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## Adventist bets on healthy attractions

**Study suggests the health system can pull other businesses to area.**

By SUSAN LUNDINE Associate Managing Editor

In fact, according to a new study commissioned by the hospital and conducted by researchers at the University of Central Florida, Adventist's hospitals and walk-in clinics pour \$2 billion into Orange, Seminole and Osceola counties.

The study is more than a vigorous exercise in back-patting, says Rich Morrison, regional vice president for strategic development and government affairs at Florida Hospital. It's a lure to attract still more health care money to the area.



Rich Morrison

"We have a very strong reliance on tourism, which has been very good to Central Florida," says Morrison. "But we need to look beyond that to make the area recession-proof. We believe health care can do that."

### Healthy attraction

Central Florida already boasts two of the largest hospital systems in the country — Adventis and Orlando Regional Healthcare — two nationally affiliated cancer centers, a four-year university and a medical school campus.

It also has plenty of people, which, combined with the existing medical infra-

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structure, could pave the way for more clinical trials of experimental treatments.

The economic impact of Adventist alone is significant leverage that could be used to attract other health care businesses to the area, says Morrison; specifically, biotechnology and health care manufacturing.

"Health care has high-paying jobs, so it's part of an economic sector with the criteria the community wants," says Morrison.

All that's needed, he says, is to "make those elements very high-profile."

"We've got the support structure that health care companies are looking for," Morrison says. "We need to tell our story."

### More docs, good news?

To be sure, economic impact studies are sometimes seen as public relations strategies rather than valid economic assessments.

David Scott, director of the Dr. Phillips Institute for the Study of American Business Activity at UCF, says he is "not a big fan of economic impact studies," which he says are almost always favorable to the organization that commissions them. "Probably the only thing of importance in them is the number of payroll jobs and the value of those payroll jobs."

There are 922,900 payroll jobs in the

Orlando area as of August, he says. That means Florida Hospital has 1,625 percent of the local payroll jobs.

However, Scott agrees with the overall thrust of the study: that the Florida Hospital system generates jobs and money. And he agrees that the study could be used to attract more health care businesses to Orlando, simply because it shows that there are more practicing physicians in the area.

**'Enlightened self-interest'**

Morrison says the hospital system's interest in boosting the local economy is "enlightened self-interest." Health insurance is increasingly unaffordable, which means there are more uninsured people seeking free health care in local emergency rooms.

That not only hurts area hospitals — which have to raise rates and cut services to survive — it also hurts local firms. Businesses that provide health insurance are subsidizing, on average, an extra \$1,500 per hospital admission for the shortfalls caused by low Medicare and Medicaid payments and by the uninsured, says Morrison.

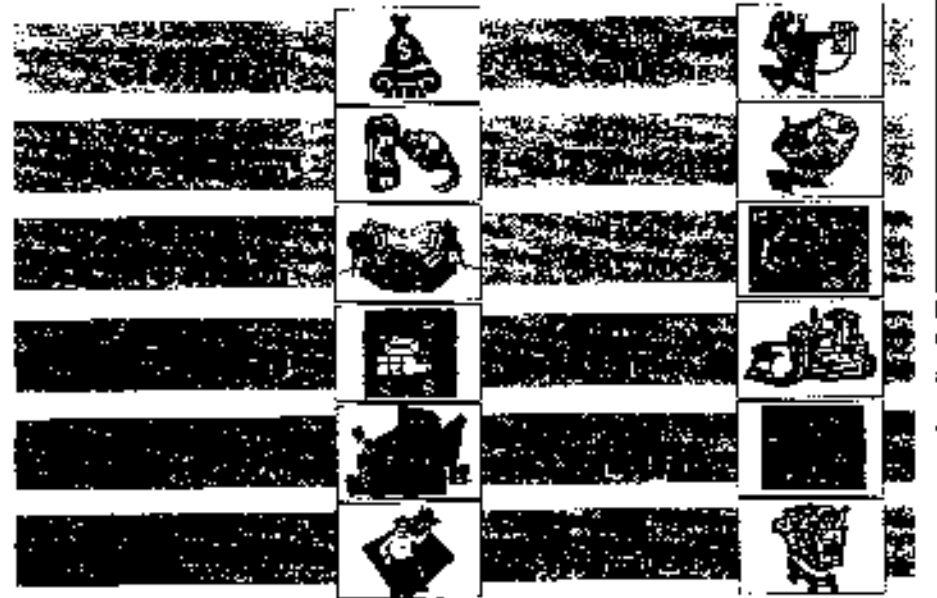
"We know that's not sustainable."

That means, eventually, even more companies will stop providing health insurance, thus leading to more uninsured in Central Florida.

That's why, says Morrison, "We want to play more than a passive role of providing health care. We want to shape its

# Florida Hospital Expenditures

For local goods and services in 2002



Source: Florida Hospital \*Not including patients

future in a positive direction."

The next step is to sit down with the Metro Orlando Economic Development Commission and local government officials "to see how a more strategic approach can be taken to expand the health care sector locally," says the hospital executive. For example, he notes, "We don't have a lot of biotech here, and

we need to figure out why we don't."