

# **The Economic Contributions of Oregon's Physician Practices**

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**Support Business & Promote Employment**

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## *The Economic Contributions of Oregon's Physician Practices*

<b>Physicians and physician-related employment (statewide)</b>	
Active Physicians	9,469 Licenses
Direct Employment (including M.D.s)	131,900 Jobs
<u>Indirect and Induced Employment</u>	<u>110,100 Jobs</u>
Total Physician Contribution	242,000 Jobs
	About 11% of all jobs
	About 25 "contributed" jobs per physician
Total Value Added Contribution	\$17 billion
V.A. Contribution per Physician	\$1.8 million
Share of state GDP	11%



## *The Economic Contributions of Oregon's Physician Practices*

- Organized by the:

Oregon Healthcare  
Workforce Institute



- Funding provided by:
  - Oregon Medical Education Foundation
  - Oregon Health & Science University
  - Oregon Area Health Education Center



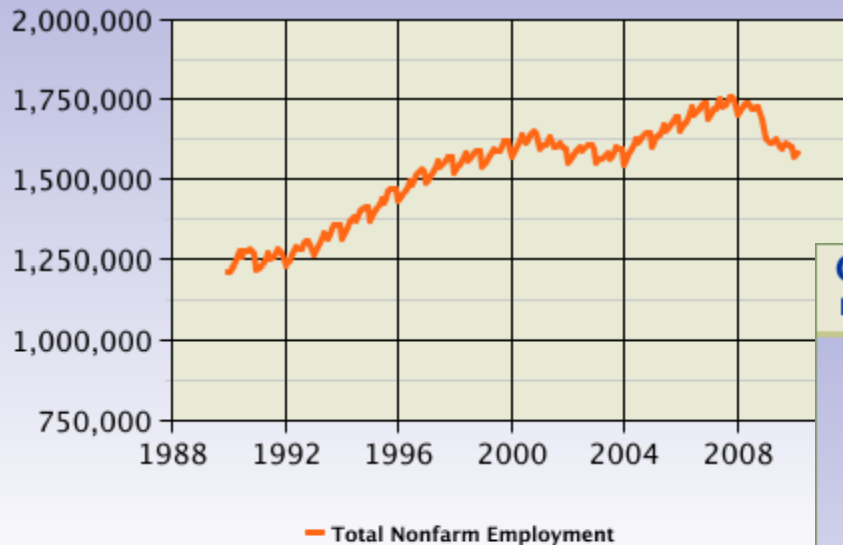
## Purpose

- Health care's role in economy
- Shortage of health professionals in most Oregon counties
- The need to show economic contribution
- Never been done for Oregon

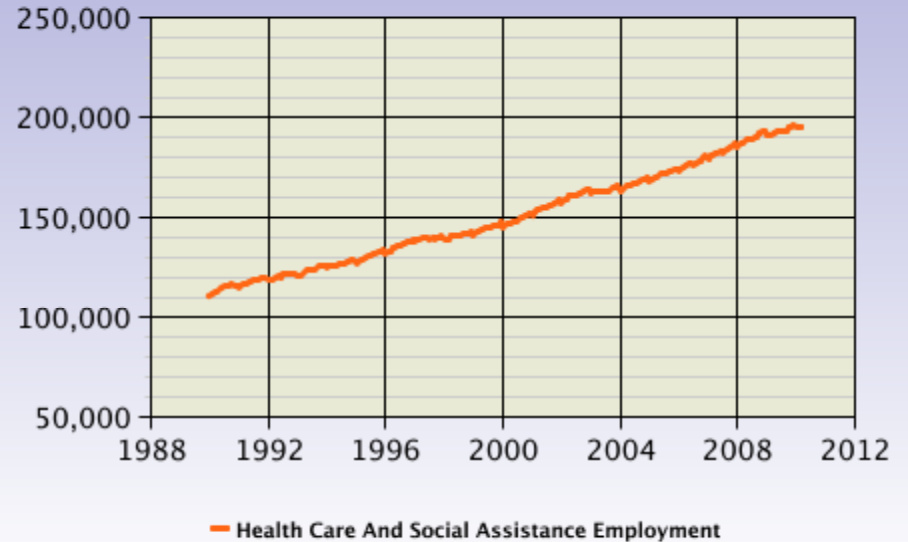


# What Recession?

**Oregon**  
Total Nonfarm Employment



**Oregon**  
Health Care And Social Assistance Employment



# Authors

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- **Oregon Employment Department**
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# Research Foundation

## Gerald A. Doeksen – Oklahoma State University

- Economic Importance of the Health-Sector in a Rural Economy (2003)
- Economic Tools for Rural Health Planning (2007)
- Other papers...
- Watson, Wilson, Thilmany, and Winter
  - Determining Economic Contributions and Impacts: *What is the difference and why do we care?* (2007)



## Focus

- Physicians and Physician Related
  - Pharmacies and drug stores
  - Offices of physicians
  - Home health care services
  - Outpatient care centers
  - Medical and diagnostic laboratories
  - Other ambulatory health care services
  - Hospitals
  - Nursing care facilities



## Method

- IMPLAN 3.0 models for each county
- Employment Department data
  - Quarterly Census of Employment and Wages
  - Estimates of “non-covered” physicians
- Survey of “Big Box” pharmacies
- Oregon Medical Board database



## Method

- **IMPLAN Sectors**
  - Retail – Health and personal care
  - Offices of physicians, dentists, and other health practitioners
  - Home health care services
  - Medical and diagnostic labs and outpatient and other ambulatory care services
  - Hospitals
  - Nursing and residential care facilities



# Area Summaries

<u>Area</u>	<u>Physicians</u>	<u>Direct Employment</u>	<u>Jobs / Physicians</u>
Portland area	5,318	65,487	11
Eugene	802	12,260	14
Salem	667	11,401	16
Medford	531	7,848	14
Bend	422	5,434	12
Sherman County	0	5	N/A
Wheeler County	0	12	N/A
Gilliam County	0	24	N/A
Grant County	5	204	40
Morrow County	6	144	23



## Results Summary

- One physician contributes 14 to 48 other jobs (depending on the county)  
Clackamas County: 14 jobs / physician  
Grant County: 48 jobs / physician
- One physician contributes \$800,000 to \$2.4 million to a county's GDP  
Columbia County: \$800,000 / physician  
Baker County: \$2.4 million / physician

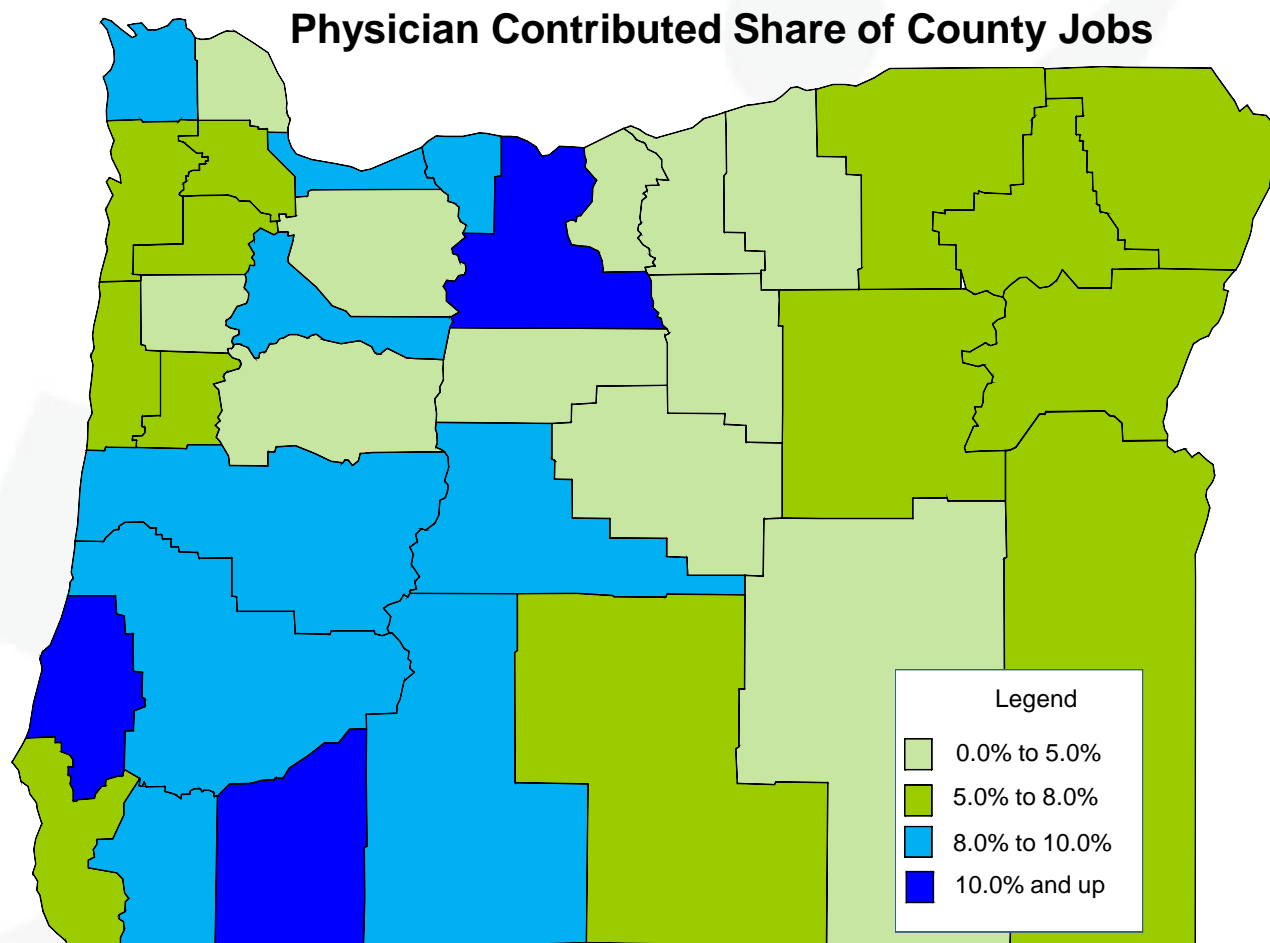


# Results by Metro Area

<u>Area</u>	<u>Jobs Contribution</u>	<u>Jobs Per Physician</u>	<u>Value Added Contribution</u>	<u>V.A. Per Physician</u>
Portland area				
- Multnomah Co.	58,300	16	\$4.2 billion	\$1.2 million
- Washington Co.	19,200	16	\$1.5 billion	\$1.3 million
- Clackamas Co.	9,950	12	\$0.9 billion	\$1.1 million
Eugene	18,000	21	\$1.2 billion	\$1.5 million
Salem				
- Marion Co.	15,500	23	\$1.1 billion	\$1.7 million
- Polk Co.	900	33	\$0.04 million	\$1.6 million
Medford	12,300	22	\$0.8 billion	\$1.5 million
Bend	9,300	21	\$0.7 billion	\$1.6 million



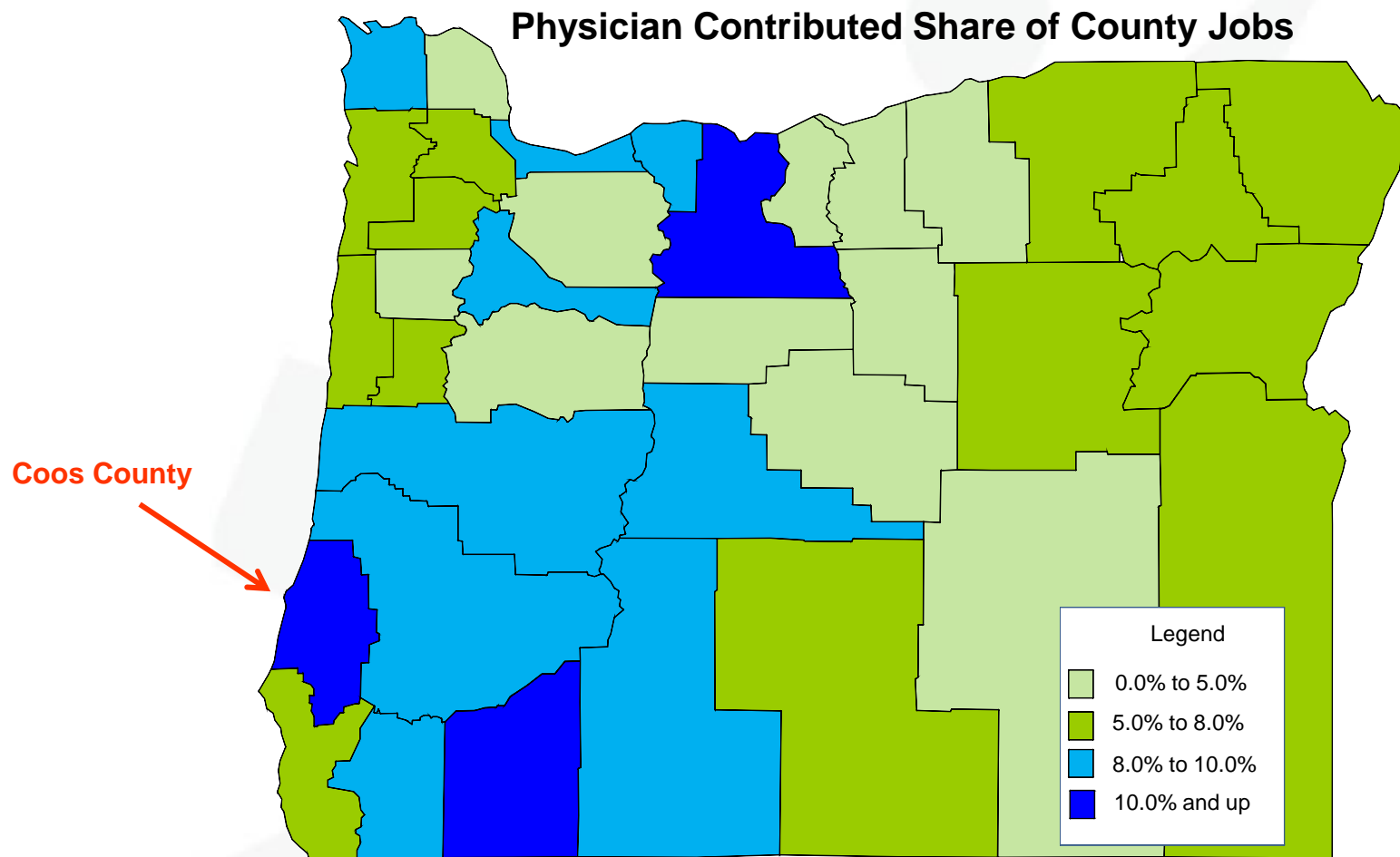
# Job Contribution by County



Source: *The Economic Contribution of Oregon's Physician Practices*



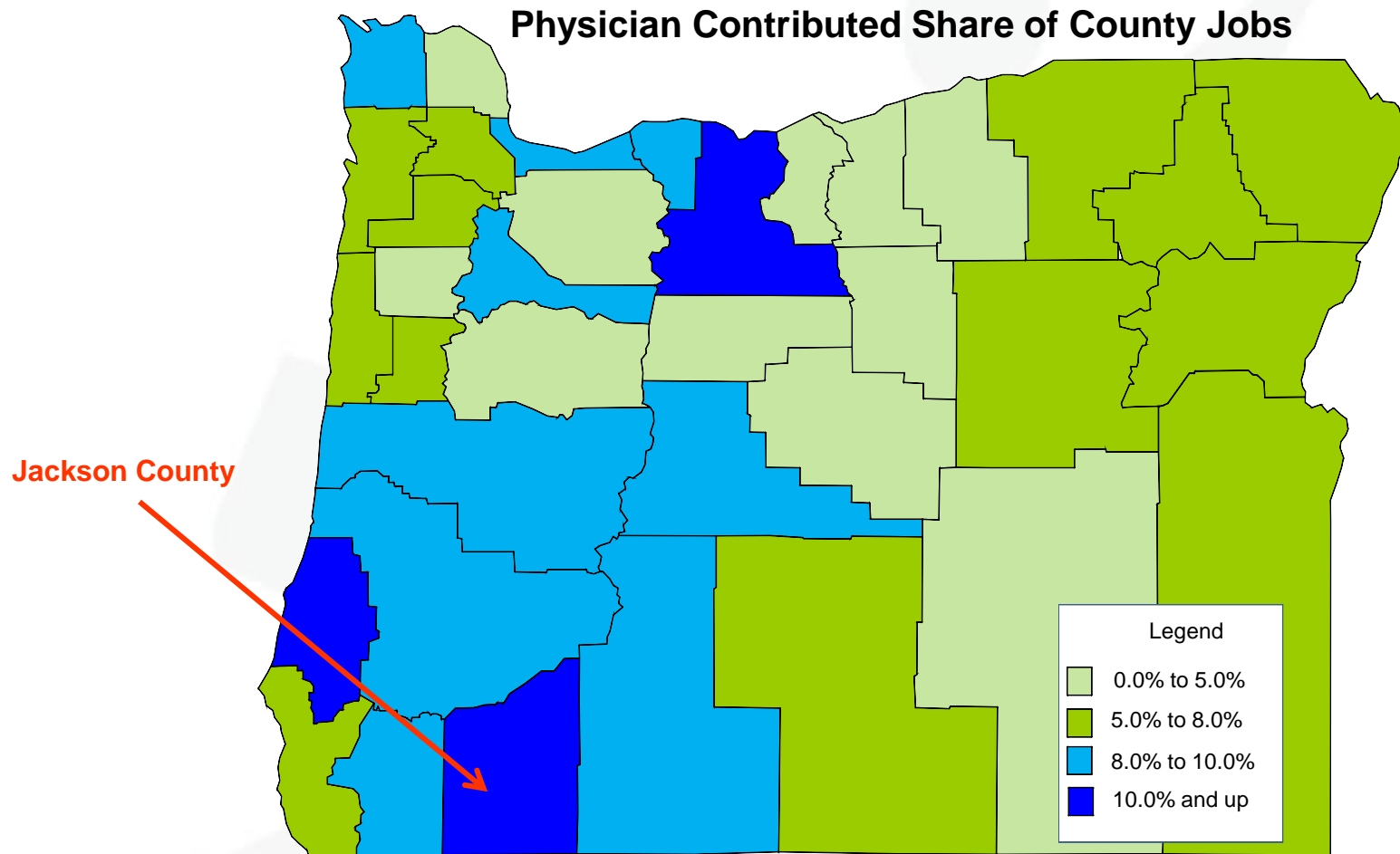
# What's Up with Coos County?



Source: *The Economic Contribution of Oregon's Physician Practices*



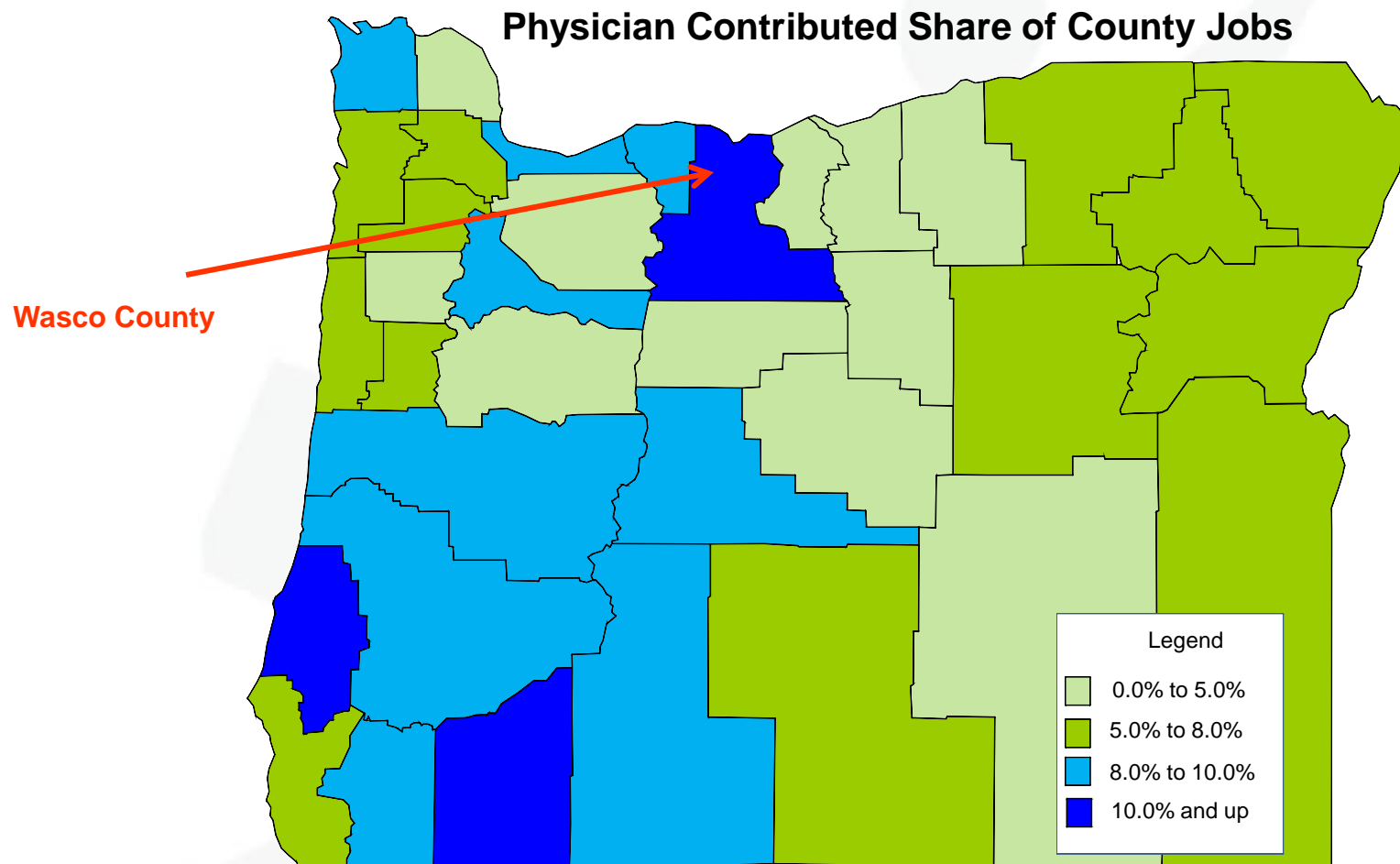
# What's Up with Jackson County?



Source: *The Economic Contribution of Oregon's Physician Practices*



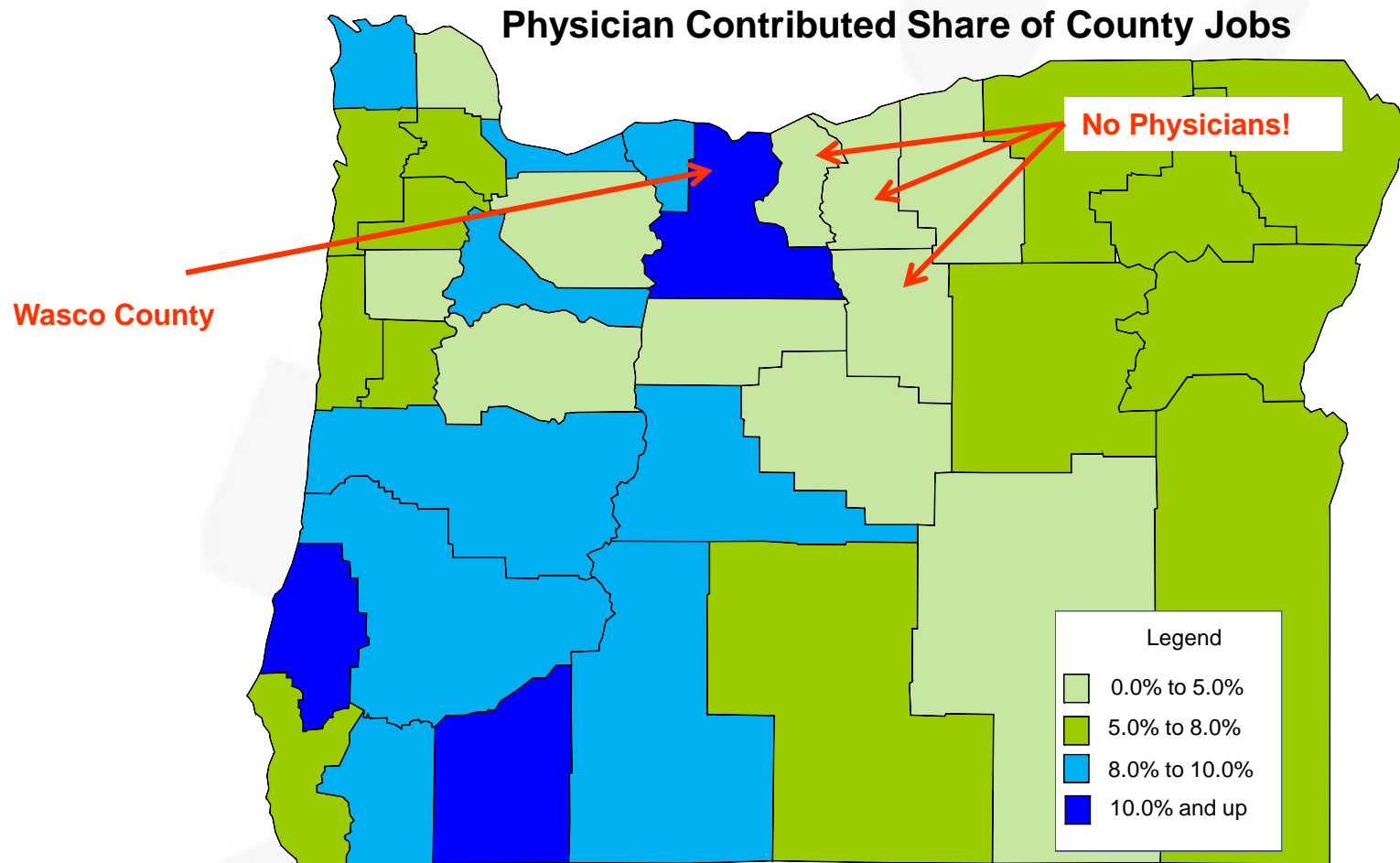
# What's Up with Wasco County?



Source: *The Economic Contribution of Oregon's Physician Practices*



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Source: *The Economic Contribution of Oregon's Physician Practices*



I welcome your comments and ideas.

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