and current trends
- Review of Economic Impact study and county health information
- Determine vision for the local health care system
- Identify and prioritize critical issues, solutions, and opportunities for health care
- Develop action strategies to address critical issues and a timeline