

The Economic Impact of Healthcare in Michigan

As the largest employer in many communities throughout Michigan, hospitals and health systems play a crucial role in the economic vibrancy of the state. Healthcare careers provide stable, good paying jobs in an environment that helps and positively impacts lives every day.

#1

Largest private sector employer in Michigan



572,000

Total direct jobs in Michigan from healthcare.

\$44.2 billion

Total in wages, salaries and benefits earned by direct healthcare workers in Michigan.

1.1 million

Total workers in and associated with the healthcare sector.

\$15.2 billion

Contribution in local, state and federal taxes from all healthcare-affiliated workers.

Healthcare Workforce Challenges

Despite employing the most workers in the state, healthcare has experienced a shortage of healthcare employees for several years and the COVID-19 pandemic caused a sudden loss of workers. As the competition for staff increased, labor expenses rose, which for most hospitals account for **more than 50% of their total expenses**. According to the American Hospital Association, **labor expenses per patient increased by 19%** through 2021 compared to 2019.



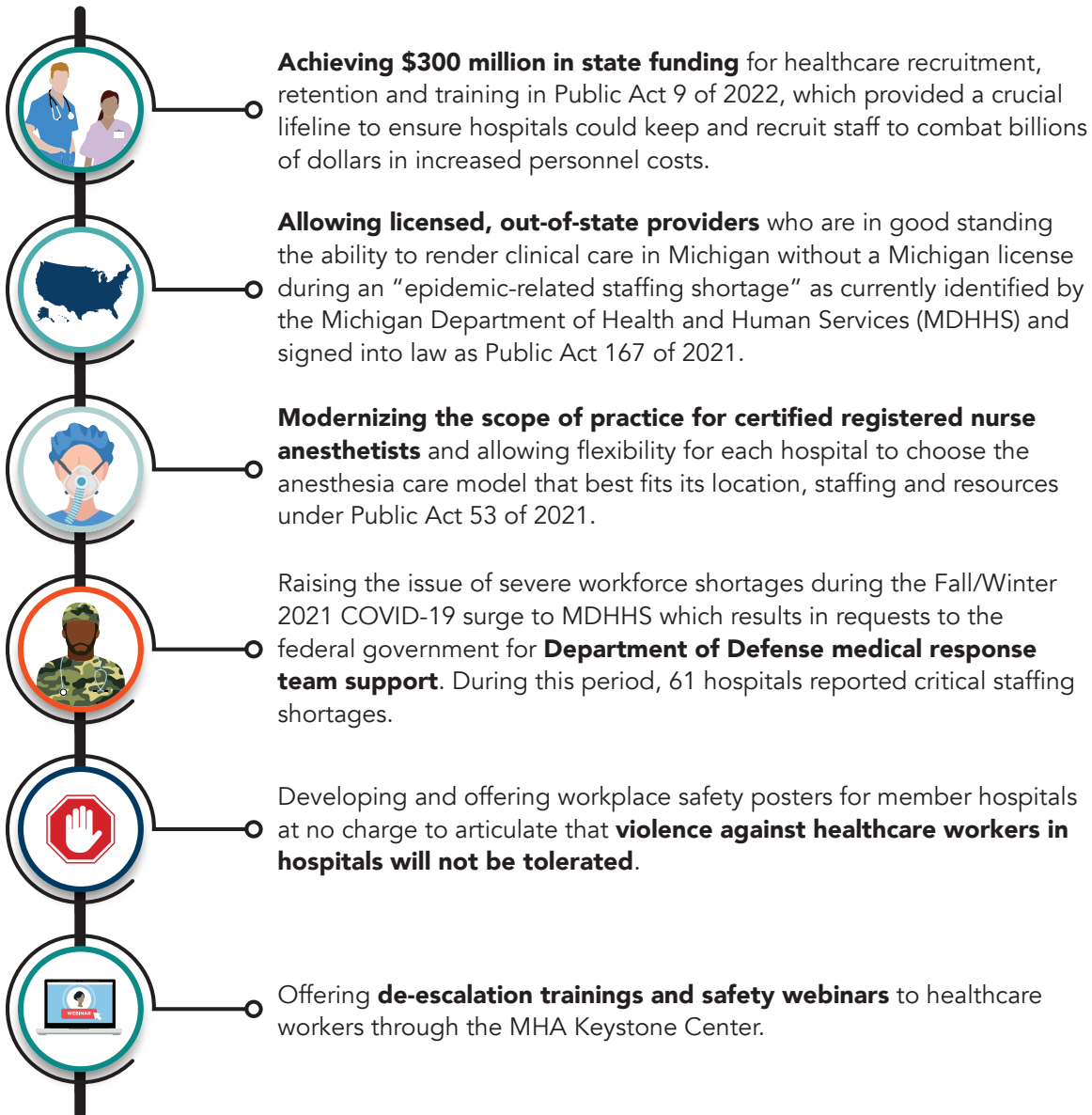
	NUMBER OF JOBS	COMPENSATION
Nursing and Residential Care	↓ by 11,000	↑ by \$200 million
Hospitals	↓ by 7,000	remained about the same

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Workforce Solutions

Over the past year, the MHA and member hospitals have been active in implementing myriad strategies and solutions to improve the recruitment and retention of healthcare workers.

With the help of partners in elected office, efforts to improve the healthcare workforce include:



For more information about Michigan hospitals, visit www.mha.org.

