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RESEARCH INSTITUTE

**Maricopa Integrated Health System:  
*Economic Impact Analysis, 2015-43***

*September 24, 2014*

# Introduction

- Seidman = consultancy arm of W. P. Carey School of Business, ASU
- Commissioned by MIHS to implement 3 analyses:
  - Economic Impact of MIHS in 2013
  - Economic Impact of MIHS, 2015 - 2043
  - Social ROI analysis
- Today's presentation focuses on the 2015 - 2043 analysis

# Typology of Economic Impact Analysis

	<i>Level of Sophistication</i>		
<i>Degree of Completeness</i>	<b>Count Gross</b>	<b>Partial Gross</b>	<b>Macroeconomic Gross</b>
	<b>Count Net</b>	<b>Partial Net</b>	<b>Macroeconomic Net</b>

# Seidman's Method

*Level of Sophistication*

<i>Degree of Completeness</i>	<b>Count Gross</b>	<b>Partial Gross</b>	<b>Macroeconomic Gross</b>
	<b>Count Net</b>	<b>Partial Net</b>	<b>Macroeconomic Net</b>

## REMI Model:

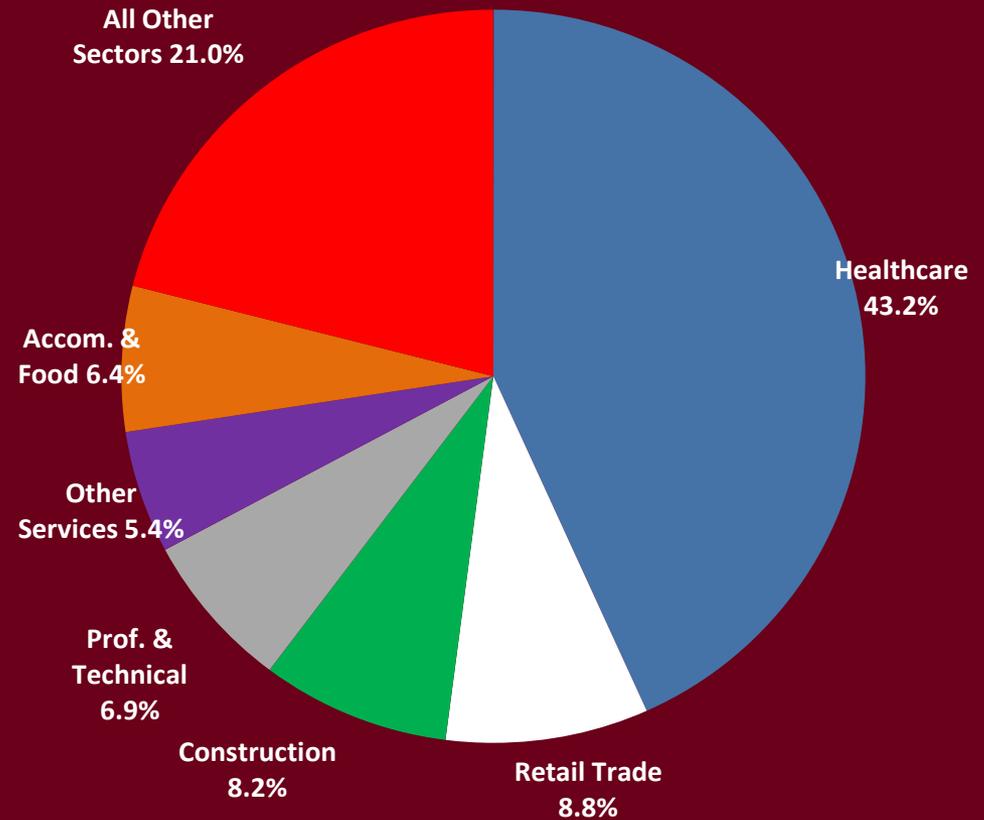
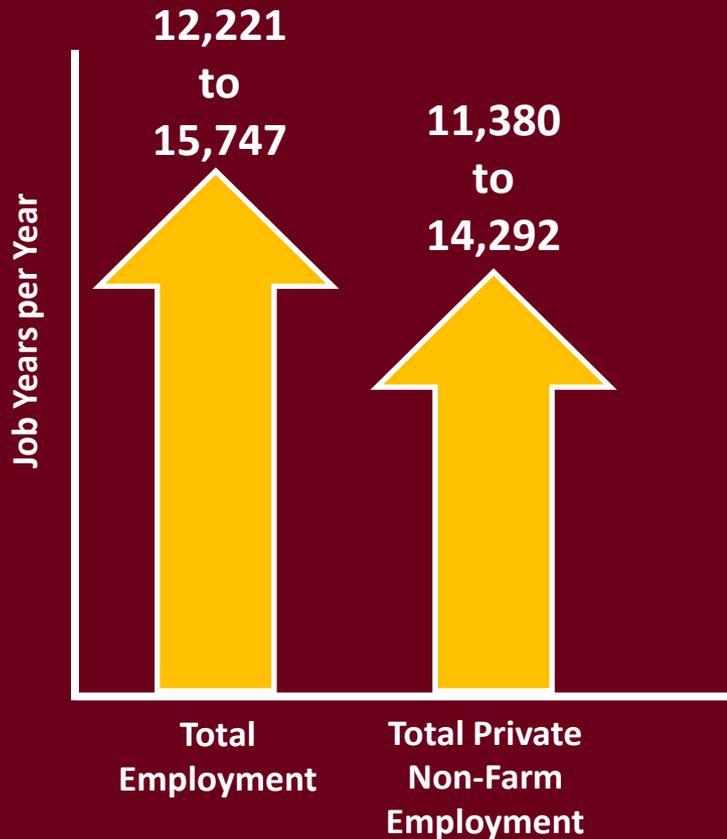
- **Partial Gross:** Positive impacts of MIHS employment and supplier purchases alone
- **Partial Net:** Also considers negative implications (non-federal financing and property tax debt repayments)

# CY2015-43 Partial Gross Analysis Inputs

Employment	
Number of Staff (FTE)	3,906 in 2015; 4,400 from mid-2018
Total Compensation (Millions 2013 \$)	\$298.6 M. rising to \$319.2 M.

Non-Labor Expenditure ( <i>Millions 2013 \$</i> )		
Current MIHS Systems	\$207.2	2015 onwards
New CHCs	\$11.2	Mid-2018 onwards
New FHC, Dental, & Retail Pharmacy	\$2.0	Mid-2018 onwards
Non-Residential CAPEX	\$627.4	2015 to Mid-2019
Equipment CAPEX	\$307.6	2015 to Mid-2019

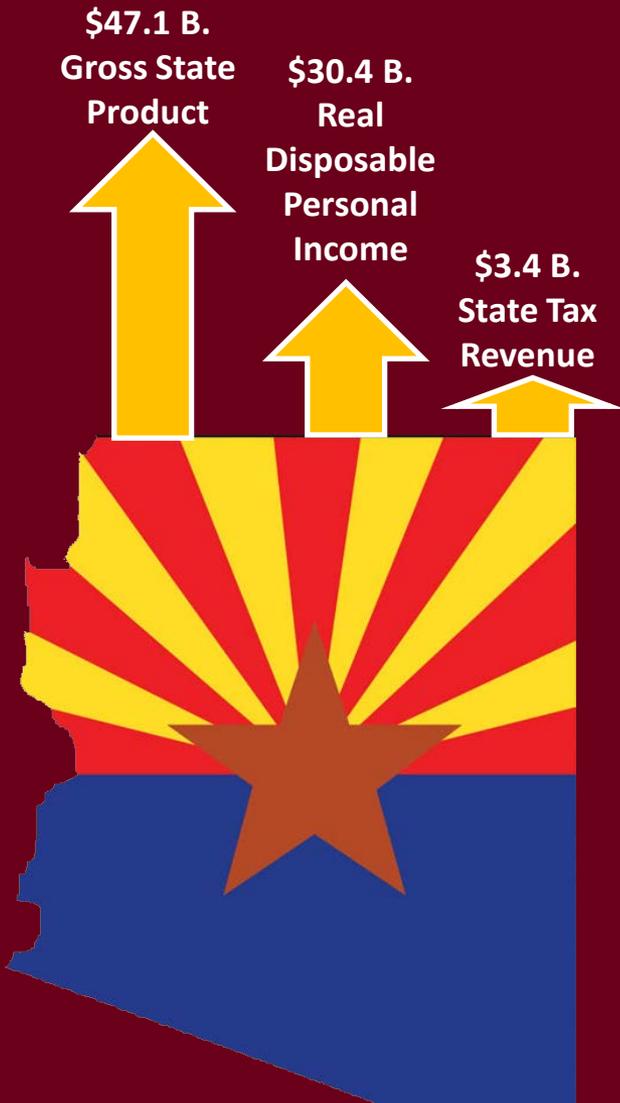
# CY2015-43 Partial Gross Analysis: AZ Employment



Ratio of 1 MIHS job year : 2.1 PNFE job years

Sectoral Split: Total Private Non-Farm Employment

# CY2015-43 Partial Gross Analysis: Other Measures



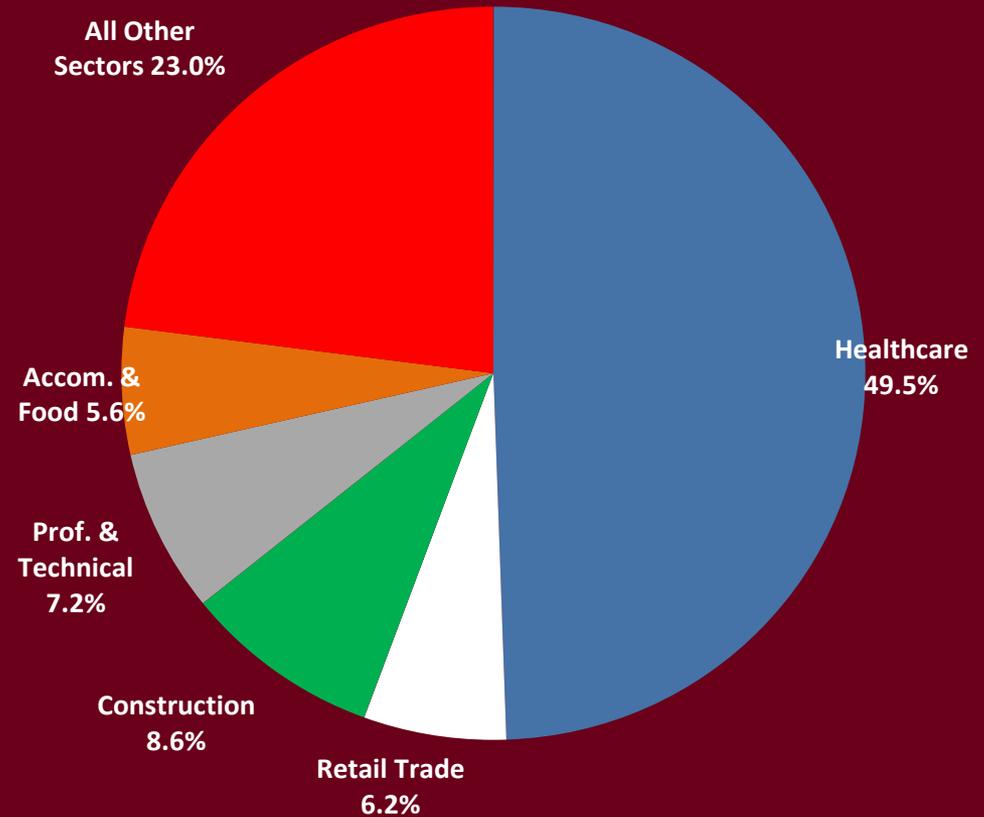
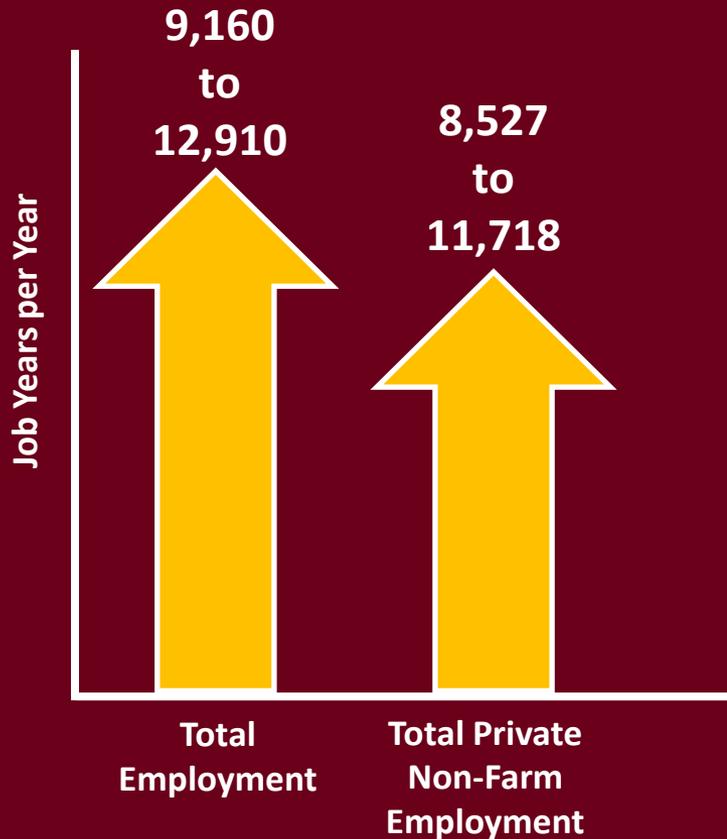
# CY2015-43 Partial Net Analysis Inputs

Employment	
Number of Staff (FTE)	3,906 in 2015; 4,400 from mid-2018
Total Compensation (Millions 2013 \$)	\$298.6 M. rising to \$319.2 M.

Non-Labor Expenditure (Millions 2013 \$)		
Current MIHS Systems	\$207.2	2015 onwards
New CHCs	\$11.2	Mid-2018 onwards
New FHC, Dental, & Retail Pharmacy	\$2.0	Mid-2018 onwards
Non-Residential CAPEX	\$627.4	2015 to Mid-2019
Equipment CAPEX	\$307.6	2015 to Mid-2019

Finance	
Federal Funds	45%
Debt Repayment	\$1.4B.

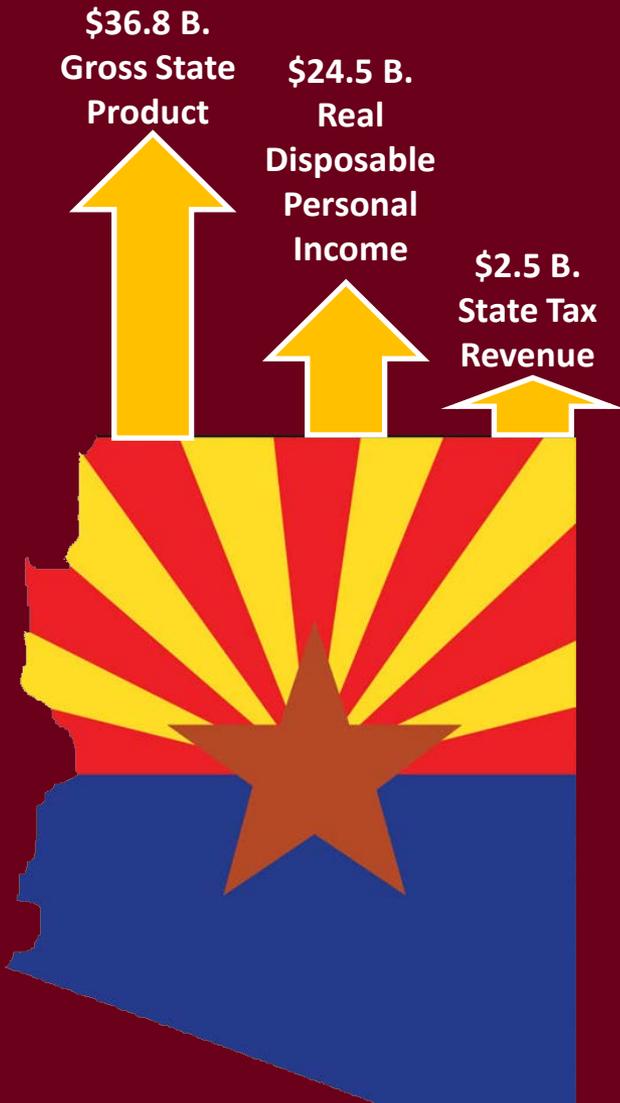
# CY2015-43 Partial Net Analysis: AZ Employment



Ratio of 1 MIHS job year : 1.4 PNFE job years

Sectoral Split: Total Private Non-Farm Employment

# CY2015-43 Partial Net Analysis: Other Measures



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