

The Economic and Fiscal Contribution of LifeBridge Health to the Maryland and Baltimore Regional Economy – Fiscal 2017

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Executive Summary

LifeBridge Health is not-for-profit, regional health care system serving the greater Baltimore region consisting of four hospitals, Sinai Hospital of Baltimore, Northwest Hospital, Carroll Hospital, Levindale Hebrew Geriatric Center and Hospital, as well as numerous subsidiaries and affiliated units, including LifeBridge Health & Fitness and the LifeBridge Medical Care Centers in Eldersburg, Mays Chapel and Reisterstown. LifeBridge Health's mission is to improve the health of the individuals and communities it serves through compassionate, high quality care. LifeBridge Health is one of the largest, most comprehensive and most highly respected providers of health-related services to the people of northwest Baltimore. LifeBridge Health advocates preventive services, wellness and fitness services, and educational programs to improve healthcare outcomes across the region. As one of the largest hospital systems in the Baltimore region, LifeBridge Health is both an important provider of health care services as well as a major source of economic activity and thus, contributes to both the public health and economic vitality of the region. With FY2017 revenues of \$1.5 billion and 10,350 employees including nearly 3,000 physicians, LifeBridge Health system is an important source of economic activity in the State, in the region and in the communities it serves. Most importantly, with 41,746 in-patient, 50 nursing home admissions, and 148,214 outpatient visits in FY2017, LifeBridge plays a vitally important role in the region's healthcare delivery system.

While LifeBridge Health's core mission is to provide top quality medical and health related services, it also provides many other benefits to the region's population and economy. LifeBridge Health retained the Jacob France Institute (JFI) of the University of Baltimore to update the core economic and fiscal impact components of 2016 *The Social and Economic Contribution of LifeBridge Health to the Maryland and Baltimore Regional Economy* report. This report presents an updated analysis of the economic and fiscal contributions of the LifeBridge Health system and each of its core component hospitals/operations to the overall Maryland economy as well as the local impacts of each of its five core operations on the City/Counties in which they are located. This report also provides an updated summary of the overall community benefits impacts of the health system.

LifeBridge Health generates widespread economic impacts in Maryland through its purchases of goods, services, and labor. In FY2017, the health system generated \$2.9 billion in economic activity in the Maryland economy, supported 19,423 jobs earning \$1.3 billion in labor income, and generated \$128.1 million in State and local government revenues (Table ES-1).

Table ES-1: Economic Impact of LifeBridge Health System on Maryland - Fiscal 2017

	Direct Impact Revenues (Mil. \$s)	Output (Mil. \$s)	Total Economic Activity Labor Income (Mil. \$s)	Employment (Jobs)	State/Local Tax Revenue (Mil. \$s)
Total LifeBridge Health System	<u>\$1,527.1</u>	<u>\$2,903.1</u>	<u>\$1,313.3</u>	<u>19,423</u>	<u>\$129.8</u>
Sinai Hospital	\$762.7	\$1,430.5	\$616.0	9,263	\$62.1
Northwest Hospital	\$254.3	\$482.5	\$214.4	3,188	\$21.4
Carroll Hospital ¹	\$247.4	\$463.1	\$198.4	3,144	\$20.0
Levindale	\$77.8	\$153.6	\$75.3	1,335	\$7.3
Life Bridge Health and Fitness	\$4.9	\$10.0	\$4.9	174	\$0.7
Life Bridge Health Partners	\$180.0	\$363.4	\$204.3	2,320	\$18.3

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source JFI and IMPLAN

The economic impacts associated with LifeBridge are growing with the health system. The economic impacts generated by LifeBridge Health have increased with the growth and expansion of the hospital system. The Maryland economic activity generated by LifeBridge Health increased from \$2.6 million in FY 2015 to \$2.9 million in FY 2017 and the number of Maryland jobs supported by the health system increased from 18,372 in FY 2015 to 19,423 in FY 2017.

Figure ES-1: Economic Activity FY2015 and 2017

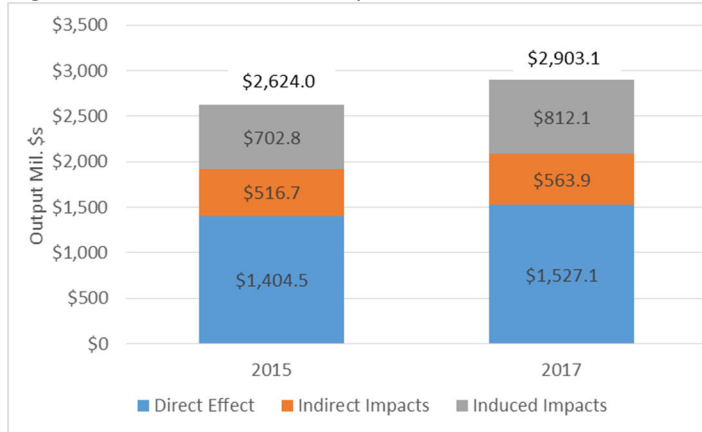
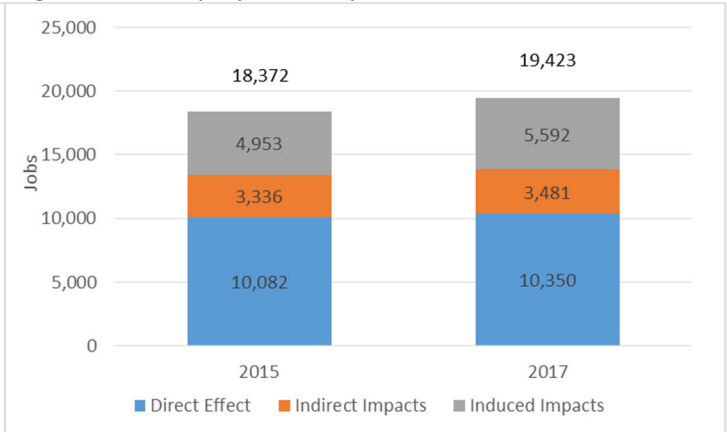


Figure ES-2: Employment Impact FY2015 and 2017



The JFI prepared individual analyses of the economic contribution of each of LifeBridge Health's four hospitals as well as for LifeBridge Health and Fitness to the City/County in which they operate. These analyses found that:

- Sinai Hospital directly generates \$762.7 million in revenues and employs 4,868 workers. When multiplier effects are included, Sinai Hospital generated almost \$1.2 billion in economic activity in the Baltimore City economy, supported 7,399 jobs earning \$533.9 million in labor income, and generated \$33.6 million in State and City government revenues;
- Northwest Hospital directly generates \$254.3 million in revenues and employs 1,684 workers. When multiplier effects are included, Northwest Hospital generated \$435.5 million in economic activity in the Baltimore County economy, supported 3,024 jobs earning \$197.5 million in labor income, and generated \$18.8 million in State and County government revenues;
- Carroll Hospital directly generates \$247.4 million in revenues and employs 1,724 workers. When multiplier effects are included, Carroll Hospital generated \$365.7 million in economic activity in the Carroll County economy, supported 2,728 jobs earning \$160.6 million in labor income, and generated \$15.9 million in State and County government revenues;
- Levindale Hospital directly generates \$77.8 million in revenues and employs 833 workers. When multiplier effects are included, Levindale Hospital generated \$122.1 million in economic activity in the Baltimore City economy, supported 1,116 jobs earning \$65.7 million in labor income, and generated \$3.9 million in State and City government revenues; and
- LifeBridge Health and Fitness directly generates \$4.9 million in revenues and employs 142 workers. When multiplier effects are included, LifeBridge Health and Fitness generated \$9.1 million in economic activity in the Baltimore County economy, supported 171 jobs earning \$4.6 million in labor income, and generated \$0.6 million in State and City/County government revenues.

In addition to the economic and fiscal impact analyses conducted at the State and City/County levels, the Jacob France Institute also prepared a high level update of its prior analysis of the social benefits accruing to the communities served by LifeBridge Health, with a focus on health care, community service, educational and economic development programs. Some of the key findings of this analysis are as follows:

- LifeBridge Health plays its greatest role in the communities served through its provision of top quality health care services. As a nationally ranked medical system, LifeBridge Health's core mission is to maintain and improve the health and well-being of all people in greater Baltimore through the delivery of high quality health and medical care. With 41,746 in-patient admissions, 238,349 patient days, 54,723 nursing home patient days and 148,214 outpatient visits, LifeBridge Health is a core component of the region's health care system. The quality of these services are evident in the fact that LifeBridge's largest hospital, Sinai Hospital, is ranked as the 10th best hospital in Maryland by U.S. News and World Report;
- LifeBridge Health reports \$89.3 million in community benefits, including \$36.8 million in Mission Driven Health Care Services; \$25.0 million in Health Professions Education and \$11.3 million in Charity Care; and
- All of LifeBridge Health's hospitals offer a variety of community health and community service programs that contribute to the health and wellbeing of the communities served.

Conclusion -- LifeBridge Health makes important contributions to the economic health and community wellbeing of the State of Maryland and the communities it serves.

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Introduction

LifeBridge Health's Operations

LifeBridge Health consists of Sinai Hospital of Baltimore, Northwest Hospital, Carroll Hospital and Levindale Hebrew Geriatric Center and Hospital – along with LifeBridge Health Partners, LifeBridge Health & Fitness and other subsidiaries and affiliates. As one of the largest, comprehensive and most highly respected providers of health-related services in the region, LifeBridge Health combines technology, skills and expertise with warmth and compassion. LifeBridge Health offers comprehensive treatment and preventive and wellness services – involving patients and their family members as partners in a journey to be well and stay well. Additionally, LifeBridge Health has a commitment to partnering with surrounding communities to provide education and resources.

With operations across the Baltimore Metropolitan Area, LifeBridge Health is one of the region's largest employers with Fiscal Year 2017 (FY2017) revenues of \$1.5 billion and approximately 3,000 affiliated physicians and 10,350 employees. While LifeBridge's mission is to maintain and improve the health and well-being of all people in greater Baltimore through the delivery of high quality health and medical care, it also provides numerous other societal benefits. Economically, LifeBridge Health is a major employer, providing jobs for 10,350 persons across a broad range of healthcare, research, and educational positions. LifeBridge Health has a broad and significant impact on the regional economy, generating widespread economic impact through its purchases of goods, services, and labor. Selected operational characteristics of LifeBridge Health are presented in Table 1, and include the following:

- In FY2017, LifeBridge Health had \$1.5 billion in revenues and employed 10,350 workers;
- In FY2017 LifeBridge Health had 41,746 in-patient and 50 nursing home admissions; and
- In FY2017 LifeBridge Health had 238,349 in-patient days, 54,723 nursing home patient days and 148,214 out-patient visits.

In order to quantify and describe the important economic and societal roles played by LifeBridge Health in Maryland and in the Baltimore region it serves, it retained the Jacob France Institute (JFI) to prepare this update of the economic and fiscal impacts analysis included in its prior 2016 economic and social impact analysis report. The JFI is the sponsored research program of the Merrick School of Business at the University of Baltimore and has considerable experience in evaluating the impact of health care, education, and research institutions in Maryland and across the nation.

In order to estimate the economic contribution of LifeBridge Health to the State of Maryland and the Baltimore City, Baltimore County and Carroll County communities in which it operates, the JFI used the IMPLAN input/output (I/O) models for the State of Maryland, for the two counties and for Baltimore City. I/O models measure the interrelationships among economic sectors to show the flow of commodities to industries between producers and consumers for any given region. The data also show consumption activities by workers, owners of capital, and imports from outside the region. These trade flows built into the model permit estimating the impacts of one sector or activity on other sectors and the economy as a whole.¹ For a more detailed description of the I/O methodology and terms used in this analysis, please reference the Methodology Section in Appendix A.

¹ This analysis does not assess the extent to which LifeBridge Health competes with or substitutes for other hospital and health care-related activity and thus, measures the relationship between LifeBridge Health and the larger Maryland and City/County economies analyzed. This analysis employs a similar methodology to that used in *The Economic Impact of the Academic Medical Infrastructure on New York State and the New York City Metropolitan Region* report produced by the Greater New York Hospital Association in 1999. Thus, this report estimates the economic activity occurring in the areas studied, not the true economic impacts of these activities. All data are expressed in 2017 dollars. Please note that throughout this report – totals may not sum due to rounding.

Table 1: LifeBridge Health - Operational Characteristics

	Sinai Hospital	Northwest Hospital	Carroll Hospital	Levindale	Life Bridge Health and Fitness	Life Bridge Health Partners	Other	Total LifeBridge System
<u>Revenues and Employment</u>								
Revenues (Mil. \$)	\$769.2	\$256.4	\$249.5	\$78.4	\$5.0	\$181.5	(\$12.9)	\$1,527.1
Expenses (Mil. \$)	\$727.9	\$240.5	\$223.2	\$73.7	\$4.7	\$198.8	\$4.0	\$1,472.8
Employment (Total)	4,868	1,684	1,724	833	142	1,099	0	10,350
Salaries, Wages and Benefits (Mil. \$)	\$375.5	\$132.3	\$120.7	\$48.2	\$2.7	\$132.9	\$3.2	\$809.1
<u>Selected Operational Information</u>								
Beds	505	254	168	330	--	--	--	1,257
In-Patient Admissions	19,850	10,625	9,937	1,334	--	--	--	41,746
Nursing Home Admissions	--	--	--	50	--	--	--	50
In-Patient Days	113,623	50,512	38,407	35,807	--	--	--	238,349
Nursing Home-Patient Days	--	--	--	54,723	--	--	--	54,723
Observation Cases	6,756	5,442	3,482	N/A	--	--	--	15,680
Out-Patient Visits (Clinic)	100,660	26,662	17,600	3,292	--	--	--	148,214

Source: LifeBridge Health

Economic and Fiscal Contribution of LifeBridge Health's Operations to the State of Maryland

LifeBridge Health had total estimated direct impacts (revenues) of \$1.5 billion in FY2017. As presented in Table 2, these revenues generated \$2.9 billion in economic activity in the Maryland economy, amounting to an output multiplier of 1.90, or \$1.90 in economic activity supported for each \$1 in revenue. LifeBridge's direct employment of 10,350 is supplemented with an additional 3,481 *Indirect Impact* jobs from the local purchases of goods and services to support LifeBridge's operations and 5,592 *Induced Impact* jobs attributable to the increase in local incomes from LifeBridge's operations for a total of 19,423 jobs directly or indirectly supported by LifeBridge Health. These 19,423 jobs account for 0.5 percent of the total Maryland employment. There is a total of \$1.3 billion in labor income associated with the jobs supported by LifeBridge's operations and estimated state and local government revenues of \$129.8 million.

Table 2: Economic Impact of LifeBridge Health System on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$1,527.1	\$819.3	10,350	\$45.0
Indirect Impacts	\$563.9	\$216.9	3,481	\$30.4
Induced Impacts	\$812.1	\$277.1	5,592	\$54.5
Total Impact	\$2,903.1	\$1,313.3	19,423	\$129.8
State Impact Multiplier	1.90	1.60	1.88	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

The economic impacts associated with LifeBridge Health have increased with the growth and expansion of the health system, with the total economic activity supported by the health system growing from \$2.6 billion in FY2015 to \$2.9 billion in FY2017; the number of jobs supported by the system growing from 18,372 jobs earning \$1.2 billion in FY2015 to 19,423 jobs earning \$1.3 billion in FY2017; and the fiscal impact growing from \$109 million in state and local government revenues in FY2015 to \$129.8 million in FY2017. (See Appendix C for a comparison of the results from the FY2015 and FY2017 studies).

In addition to its operational impacts, LifeBridge Health also contributes to Maryland's economic vitality through its capital expenditures to improve and expand its core operations. In FY2017, LifeBridge Health had total approved capital spending of \$100.3 million, which increased Maryland economic activity by \$161.1 million, supported 1,014 jobs earning \$60.1 million in labor income, and generated \$6.6 million in combined State and local government revenues.

Table 3: Economic Impact of LifeBridge Health Capital Spending on Maryland - Fiscal 2017

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$100.3	\$38.9	632	\$2.5
Indirect Impacts	\$23.78	\$8.55	127	\$1.6
Induced Impacts	\$36.98	\$12.62	255	\$2.5
Total Impact	\$161.1	\$60.1	1,014	\$6.6
State Impact Multiplier	1.61	1.54	1.60	

Source: JFI Calculations Using the IMPLAN Model for Maryland.

The Maryland economic activity associated with each of LifeBridge Health’s core operations are presented in Table 4 through Table 9 below. A summary of the results of the state level economic activity analysis associated with each institution is as follows:

- Sinai Hospital directly generates \$762.7 million in revenues and employs 4,868 workers. These direct impacts are augmented with \$286.7 million in economic activity and 1,772 jobs in the form of *Indirect Impacts* from local purchases and \$381.0 million and 2,623 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$1.4 billion in economic activity, supporting 9,263 jobs earning \$616.0 million in labor income, and generating \$61.2 million in State and local government revenues (Table 4);
- Northwest Hospital directly generates \$254.3 million in revenues and employs 1,684 workers. These direct impacts are augmented with \$95.6 million in economic activity and 591 jobs in the form of *Indirect Impacts* from local purchases and \$132.6 million and 913 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$482.5 million in economic activity, supporting 3,188 jobs earning \$214.4 million in labor income, and generating \$21.4 million in State and local government revenues (Table 5);
- Carroll Hospital directly generates \$247.4 million in revenues and employs 1,724 workers. These direct impacts are augmented with \$93.0 million in economic activity and 575 jobs in the form of *Indirect Impacts* from local purchases and \$122.7 million and 845 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$463.1 million in economic activity, supporting 3,144 jobs earning \$198.4 million in labor income, and generating \$20.0 million in State and local government revenues (Table 6);
- Levindale Hospital directly generates \$77.8 million in revenues and employs 833 workers. These direct impacts are augmented with \$29.2 million in economic activity and 181 jobs in the form of *Indirect Impacts* from local purchases and \$46.6 million and 321 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$153.6 million in economic activity, supporting 1,335 jobs earning \$75.3 million in labor income, and generating \$7.3 million in State and local government revenues (Table 7);
- LifeBridge Health and Fitness directly generates \$4.9 million in revenues and employs 142 workers. These direct impacts are augmented with \$2.1 million in economic activity and 11 jobs in the form of *Indirect Impacts* from local purchases and \$3.0 million and 21 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the fitness center for a total State of Maryland impact of \$10.0 million in economic activity, supporting 174 jobs earning \$4.9 million in labor income, and generating \$0.7 million in State and local government revenues (Table 8); and
- LifeBridge Health Partners directly generates \$180.0 million in revenues and employs 1,099 workers. These direct impacts are augmented with \$57.2 million in economic activity and 352 jobs in the form of *Indirect Impacts* from local purchases and \$126.2 million and 869 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the community health practices for a total State of Maryland impact of \$363.4 million in economic activity, supporting 2,320 jobs earning \$204.3 million in labor income, and generating \$18.3 million in State and local government revenues (Table 9).

Table 4: Economic Impact of Sinai Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$762.7	\$375.4	4,868	\$20.4
Indirect Impacts	\$286.7	\$110.6	1,772	\$15.4
Induced Impacts	\$381.0	\$130.0	2,623	\$25.4
Total Impact	\$1,430.5	\$616.0	9,263	\$61.2
State Impact Multiplier	1.88	1.64	1.90	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Table 5: Economic Impact of Northwest Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$254.3	\$132.2	1,684	\$7.3
Indirect Impacts	\$95.6	\$36.9	591	\$5.2
Induced Impacts	\$132.6	\$45.2	913	\$8.9
Total Impact	\$482.5	\$214.4	3,188	\$21.4
State Impact Multiplier	1.90	1.62	1.89	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Table 6: Economic Impact of Carroll Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$247.4	\$120.7	1,724	\$6.8
Indirect Impacts	\$93.0	\$35.9	575	\$5.0
Induced Impacts	\$122.7	\$41.9	845	\$8.2
Total Impact	\$463.1	\$198.4	3,144	\$20.0
State Impact Multiplier	1.87	1.64	1.82	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Table 7: Economic Impact of Levindale Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$77.8	\$48.1	833	\$2.5
Indirect Impacts	\$29.2	\$11.3	181	\$1.6
Induced Impacts	\$46.6	\$15.9	321	\$3.1
Total Impact	\$153.6	\$75.3	1,335	\$7.3
State Impact Multiplier	1.98	1.56	1.60	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Table 8: Economic Impact of LifeBridge Health and Fitness on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$4.9	\$3.2	142	\$0.4
Indirect Impacts	\$2.1	\$0.6	11	\$0.1
Induced Impacts	\$3.0	\$1.0	21	\$0.2
Total Impact	\$10.0	\$4.9	174	\$0.7
State Impact Multiplier	2.03	1.51	1.22	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Table 9: Economic Impact of LifeBridge Health Partners on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$180.0	\$139.6	1,099	\$6.9
Indirect Impacts	\$57.2	\$21.6	352	\$2.9
Induced Impacts	\$126.2	\$43.1	869	\$8.5
Total Impact	\$363.4	\$204.3	2,320	\$18.3
State Impact Multiplier	2.02	1.46	2.11	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Individual one page summary impact analyses are presented for each hospital in Appendix B.

Economic Contribution of LifeBridge Health's Operations to Baltimore City, Baltimore County, and Carroll County

While the state level economic activity associated with LifeBridge Health is impressive, it is also important to understand the impact of each of the health system's operating units on the City/County in which they are located. In order to estimate this, the Jacob France Institute also analyzed the economic contribution of each operating unit to the City or County in which they are located using the IMPLAN model for each jurisdiction.² It is important to note that these economic contribution analyses are for each of the four hospitals and the fitness center alone. Because of cross-border commuting and purchases, for example employees commuting from one jurisdiction to a LifeBridge Health location in another jurisdiction or member hospitals making purchases from suppliers located in other jurisdictions, the impact of the overall LifeBridge Health system on each City/County is likely to be higher. The economic contribution analyses presented below represents the impact of each operating unit on the jurisdiction in which each is located. A description of each of LifeBridge Health's four hospitals and of LifeBridge Health and Fitness and their economic contribution to each of the jurisdictions in which they are located are described below.

Sinai Hospital

Sinai Hospital was founded in 1866 as the Hebrew Hospital and Asylum. Sinai Hospital of Baltimore is a Jewish-sponsored health care organization providing care for all people. It is a nonprofit institution with a mission of providing quality patient care, teaching and research. Sinai is an agency of THE ASSOCIATED: Jewish Community Federation of Baltimore. Sinai Hospital of Baltimore provides a broad array of high quality, cost-effective health and health-related services to the people of greater Baltimore.

In terms of the hospital's impact on Baltimore City, Sinai Hospital directly generates \$762.7 million in revenues and employs 4,868 workers. These direct impacts are augmented with \$222.9 million in economic activity and 1,352 jobs in the form of *Indirect Impacts* from in-City purchases and \$176.5 million and 1,179 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total Baltimore City impact of \$1.2 billion in economic activity, supporting 7,399 jobs earning \$533.9 million in labor income, and generating \$33.6 million in State and Baltimore City government revenues, including an estimated \$13.8 million in Baltimore City government revenues.

Table 10: Economic Impact of Sinai Hospital on Baltimore City - Fiscal 2017

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$762.7	\$374.3	4,868	\$14.1
Indirect Impacts	\$222.9	\$94.6	1,352	\$9.9
Induced Impacts	\$176.5	\$65.0	1,179	\$9.6
Total Impact	\$1,162.1	\$533.9	7,399	\$33.6
State Impact Multiplier	1.52	1.43	1.52	

Source: JFI Calculations Using the IMPLAN Model for Maryland.

² Since LifeBridge Health Partners are distributed throughout the metropolitan area, no county/city level analyses was conducted for this operating unit of LifeBridge Health System.

Northwest Hospital

Northwest Hospital is a community hospital located in Randallstown that serves the health care needs of the northwest Baltimore area. The hospital functions differently from the traditional hospital in that it creates an environment conducive to direct patient care through smaller 20-bed units; private patient rooms; elimination of nursing stations; and the placement of supplies, medications and charts in close proximity to patients.

In terms of the hospital's impact on Baltimore County, Northwest Hospital directly generates \$254.3 million in revenues and employs 1,684 workers. These direct impacts are augmented with \$76.6 million in economic activity and 539 jobs in the form of *Indirect Impacts* from in-County purchases and \$104.6 million and 801 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total Baltimore County impact of \$435.5 million in economic activity, supporting 3,024 jobs earning \$197.5 million in labor income, and generating \$18.8 million in State and Baltimore County government revenues, including an estimated \$7.2 million in Baltimore County government revenues.

Table 11: Economic Impact of Northwest Hospital on Baltimore County - Fiscal 2015¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$254.3	\$132.4	1,684	\$7.2
Indirect Impacts	\$76.6	\$29.0	539	\$4.3
Induced Impacts	\$104.6	\$36.1	801	\$7.3
Total Impact	\$435.5	\$197.5	3,024	\$18.8
State Impact Multiplier	1.71	1.49	1.80	

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Carroll Hospital

Carroll Hospital is a nonprofit acute care facility in Westminster, Md., offering the latest in medical technology and a continuum of programs and services to meet the needs of Carroll County and the surrounding region. Carroll Hospital's mission is to offer an uncompromising commitment to the highest quality health care for people in all stages of life. Carroll Hospital is a 168 bed hospital with 13,419 inpatient admissions & outpatient observations, 23,933 outpatient center visits and 142,097 physician office visits.

In terms of the hospital's impact on Carroll County, Carroll Hospital directly generates \$247.4 million in revenues and employs 1,724 workers. These direct impacts are augmented with \$49.4 million in economic activity and 427 jobs in the form of *Indirect Impacts* from in-County purchases and \$69.0 million and 577 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total Carroll County impact of \$365.7 million in economic activity, supporting 2,728 jobs earning \$160.6 million in labor income, and generating \$15.9 million in State and Carroll County government revenues, with an estimated \$6.7 million in Carroll County government revenues.

Table 12: Economic Impact of Carroll Hospital on Carroll County - Fiscal 2017

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$247.4	\$120.7	1,724	\$6.8
Indirect Impacts	\$49.4	\$18.3	427	\$3.3
Induced Impacts	\$69.0	\$21.6	577	\$5.8
Total Impact	\$365.7	\$160.6	2,728	\$15.9
State Impact Multiplier	1.48	1.33	1.58	

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Levindale

Levindale Hebrew Geriatric Center and Hospital has been carrying out its vision for nearly 125 years to provide quality health care and forward looking programs for people who are elderly and disabled. Levindale is dedicated to providing superior health and quality of life programs along a consistent continuum of care for the elderly, frail and ill in a warm, caring environment. In a brand new facility that is comfortable, modern and state of the art, Levindale offers services that include skilled long-term, respite, dementia, respiratory and comfort/hospice care. Levindale accepts a leadership role in defining and developing elder care and is first registered Eden Alternative center in Maryland. This philosophy infuses companionship, empowerment and spontaneity into the daily lives of our residents and patients.

In terms of the hospital's impact on Baltimore City, Levindale Hospital directly generates \$77.8 million in revenues and employs 833 workers. These direct impacts are augmented with \$22.7 million in economic activity and 138 jobs in the form of *Indirect Impacts* from local purchases and \$21.6 million and 145 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total Baltimore City impact of \$122.1 million in economic activity, supporting 1,116 jobs earning \$65.7 million in labor income, and generating \$3.9 million in State and Baltimore City government revenues, including an estimated \$1.7 million in City government revenues.

Table 13: Economic Impact of Levindale Hospital on Baltimore City - Fiscal 2017

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$77.8	\$48.0	833	\$1.7
Indirect Impacts	\$22.7	\$9.6	138	\$1.0
Induced Impacts	\$21.6	\$8.0	145	\$1.2
Total Impact	\$122.1	\$65.7	1,116	\$3.9
State Impact Multiplier	1.57	1.37	1.34	

Source: JFI Calculations Using the IMPLAN Model for Maryland.

LifeBridge Health and Fitness

LifeBridge Health and Fitness (LBHF) is a health and fitness center located in Pikesville, Maryland. It is an award-winning fitness center in Baltimore with a 70,000-square-foot facility offering state-of-the-art equipment, trained fitness professionals, and unique amenities, classes and services guide members and guests — of all fitness levels — in their journey to a healthy way of life. And as a part of the LifeBridge Health system, it offers members access to physicians and other regional health care providers. In addition to being named a Top 100 Club in the U.S. by Club Industry Magazine, it has also been named Baltimore’s Best Place for Yoga and Pilates and ranked in the top 1 percent of all health clubs in America.

In terms of the Fitness Center’s impact on Baltimore County, LifeBridge Health and Fitness directly generates \$4.9 million in revenues and employs 142 workers. These direct impacts are augmented with \$1.7 million in economic activity and 10 jobs in the form of *Indirect Impacts* from local purchases and \$2.4 million and 19 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the fitness center for a total Baltimore County impact of \$9.1 million in economic activity, supporting 171 jobs earning \$4.6 million in labor income, and generating \$0.6 million in State and Baltimore County government revenues, including about \$243,000 in County government revenues.

Table 14: Economic Impact of LifeBridge Health and Fitness on Baltimore County - Fiscal 2017

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$4.9	\$3.3	142	\$0.4
Indirect Impacts	\$1.7	\$0.5	10	\$0.1
Induced Impacts	\$2.4	\$0.8	19	\$0.2
Total Impact	\$9.1	\$4.6	171	\$0.6
State Impact Multiplier	1.84	1.39	1.20	

Source: JFI Calculations Using the IMPLAN Model for Baltimore County.

Social and Community Impacts of LifeBridge Health System

While it is evident from the analysis above that LifeBridge makes important economic contributions to the communities it serves, the Health System has its most important impact on the communities it serves through its provision of high quality health care services to the region's residents as well as through its community service, research and educational missions. In FY2017, LifeBridge Health had its most important impact on Maryland and the communities it served as a provider of high quality health care services. LifeBridge Health is a \$1.5 billion health care system whose four hospitals have a total of 1,257 beds. In FY2017, LifeBridge Health:

- Admitted 41,746 in-patients, and 50 nursing home admissions;
- Provided 238,349 patient days, and 54,723 nursing home patient days; and
- Provided 148,214 outpatient visits.

Community Benefits, Charitable and Uncompensated Care

In addition to their vital role in providing health care services to a region's population, hospitals pay a critical role in improving the health and wellbeing of the communities served through their community service programs and by providing charitable and uncompensated care to citizens in need.

In addition to providing high quality care 24/7, hospitals and health systems provide enormous value to their local communities. Charity care, which is care provided for free or at reduced prices to low income patients, is only one part of how a hospital benefits its community. It does not account for the total community benefit provided, including the many programs and services that hospitals tailor to meet the specific needs of their particular community. These include programs that go well beyond the mission of hospitals to treat life-threatening injuries and diseases, and include programs that promote health and wellness to help prevent chronic conditions, tackle social detriments of health and disparities in care, address identified community health needs along with strengthening community partnerships that promote well-being. According to an American Hospital Association study released October 2017, hospitals deliver \$11 in benefits back to their communities in the form of health care services for every dollar invested in non-profit hospitals and health systems through the federal tax exemption. No other health care sector can claim anything close in terms of providing such value for the public benefit it receives.³ Furthermore, according to the American Hospital Association's 2018 340BHOSPITAL COMMUNITY BENEFIT ANALYSIS report, "In 2015 alone, the most recent year for which data is available, those tax-exempt hospitals participating in the 340B drug savings program provided \$51.7B in total benefits to their communities." These community benefit activities, include financial support for the poor as well as a wide range of programs and services designed to meet the current and future health needs of all of those they serve. Examples include tailored programs to address identified community health needs, such as access to prescription drugs for low-income populations, free vaccinations, chronic disease management programs, transportation services for follow-up appointments, and mental health services. Programs like these and many more strengthen the bond between America's hospitals and the communities they serve, and support hospitals' efforts to advance health in America.⁴

³ <https://www.aha.org/oct-2017-ey-report-community-benefits-exceed>.

⁴ <https://www.aha.org/system/files/2018-03/340b-community-benefit-analysis.pdf>.

As presented in Table 15, based on its community benefits reporting system, LifeBridge Health System provided \$89.3 million in support of community benefits to its Baltimore Metropolitan service area. LifeBridge has its major community impact through the \$36.8 million in expenditures it makes on **Mission Driven Health Care Services** or services provided to the community that were never expected to result in cash inflows but: 1) which the hospital undertakes as a direct result of its community or mission driven initiatives; or 2) would otherwise not be provided in the community if the hospital did not perform these services. The second major area of LifeBridge community benefits is the \$24.9 million it spends on **Health Professions Education**, which includes expenditures on physician/medical resident training, nursing students training, and other health care training related expenditures. Other key community benefits related activities include:

- LifeBridge Health spent \$11.4 million **Charity Care** or free or discounted health and health-related services provided to persons who cannot afford to pay;
- \$7.8 million in **Community Health Services** which include activities carried out to improve community health;
- \$4.5 million in **Medicaid Assessments**- since FY 2017, Maryland hospitals are required to provide a Deficit Assessment Fee to the Maryland Medicaid Program;
- \$0.5 million in expenditures on **Research** include clinical and community health research, as well as studies on health care delivery;
- \$1.3 million in expenditures on **Community Building Activities** which include cash, in-kind donations, and budgeted expenditures for the development of community health programs and partnerships;
- \$0.9 million in expenditures on **Community Benefit Operations** include costs associated with dedicated staff, community health needs and/or assets assessment, and other costs associated with community benefit strategy and operations; and
- \$1.2 million on **Financial Contributions** in the form of grants or other support for not-for-profit community organizations, projects, and initiatives.

Table 15: LifeBridge Reported Community Benefits

Community Benefit Area	Levindale	Northwest	Sinai	Carroll	Total
Total	\$3,539,218	\$14,287,633	\$55,851,186	\$15,634,748	\$89,312,785
Community Health Services	\$168,931	\$1,425,378	\$3,220,416	\$2,957,698	\$7,772,423
Health Professions Education	\$422,689	\$1,016,934	\$22,988,546	\$543,993	\$24,972,163
Mission Driven Health Care Services	\$1,297,727	\$7,707,658	\$18,526,993	\$9,272,074	\$36,804,452
Research	\$0	\$17,026	\$335,311	\$163,759	\$516,097
Financial Contributions	\$0	\$208,918	\$716,404	\$235,168	\$1,160,490
Community Building Activities	\$86,794	\$147,328	\$504,210	\$578,904	\$1,317,236
Community Benefit Operations	\$28,910	\$156,066	\$531,509	\$191,880	\$908,364
Charity Care	\$1,341,932	\$2,734,207	\$6,526,756	\$790,716	\$11,393,611
Foundation Funded Community Benefit	\$0	\$0	\$0	\$0	\$0
Medicaid Assessments	\$192,235	\$874,118	\$2,501,040	\$900,556	\$4,467,949

Source: LifeBridge Community Benefits Reporting System

There is a strong need for the community services and charitable/uncompensated care provided by LifeBridge Health and its four component hospitals, especially in Baltimore City.

- Levindale and Sinai Hospitals are located in Baltimore City, Maryland which has a higher poverty rate than the nation as a whole, 21.9 percent, compared to 14 percent

nationally. Nine percent of Baltimore City residents are uninsured, lower than the 11.7 percent rate nationally; however, about six percent of Baltimore City's residents receive their health insurance through Medicare alone and 24.6 percent through Medicaid alone, higher than five percent and 15.6 percent respectively nationally;

- Northwest Hospital serves Baltimore County, which has a lower poverty rate and share of uninsured population than the nation and State, but 7.4 percent of County residents are uninsured, 4.9 percent rely on Medicare-alone and 11.4 percent rely on Medicaid alone, demonstrating a continuing need for community services and charitable/uncompensated care; and
- Carroll Hospital is the only hospital serving Carroll County, which has an even lower poverty rate and share of uninsured population than the nation, state and region, but still must provide care for the 4.4 percent of County population lacking health insurance, 3.1 percent relying on Medicare-alone and 7.5 percent relying on Medicaid alone.

Table 16: Poverty and Health Insurance Status – LifeBridge Health Service Area

	Percentage Below Poverty	Percentage Uninsured	Percentage Medicare-Only ¹	Percentage Medicaid Other Means Tested- Only ¹
United States	14%	11.7%	5.0%	15.6%
Maryland	9.7%	8.1%	3.7%	13.5%
Baltimore Metro Area	10.4%	6.7%	4.1%	13.2%
Baltimore County	9.0%	7.4%	4.9%	11.4%
Carroll County	4.5%	4.4%	3.1%	7.5%
Baltimore City	21.9%	9.0%	5.7%	24.6%

(1) Persons with a single source of insurance receiving Medicare or Medicaid only as a percentage of the total population.

Source: U.S. Bureau of the Census - American Community Survey

In Conclusion

LifeBridge Health makes important contributions to the economic and overall wellbeing of the State of Maryland and the Baltimore Region. Consisting of four hospitals and a host of affiliated institutions, including Sinai, Carroll Levindale, and Northwest Hospitals, and LifeBridge Health and Fitness, LifeBridge Health, makes its most important contribution by providing top quality health care services that improve the health and quality of life for residents of Baltimore City, Baltimore County and Carroll County. In fulfilling its health care mission, LifeBridge Health also makes important contributions to the economic and social vitality of the State, region, and communities it serves.

LifeBridge Health is a Critical Economic Driver - As a \$1.5 billion health care system employing 10,350 workers, LifeBridge Health is an important source of economic activity:

- *LifeBridge Health generates widespread economic impacts through its purchases of goods, services, and labor and generated \$2.9 billion in economic activity in the Maryland economy, supported 19,423 jobs earning \$1.3 billion in labor income, and generated \$129.8 million in State and local government revenues;*
- *Sinai Hospital supports \$1.2 billion in economic activity and 7,399 jobs in Baltimore City;*
- *Northwest Hospital supports \$435.5 million in economic activity and 3,024 jobs in Baltimore County;*
- *Carroll Hospital supports \$365.7 million in economic activity and 2,728 jobs in Carroll County;*
- *Levindale Hospital supports \$122.1 million in economic activity and 1,116 jobs in Baltimore City; and*
- *LifeBridge Health and Fitness supports \$9.1 million in economic activity and 171 jobs in Baltimore County.*

LifeBridge Health Provides Substantial Community Benefits – In addition to serving as a generator of economic activity, LifeBridge Health also improves the overall health and wellbeing of the communities it serves through the community service, educational and economic development programs it offers. The community benefits supported by LifeBridge Health include the following:

- *Provides \$89.3 million in community benefits, including \$36.8 million Mission Driven Health Care Services, \$25.0 million in Health Professions Education, and \$11.4 million in Charity Care;*
- *Supports economic development through its research, clinical trials and incubator program; and*
- *Educates health care professionals through Graduate Medical Education, nursing and related health care professions training programs.*

By the objective measures presented in this report, LifeBridge Health supports the overall health, economic and community wellbeing of the communities it serves and supports both Maryland and the Baltimore Region's nationally recognized excellence in the health care and life sciences sector.

Appendix A- Economic Activity Analysis Methodology and Terms

LifeBridge Health retained the Jacob France Institute to update its 2016 analysis of the economic contribution of the overall health system on the State of Maryland and on the three jurisdictions – Baltimore City, Baltimore County, and Carroll County -- in which its principal facilities are located. This economic contribution analysis used the IMPLAN input-output model for the State of Maryland and the three jurisdictions analyzed. IMPLAN is one of the most widely used models in the nation, and can be used to analyze the impacts of companies, projects, or of entire industries. An input-output analysis examines the relationships among businesses and among businesses and final consumers. Input-output analysis is based on the use of multipliers, which describe the response of an economy to a change in demand or production. Multipliers measure the effects on an economy from a source of economic activity, in this case the provision of health care, nursing home, physician's services and fitness services.

The economic activity generated in a city, county, region or state is greater than the simple total of spending associated with the event or activity being studied. This is because as this money is earned it is, in turn, spent, earned and re-spent by other businesses and workers in the state/regional economy through successive cycles of spending, earning and spending. However, the spending in each successive cycle is less than in the preceding cycle because a certain portion of spending "leaks" out of the economy in each round of spending. Leakages occur through purchases of goods or services from outside of the region and federal taxation. The IMPLAN multipliers used in this analysis capture the effects of these multiple rounds of spending. This analysis focuses on four measures of economic impact:

- **Output.** The total value of production or sales in all industries;
- **Employment.** The total number of full and part time jobs in all industries;
- **Labor Income.** The wages and salaries, including benefits, and other labor income earned by the workers holding the jobs created; and
- **State and Local Government Revenues.** The revenues accruing to the State of Maryland, county, City and municipal governments.

Four measures of the economic activity and impact of the jobs supported LifeBridge Health and its component units are included in this report:

- **Direct effects.** The change in economic activity being analyzed—in this case the provision of health care and fitness services;
- **Indirect effects.** The changes in inter-industry purchases, for example the purchase of medical supplies by a hospital, in response to the change in demand from the directly affected industries;
- **Induced effects.** The changes in spending from households as income and population increase due to changes in production; and
- **Total effects.** The combined total of direct, indirect and induced effects.

Appendix B- Hospital Economic Activity Summaries

Sinai Hospital

Sinai Hospital of Baltimore features renowned centers of excellence – some with national and international acclaim. As the largest community hospital and the third largest teaching hospital in Maryland; Sinai Hospital’s mission is to provide quality patient care, educate medical students and residents, and engage in research to improve the lives of people all over the world.

With 505 beds, revenues FY2017 revenues of \$762.7 million and 19,850 admissions, Sinai Hospital is the largest of LifeBridge Health’s four hospitals.



Maryland Economic Impact Summary: Sinai Hospital directly generates \$762.7 million in revenues and employs 4,868 workers. These direct impacts are augmented with \$286.7 million in economic activity and 1,772 jobs in the form of *Indirect Impacts* from local purchases and \$381.0 million and 2,623 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$1.4 billion in economic activity, supporting 9,263 jobs earning \$616.0 million in labor income, and generating \$62.1 million in State and local government revenues.

Appendix Table B-1: Economic Impact of Sinai Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$762.7	\$375.4	4,868	\$21.0
Indirect Impacts	\$286.7	\$110.6	1,772	\$15.5
Induced Impacts	\$381.0	\$130.0	2,623	\$25.5
Total Impact	\$1,430.5	\$616.0	9,263	\$62.1
State Impact Multiplier	1.88	1.64	1.90	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model

Selected Social and Community Impacts: Sinai Hospital spent \$55.9 million to provide community benefits to its Baltimore Metropolitan Area service area. As a teaching hospital, Sinai’s largest social and community impact is from the \$23.0 million it spends on Health Professions Education, which includes expenditures on physician/medical resident training, nursing students training, and other health care training related expenditures. The hospital’s second major area of social and community impact is through its \$18.5 million in expenditures on Mission Driven Health Care Services or free or reduced price services provided to the community as a direct result of its community service mission and the Hospital provided \$6.5 million in Charity Care.

Northwest Hospital

Northwest Hospital, located in Randallstown, Maryland, carries out its vision to be the recognized leader in clinical quality and customer care in the northwest Baltimore metropolitan region. Northwest Hospital's strong philosophy of patient-centered care is evident from its friendly employee culture to its facility design. The hospital leads in surgical innovation, has outpatient services that are highly acclaimed by patients and is home to a competent emergency department that expertly handles heavy volumes.



With 254 beds, FY2017 revenues of \$256.4 million and 10,625 admissions, Northwest Hospital is the second largest of LifeBridge Health's four hospitals.

Maryland Economic Impact Summary: Northwest Hospital directly generates \$254.3 million in revenues and employs 1,684 workers. These direct impacts are augmented with \$95.6 million in economic activity and 591 jobs in the form of *Indirect Impacts* from local purchases and \$132.6 million and 913 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$482.5 million in economic activity, supporting 3,188 jobs earning \$214.4 million in labor income, and generating \$21.4 million in State and local government revenues.

Appendix Table B-2: Economic Impact of Northwest Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$254.3	\$132.2	1,684	\$7.3
Indirect Impacts	\$95.6	\$36.9	591	\$5.2
Induced Impacts	\$132.6	\$45.2	913	\$8.9
Total Impact	\$482.5	\$214.4	3,188	\$21.4
State Impact Multiplier	1.90	1.62	1.89	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Selected Social and Community Impacts: Northwest Hospital spent \$14.3 million to provide community benefits to its Baltimore Metropolitan Area service area. Its main area of social and community benefits is \$7.7 million in expenditures on Mission Driven Health Care Services or free or reduced price services provided to the community as a direct result of its community service mission and the Hospital provided \$2.7 million in Charity Care.

Carroll Hospital

Carroll Hospital is a nonprofit, acute care facility offering the latest in medical technology, experienced medical professionals in a variety of specialties, and a continuum of programs and services to meet the needs of the community. Over the past five decades, Carroll Hospital has evolved significantly from a community hospital to become a true medical center on par with larger urban hospitals. However, the hospital is still a tight-knit community where doctors, nurses and staff members treat their friends, neighbors and families.



With 168 beds, FY2017 revenues of \$249.5 million and 9,937 admissions, Carroll Hospital is the third largest of LifeBridge Health's four hospitals.

Maryland Economic Impact Summary: Carroll Hospital directly generates \$247.4 million in revenues and employs 1,724 workers. These direct impacts are augmented with \$93.0 million in economic activity and 575 jobs in the form of Indirect Impacts from local purchases and \$122.7 million and 845 jobs in the form of Induced Impacts from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$463.1 million in economic activity, supporting 3,144 jobs earning \$198.4 million in labor income, and generating \$20.0 million in State and local government revenues.

Table B-3: Economic Impact of Carroll Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$247.4	\$120.7	1,724	\$6.8
Indirect Impacts	\$93.0	\$35.9	575	\$5.0
Induced Impacts	\$122.7	\$41.9	845	\$8.2
Total Impact	\$463.1	\$198.4	3,144	\$20.0
State Impact Multiplier	1.87	1.64	1.82	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Selected Social and Community Impacts: As the County's only hospital, Carroll Hospital has a unique community service mission. The Hospital spent \$15.6 million to provide community benefits to its Carroll County/Baltimore Metropolitan Area service area. Its main area of social and community benefits are: \$9.3 million in expenditures on Mission Driven Health Care Services or free or reduced price services provided to the community as a direct result of its community service mission; \$3.0 million Community Health Services; and the Hospital provided almost \$0.8 million in Charity Care.

Levindale Hebrew Geriatric Center and Hospital

Levindale Hebrew Geriatric Center and Hospital has been carrying out its vision for nearly 125 years to provide quality health care and forward-looking programs for people who are elderly and disabled. It was the first facility in Maryland to implement the Eden Alternative program for elder care. This philosophy adds friendship, freedom and fun to the lives of residents and patients.



As a 330 bed combined nursing home and specialty hospital and with FY2017 revenues of \$78.4 million Levindale Hebrew Geriatric Center and Hospital is the smallest of LifeBridge Health's four hospitals.

Maryland Economic Impact Summary: Levindale Hospital directly generates \$77.8 million in revenues and employs 833 workers. These direct impacts are augmented with \$29.2 million in economic activity and 181 jobs in the form of *Indirect Impacts* from local purchases and \$46.6 million and 321 jobs in the form of *Induced Impacts* from the increase in household incomes associated with the hospital for a total State of Maryland impact of \$153.6 million in economic activity, supporting 1,335 jobs earning \$75.3 million in labor income, and generating \$7.3 million in State and local government revenues.

Table B-4: Economic Impact of Levindale Hospital on Maryland - Fiscal 2017¹

	Output (Mil. \$s)	Labor Income (Mil. \$s)	Employment	State/Local Tax Revenue (Mil. \$s)
Direct Effect	\$77.8	\$48.1	833	\$2.5
Indirect Impacts	\$29.2	\$11.3	181	\$1.6
Induced Impacts	\$46.6	\$15.9	321	\$3.1
Total Impact	\$153.6	\$75.3	1,335	\$7.3
State Impact Multiplier	1.98	1.56	1.60	

(1) LifeBridge System revenues and wages not associated with a specific hospital or organization were allocated to each hospital/organization based on their share of revenues.

Source: JFI Calculations Using the IMPLAN Model for Maryland.

Selected Social and Community Impacts: Levindale Hospital spent \$3.5 million to provide community benefits to its Baltimore Metropolitan Area service area. Its main area of social and community benefits expenditures is \$1.3 million in expenditures on Mission Driven Health Care Services or free or reduced price services provided to the community as a direct result of its community service mission and the Hospital provided \$1.3 million in Charity Care.

Appendix C – Comparison of Fiscal 2015 and Fiscal 2017 Study Results

As presented in Table C-1 – the economic impacts associated with LifeBridge Health have expanded with the growth of the healthcare system, with the following growth in impacts:

- Total LifeBridge Health’s revenues increased by 9 percent from \$1.4 billion in FY2015 to \$1.5 billion in FY2017, with total impacts increasing by 11 percent, from \$2.6 to \$2.9 billion;
- Life Bridge Health’s direct employment grew by 3 percent and direct labor income grew by 9 percent, growing from 10,082 jobs earning \$750.5 million in labor income in FY2015 to 10,350 jobs earning \$819.3 million in FY2017; with total Maryland employment and earnings impacts growing from 18,372 jobs earning \$1.2 billion in FY2015 to 19,423 jobs earning \$1.3 billion in FY2017; and
- The total Maryland state and local government revenues associated with LifeBridge Health grew from \$109.0 million in FY2015 to \$129.8 million in FY2017.

Table C-1: LifeBridge Economic Total Impacts FY2015 and FY2017

	2015	2017	Change	% Change
<u>Output (Mil. \$s)</u>				
Direct Effect	\$1,404.5	\$1,527.1	\$122.5	9%
Indirect Impacts	\$516.7	\$563.9	\$47.2	9%
Induced Impacts	\$702.8	\$812.1	\$109.4	16%
Total Impact	\$2,624.0	\$2,903.1	\$279.1	11%
<u>Labor Income (Mil. \$s)</u>				
Direct Effect	\$750.5	\$819.3	\$68.8	9%
Indirect Impacts	\$202.6	\$216.9	\$14.3	7%
Induced Impacts	\$240.2	\$277.1	\$36.9	15%
Total Impact	\$1,193.3	\$1,313.3	\$120.0	10%
<u>Employment</u>				
Direct Effect	10,082	10,350	\$268.0	3%
Indirect Impacts	3,336	3,481	\$144.7	4%
Induced Impacts	4,953	5,592	\$638.2	13%
Total Impact	18,372	19,423	\$1,050.8	6%
<u>State/Local Tax Revenue (Mil. \$s)</u>				
	\$109.0	\$129.8	\$20.8	19%

Source: JFI Calculations Using the IMPLAN Model for Maryland.