



Kansas Hospital
ASSOCIATION

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Hospitals Continue to Keep Kansas Healthy and Economically Strong

(February 13, 2025) – A vigorous health care system is essential not only for the health and welfare of community residents, but also to enhance economic opportunity. Health-related sectors are some of the fastest growing in the economy. Given demographic trends, this growth is likely to continue. Furthermore, evidence shows that quality health care improves business productivity, aids in the recruitment and retention of businesses, and attracts and retains retirees.

These are just a few of the findings in the February 2025 report, [*The Importance of the Health Care Sector to the Kansas Economy*](#), which details estimates of the “gross” impact of the health care sector on economic activity in Kansas. In the report, the Institute for Policy & Social Research at the University of Kansas identified three primary ways health care influences local economic development: health care attracts and retains business, attracts and retains retirees, and creates local jobs.

According to the 2025 economic report, hospitals alone employ more than 74,000 Kansans and direct labor income of more than \$7 billion. The hospital sector has large multiplier effects. Every 100 hospital jobs support an additional 73 jobs in non-health care sectors. Every \$1,000 in current hospital wages and salaries sustains an additional \$450 in income for employees of grocery stores, restaurants, gas and electric utilities, and other industries used by hospitals and their employees.

“Hospitals and health services truly are an economic anchor in our state,” said Chad Austin, president and CEO of the Kansas Hospital Association. “This report documents the importance of the health care sector to the Kansas economy. While the estimates of economic impact are substantial, they are only a partial accounting of the benefits health care in general, and community hospitals in particular, provide to the state.”

Jobs are an essential part of the economic impact; however, funds also flow to businesses and throughout the economy as hospitals purchase goods and services. Hospitals generate more than \$296 million in sales tax, which is used to fund state programs. State and local governments garner \$2 billion in annual tax revenues from health care sector activities. These are critical funds that the state uses for important programs such as education and transportation.

Furthermore, the entire health sector in Kansas directly and indirectly contributes more than 325,000 jobs and nearly \$23 billion in labor income to the Kansas economy.

The full statewide report and links to county reports are located on the [KHA website](#).

The Kansas Hospital Association is a voluntary, non-profit organization existing to be the leading advocate and resource for members. KHA membership includes 238 member facilities, of which 121 are full-service, community hospitals. Founded in 1910, KHA's vision is: "*Optimal Health for Kansans and Kansas Hospitals.*"

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