

## **Economic Contributions of Physicians – Financial Impact on their Community**

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Numerous studies have documented that physicians bring a tremendous financial value to the communities where they practice medicine.

Survey results indicate that there is a 900,000 to 1 million dollar economic impact to the community by each physician per year in addition to healthcare related revenue.

Robert Graham Center for Policy Studies evaluated the impact of Family Physicians economic activity on local communities on a state to state basis, outside of the medical revenue generated.

	Impact per family physician per year.	Total impact by year.
Indiana	\$ 949,269	\$ 1,723,872,029
Michigan	\$ 907,296	\$ 1,790,095,645
Ohio	\$ 923,043	\$ 2,422,066,737
Pennsylvania	\$ 986,483	\$ 2,845,019,533

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Included in the economic impact of each physician are jobs created by the physician as an employer, related jobs in the community which studies state at 8 – 13 per physician, and the impact of the physicians family spending which includes education, housing, retail and entertainment expenses.

Each physician generates an average of 1 to 1.54 million annually in health related revenue including inpatient and outpatient revenue, and related medical services i.e. nursing home, pharmacy and therapies.

An additional factor which is frequently overlooked, is the uncompensated care which is delivered to disadvantaged patients by physician practices. A study by the Michigan Emergency Physicians, estimated over 56 million dollars in non-reimbursed care was delivered by their members in 2001.

The Community service and volunteer commitments of a physician is as significant as the measurable economic impact. Most physicians serve the community in a variety of roles: medical directors, board members for non-profit organizations, staff for free clinics, provide sports physicals to area schools, serve as team physicians for local sports teams, teach medical students and/or PA/NP students, and serve as community role models.

The medical community typically supports the fine arts in their community as audience, advocates and through endowments and donations. Many regional symphony orchestras, art institutes and performance programs depend on physicians as their major donors.

Physicians have a major impact on the economy of the cities and towns where they practice medicine.

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