

HEALTH AND FITNESS

University Hospitals increases economic impact in Ohio by \$3 billion

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University Hospitals Ahuja Medical Center is one of UH's newest buildings. (Joshua Gunter/ The Plain Dealer)

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CLEVELAND, Ohio - In the past three years, University Hospitals increased its economic contribution to the state by \$3 billion, according to a study Silverlode Consulting Corp. completed for UH.

The health system contributed \$7.7 billion in 2016, up from \$4.7 billion in 2013 - the last year studied.

"Research has shown there is a direct correlation between population wealth and population health and for this reason, our commitment to the communities we serve transcends the walls of our health system," UH CEO Tom Zenty said in a news release.

Heidi Gartland, vice president of government and community relations for UH, attributes the increase to the hospitals' growth, acquisitions and efforts to buy and hire locally.

University Hospitals raises \$1.5 billion in time for 150th anniversary

UH, now in its 150th year, went on a buying spree the past few years, acquiring UH Elyria, UH Parma, UH Portage, UH Samaritan and UH St. John medical centers.

"These were many organizations that, quite frankly, were either going to consolidate with another institution or financially were not going to exist," Gartland said.

UH supported 63,410 direct and indirect jobs in 2016 and \$4 billion in labor income, up 37 percent and 82 percent, respectively, from 2013. In those three years, the system also spent more than \$305 million on land, new buildings and building improvements in the state, creating 1,800 direct and indirect construction jobs and generating nearly \$91 million of labor income.

"We don't just look at ourselves as a healthcare institution; we are an anchor in the community," Gartland said.

UH's efforts to buy and hire locally started with its Vision 2010 plan, which kicked off a major \$1-billion building initiative that created UH Seidman Cancer Center and UH Ahuja Medical Center. Through those projects, the system focused on hiring local companies and purchasing local products.

"That focus on local investing really has an impact on the community," Gartland said. "There is a multiplier effect when that dollar stays in the region."

The hospital also started a number of workforce development initiatives, such as Step Up to UH, which helps those in high poverty areas get jobs. Now, UH is working to extend those efforts beyond UH Cleveland Medical Center.

Gartland said she doesn't know what UH's growth will look like during the next three years.

"I know we'll be there," Gartland said. "I don't know that it will be as rapid of a growth, but I don't think in 2013 we could have predicted we would be where we are in 2017."

In 2013, economic impact reports also were completed for the Cleveland Clinic and the MetroHealth System. Those reports showed the Clinic's economic impact to the state to be \$12.6 billion and MetroHealth's impact to be \$797 million.

This year, Cleveland State University estimated the potential benefit from MetroHealth's campus transformation plan, set to be complete in 2023, will make the system's economic impact \$873.3 million.

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