



Ohio Council of Medical Deans

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Academic Medicine Means Business for Ohio: \$37.2 billion economic impact for the state

COLUMBUS, OH – Ohio's academic health care industry contributed \$37.2 billion to the state's economy in 2007, an increase of approximately \$16.5 billion since 2002, and served as a major job generator, employing one in 12 Ohioans, according to a recent study commissioned by the Ohio Council of Medical Deans.

Quantifying academic medicine's economic impact in areas ranging from tax revenue to job creation, the report underscores the significant role Ohio's seven medical colleges and affiliated teaching hospitals play in spurring growth as the state works to transform its economy.

"Academic medicine is a critical growth engine for the state—spawning biomedical investment, producing jobs, stimulating commerce in related goods and services and generating tax revenue," notes David Stern, MD, chair of the Council, vice president for health affairs at the University of Cincinnati and dean of UC's College of Medicine. "Communities throughout Ohio rely on the state's medical colleges for job creation and attraction of new out-of-state and international investment as well as for high-quality health care."

Among the report's findings:

- Despite flat or declining state funding, the economic impact of academic medicine has grown from \$21 billion in 2002 to \$37.2 billion in 2007.
- For every \$1.00 provided by the state in direct support for Ohio-based medical colleges, approximately \$10.00 was returned in tax revenue.
- Ohio's academic health care industry is one of Ohio's lead generators of employment—with 425,000 full-time positions, meaning one in every 12 workers in Ohio works directly or indirectly for a medical school or teaching hospital.
- Ohio ranked sixth in the nation, behind only New York, Pennsylvania, California, Massachusetts and Texas, in terms of the economic impact of its academic health care industry.



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- Ohio's seven medical colleges attracted nearly 66% of the \$628 million in highly competitive, National Institutes of Health research funding awarded to the state in 2007.
- Medical school graduates who remain within the state after graduation to practice medicine represent an additional impact of nearly \$700 million annually.

“Mission-driven medicine is a win-win for Ohio,” adds Stern. “This report demonstrates that our patient care, teaching and research missions have a significant impact on commerce, investment, taxes and employment in the state.”

The report calculates the combined economic impact of businesses such as retail, tourism, service and manufacturing that benefit from the direct expenditures of the institutions and their staff on goods and services. In addition, Ohio businesses also benefit from spending generated by hospital patients, medical students and visitors as these "indirect" expenditures are re-circulated in the economy.

Founded in 1993, the Ohio Council of Medical Deans represents Ohio's seven medical colleges and teaching hospitals including Case Western Reserve University School of Medicine, University of Cincinnati College of Medicine, Northeastern Ohio Universities Colleges of Medicine and Pharmacy, Ohio University College of Osteopathic Medicine, The Ohio State University College of Medicine, The University of Toledo College of Medicine and Wright State University Boonshoft School of Medicine.

The report was produced by Tripp Umbach, which has conducted economic impact studies for hundreds of health care institutions and medical colleges throughout the country.

To learn more about the economic impact of Ohio's academic medical centers visit www.medicinemeansbusiness.org.