

Economic Impact of Community Health Centers in New Jersey

COMMUNITY HEALTH CENTERS IN NEW JERSEY

- New Jersey is home to 24 Community Health Centers and 158 delivery sites. See **Figure 1** for a map of all Community Health Center sites in the state.
- In 2021, clinicians at Community Health Centers in New Jersey treated more than 720,000 patients in more than 2 million visits for primary care as well as dental, vision, mental health, and substance abuse.

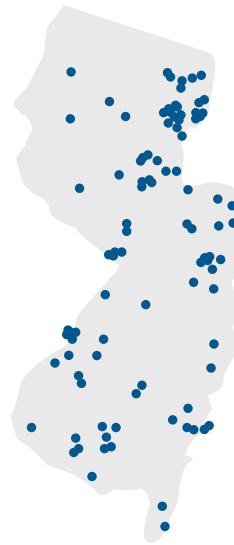


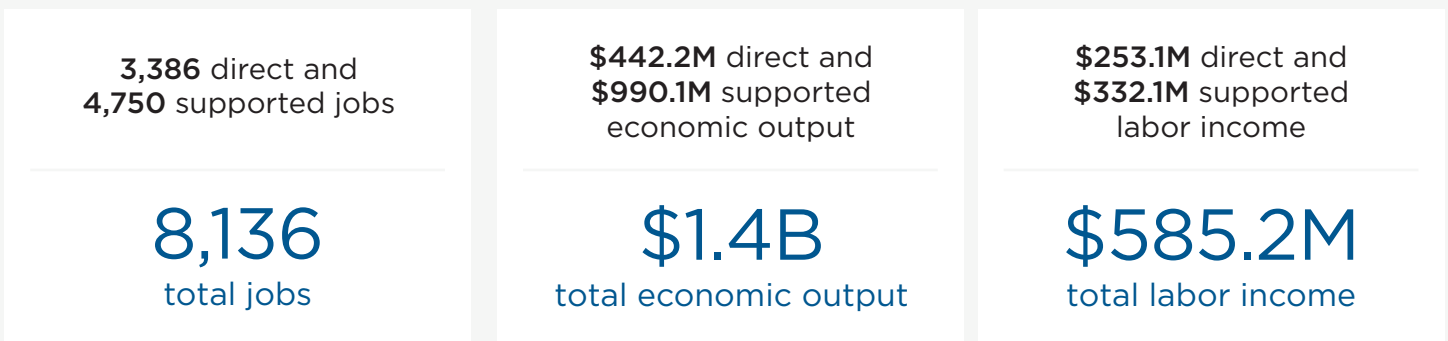
FIGURE 1.
Community Health Center Delivery Sites, 2021

ANALYSIS OF COMMUNITY HEALTH CENTER IMPACT IN NEW JERSEY

Many empirical studies have shown that Community Health Centers have positive effects for patients and yield cost savings by reducing the need for other healthcare services. In addition to these benefits, Community Health Centers positively impact the economies in which they operate by employing workers and supporting additional jobs and economic activity in the area.

According to a Matrix Global Advisors (MGA) analysis, which quantifies the direct and indirect economic impact of Community Health Centers in New Jersey, these centers supported 8,136 jobs, \$1.4 billion in economic output, and \$585.2 million in labor income in the state in 2021 (see **Figure 2**). For results by congressional district, see **Table 1** on the next page.

FIGURE 2. Economic Impact of Community Health Centers in New Jersey



Note: Totals may differ from sum of numbers due to rounding.

DATA AND METHODOLOGY

This analysis was conducted by MGA using input-output models, built by IMPLAN, of New Jersey and its 12 congressional districts. IMPLAN models are widely used across government, academia, nonprofit, and corporate settings. Drawing on publicly available historical economic data, the models project economic indicators (e.g., production and employment levels) by industry. Data from the Health Resources and Services Administration on actual Community Health Center expenses in 2021 serve as inputs to the IMPLAN models.

For a more detailed description of data and methodology as well as national and state-level results, see the full MGA report.

About Community Health Centers

The federal Health Center Program supports qualified community healthcare facilities providing care for medically underserved areas or populations. Federally qualified Community Health Centers, which have been shown to provide vital and cost-efficient healthcare, serve an ever-increasing number of patients, with the majority at or near the federal poverty level. The patient population now totals more than 30 million, but federal funding has not kept pace with the increase in patients or the rise in inflation.

TABLE 1. Economic Impact of Community Health Centers in New Jersey's Congressional Districts

DISTRICT	Employment			Economic Output (\$ Millions)			Labor Income (\$ Millions)		
	Direct	Supported	Total	Direct	Supported	Total	Direct	Supported	Total
NJ-01	365	401	765	\$44.5	\$79.2	\$123.7	\$25.2	\$26.8	\$52.0
NJ-02	461	446	907	\$57.0	\$88.6	\$145.6	\$33.6	\$29.1	\$62.7
NJ-03	128	326	454	\$16.0	\$66.9	\$83.0	\$9.5	\$23.1	\$32.6
NJ-04	367	388	756	\$51.7	\$77.4	\$129.0	\$31.6	\$25.7	\$57.3
NJ-05	115	336	450	\$16.5	\$69.4	\$85.9	\$8.7	\$23.9	\$32.6
NJ-06	276	423	699	\$34.3	\$88.5	\$122.8	\$20.2	\$29.6	\$49.8
NJ-07	82	299	381	\$9.7	\$66.7	\$76.4	\$5.6	\$22.0	\$27.6
NJ-08	583	542	1,125	\$81.7	\$114.4	\$196.1	\$43.2	\$38.0	\$81.2
NJ-09	125	303	428	\$19.5	\$61.3	\$80.8	\$10.3	\$20.9	\$31.2
NJ-10	386	431	818	\$48.6	\$92.4	\$141.1	\$27.1	\$30.4	\$57.5
NJ-11	137	362	499	\$16.1	\$77.7	\$93.8	\$9.3	\$26.7	\$36.0
NJ-12	361	493	854	\$46.6	\$107.5	\$154.1	\$28.9	\$35.9	\$64.8
TOTAL	3,386	4,750	8,136	\$442.2	\$990.1	\$1,432.3	\$253.1	\$332.1	\$585.2

Note: Totals may differ from sum of numbers due to rounding.

ABOUT MGA

MGA is an economic consulting firm in Washington, DC, specializing in fiscal, healthcare, and tax policy. More information about MGA can be found at www.GetMGA.com.

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