

Heart of America Medical Center



Healthcare, especially a hospital, plays a vital role in local economies.

Economic Impact

Heart of America Medical Center is composed of a Critical Access Hospital (CAH) in Rugby, North Dakota, three Rural Health Clinics (located in Rugby, Maddock, and Dunseith), an ambulance service, a 50-bed skilled nursing facility, a 27-bed assisted living facility, and hospice.

Heart of America Medical Center **directly** employs **242 FTE employees** with an annual payroll of over **\$17.8 million** (including benefits).

- After application of the employment multiplier of 1.42, these employees created an additional **101** jobs.
- The same methodology is applied to derive the income impact. The income multiplier of 1.24 is applied to create nearly **\$4.36 million** in income as they interact with other sectors of the local economy.
- **Total impacts = 343 jobs and more than \$22.1 million in income.**

Healthcare and Your Local Economy

The health sector in a rural community, anchored by a CAH, is responsible for a number of full- and part-time jobs and the resulting wages, salaries, and benefits. Research findings from the National Center for Rural Health Works indicate that rural hospitals typically are one of the top employers in the rural community. The employment and the resulting wages, salaries, and benefits from a CAH are critical to the rural community economy. Figure 1 depicts the interaction between an industry like a healthcare institution and the community, containing other industries and households.

Key contributions of the health system include

- Attracts retirees and families
- Appeals to businesses looking to establish and/or relocate
- High quality healthcare services and infrastructure foster community development
- Positive impact on retail sales of local economy
- Provides higher-skilled and higher-wage employment
- Increases the local tax base used by local government

Data analysis was completed by the Center for Rural Health at the Oklahoma State University Center for Health Sciences utilizing IMPLAN data.

Fact Sheet Author: Kylie Nissen, BBA

For additional information, please contact:
Kylie Nissen, Program Director, Center for Rural Health
kylie.nissen@und.edu • (701) 777-5380

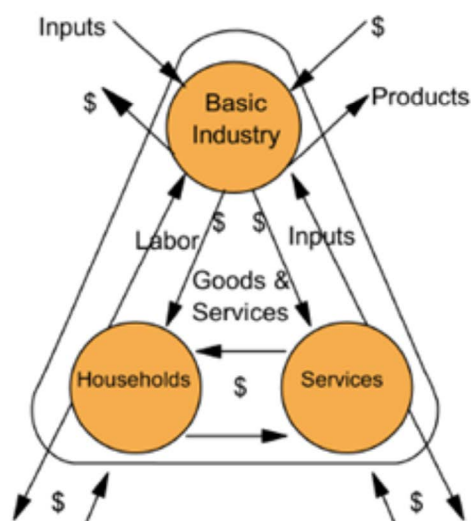


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Center for Rural Health
University of North Dakota
School of Medicine & Health Sciences

Figure 1. An overview of the community economic system.



Source: Doeksen, G.A., T. Johnson, and C. Willoughby. 1997. Measuring the Economic Importance of the Health Sector on a Local Economy: A Brief Literature Review and Procedures to Measure Local Impacts