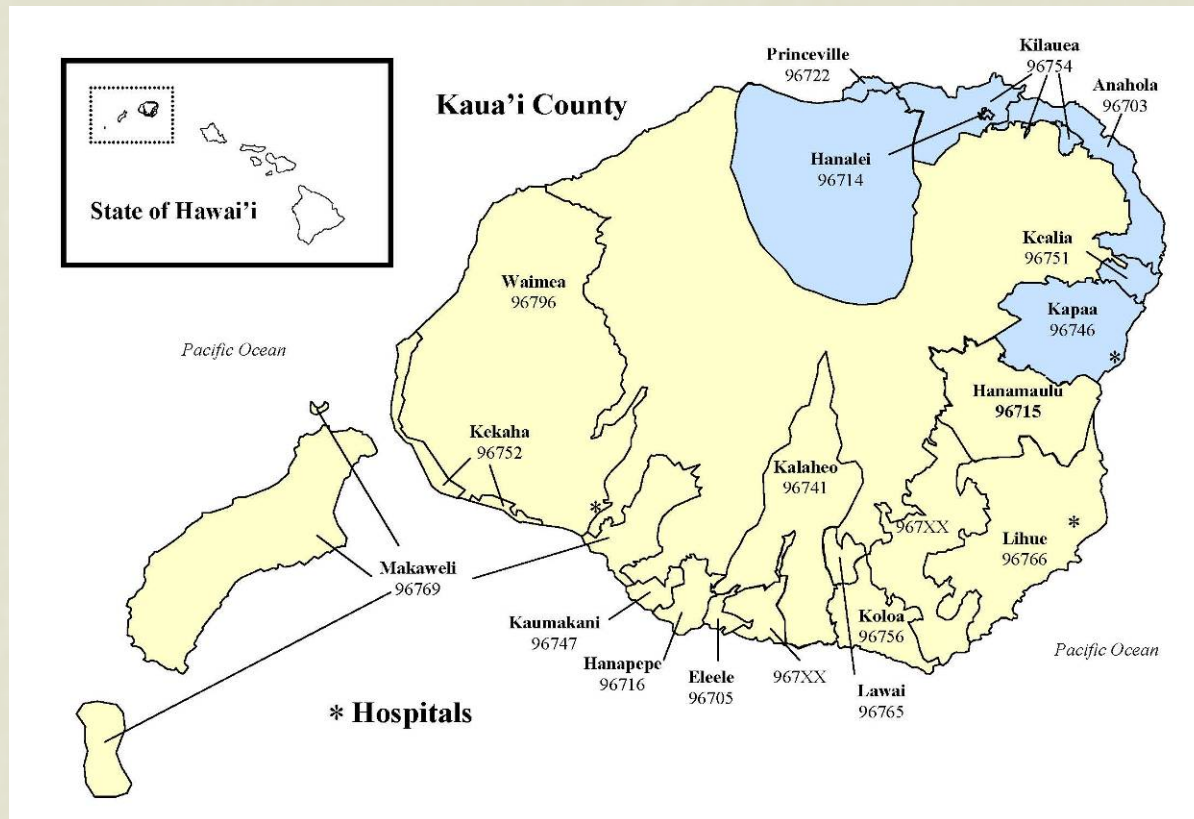


# The Economic Impact of Samuel Mahelona Memorial Hospital on the Medical Service Area in Kaua'i County, Hawai'i



Prepared by:

National Center for Rural Health Works  
January 2008

# **The Economic Impact of Samuel Mahelona Memorial Hospital on the Medical Service Area in Kaua'i County, Hawai'i**

Prepared for:

Samuel Mahelona Memorial Hospital  
and  
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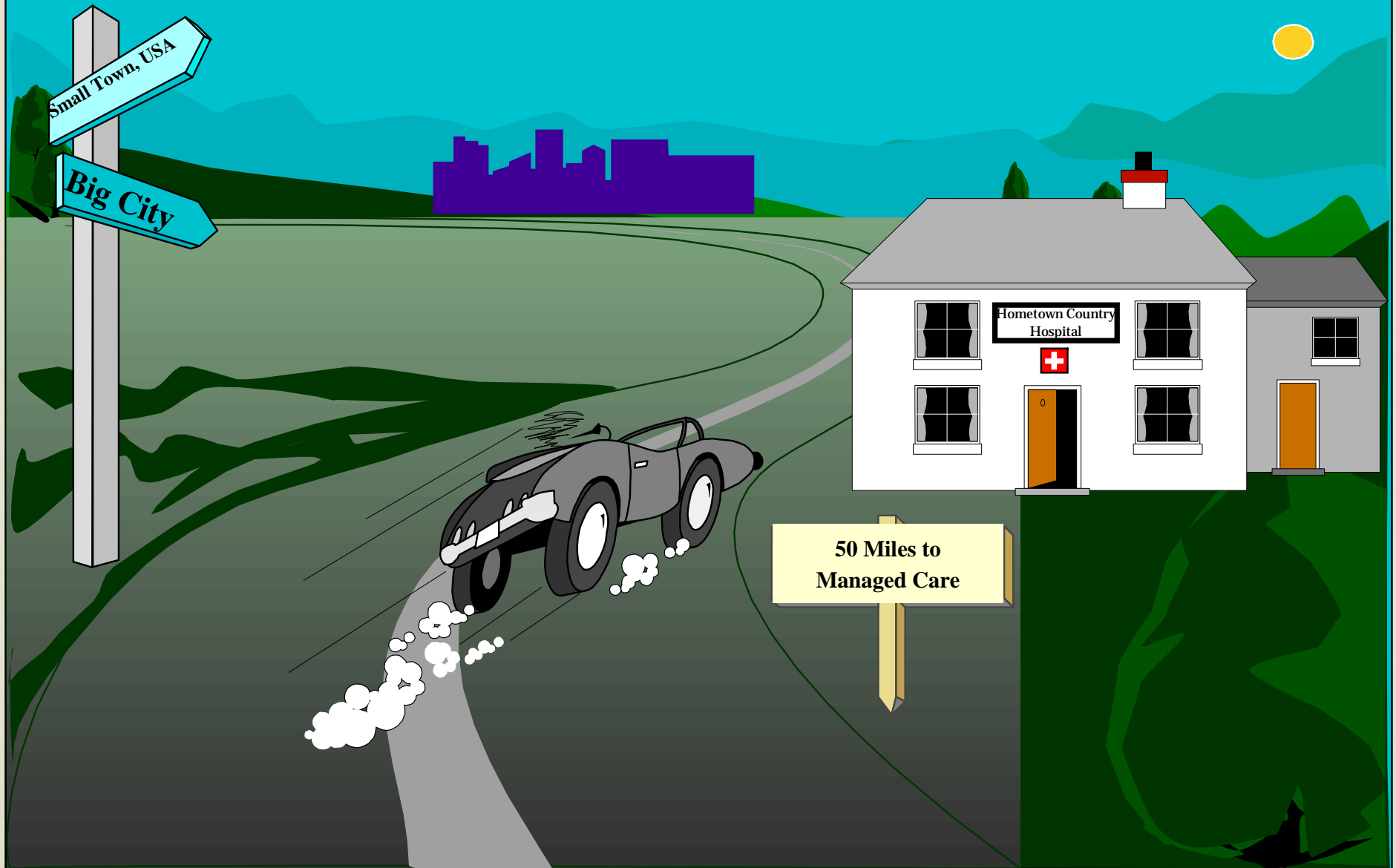
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# Movement to Managed Care May Cause a By-Pass of Local Health Care



# Health Services Promote Job Growth



# Health Services Foster Rural Development



# Health Services Attract Retirees



## Services that Impact Rural Development

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Type of Growth	Services Important to Attract Growth
Industry and Business	Health and Education
Retirees	Health and Safety

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**United States Health Expenditures and Employment Data  
for 1970-2005; Projected for 2008, 2012 & 2016**

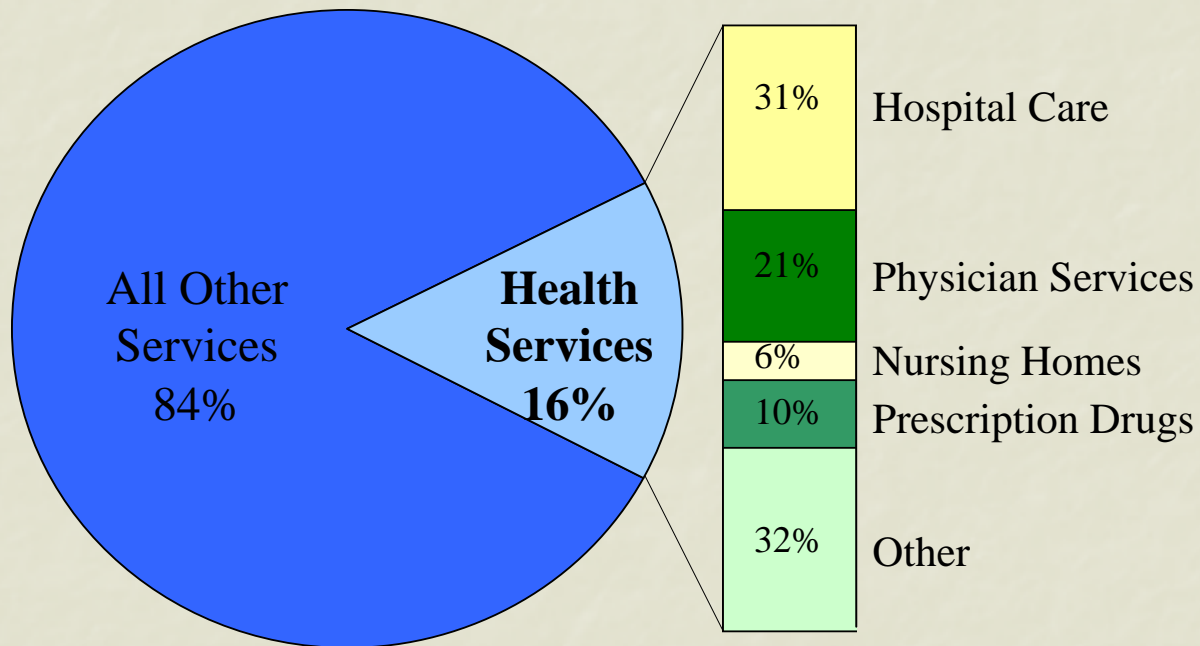
<b>United States Data</b>					
<b>Year</b>	<b>Total Health Expenditures (\$\$ Billions)</b>	<b>Per Capita Health Expenditures (\$\$)</b>	<b>Health as % of GDP (%)</b>	<b>Health Sector Employment (000)</b>	<b>Ave. Annual Increase in Employment (%)</b>
1980	253.9	1,102	9.1%	5,278	7.3%
1990	714.0	2,813	12.3%	7,814	4.8%
2000	1,353.3	4,790	13.8%	10,103	2.9%
<hr/>					
2003	1,733.4	5,952	15.8%	11,817	N/A
2005	1,987.7	6,697	16.0%	12,314	2.1%
<b>Projections</b>					
2008	2,420.0	7,957	16.5%		
2012	3,173.4	10,110	17.9%		
2016	4,136.9	12,782	19.6%		



# National Health Expenditures as a Percent of Gross Domestic Product and by Health Service Type, 2005

National Health  
Care Expenditures

\$2.0 trillion

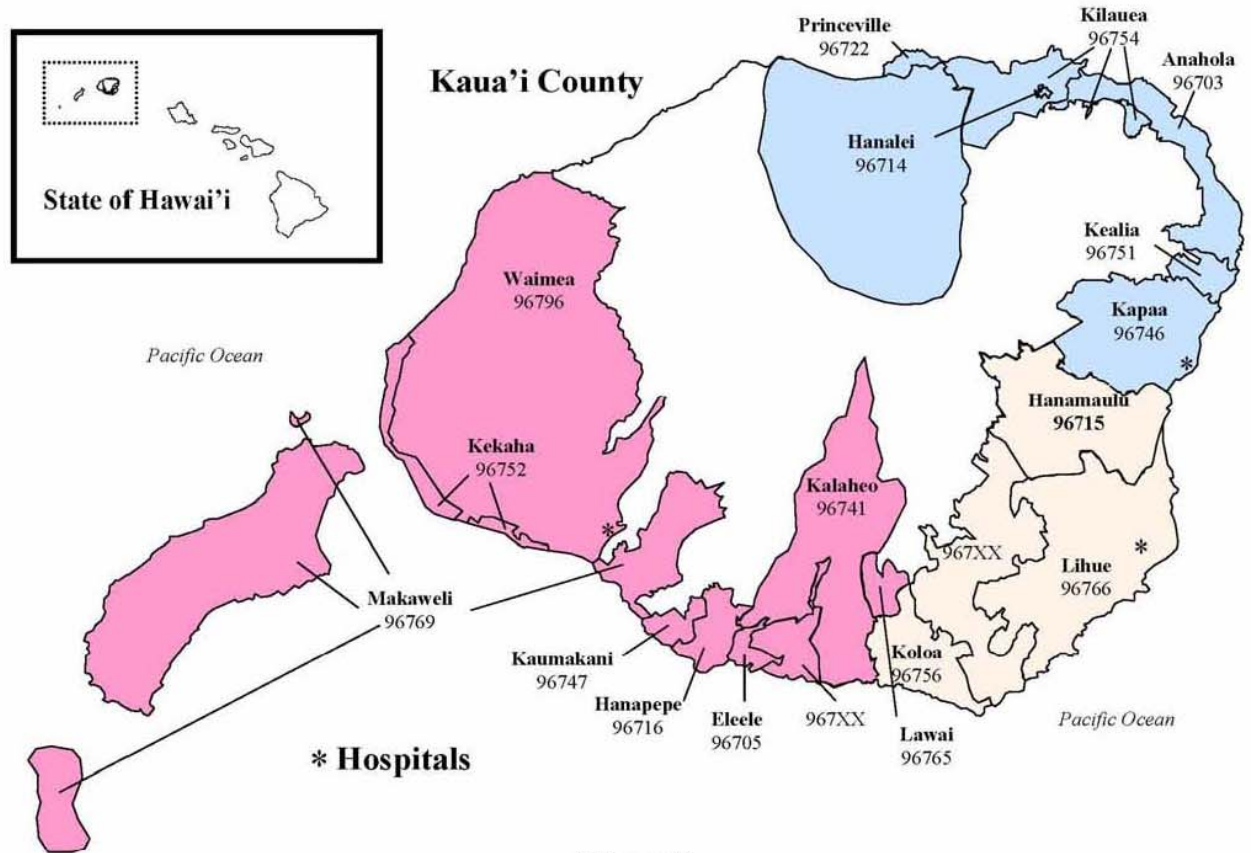


National Gross  
Domestic Product

Type of  
Health  
Service

Zip Code	2000 Population
<b>Samuel Mahelona Memorial Hospital</b>	
96703	2,174
96714	2,165
96722	1,212
96746	16,188
96751	209
96754	2,075
<b>Total MSA</b>	<b>24,023</b>
<b>Kaua'i Veterans Memorial Hospital</b>	
96705	1,955
96716	2,475
96741	6,277
96747	607
96752	2,930
96765	n/a
96769	638
96796	2,205
<b>Total MSA</b>	<b>17,087</b>
<b>Wilcox Memorial Hospital</b>	
96715	n/a
96756	5,312
96766	12,011
967XX	48
<b>Total MSA</b>	<b>17,371</b>
Total Zip Code Population	58,481

MSA	Hospital Name	City & Zip Location	Licensed Beds
Blue	Samuel Mahelona Memorial Hospital	Kapaa - 96746	14
Pink	Kaua'i Veterans Memorial Hospital	Waimea - 96796	25
Yellow	Wilcox Memorial Hospital	Lihue - 96766	71



**Figure 2.**  
**Kaua'i County**  
**Hospitals by Designated Medical Service Areas and by Zip Code Population**

**Table 2**  
**Medical Service Area by Zip Code Population**  
**for Samuel Mahelona Memorial Hospital, Kaua'i County, Hawai'i**

<b>Zip Code</b>	<b>Zip Code Area</b>	<b>Populations</b>					
		<b>2000 Census</b>	<b>2000 ESRI</b>	<b>2006 ESRI</b>	<b>% Chg</b>	<b>2011 ESRI</b>	<b>% Chg</b>
96703	Anahola	2,174					
96714	Hanalei	2,165					
96722	Princeville	1,212	3,364	3,660		3,846	
96746	Kapaa	16,188	18,525	19,802		20,708	
96751	Kealia	209					
96754	Kilauea	2,075	2,984	3,273		3,450	
<b>Total MSA</b>		<b>24,023</b>	<b>24,873</b>	<b>26,735</b>	<b>7.5%</b>	<b>28,004</b>	<b>4.7%</b>

**Table 3**  
**Samuel Mahelona Memorial Hospital, Kaua'i County, HI -**  
**Zip Code Population of MSA by Race and Ethnic Groups**

Zip Code	Zip Code Area	White	Black	Native American	Other	Two or more Races	Totals	Hispanic Origin
96703	Anahola	530	8	9	1,053	574	2,174	163
96714	Hanalei	1,324	12	7	498	324	2,165	104
96722	Princeville	1,026	3	7	76	100	1,212	53
96746	Kapaa	5,095	66	79	6,495	4,453	16,188	1,458
96751	Kealia	51	1	1	104	52	209	24
96754	Kilauea	<u>1,153</u>	<u>6</u>	<u>11</u>	<u>577</u>	<u>328</u>	<u>2,075</u>	<u>121</u>
2000 Census Totals		<u>9,179</u>	<u>96</u>	<u>114</u>	<u>8,803</u>	<u>5,831</u>	<u>24,023</u>	<u>1,923</u>
2000 % of Total		<u>38.2%</u>	<u>0.4%</u>	<u>0.5%</u>	<u>36.6%</u>	<u>24.3%</u>	<u>100.0%</u>	<u>8.0%</u>
2006 % of Total		<u>52.4%</u>	<u>0.5%</u>	<u>n/a</u>	<u>27.1%</u>	<u>n/a</u>	<u>80.0%</u>	<u>7.2%</u>

**Table 4**  
**Zip Code Population of Medical Service Area by Age Groups**  
**for Samuel Mahelona Memorial Hospita, Kaua'i County, Hawai'i**

Zip Code	Zip Code Area	Age Groups						Totals
		0-14	15-19	20-24	25-44	45-64	65+	
96703	Anahola	553	183	133	599	541	165	2,174
96714	Hanalei	428	136	100	628	653	220	2,165
96722	Princeville	195	43	24	307	431	212	1,212
96746	Kapaa	3,760	1,188	780	4,532	4,177	1,751	16,188
96751	Kealia	34	20	14	57	31	53	209
96754	Kilauea	<u>510</u>	<u>145</u>	<u>73</u>	<u>591</u>	<u>579</u>	<u>177</u>	<u>2,075</u>
2000 Census Totals		<u>5,480</u>	<u>1,715</u>	<u>1,124</u>	<u>6,714</u>	<u>6,412</u>	<u>2,578</u>	<u>24,023</u>
2000 % of Total		<u>22.8%</u>	<u>7.1%</u>	<u>4.7%</u>	<u>27.9%</u>	<u>26.7%</u>	<u>10.7%</u>	<u>100.0%</u>
2006 % of Total		<u>19.3%</u>	<u>7.9%</u>	<u>7.0%</u>	<u>23.0%</u>	<u>32.3%</u>	<u>10.7%</u>	<u>100.0%</u>

**Table 5**  
**Economic Indicators for Kaua'i County,**  
**the State of Hawai'i, and the United States**

Indicator	Kaua'i County	State of Hawai'i	United States
Total Personal Income (2005)	\$1,814,873,000	\$43,913,459,000	\$10,220,942,000,000
Per Capita Income (2005)	\$29,101	\$34,489	\$34,471
Employment (2006)	31,795	628,277	144,427,000
Unemployment (2006)	764	15,209	7,001,000
Unemployment Rate (2006)	2.3%	2.4%	4.6%
Employment (Nov 2007)	31,941	629,528	146,211,000
Unemployment ( Nov 2007)	989	19,161	7,181,000
Unemployment Rate (Nov 2007)	3.0%	3.0%	4.7%
% of All People in Poverty (2005)	9.9%	12.5%	13.3%
% of Under Age 18 in Poverty (2005)	11.8%	15.7%	18.5%
Transfer Dollars (2005)	\$302,946,000	\$5,603,084,000	\$1,526,592,000,000
Transfer Dollars as Percentage of Total Personal Income (2005)	16.7%	12.8%	14.9%

**Table 6a**  
**Transfer Payments (NAICS)**  
**for Kaua'i County and State of Hawai'i, 2005**

Employment Categories	Kaua'i County		State of Hawai'i	
	No. of Jobs	% of Total	No. of Jobs	% of Total
Total transfer payments (\$1,000)	<u>302,946</u>	<u>100.0%</u>	<u>5,603,084</u>	<u>100.0%</u>
<b>Govt payments to individuals</b>	<u>290,780</u>	<u>96.0%</u>	<u>5,363,384</u>	<u>95.7%</u>
Ret & disab ins benefit pymts	<u>114,592</u>	<u>37.8%</u>	<u>2,202,523</u>	<u>39.3%</u>
Old-age, surv & disab ins pymts	113,620	37.5%	2,162,358	38.6%
Railroad ret & disab pymts	169	0.1%	2,609	0.0%
Workers' comp pymts (Fed & State)	487	0.2%	31,509	0.6%
Other govt disab ins & ret pymts	<u>316</u>	<u>0.1%</u>	<u>6,047</u>	<u>0.1%</u>
Medical pymts	<u>131,753</u>	<u>43.5%</u>	<u>2,191,382</u>	<u>39.1%</u>
Medicare	48,622	16.0%	1,032,782	18.4%
Public assist medical care	82,508	27.2%	1,129,486	20.2%
Military medical ins pymts	<u>623</u>	<u>0.2%</u>	<u>29,114</u>	<u>0.5%</u>

**Table 6b**  
**Transfer Payments (NAICS)**  
**for Kaua'i County and State of Hawai'i, 2005**

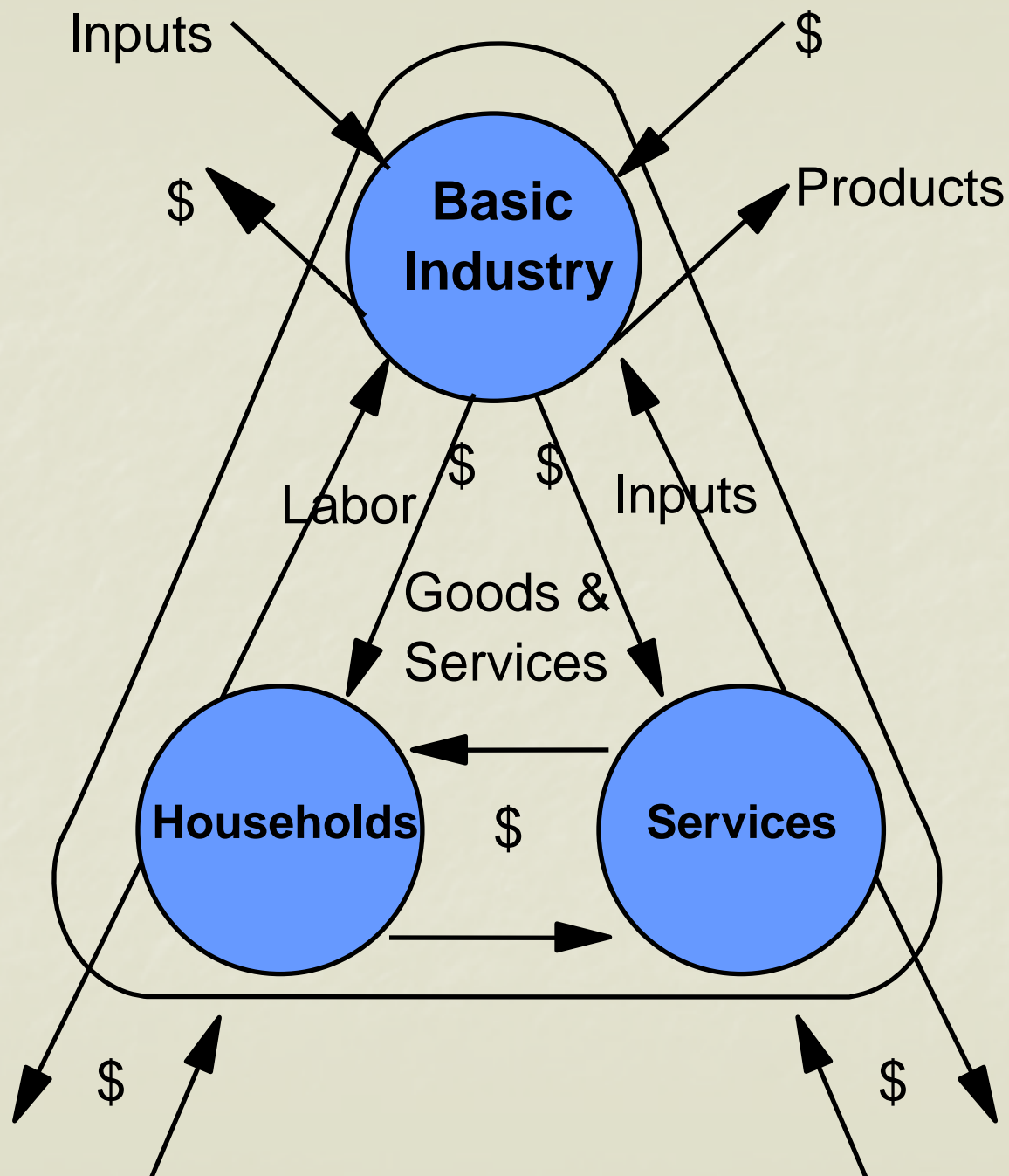
Employment Categories	Kaua'i County		State of Hawai'i	
	No. of Jobs	% of Total	No. of Jobs	% of Total
Total transfer payments (\$1,000)	<u>302,946</u>	<u>100.0%</u>	<u>5,603,084</u>	<u>100.0%</u>
<b>Govt payments to individuals</b>	<u>290,780</u>	<u>96.0%</u>	<u>5,363,384</u>	<u>95.7%</u>
Ret & disab ins benefit pymts	<u>114,592</u>	<u>37.8%</u>	<u>2,202,523</u>	<u>39.3%</u>
Medical pymts	<u>131,753</u>	<u>43.5%</u>	<u>2,191,382</u>	<u>39.1%</u>
Income maint benefit pymts	<u>30,322</u>	<u>10.0%</u>	<u>632,192</u>	<u>11.3%</u>
Unemp ins benefit pymts	<u>5,332</u>	<u>1.8%</u>	<u>93,217</u>	<u>1.7%</u>
Vtrns benefit pymts	<u>7,513</u>	<u>2.5%</u>	<u>196,847</u>	<u>3.5%</u>
Fed edu & trng asst pymts (excl vtrns)	<u>1,161</u>	<u>0.4%</u>	<u>45,405</u>	<u>0.8%</u>
Other pymts to indivls	<u>107</u>	<u>0.0%</u>	<u>1,818</u>	<u>0.0%</u>
<b>Payments to nonprofit institutions</b>	<u>7,901</u>	<u>2.6%</u>	<u>155,668</u>	<u>2.8%</u>
<b>Business payments to individuals</b>	<u>4,265</u>	<u>1.4%</u>	<u>84,032</u>	<u>1.5%</u>



**Table 7**  
**Direct Economic Activities**  
**of Samuel Mahelona Memorial Hospital, 2007**

System Component	Total Full- & Part- Time Employment	Income (Payroll with Benefits)
Hospital	78	\$4,911,817
Skilled Nursing Facility	50	\$3,107,248
Emergency Medical Services	<u>8</u>	<u>\$662,140</u>
Total Direct Economic Activities	<b><u>136</u></b>	<b><u>\$8,681,205</u></b>

# Community Economic System



**Table 8**  
**Employment Impact**  
**of Samuel Mahelona Memorial Hospital, 2007**

System Component	Number of Employees	Employment Multiplier	Secondary Impact	Total Impact
Hospital	78	1.48	37	115
Skilled Nursing Facility	50	1.26	13	63
Emergency Medical Services	<u>8</u>	1.51	<u>4</u>	<u>12</u>
Totals	<b><u>136</u></b>		<b><u>54</u></b>	<b><u>190</u></b>

**Table 9**  
**Income Impact**  
**of Samuel Mahelona Memorial Hospital, 2007**

System Component	Income	Income Multiplier	Secondary Impact	Total Impact
Hospital	\$4,911,817	1.27	\$1,326,191	\$6,238,008
Skilled Nursing Facility	\$3,107,248	1.21	\$652,522	\$3,759,770
Emergency Medical Services	<u>\$662,140</u>	1.32	<u>\$211,885</u>	<u>\$874,025</u>
Totals	<b><u>\$8,681,205</u></b>		<b><u>\$2,190,598</u></b>	<b><u>\$10,871,803</u></b>

## Contact Information:

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