



ECONorthwest Report, 1/5/09: An Analysis of Oregon's Long-Term Care Sector & the Economic Impacts from Potential Reductions in Funding

Summary of Key Findings:

- ECONorthwest estimates that the economic impact associated with *each* \$1 million reduction in federal matching funds for **nursing, residential care, and assisted living facilities** would lead to:
 - A reduction of \$1,695,120 in total economic activity statewide and a loss of approximately 36 full- and part-time jobs, of which 29 jobs are in the long-term care sector.
- The economic impact associated with *each* \$1 million reduction in federal matching funds for **in-home and adult foster care providers** would amount to:
 - The loss of \$1,820,000 in total economic activity in Oregon and a loss of approximately 26 full- and part-time jobs for in-home service providers, and another seven jobs in other sectors of the economy.
- The economic impact associated with *each* \$1 million reduction in federal matching funds for **state and local government offices** offering supporting services to the long-term care sector and recipients would be:
 - A decline in \$1,652,880 in economic activity for Oregon and a loss of approximately 14 full- and part-time jobs in state and local offices, and six jobs in other industry sectors.

Extrapolated Findings Pertinent to 2009 Governor's Recommended Budget:

NET Impact of Federal Funds Reductions Included in Governor's Recommended Budget

Industry/Reduction	FF reduction	Jobs lost (appx.)	Economic activity lost (appx.)
In-Home Care	\$64,800,000	2204.4	\$117,936,000.00
NF/ALF/RCF	\$72,700,000	2617.2	\$123,226,500.00
Gov. Offices	\$300,000	6	\$495,900.00
Eligibility Change	\$201,000,000	6030	\$346,323,000.00
Total	\$338,800,000	10857.6	\$587,981,400.00