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A Member of
Catholic Health East,
Sponsored by the
Sisters of Mercy

October 3, 2011

Regional Economic Development Council Co-Chair:

On behalf of St James Mercy Hospital (SJM), I am writing to offer my comments on the Regional Economic Development Council's work to build a five-year strategic plan for the future of our community.

As you and other members of the Regional Economic Development Council develop strategic plans to submit for state grant funding, I urge you to consider health care to be an integral part of that plan. Access to quality health care is a critical factor in economic development and often a prerequisite for attracting companies looking to expand or relocate. Health care is a core sector for generating the jobs and careers we need today and tomorrow. St James Mercy Hospital has a direct and indirect impact on our local economy providing employment for 710 people with a total payroll of \$36.5 million (2008 data). St James Mercy Hospital employees use their wages to purchase goods and services which create income and jobs for other businesses. Our employees generate approximately \$66.9 million in economic activity for our local economy.

Investment in health care generates and sustains a myriad of non-health care sector jobs. Construction contractors and workers, consultants, accounting firms, law offices, grocers, shops and restaurants, and other businesses all prosper from strong health care sector growth.

In addition, health care organizations offer career ladders for every education and skill level—from executives, physicians, and nurses, to information technology, accounting, and legal professionals, to specialized technicians and plant engineers, to custodial and housekeeping staff, and every level in between. The funding available through the Governor's Regional Economic Development Councils can be a powerful catalyst to create even more jobs and careers that will support families from all walks of life.

Health care facilities make major contributions to the local and state economies through expenditures for payroll, supplies, and utilities. The employees of St James Mercy Hospital and the jobs indirectly supported by SJMH paid \$2.2 million in state and local income taxes in 2008. Furthermore, the employees of SJMH and the jobs supported indirectly by the facility paid \$1.29 million in local sales tax and \$1.31 million in state sales tax.

In drafting your strategic plan, I encourage you to consider the many ways health care facilities and providers improve the health of your family, friends, and neighbors; enhance the quality of life in your communities, and contribute to robust economic activity.

Very truly yours,

A handwritten signature in blue ink that reads "Mary E. LaRowe".
Mary E. LaRowe
President and CEO