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The Partnership for Michigan's Health

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Study: Health Care is Michigan's Largest Private Sector Employer

21,287 Jobs, \$812.4 Million in Wages in Michigan's Upper Peninsula

LANSING, Mich. — Health care is Michigan's largest private sector employer, providing about 478,330 direct jobs and 258,390 indirect jobs that pump \$31.6 billion a year in wages and salaries into the economy, concludes a study released today by the Partnership for Michigan's Health.

Michigan health care workers and their employers also pay about \$8.6 billion annually in taxes, shows the study, titled the "Economic Impact of Health Care in Michigan."

The study, now in its third edition, quantifies the substantial economic impact of health care in the state. The study is an analysis of data compiled by the Minnesota IMPLAN[®] Group, Inc., and includes data and information from the U.S. Bureau of Economic Analysis, the U.S.

Bureau of Labor and the U.S. Census Bureau. Key findings include:

- With 478,337 direct jobs, health care is Michigan's largest single private sector employer. As a sector, total direct health care employment exceeds Michigan's agricultural, tourism and automotive manufacturing sectors. Michigan's direct health care workers earn about \$22.6 billion a year in wages, salaries and benefits.
- 258,390 Michigan citizens work in jobs that are indirectly related to health care or induced by the health care sector. Michigan's indirect and induced health care workers earn about \$9 billion a year in wages, salaries and benefits.
- Direct, indirect and induced health care jobs total 736,727 in Michigan. Wages, salaries and benefits for direct, indirect and induced health care jobs total \$31.6 billion annually.
- **21,287 Upper Peninsula citizens work in direct, indirect and induced health care jobs. Wages, salaries and benefits for these jobs total \$812.4 million.**
- 57 Michigan counties have more than 1,000 direct health care jobs.
- 20 Michigan counties have more than 5,000 direct health care jobs.
- 14 Michigan counties have more than 10,000 direct health care jobs.

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New in this year's study is a section that can help Michigan residents find health care jobs. Aimed primarily at high school and college students, the section describes many health care jobs available in Michigan and lists the colleges, universities, hospitals and other organizations where education and training for health care jobs is available in the state.

"The health care sector is emerging as Michigan's most important employer," said Spencer Johnson, president of the Michigan Health & Hospital Association (MHA). "Health care jobs are good jobs that pay relatively high wages and require people with higher skill sets. Recent studies show the need for tens of thousands of technical and professional health care workers in Michigan in the near future."

Michigan Osteopathic Association (MOA) President John Bodell, DO, noted that "health care jobs tend to be stable and safe, and there is a continued demand for health care workers in the state."

"In general, Michigan health care jobs are not exported to neighboring states or off-shore," Bodell said. "In fact, while other industries are paring down their workforce, we're adding thousands of health care jobs every year in Michigan."

Michigan State Medical Society (MSMS) President Paul O. Farr, MD, said that health care jobs keep all Michigan citizens healthy and generate billions of dollars in taxes that fund critical quality of life services.

"Health care jobs provide a significant source of tax revenues that fund Michigan schools, police and fire protection, and other local government programs and services for all Michigan citizens." Farr said. "The state, in turn, needs to use its tax revenues to adequately fund Medicaid and physician training programs to help ensure access to health care."

IMPLAN[®] was founded in 1993 by two former University of Minnesota researchers and is an outgrowth of their work at the university starting in 1984. IMPLAN[®] is an economic impact assessment modeling system. IMPLAN[®] allows users to build economic models to estimate the impacts of economic activities and changes in their states, counties and local communities. IMPLAN[®] data files are compiled from many sources, but mostly from federal government sources. Currently, there are more than 1,500 active users of IMPLAN[®] databases and software in the United States and internationally.

IMPLAN[®] provided Michigan health care employment data to the Partnership for Michigan's Health, an organization made up of the MHA, MSMS and MOA. The Partnership is working to improve Michigan's health status, to reform the state's Medicaid system, and to keep health care accessible and affordable for all citizens.

Editor's Note: For a complete copy of the study, please visit www.economicimpact.org

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Health Care Employment by Michigan Counties & Regions

Here are the top 10 Michigan counties in terms of total direct health care jobs:

County	Direct Health Care Jobs	Wages, Salaries & Benefits
1. Wayne County	91,335	\$4.5 billion
2. Oakland County	82,858	\$4.0 billion
3. Kent County	35,375	\$1.7 billion
4. Washtenaw County	29,601	\$1.7 billion
5. Macomb County	27,761	\$1.4 billion
6. Genesee County	22,652	\$1.1 billion
7. Kalamazoo County	16,000	\$790 million
8. Ingham County	15,871	\$828 million
9. Saginaw County	14,749	\$650 million
10. Muskegon County	8,378	\$387 million

Health care is a major employer in all Michigan geographic regions. Upper Peninsula totals are in **bold below** and include the counties of Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, and Schoolcraft.

Region	Direct Jobs	Indirect & Induced Jobs	Regional Total Jobs	Wages & Salaries Direct	Wages & Salaries Total
E. Central Michigan	38,500	17,642	56,142	\$1.58 billion	\$2.05 billion
Southwest Michigan	40,237	19,919	60,156	\$1.87 billion	\$2.45 billion
N. Central Michigan	20,776	10,188	30,964	\$961 million	\$1.24 billion
Mid-Michigan	45,551	23,176	68,727	\$2.12 billion	\$2.88 billion
Upper Peninsula	15,189	6,098	21,287	\$668.8 million	\$812.4 million
Southeast Michigan	245,379	120,408	365,787	\$12.1 billion	\$16.8 billion
W. Central Michigan	72,708	37,780	110,488	\$3.20 billion	\$4.34 billion

Once income has flowed out of a region, it cannot generate any additional multiplier effects in the original region. Adding the numbers in the table above will result in different statewide totals due to the change in boundaries used in the economic model.

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Taxes Paid by Michigan Health Care Workers & Employers

Michigan health care employers, and the Michigan residents who hold the 736,727 direct, indirect and induced health care jobs, pay about \$8.6 billion annually in taxes. Taxes paid include Social Security, income, motor vehicle, sales, real property, personal property, federal and state corporate, and more.

In 56 Michigan counties, health care workers and their employers pay more than \$10 million in taxes. In 16 Michigan counties, health care workers and their employers pay more than \$100 million in taxes. The top 10 Michigan counties in terms of taxes from Michigan health care jobs and employers are:

County	Taxes from Health Care Employees/Employers
1. Wayne County	\$1.55 billion
2. Oakland County	\$1.4 billion
3. Kent County	\$565 million
4. Washtenaw County	\$534 million
5. Macomb	\$445 million
6. Genesee County	\$366 million
7. Kalamazoo County	\$264 million
8. Ingham County	\$242 million
9. Saginaw County	\$205 million
10. Muskegon County	\$131 million

Source: Minnesota IMPLAN® Group, Inc.

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