

Economic Impact

The MRMC's total direct economic impact was \$1.007 billion in 2006.¹ This direct impact has several major sources: revenue from out-of-area patients; government payments for care provided; research dollars from non-local sources; student payments to MRMC institutions; operation of the Medical College; and local revenue from out-of-area visitors and students of MRMC.

Beyond this \$1.007 billion direct impact, MRMC activities increase the size of the local economy, creating jobs and income beyond the MRMC campus. The indirect economic impact of the six MRMC member organizations due to the circulation of direct economic impact dollars locally was estimated at \$1.410 billion for the Metro Milwaukee area in 2006. Combined, the direct and indirect economic impacts total \$2.417 billion.

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MRMC's economic impact has grown over time at an accelerating pace. Since 1984, when this study was first conducted, the economic impact has grown by over \$2.1 billion. Over 34% of this increase occurred since the last study in 2003.

Also significant to Metro Milwaukee's economy is MRMC's job creation. Combined, the six member institutions employed 15,701 people in the metro area in 2006, of which approximately 13,000 worked on the MRMC campus in Wauwatosa. Employee wages and salaries reached \$811 million in 2006. Beyond campus, cash flow from the MRMC stimulated approximately 9,000 additional retail, service, and professional jobs in Metro Milwaukee, in 2006.

Funding for MRMC research is significant and increasing, led by grants awarded to the Medical College. In FY 2006-07, Medical College faculty received approximately \$143 million in external support for research, teaching, training and related purposes, a 7 percent increase over the previous fiscal year. Of this \$143 million, approximately \$130 million went toward research. Highly competitive awards from the National Institutes of Health (NIH) comprised \$92.3 million of the external funding, reflecting a 10 percent increase in NIH funding over the previous year. The BloodCenter's Blood Research Institute annually receives about another \$6 million in extramural research funding. The BloodCenter receives more NIH funding than any other blood center in the nation.

MRMC's host city, Wauwatosa, enjoys an estimated economic impact of \$336 million from the MRMC. As Wauwatosa's largest employer, the MRMC accounts for one of every three jobs located in the City.

¹ Since 1984, a study has been conducted by Info-Serve Information & Research Services to determine the MRMC's impact on the Metro Milwaukee area, defined in the study as Milwaukee, Waukesha, Ozaukee, and Washington Counties. The study's 6th and most recent update examined data for 2006.

The MRMC institutions are rooted in the County Grounds and continue to invest in physical improvements on their campus. As of 2006, MRMC members have invested \$736 million in construction over the past 35 years, including over \$132 million from 2001–2006. Another \$383 million in construction is planned from 2006–2009.

While these institutions are non-profit and tax-exempt, they indirectly generate an estimated \$442 million in annual tax revenue through their economic impact. This includes estimated state tax revenue of \$130 million, federal income tax revenue of \$213 million and, in the four-county Metro region, \$98 million in local property taxes.

MRMC members' special expertise and quality attracted over \$424 million out-of-area patient revenues in 2006. Spending by medical students in the local economy totaled \$35 million and visitors to the campus brought another \$63 million.

Unlike other major hospital centers in the area, the MRMC is unique in its role as the major educational resource for physicians and health care professionals in the area. Training the majority of the area's physicians and other health care professionals, the MRMC is an engine of growth for these professions in the area. Together, these institutions continue to advance both the physical and economic health of the region.

