Hospitals Enhance Quality of Life

Hospitals in Rhode Island have a tremendous impact on the economy and communities in our state – totaling more than $7.6 billion in 2015.

Rhode Islanders rely on us to provide high-quality, efficient healthcare; ensure safety during an emergency or disaster; educate people about good health and wellbeing; and provide comfort at the end of life. But residents also turn to hospitals for well-paying, steady employment; purchasing locally-sourced goods and services; and hiring local workers to improve technology and infrastructure.

2015 Hospital Economic Impact

$7,635,180,764

Well-Paying, Consistent Employment

Hospitals are a major economic engine in our state. Hospitals employ more than 20,000 full-time healthcare professionals and their indirect contributions to the economy create an additional 21,000 jobs.

Hospitals throughout Rhode Island are dedicated to the communities in which they serve. Not only do hospitals provide healthcare services, but they also provide well-paying steady jobs to individuals in and around Rhode Island. Hospitals are anchors for the job market in Rhode Island.

Hospitals paid $1.8 billion in wages in 2015. Hospital payroll expenditures serve as an important economic stimulus, creating and supporting jobs throughout the state’s economy. Dollars earned by hospital employees and spent on groceries, clothing, mortgage payments, rent, and other household needs generate approximately $3 billion in economic activity.

41,559 Jobs

Direct Employment (FTEs)

20,525

Indirect Employment

21,034
Spending Local

Hospitals spend about $2.1 billion per year on goods and services needed to provide healthcare. Examples include medical supplies, electricity for buildings, and food for patients. Funds spent to buy goods and services flow from the hospitals to vendors and businesses and then ripple throughout the economy. Hospital spending generates $1.9 billion for the local economy.

Hospitals

$2,123,455,535

Vendors & Businesses

$1,950,393,908

RI Economy

Economic Engine

Hospitals are a key ingredient to Rhode Island’s quality of life and to keeping our community healthy and vibrant. Our hospitals are a major contributor to the state’s economy and to keeping families healthy and secure by providing needed healthcare services.

“Our industry is vital to the state’s economy and health. Hospitals support one in ten jobs in Rhode Island. We’re an economic engine that is providing Rhode Islanders with well-paying jobs and supporting local business.”

M. Teresa Paiva Weed, president, Hospital Association of Rhode Island

The report was produced in collaboration with the American Hospital Association using data reported annually by hospitals to the Centers for Medicare & Medicaid Services. The analysis was conducted using BEA RIMS-II (1997/2006) multipliers, released in 2008, applied to 2015 American Hospital Association Annual Survey data. The sum of the direct and ripple effect may be less than or greater than the total contribution due to rounding.