



For Immediate Release

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HEALTH SCIENCES SOUTH CAROLINA DRIVES ECONOMIC WELLBEING OF STATE

Study shows collaborative partners responsible for \$8.5 billion in total economic output, including 88,700 jobs, \$3.6 billion in wages

COLUMBIA, S.C., June 14, 2005 - - Health Sciences South Carolina (HSSC), a hospital-university collaboration committed to improving the health and economic wellbeing of South Carolina through health sciences research, is already a major driver of South Carolina's economy, according to an economic impact study released by the University of South Carolina (USC) Moore School of Business.

Prepared by USC research economist Donald Schunk, Ph.D., the report states the six HSSC member institutions—USC, the Medical University of South Carolina, Clemson University, Greenville Hospital System, Palmetto Health and Spartanburg Regional Health System—were responsible for \$8.5 billion in total economic output for the state during the 2004 fiscal year. The multi-billion dollar figure represents total impact on sales of South Carolina businesses and includes expenditures by the HSSC partners and various ripple effects of households and businesses purchasing goods and services from other in-state businesses.

The HSSC member institutions provide the state with a strong foundation of well-paying, stable jobs not threatened by recent off-shoring trends. The total impact on the state's employment, people directly and indirectly employed by HSSC member institutions, is estimated at 88,700 jobs, 4.9 percent or one in 20 of all jobs in South Carolina. Annual compensation for these workers is more than \$3.6 billion, 5 percent of all annual compensation for South Carolina workers.

Direct employment numbers—workers employed by one of the six HSSC partners—totals 47,100 people, representing 2.6 percent of the state's workforce, or one in every 38 jobs. The total income of HSSC member institution employees was \$2.4 billion, 3.3 percent of all compensation received by South Carolina workers annually.

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The USC report also looked at the impact on South Carolina's tax revenues. The six HSSC institutions accounted for about \$244 million in state-level sales and individual income tax revenues, a conservative estimate, says Schunk. Depending on the specific institution, the direct operations of these organizations will generate state and possibly local sales taxes on purchases, local property taxes, state and local charges, fees, and miscellaneous taxes, and corporate income taxes. However, revenue can be difficult to estimate.

Commenting on the results of the economic impact study, HSSC Chairman and Palmetto Health CEO Kester Freeman said the findings demonstrate HSSC, which has already secured public and private funding for two Economic Centers of Excellence, one in Brain Imaging and the second in Regenerative Medicine, is a major source of economic wellbeing in South Carolina, one with the potential to drive further prosperity in the state. "The combined strength of the HSSC partners not only provides the foundation of economic security for South Carolina, it also serves as a powerful magnet for research dollars, private investment and job creation. As our partnership matures, so will our ability to drive economic growth," Freeman said.

Added University of South Carolina President Andrew Sorenson, "Universities and hospitals have long been the economic 'security blankets' for communities throughout our state. HSSC gives us a unique opportunity to take this reliable economic engine to the next level in the creation of jobs and wealth in South Carolina," he said. "We have made a commitment to our state to improve the quality of life, physically and economically. We are well on our way."

About Health Sciences South Carolina

Established in April 2004 by the Medical University of South Carolina (MUSC), the University of South Carolina (USC), Greenville Hospital System and Palmetto Health, Health Sciences South Carolina—the "Collaborative"—was founded with the vision of improving the health and economic wellbeing of South Carolina through a coordinated effort to advance health sciences education and research. Clemson University and Spartanburg Regional Healthcare System became partners in May 2005. The Collaborative is an inclusive public-private partnership that seeks to bring together universities, health systems, and other partners committed to the vision

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of using health science education and research to drive economic growth and improve the health status of South Carolinians.

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