

THE ECONOMIC VALUE OF John A. Burns School of Medicine

FACT SHEET



John A. Burns School of Medicine (JABSOM) generates a significant impact on the O'ahu community. It creates an impact through its operations, residency program, and research spending, as well as the spending of its clinical patients and their guests, students, and visitors. In addition, its entrepreneurial activities and alumni generate income for the region.

TOTAL IMPACT OF JABSOM

While the school serves the entire state of Hawai'i, this analysis focuses on its contribution to O'ahu. During the analysis year, JABSOM and its various activities, clinical patients and their guests, other visitors, and students added **\$456.4 million** in income to the O'ahu economy. This is equivalent to supporting **5,196** jobs and is approximately equal to **0.8%** of the gross regional product (GRP). By comparison, this impact from the school is larger than the entire Arts, Entertainment, & Recreation industry in the region. The impacts measured for the school are outlined below.

Operations spending impact

- JABSOM employed 369 full-time and part-time employees in FY 2014-15. Payroll amounted to **\$20.6 million**, much of which was spent in region to purchase groceries, clothing, and other household goods and services. The school spent another **\$13.6 million** to support its day-to-day operations. Note that these figures exclude research and residency program activities.
- The net impact of JABSOM payroll and expenses in the region during the analysis year was approximately **\$27.1 million** in added income, which is equivalent to creating **486** new jobs.

Residency program spending impact

- JABSOM's residency program works closely with regional hospitals and would not exist without their support. The program employed 515 full-time equivalent faculty and staff, with 223 of them being resident physicians, in FY 2014-15. Payroll amounted to **\$31.6 million**, much of which was spent in the region to purchase groceries, clothing, and other household goods and services. The residency program spent another **\$4.2 million** to support its operations.
- The net impact of the residency program payroll and expenses in the region during the analysis year was approximately **\$46.7 million** in added income, which is equivalent to creating **715** new jobs.

Research spending impact

- Research activities at JABSOM impact the regional economy by employing people and making purchases for equipment, supplies, and services. They also facilitate new knowledge creation. In FY 2014-15, JABSOM spent **\$24.8 million** on payroll to support research activities.
- The research spending of JABSOM generated **\$47.6 million** in added income for the regional economy, which is equivalent to creating **399** new jobs.

Start-up and spin-off company impact

- JABSOM creates an exceptional environment that fosters innovation and entrepreneurship, evidenced by the number of start-up and spin-off companies created from their relationship with the school.
- In FY 2014-15, the start-up and spin-off companies related to JABSOM generated **\$5.7 million** in added income for the O'ahu economy, which is equivalent to creating **67** new jobs.

Clinical patient and guest spending impact

- The specialist care offered by JABSOM through research and clinical activities not only attracted patients seeking longer and healthier lives to the region, but also their friends and loved ones for moral support. Furthermore, the clinical activities

IMPACT OF JABSOM IN FY 2014-15

Added income	Jobs
\$27.1 million	486
<i>Operations spending impact</i>	
\$46.7 million	715
<i>Residency program spending impact</i>	
\$47.6 million	399
<i>Research spending impact</i>	
\$5.7 million	67
<i>Start-up and spin-off company impact</i>	
\$2.5 million	45
<i>Clinical patient and guest spending impact</i>	
\$610 thousand	9
<i>Visitor spending impact</i>	
\$2.7 million	123
<i>Student spending impact</i>	
\$323.6 million	3,352
<i>Alumni impact</i>	
\$456.4 million	5,196
<i>Total impact</i>	

* Numbers may not add due to rounding

retained patients and their guests in the region who would have otherwise had to travel to receive treatment.

- The spending from these patients and their guests added approximately **\$2.5 million** in total income for the O'ahu economy, which is equivalent to creating **45** new jobs.

Visitor spending impact

- Out-of-region visitors attracted to O'ahu for activities at JABSOM brought new dollars to the economy through their spending at hotels, restaurants, gas stations, and other regional businesses.
- Visitor spending added approximately **\$610 thousand** in added income for the O'ahu economy, which is equivalent to creating **9** new jobs.

Student spending impact

- Around **21%** of students attending JABSOM originated from outside O'ahu. Some of these students relocated to the region. In addition, a number of students would have left the region if not for JABSOM. These relocator and retained students spent money on groceries, transportation, rent, and so on at regional businesses.
- The expenditures of relocator and retained students during the analysis year added approximately **\$2.7 million** in added income to the O'ahu economy, which is equivalent to creating **123** new jobs.

Alumni impact

- Over the years, students have studied at JABSOM and entered or re-entered the medical workforce with newly-acquired skills. Today, many of these former students are employed in the region.
- The accumulated contribution of former JABSOM students currently employed in the regional medical workforce amounted to **\$323.6 million** in added income during the analysis year, which is equivalent to creating **3,352** new jobs.

