

Economic & Community Benefits



**\$170,000,000,000**

Economic activity  
(10.0% of New York's GDP)



**838,000**

Jobs generated



**\$46,700,000,000**

Payroll  
expenditures




**\$25,200,000,000**

Tax dollars  
generated



**\$11,200,000,000**

Community benefits  
& investments  
(17% of total expenses)

 All data in this report are explained on the back page. >>

Quality Healthcare

**56,000,000**

Outpatients  
provided care

**8,700,000**

People treated in  
the emergency room

**2,400,000**

People admitted  
to hospitals

**226,000**

Babies delivered

New York State Partnership for Patients: 175 hospitals engaged | 10,607 harms avoided | \$122,500,000 saved

State & Federal Funding

**53%**

Reimbursement from Medicare & Medicaid

In New York, 70% of inpatient discharges and 63% of outpatient visits are covered by Medicare and Medicaid.

## Economic & Community Benefits

### Economic activity

The economic activity generated by hospitals through jobs and the purchasing of goods and services makes up 10.0% of the state's entire gross domestic product.

### Jobs generated

Hospitals and health systems are often the largest employers in communities, generate many more jobs and are top 10 private sector employers in every region of New York.

### Payroll expenditures

New York hospitals' #1 investment is in their people, including direct salary and benefits to their employees.

### Tax dollars generated

New York hospitals generate significant tax dollars and stimulate the economies of local communities and the whole state.

### Community benefits & investments

Adhering to their charitable mission, hospitals cover the cost of care provided to people in need; subsidize care and services to low-income, elderly and under-served communities; and continuously invest in many community health initiatives.

## Significant Financial Challenges

- 1.70% statewide average hospital operating margin
- Narrowest average operating margin in the country
- 6.7% national average hospital operating margin
- 45% of New York's hospitals have negative operating margins
- 67% of New York's hospitals are in fair or poor financial condition
- 13<sup>th</sup> worst commercial insurance reimbursement rate in the country
- For each dollar of care provided in New York:
  - Medicare pays 92 cents
  - Medicaid pays 70 cents

## State & Federal Funding

### Reimbursement from Medicare & Medicaid

A large share of hospital reimbursement comes from Medicare and Medicaid, which do not cover the cost of care. This underpayment is driven by large volumes of inpatient and outpatient services provided to individuals covered by these public insurance programs.