

Western Healthcare Alliance

Economic Contribution of Six Independent Hospitals on the Colorado Economy

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A Consulting Report for:

The Western Healthcare Alliance

Conducted by:

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TABLE OF CONTENTS

Table of Contents.....	i
Economic Contribution of the Western Health Care Alliance Summary	1
Methodology.....	3
Definitions.....	4
Industry Overview.....	5
Population.....	5
Gross Domestic Product.....	5
Industry Overview.....	6
Industry Overview.....	7
Employment.....	7
Industry Overview.....	8
Average Annual Wages.....	8
Industry Overview.....	9
Rural Health Clinics.....	9
Patients.....	9
Industry Overview.....	9
Commuting Data.....	9
Insurance Rates.....	10
Appendix 1: San Luis Valley Hospital impacts.....	11
San Luis Valley Health.....	11
Appendix 2: Animas Surgical Hospital impacts.....	13
Animas Surgery.....	13
Appendix 3: Valley View Hospital impacts.....	15
Valley View.....	15
Appendix 4: Community Hospital impacts.....	17
Community Hospital.....	17
Appendix 5: Montrose Regional Health Hospital impacts.....	19
Montrose Regional Health.....	19
Appendix 6: Vail Health Hospital impacts.....	21
Vail Health.....	21

ECONOMIC CONTRIBUTION OF THE WESTERN HEALTH CARE ALLIANCE SUMMARY

The Western Healthcare Alliance (WHA) serves a consortium of independent rural healthcare providers. WHA was established in 1989 and serves 31 members (28 independent) in Colorado and Utah, providing education, program, collaboration, and partnership opportunities. Of the 28 independent hospitals, 21 are Critical Access Hospitals (CAH) and 7 are Prospective Payment System Hospitals (PPS). CAHs are limited to 25 beds and primarily operate in rural areas. Medicare pays CAHs based on each hospital's reported costs. Medicare pays a PPS hospital based on a predetermined, fixed amount.

Within Colorado, members are mostly on the Western Slope. This study examines the economic contribution from a sample of independent hospitals in Colorado that are all PPS hospitals:

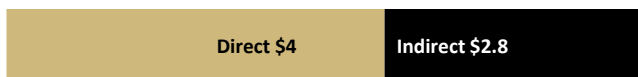
- Animas Surgical Hospital (Durango, La Plata County)
- The Lutheran Hospital Association of the San Luis Valley, dba San Luis Valley Health (Alamosa, Alamosa County)
- Colorado West Healthcare System dba Community Hospital (Grand Junction, Mesa County)
- Montrose Regional Health (Montrose, Montrose County)
- Vail Health Hospital (Vail, Eagle County)
- Valley View Hospital Association (Glenwood Springs, Garfield County)

The labor and capital of the portfolio of independent hospitals translates to local expenditures on other local goods and services. As such, spending permeates into other sectors in the economy, producing a multiplied economic impact throughout the county, regional, and state's economy. In addition to the labor and capital of the surveyed independent hospitals, the independent hospitals also recorded thousands of volunteer hours each year and were involved in countless community benefit and charitable giving events.

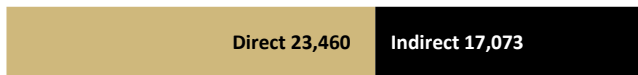
Between 2019 and 2022, the economic impact of the surveyed independent hospitals from the WHA totaled an estimated \$6.8 billion in economic output and contributed \$3.8 billion to the state's GDP (Figure 1). In 2022, the surveyed independent hospitals from the WHA generated \$1.9 billion in economic output and contributed \$1 billion to the state's GDP (Figure 2). The surveyed independent hospitals in the WHA directly employed 6,150 employees and supported an additional 4,724 employees in the state in 2022.

Figure 1: Independent hospitals Economic Contribution, Colorado, 2019-2022

Total Output \$6.8 billion



Total Job Years 40,534



Total Labor Income \$3 billion

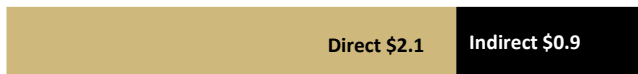
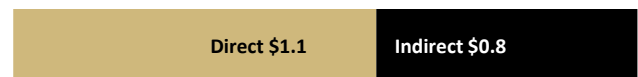
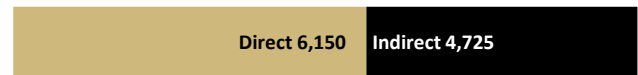


Figure 2: Independent hospitals Economic Contribution, Colorado, 2022

Total Output \$1.9 billion



Total Jobs 10,875



Total Labor Income \$0.8 billion

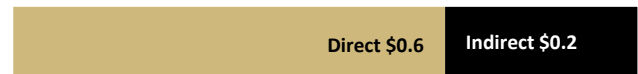


Table 1: Independent hospitals Economic Contribution, Colorado, 2019-2022

Total Impact	2019	2020	2021	2022	2019-2022
Output (\$ Millions)	\$1,490	\$1,651	\$1,713	\$1,916	\$6,771
Employment (Job Years)	9,671	10,197	9,791	10,875	40,534
Labor Income (\$ Millions)	\$658	\$741	\$753	\$834	\$2,986
Value Added (\$ Millions)	\$824	\$925	\$948	\$1,048	\$3,744

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Over 93% of the total economic impact generated by studied independent hospitals in the state is generated in rural counties. The economic impact of the surveyed independent hospitals on rural counties totaled an estimated \$1.8 billion in economic output and \$1 billion towards the rural area GDP (Table 2).

Table 2: Independent hospitals Economic Contribution, Rural Counties, 2019-2022

Rural Impact	2019	2020	2021	2022	2019-2022
Output (\$ Millions)	\$1,383	\$1,526	\$1,587	\$1,785	\$6,281
Employment (Job Years)	9,117	9,580	9,243	10,312	38,252
Labor Income (\$ Millions)	\$620	\$697	\$709	\$788	\$2,814
Value Added (\$ Millions)	\$764	\$856	\$879	\$976	\$3,474

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Every \$1 spent directly by the surveyed independent hospitals produces an overall economic impact of approximately \$1.72 in the state. Valley View Hospital, with an estimated 3,310 employees, had a total economic impact to the state of \$659 million in 2022, the largest of the surveyed independent hospitals (Table 3). Its total economic impact on rural counties was estimated at \$590 million in 2022, also the largest of the surveyed independent hospitals (Table 4). Vail Health's total economic impact on rural communities was estimated at \$473 million in 2022, the second highest of the surveyed independent hospital communities. Every \$1 spent directly by Valley View produces an overall economic impact of \$1.99 in the state, followed by Animas Surgery (\$1.96), Montrose Regional Health (\$1.90), Community Health (\$1.72), San Luis Valley Health (\$1.53), and Vail Health (\$1.41).

Table 3: Independent hospitals Economic Contribution (Direct, Indirect, Induced), Colorado, 2022

Hospital	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
San Luis Valley Health	957	\$70.1	\$83.0	\$167.9
Animas Surgical	562	\$30.7	\$40.6	\$121.6
Valley View	3,313	\$246.3	\$358.8	\$659.0
Community Hospital	1,934	\$141.0	\$167.1	\$284.8
Montrose Regional Health	1,216	\$86.6	\$108.7	\$207.4
Vail Health	2,894	\$259.2	\$289.3	\$475.5
Total Impact	10,875	\$834.0	\$1,047.6	\$1,916.3

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 4: Independent hospitals Economic Contribution (Direct, Indirect, Induced), Rural Counties, 2022

Hospital	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
San Luis Valley Health	903	\$66.3	\$77.3	\$157.1
Animas Surgical	539	\$28.8	\$37.8	\$116.5
Valley View	3,038	\$223.6	\$322.3	\$590.3
Community Hospital	1,840	\$133.2	\$155.5	\$264.2
Montrose Regional Health	1,109	\$77.8	\$95.2	\$183.9
Vail Health	2,884	\$258.3	\$287.9	\$473.0
Total Impact	10,312	\$788.2	\$975.9	\$1,785.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

METHODOLOGY

The economic contributions from the network of independent hospitals were estimated based on known hospital expenditures over the past three years. Activity was modeled in the counties with primary operations. The hospitals provided geospatial data on operating and capital expenditures—an important inclusion in order to show unique local economic benefits, as well as leakage that occurs when spending leaves the region.

This study also includes estimates of the economic multiplier effect as direct spending in one industry spurs spending in other areas of the economy. This multiplier effect was estimated using the input-output model produced by IMPLAN. Additional estimates were derived for hospital visitor impacts on the economy. Operating expenditures were modeled as Hospitals (490) in the IMPLAN model. Estimated construction expenditures were assigned as Nonresidential Building in the IMPLAN model.

Data requests were made to the participating independent hospitals to obtain spending data (salaries, construction, operating, etc.). Using spending data by location allowed for geospatial analysis to estimate local spending and leakage. Modeling employment by location is important in order to capture where the employees' spending occurs (near home), and modeling operating and capital spending by location is important to estimate the spending impact on other upstream businesses in the community. However, it is understood that this may understate the local impacts when purchases are made from firms that have a billing location that may differ from the physical location with a local address. Additionally, some hospitals serve in a county that borders another state; hence, some employees commute into Colorado from an out-of-state address, thus, reducing their economic contribution on the state of Colorado. The economic contribution of the surveyed independent hospitals on rural counties was generated by measuring the impact on rural counties in the state, as identified by the U.S. Department of Agriculture.¹ The analysis was augmented using public data provided by the Colorado Department of Labor and Employment, the Bureau of Labor Statistics, the Bureau of Economic Analysis, and the U.S. Census Bureau.

¹ <https://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/>

DEFINITIONS

CAGR: Compound Annual Growth Rate.

Gross Domestic Product (GDP): A measure of economic activity, GDP is the total value added by resident producers of final goods and services.

Gross Output (Output): The total value of production is gross output. Unlike GDP, gross output includes intermediate goods and services.

Job Years: The cumulative number of jobs times the number of years. Ten jobs across 4 years equals 40 jobs.

Leakage: Economic activity associated with the modeled event that does not generate additional effects in the defined region. Leakages occur by way of taxes, savings, profits, imports, and commuting. The hospitals provided geospatial data on operating and capital expenditures—an important inclusion in order to show unique local economic benefits, as well as leakage that occurs when spending leaves the region.

Location Quotient (LQ): A location quotient is a useful tool for analyzing an industry's clustering in a given geographical area. It is an industry's relative concentration in one area compared to the same industry in another area. A location quotient of 1.0 indicates the study area has the same concentration of industry employment as the nation. A location quotient of >1.0 indicates the study area has a greater concentration of industry employment compared to the nation, and a location quotient of <1.0 indicates the area has a smaller industry concentration than the nation.

NAICS: North American Industry Classification System.

Rural: Rural, or nonmetro counties, include some combination of rural towns (places with fewer than 2,500 people), and urban areas with populations ranging from 2,500 to 49,999 that are not part of larger metropolitan areas, as identified by the U.S. Department of Agriculture.²

Urban: The U.S. Department of Agriculture defines urban, or “urbanized areas”, as having a population of 50,000 or more.³

Value Added: The contribution of an industry or region to total GDP, value added equals gross output, net of intermediate input costs.

² <https://www.ers.usda.gov/topics/rural-economy-population/rural-classifications/>

³ <https://www.nal.usda.gov/rural-development-communities/what-is-rural#:~:text=%22Urbanized%20Areas%22%20have%20a%20population,population%20between%20%2C500%20and%2050%2C000.>

INDUSTRY OVERVIEW

POPULATION

Colorado's total population grew at a 5-year CAGR of 1.3% between 2016 and 2021, outpacing the respective population growth nationally (0.7%) over the same time period (Table 5). Between 2016 and 2021, urban counties in the state grew at a 5-year CAGR of 1.4%, outpacing respective growth in rural areas (0.6%), and the overall state (1.3%) over the same time period. Of the surveyed rural independent hospital study areas, Garfield County witnessed the largest increase in its population, growing at a 5-year CAGR of 1.3%, followed by Eagle County (1%), and Mesa County (0.9%).

Table 5: Colorado Population, 2016-2021

County	Hospital	2016	2021	5-Year CAGR
Alamosa County	San Luis Valley Health	16,353	16,377	0.0%
La Plata County	Animas Surgical	53,994	55,673	0.6%
Garfield County	Valley View	57,495	61,221	1.3%
Mesa County	Community Hospital	148,166	154,685	0.9%
Montrose County	Montrose Regional Health	40,866	42,328	0.7%
Eagle County	Vail Health	52,894	55,693	1.0%
Urban Colorado		4,668,277	5,011,953	1.4%
Rural Colorado		691,018	711,223	0.6%
Colorado		5,359,295	5,723,176	1.3%
United States		318,558,162	329,725,481	0.7%

Source: U.S. Census Bureau, ACS 5-Year Estimates.

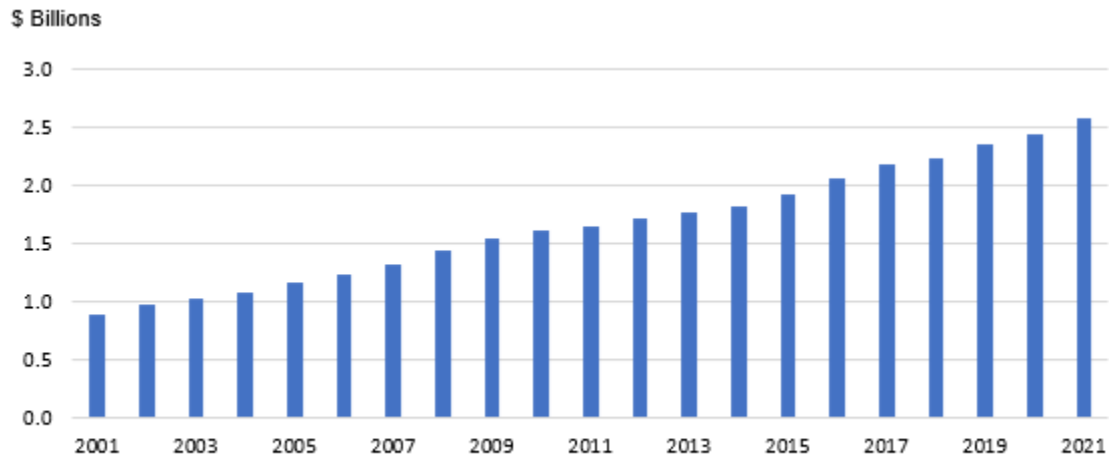
GROSS DOMESTIC PRODUCT

The total value of goods and services produced within the economy is reported in gross domestic product. This production is reported for the United States, individual states, metropolitan areas, and counties. The data are also reported by industry, allowing for analysis of healthcare contributions on the respective economies. Data are reported in nominal (current) dollars, as well as in real, inflation-adjusted dollars to analyze real changes in output per year.

Healthcare and Social Assistance represents 5.8% of the rural economy's gross domestic output, and 9.6% of Colorado's healthcare industry. Gross output, in nominal dollars, totaled nearly \$2.6 billion in 2021, recording uninterrupted growth even through the pandemic recession to reach new record levels (Figure 3). Thus, the industry has remained more resilient than the broader economy and provides a source of stability. Gross output in real, inflation-adjusted dollars, also recorded consistent growth over the past decade, and totaled nearly \$2.2 billion in 2021, up 3.2% from 2020 (Figure 4). Between 2011 and 2021, Healthcare and Social Assistance in rural areas captured an average of 9.6% of the state's total gross domestic output for the Healthcare and Social Assistance industry, remaining relatively steady in recent years, albeit experiencing a modest decline from its 10% industry capture in 2011 to 9.5% in 2021. Among all industries, rural areas accounted for 10.9% of total state output in 2021, and has declined from 13.2% in 2011. In addition, between 2016 and 2021, per capita real GDP for the Healthcare and Social Assistance industry in rural areas increased 9.7%, outpacing respective growth of 4.4% across all industries in rural areas.

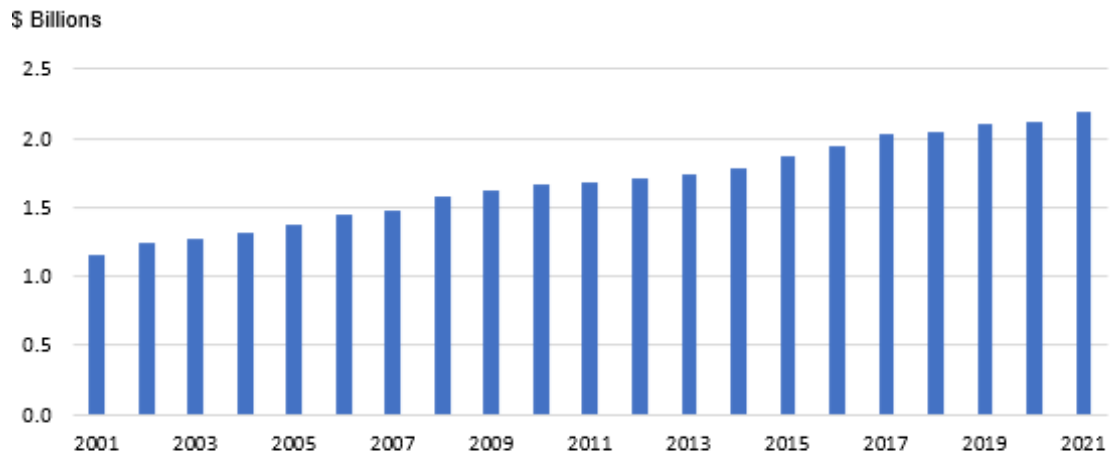
INDUSTRY OVERVIEW

Figure 3: Rural Colorado, Healthcare and Social Assistance GDP, \$ Nominal



Source: Bureau of Economic Analysis.
Note: 2022 county-level GDP data will be released December 2023.

Figure 4: Rural Colorado, Healthcare and Social Assistance GDP, \$ Real



Source: Bureau of Economic Analysis.
Note: 2022 county-level GDP data will be released December 2023.

INDUSTRY OVERVIEW

EMPLOYMENT

In 2022, overall employment for Colorado Hospitals totaled nearly 106,800, up 2% from 2021, and up 3.2% from 2019 (Table 6). Approximately 83.2% of Colorado hospital employment was concentrated in urban counties in 2022, while just 16.8% was in rural counties in the state. Recent employment growth in the state was also concentrated in urban areas, with estimated hospital employment increasing 2.3% from 2021 to 2022 in urban areas, compared to just 0.6% in rural areas over the same time period.

Table 6: Employment Summary, Hospitals, 2019-2022

Area	2019	2020	2021	2022
Urban*	90,338	90,085	91,392	93,331
Rural	13,109	13,055	13,302	13,436
Total	103,447	103,140	104,694	106,767

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

*Mesa County is technically defined as “urban” by the USDA and is included in associated “urban” employment data tracked in this report.

Note: The NAICS code description for 622 refers to hospital employment and is a subset of the Health Care and Social Assistance sector (NAICS 62).

In 2022, just four of the surveyed counties reported a higher concentration of hospital employment relative to the nation (Table 7). Alamosa County had the highest hospital employment location quotient (1.7), followed by Mesa County (1.6), and Garfield County (1.5). Both urban and rural areas, and the overall state, recorded a lower concentration of hospital employment (0.9) compared to the nation.

Table 7: Employment Location Quotient, Hospitals, 2022

Area	LQ
Alamosa County	1.7
La Plata County	0.8
Garfield County	1.5
Mesa County	1.6
Montrose County	1.0
Eagle County	0.8
Urban Colorado	0.9
Rural Colorado	0.9
Colorado	0.9

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

Note: The NAICS code description for 622 refers to hospital employment and is a subset of the Health Care and Social Assistance sector (NAICS 62).

In 2022, overall employment reported from the surveyed independent hospitals was estimated at 6,150, up 5.4% from 2021, and up 10.6% from 2019 (Table 8). Vail Health had the largest employment base, with nearly 1,500 employees in 2022, up nearly 7% from 2021. Employment at San Luis Valley Health decreased 10.4% in 2022 from the prior year, and was also down 7.1% from 2019.

INDUSTRY OVERVIEW

Table 8: Employment Summary, Independent hospitals, 2019-2022

Hospital	2019	2020	2021	2022
San Luis Valley Health	645	663	669	599
Animas Surgical	165	167	185	203
Valley View	1,738	1,695	1,373	1,468
Community Hospital	1,007	1,125	1,182	1,209
Montrose Regional Health	585	577	595	622
Vail Health	1,420	1,686	1,833	2,049
Total	5,559	5,914	5,837	6,150

Source: Business Research Division survey of Western Healthcare hospitals.

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

AVERAGE ANNUAL WAGES

In 2022, average annual wages for hospital employees in the state averaged \$78,453, up 5.3% from the prior year (Table 9). Average annual wages in 2022 for hospital employees were 5.5% higher than the average annual wage for all industries across the state. Average annual wages in urban areas were approximately 3.2% higher than respective wages in rural areas. Between 2019 and 2022, average annual wages for rural hospital employees increased 7%, compared to 5% for urban area employees over the same time period. Wages for hospital employees in the state totaled \$8.4 billion in 2022, with hospital employees in rural counties accounting for 16.4% of total wages.

Table 9: Average Annual Wage, Hospitals, 2019-2022

Area	2019	2020	2021	2022
Urban*	\$67,335	\$71,423	\$75,101	\$78,864
Rural	\$64,962	\$68,869	\$71,407	\$76,418
Total	\$66,926	\$70,987	\$74,472	\$78,453

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

*Mesa County is technically defined as "urban" by the USDA and is included in associated "urban" employment data tracked in this report.

Note: The NAICS code description for 622 refers to hospital employment and is a subset of the Health Care and Social Assistance sector (NAICS 62).

INDUSTRY OVERVIEW

RURAL HEALTH CLINICS

Of the 5,295 rural health clinics in the U.S. tracked by the U.S. Department of Health and Human Services in 2023, approximately 62 are located in Colorado States with a high concentration of rural health clinics include Kentucky (374), Texas (336), and Missouri (330). In Colorado, larger concentrations of rural health clinics are located in Morgan County (4), Grand County (4), Fremont County (4), and Montezuma County (4).

PATIENTS

Total outpatient visits in Colorado increased just 0.3% between 2021 and 2022, but are up 20.6% since 2018, according to data sourced from the Colorado Hospital Association (Table 10). Over 12.7 million outpatients were recorded in 2022, up from 10.5 million in 2018. Emergency department visits increased 8.4% year-over-year to 2.1 million, while inpatient discharges decreased 0.6% year-over-year. Total outpatient visits decreased to 11.6 million in 2020, at the height of the pandemic, but increased in 2021 and 2022.

Table 10: Colorado Patient Data, 2018-2022

Colorado	2018	2019	2020	2021	2022
Inpatient Discharges	415,739	415,348	386,489	411,301	408,956
Inpatient Days	1,991,927	2,052,283	2,048,728	2,305,835	2,243,981
Inpatient Surgeries	134,728	135,047	117,720	115,405	115,062
Births	53,030	52,859	51,390	52,500	52,530
Emergency Department Visits	1,918,651	1,952,609	1,633,176	1,943,803	2,107,204
Total Outpatient Visits*	10,546,216	12,722,041	11,583,248	12,686,648	12,719,913

Source: Colorado Hospital Association.

Note: Data does not include all hospitals in Colorado and is only reflective of hospitals that submitted information to CHA's DATABANK program.

*Each row represents independent data (i.e., Total Outpatient Visits is not a sum of the other rows).

INDUSTRY OVERVIEW

COMMUTING DATA

Among the surveyed independent hospitals, a majority of hospital employees tend to live in their respective hospital county. In 2022, 96.3% of Community Hospital employees also lived in Mesa County, the highest rate among the surveyed hospital counties.

Table 11: Commuting Trends, County, 2022

County	Hospital	Pct. of Employees Living in Hospital County
Alamosa County	San Luis Valley Health	72.0%
La Plata County	Animas Surgical	73.1%
Garfield County	Valley View	N/A
Mesa County	Community Hospital	96.3%
Montrose County	Montrose Regional Health	81.9%
Eagle County	Vail Health	57.6%

Source: Business Research Division survey of Western Healthcare hospitals.

INSURANCE RATES

The insured rate of the civilian noninstitutional population in Colorado was estimated at 92.1% in 2021, slightly higher than the respective national rate of 91.2%, according to data from the U.S. Census Bureau (Table 12). Between 2016 and 2021, the rate of the insured increased 3 percentage points, slightly higher than the growth of 2.9 percentage points observed nationally over the same time period. The insured rate of rural counties was estimated at 89% in 2021, up 4.1 percentage points from 2016. The insured rate in urban counties in Colorado averaged 92.6% in 2021, 3.5 percentage points higher than the respective rate in rural areas. The city of Durango recorded an insured rate of 92.2%, the highest of the surveyed rural hospital study areas, while Glenwood Springs recorded the lowest insured rate (83.6%). Between 2016 and 2021, the largest increases in the rates of insured were in Glenwood Springs, Montrose, and Alamosa.

Table 12: Insured Rate, 2016-2021

Percent Insured	2016	2021	Change
Alamosa	85.8%	89.7%	3.9%
Durango	88.6%	92.2%	3.6%
Glenwood Springs	74.5%	83.6%	9.1%
Grand Junction	88.3%	90.3%	2.0%
Montrose	85.4%	89.6%	4.2%
Vail	90.0%	91.9%	1.9%
Urban Colorado	89.8%	92.6%	2.8%
Rural Colorado	84.9%	89.0%	4.1%
Colorado	89.1%	92.1%	3.0%
United States	88.3%	91.2%	2.9%

Source: U.S. Census Bureau, ACS 5-year Estimates.

Note: Data reflects percent of civilian noninstitutional population.

APPENDIX 1: SAN LUIS VALLEY HOSPITAL IMPACTS

SAN LUIS VALLEY HEALTH

San Luis Valley Health offers services in the regional community, including Alamosa, La Jara, Monte Vista, and Antonito. Located in Alamosa, the Lutheran Hospital Association of the San Luis Valley provides a number of community benefit programs, including through their Charity Care program, community health fairs, and various community stakeholder engagement activities. In addition, employees are encouraged to participate in SLVH-sponsored community events and volunteer opportunities. In 2021, Alamosa County had a total estimated population of 16,377. Approximately 72% of San Luis Valley Health employees lived in Alamosa County in 2022, followed by Conejos County (9.3%), Rio Grande County (8.6%), Costilla County (5.5%), and Saguache County (4.6%).

Between 2019 and 2022, the economic contribution of San Luis Valley Health on the state totaled an estimated \$653 million (Table 13). Approximately 93.2% of the total economic contribution of San Luis Valley was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of San Luis Valley Health on the state totaled an estimated \$167.9 million (Figure 5 and Table 15). This is composed of \$110.1 million in direct spending, \$21 million in indirect impact stemming from the supply chain, and \$36.8 million in induced impact related to spending by households that are impacted by operations. In 2022, every \$1 spent directly within San Luis Valley Health produces an overall economic impact of approximately \$1.53 in the state. San Luis Valley Health directly employed 599 workers in 2022 and supported an additional 358 (for a total of 957 jobs over the year) and generated over \$70 million in labor income in the state in 2022. Approximately 93.6% of the total economic contribution of San Luis Valley Health was generated in rural counties in 2022 (Table 16).

Figure 5: San Luis Valley Health Economic Impact, Colorado, 2022

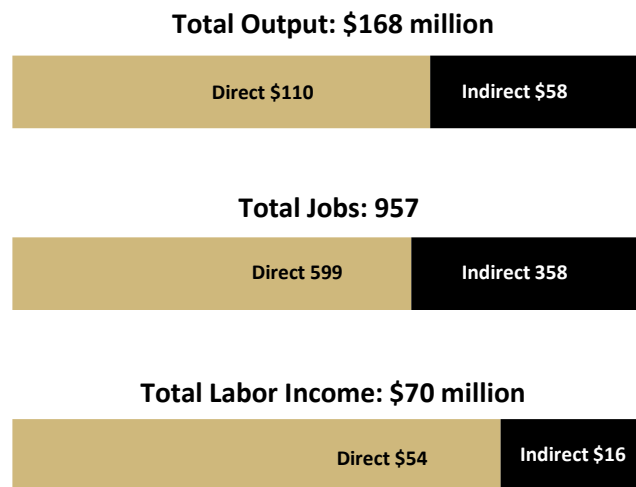


Table 13: San Luis Valley Health Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,576	\$227.9	\$229.7	\$427.8
Indirect Effect	491	\$24.1	\$35.2	\$80.4
Induced Effect	977	\$39.6	\$78.4	\$144.8
Total Effect	4,044	\$291.6	\$343.4	\$653.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 14: San Luis Valley Health Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,576	\$227.9	\$229.7	\$427.8
Indirect Effect	307	\$11.1	\$16.6	\$44.4
Induced Effect	928	\$36.9	\$73.5	\$136.7
Total Effect	3,811	\$275.9	\$319.8	\$608.9

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 15: San Luis Valley Health Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	599	\$53.7	\$54.0	\$110.1
Indirect Effect	122	\$6.2	\$9.0	\$21.0
Induced Effect	236	\$10.2	\$20.1	\$36.8
Total Effect	957	\$70.1	\$83.0	\$167.9

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 16: San Luis Valley Health Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	599	\$53.7	\$54.0	\$110.1
Indirect Effect	80	\$3.0	\$4.5	\$12.2
Induced Effect	224	\$9.5	\$18.8	\$34.8
Total Effect	903	\$66.3	\$77.3	\$157.1

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

APPENDIX 2: ANIMAS SURGICAL HOSPITAL IMPACTS

ANIMAS SURGERY

Located in Durango, the Animas Surgical Hospital participates in a number of charitable giving programs, and has donated over \$150,000 to charitable causes since 2017. In 2021, La Plata County had a total estimated population of 55,673. Approximately 73.1% of Animas Surgical employees lived in La Plata County in 2022, followed by Montezuma County (5.2%), and Dolores County (1.6%).

Between 2019 and 2022, the economic contribution of Animas Surgery on the state totaled an estimated \$330.5 million (Table 17). Approximately 95.6% of the total economic contribution of Animas Surgery was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of Animas Surgery on the state totaled \$121.6 million. This is composed of \$62 million in direct spending, \$42 million in indirect impact stemming from the supply chain, and \$17.6 million in induced impact related to spending by households that are impacted by operations (Figure 6 and Table 19). Every \$1 spent directly within Animas Surgery produces an overall economic impact of approximately \$1.96 in the state. Animas Surgery directly employed 203 workers in 2022 and supported an additional 358 (for a total of 562 jobs over the year) and generated nearly \$31 million in labor income in the state in 2022. Approximately 95.8% of the total economic contribution of Animas Surgery was generated in rural counties in 2022 (Table 20).

Figure 6: Animas Surgery Economic Impact, Colorado, 2022

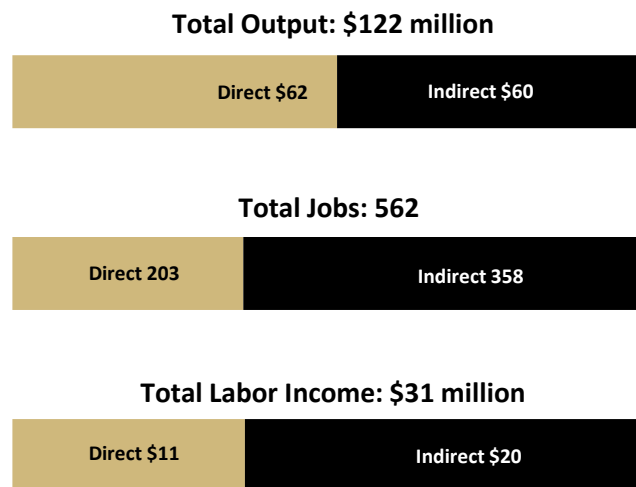


Table 17: Animas Surgery Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	721	\$43.3	\$43.9	\$217.3
Indirect Effect	399	\$22.5	\$31.1	\$67.4
Induced Effect	290	\$13.8	\$25.3	\$45.7
Total Effect	1,410	\$79.7	\$100.2	\$330.5

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 18: Animas Surgery Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	721	\$43.3	\$43.9	\$217.3
Indirect Effect	346	\$18.2	\$24.8	\$55.8
Induced Effect	274	\$12.9	\$23.6	\$43.0
Total Effect	1,342	\$74.4	\$92.3	\$316.1

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 19: Animas Surgery Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	203	\$11.2	\$11.3	\$62.0
Indirect Effect	253	\$14.1	\$19.4	\$42.0
Induced Effect	105	\$5.4	\$9.8	\$17.6
Total Effect	562	\$30.7	\$40.6	\$121.6

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 20: Animas Surgery Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	203	\$11.2	\$11.3	\$62.0
Indirect Effect	235	\$12.6	\$17.2	\$37.9
Induced Effect	100	\$5.0	\$9.2	\$16.6
Total Effect	539	\$28.8	\$37.8	\$116.5

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

APPENDIX 3: VALLEY VIEW HOSPITAL IMPACTS

VALLEY VIEW

Located in Glenwood Springs, Valley View had nearly 100 volunteers participate in their volunteer program in 2022. In 2021, Garfield County had a total estimated population of 61,221.

Between 2019 and 2022, the economic contribution of Valley View on the state totaled an estimated \$2.6 billion (Table 21). Approximately 89.2% of the total economic contribution of Valley View was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of Valley View on the state totaled \$659 million, the largest economic contribution of the surveyed hospitals (Figure 7 and Table 23). This is composed of \$331.3 million in direct spending, \$128.8 million in indirect impact stemming from the supply chain, and \$198.9 million in induced impact related to spending by households that are impacted by operations. Every \$1 spent directly within Valley View produces an overall economic impact of approximately \$1.99 in the state. Valley View directly employed 1,468 workers and supported an additional 1,846 (for a total of 3,313 jobs over the year) and generated over \$246.3 million in labor income in the state in 2022. Approximately 89.6% of the total economic contribution of Valley View was generated in rural counties in 2022 (Table 24).

Figure 7: Valley View Economic Impact, Colorado, 2022

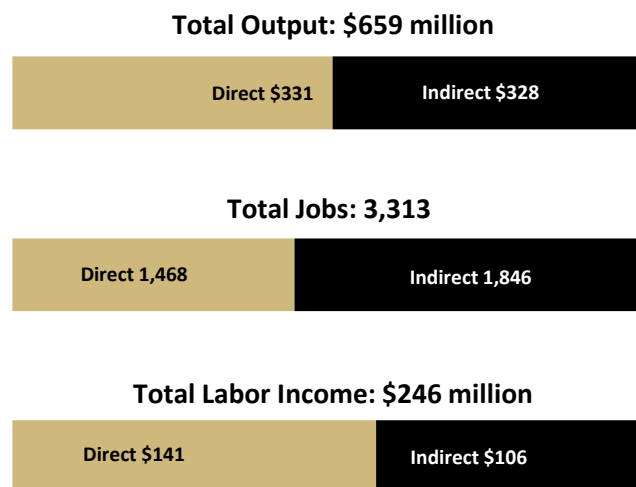


Table 21: Valley View Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	6,273	\$582.4	\$714.3	\$1,315.3
Indirect Effect	3,082	\$179.5	\$258.9	\$525.0
Induced Effect	4,472	\$230.4	\$441.6	\$735.8
Total Effect	13,827	\$992.3	\$1,414.8	\$2,576.1

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 22: Valley View Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	6,273	\$582.4	\$714.3	\$1,315.3
Indirect Effect	2,371	\$113.1	\$160.3	\$333.2
Induced Effect	3,959	\$202.9	\$389.2	\$650.1
Total Effect	12,603	\$898.3	\$1,263.9	\$2,298.6

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 23: Valley View Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	1,468	\$140.6	\$176.2	\$331.3
Indirect Effect	704	\$44.2	\$63.3	\$128.8
Induced Effect	1,141	\$61.6	\$119.4	\$198.9
Total Effect	3,313	\$246.3	\$358.8	\$659.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 24: Valley View Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	1,468	\$140.6	\$176.2	\$331.3
Indirect Effect	542	\$27.8	\$38.9	\$80.1
Induced Effect	1,029	\$55.3	\$107.2	\$178.9
Total Effect	3,038	\$223.6	\$322.3	\$590.3

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

APPENDIX 4: COMMUNITY HOSPITAL IMPACTS

COMMUNITY HOSPITAL

Located in Grand Junction, Community Hospital reported over 30,000 total volunteer hours since 2019. In addition, Community Hospital participated in a number of charitable giving events for Colorado Mesa University. In 2021, Mesa County had a total estimated population of 154,685. Approximately 96.3% of Community Hospital employees lived in Mesa County in 2022, followed by Delta County (1%), Garfield County (0.2%), and Montrose County (0.2%).

Between 2019 and 2022, the economic contribution of Community Hospital on the state totaled an estimated \$971.4 million (Table 25). Approximately 93.2% of the total economic contribution of Community Hospital was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of Community Hospital on the state totaled \$284.8 million, the second highest economic contribution of the surveyed hospitals (Figure 8 and Table 27). This is composed of \$165.5 million in direct spending, \$38.1 million in indirect impact stemming from the supply chain, and \$81.1 million in induced impact related to spending by households that are impacted by operations. Every \$1 spent directly within Community Hospital produces an overall economic impact of approximately \$1.72 in the state. Community Hospital directly employed 1,209 workers and supported an additional 725 (for a total of 1,934 jobs over the year) and generated \$141 million in labor income in the state in 2022. Approximately 92.8% of the total economic contribution of Community Hospital was generated in rural counties in 2022 (Table 28).

Figure 8: Community Hospital Economic Impact, Colorado, 2022

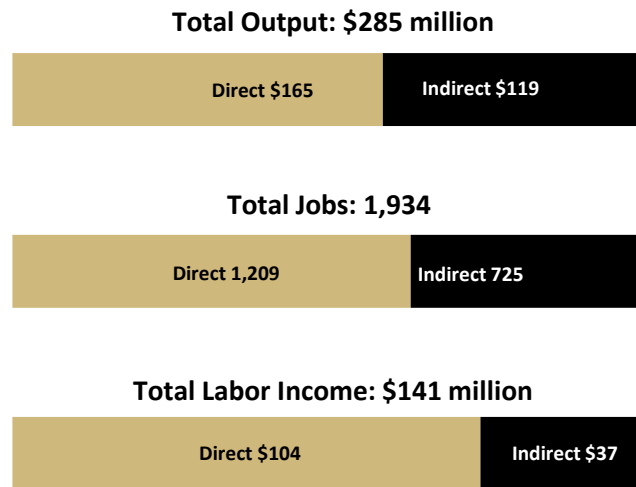


Table 25: Community Hospital Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	4,523	\$364.1	\$365.1	\$568.1
Indirect Effect	718	\$41.3	\$58.7	\$124.3
Induced Effect	1,928	\$86.2	\$155.2	\$278.9
Total Effect	7,169	\$491.7	\$579.0	\$971.4

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 26: Community Hospital Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	4,523	\$364.1	\$365.1	\$568.1
Indirect Effect	465	\$20.9	\$29.9	\$71.6
Induced Effect	1,851	\$81.8	\$147.0	\$265.8
Total Effect	6,839	\$466.8	\$542.1	\$905.5

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 27: Community Hospital Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	1,209	\$103.6	\$103.6	\$165.5
Indirect Effect	204	\$12.5	\$17.8	\$38.1
Induced Effect	521	\$24.9	\$45.8	\$81.1
Total Effect	1,934	\$141.0	\$167.1	\$284.8

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 28: Community Hospital Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	1,209	\$103.6	\$103.6	\$165.5
Indirect Effect	132	\$6.2	\$8.8	\$21.7
Induced Effect	499	\$23.5	\$43.1	\$76.9
Total Effect	1,840	\$133.2	\$155.5	\$264.2

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

APPENDIX 5: MONTROSE REGIONAL HEALTH HOSPITAL IMPACTS

MONTROSE REGIONAL HEALTH

Located in Montrose, Montrose Regional Health reported over 14,000 total volunteer hours since 2020. In 2021, Montrose County had a total estimated population of 42,328. Approximately 81.9% of Montrose Regional Health employees lived in Montrose County in 2022, followed by Delta County (8%), Ouray County (3.7%), Mesa County (1.8%), and Gunnison County (0.8%).

Between 2019 and 2022, the economic contribution of Montrose Regional Health on the state totaled an estimated \$724.9 million (Table 29). Approximately 89% of the total economic contribution of Montrose Regional Health was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of Montrose Regional Health on the state totaled \$207.4 million. This is composed of \$109.3 million in direct spending, \$37.9 million in indirect impact stemming from the supply chain, and \$60.2 million in induced impact related to spending by households that are impacted by operations (Figure 9 and Table 31). Every \$1 spent directly within Montrose Regional Health produces an overall economic impact of approximately \$1.90 in the state. Montrose Regional Health directly employed 622 workers and supported an additional 594 (for a total of 1,216 jobs over the year) and generated \$86.6 million in labor income in the state in 2022. Approximately 88.7% of the total economic contribution of Montrose Regional Health was generated in rural counties (Table 32).

Figure 9: Montrose Regional Health Economic Impact, Colorado, 2022

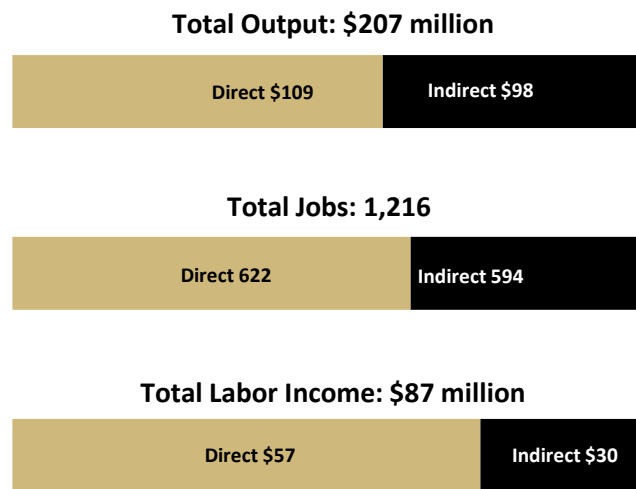


Table 29: Montrose Regional Health Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,379	\$202.0	\$202.0	\$380.9
Indirect Effect	745	\$42.2	\$59.7	\$128.6
Induced Effect	1,484	\$61.6	\$120.9	\$215.4
Total Effect	4,608	\$305.8	\$382.6	\$724.9

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 30: Montrose Regional Health Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,379	\$202.0	\$202.0	\$380.9
Indirect Effect	495	\$20.5	\$29.1	\$73.4
Induced Effect	1,343	\$53.2	\$105.5	\$190.7
Total Effect	4,217	\$275.7	\$336.6	\$645.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 31: Montrose Regional Health Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	622	\$57.1	\$57.1	\$109.3
Indirect Effect	205	\$12.3	\$17.4	\$37.9
Induced Effect	389	\$17.2	\$34.2	\$60.2
Total Effect	1,216	\$86.6	\$108.7	\$207.4

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 32: Montrose Regional Health Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	622	\$57.1	\$57.1	\$109.3
Indirect Effect	137	\$6.0	\$8.4	\$21.7
Induced Effect	350	\$14.8	\$29.6	\$52.9
Total Effect	1,109	\$77.8	\$95.2	\$183.9

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

APPENDIX 6: VAIL HEALTH HOSPITAL IMPACTS

VAIL HEALTH

Vail Health has provided \$115.6 million in community benefit during the past five years (2018-22) in Eagle and Summit Counties, including services to improve community health and address social determinants of health, education, research, free and discounted care for those unable to pay, care for Medicaid beneficiaries and other low-income care programs, and more. Additionally, Vail Health has committed \$200 million to address the behavioral health crisis including an outpatient mental health clinic that opened in 2023, and a 28-bed inpatient behavioral health facility that will open in 2025. In 2021, Eagle County had a total estimated population of 55,693. Approximately 57.6% of Vail Health employees lived in Eagle County in 2022, followed by Garfield County (14.1%), Summit County (7.4%), and Lake County (2.7%).

Between 2019 and 2022, the economic contribution of Vail Health on the state totaled an estimated \$1.5 billion (Table 33). Approximately 99.5% of the total economic contribution of Vail Health was generated in rural counties between 2019 and 2022. In 2022, the economic contribution of Vail Health on the state totaled \$476 million. This is composed of \$336.7 million in direct spending, \$86.4 million in indirect impact stemming from the supply chain, and \$52.5 million in induced impact related to spending by households that are impacted by operations (Figure 10 and Table 35). Every \$1 spent directly within Vail Health produces an overall economic impact of approximately \$1.41 in the state. Vail Health directly employed 2,049 workers and supported an additional 845 (for a total of 2,894 jobs over the year) and generated \$259.2 million in labor income in the state. Approximately 99.5% of the total economic contribution of Vail Health was generated in rural counties (Table 36).

Figure 10: Vail Health Economic Impact, Colorado, 2022

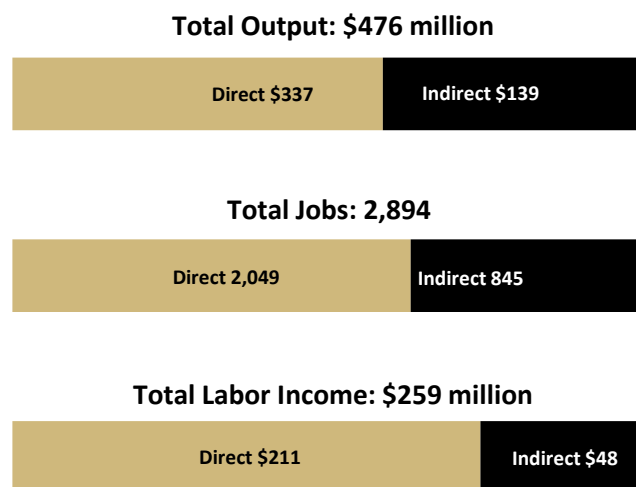


Table 33: Vail Health Economic Impact, Colorado, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	6,988	\$688.4	\$695.8	\$1,109.5
Indirect Effect	1,230	\$65.3	\$94.2	\$186.9
Induced Effect	1,258	\$71.7	\$134.1	\$218.6
Total Effect	9,476	\$825.4	\$924.1	\$1,515.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 34: Vail Health Economic Impact, Rural Counties, 2019-2022

Impact	Employment (Job Years)	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	6,988	\$688.4	\$695.8	\$1,109.5
Indirect Effect	1,205	\$63.0	\$90.6	\$180.2
Induced Effect	1,248	\$71.2	\$133.1	\$216.9
Total Effect	9,441	\$822.5	\$919.5	\$1,506.7

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 35: Vail Health Economic Impact, Colorado, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,049	\$210.9	\$213.0	\$336.7
Indirect Effect	551	\$31.5	\$44.7	\$86.4
Induced Effect	294	\$16.8	\$31.6	\$52.5
Total Effect	2,894	\$259.2	\$289.3	\$475.5

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.

Table 36: Vail Health Economic Impact, Rural Counties, 2022

Impact	Employment	Labor Income (In Millions)	Value Added (In Millions)	Output (In Millions)
Direct Effect	2,049	\$210.9	\$213.0	\$336.7
Indirect Effect	544	\$30.8	\$43.6	\$84.4
Induced Effect	291	\$16.6	\$31.3	\$52.0
Total Effect	2,884	\$258.3	\$287.9	\$473.0

Note: Employment totals reflect full-time and part-time employees and estimated construction employees derived from capital construction.