



# FRONTLINE OF THE ECONOMY

The Ripple Effects of Massachusetts Healthcare

JANUARY 2026



## The Massachusetts way of life is built on healthcare.

Healthcare is the commonwealth's most essential sector, and its influence is imprinted on 450,000 jobs, \$94 billion in annual economic activity, and countless lifesaving breakthroughs.

Each day, Massachusetts' #1-ranked healthcare system brings children into the world, cures debilitating diseases, and saves lives. Its workers are uplifted by the nature of their mission, and hospitals uplift communities by providing rewarding careers, fueling local investments, and serving as the most reliable resource for anyone in need – 24/7/365.

Healthcare is also what distinguishes the commonwealth as a global leader. Massachusetts hospitals are at the forefront of medical innovation, introducing the world to breakthroughs in the areas of public health, organ transplants, and vaccines, and they are now leading the charge in CAR-T therapy and AI technology. People travel from every corner of the earth to be a patient or professional in our healthcare ecosystem.

Economies and societies shift and evolve over time. But the interconnected nature of hospitals, health systems, colleges, universities, life science companies, and the construction and services sectors that support them all unite to form a remarkable healthcare-based economy that is the foundation of Massachusetts' identity.

It's vibrant and it's growing and it's who we are. Massachusetts healthcare cannot be outsourced, replaced, nor taken for granted. That's why everything we do as a commonwealth – from the policies we implement to the resources we invest – should center on the system's strength and stability.

This report shows the ripple effects of the local healthcare sector, from world-class care to community investments to life-saving innovation to economic success. Each one of our hospitals, health systems, and providers is proud to play a role.



Steve Walsh  
President and CEO  
Massachusetts Health & Hospital Association

# Massachusetts Hospitals: For Every Community, For Every Patient



# THE RIPPLE EFFECTS OF A HEALTHCARE ECONOMY



MASSACHUSETTS'  
ECONOMIC ANCHOR



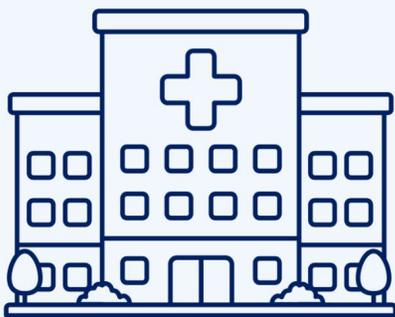
LIFESAVING  
INNOVATION



COMMUNITY  
INVESTMENT



EXTRAORDINARY  
CARE & OUTCOMES



"Massachusetts hospitals save lives every day by providing the highest quality care in the country, while also supporting hundreds of thousands of jobs and generating tens of billions of dollars for our economy. I'm grateful for the amazing work of our healthcare professionals and hospital leaders, and we are committed to making sure they continue to receive the support they need to deliver these results."

Governor  
Maura Healey





“Healthcare is not just central to the wellbeing of Massachusetts residents, it is one of the most important drivers of our economy. Hospitals and health systems support hundreds of thousands of jobs, generate billions in economic activity, and anchor local economies in every region of the state. Their stability and success ripple outward, sustaining families, supporting our state’s unmatched quality of life, fueling innovation, and reinforcing Massachusetts’ long-term competitiveness.”

**Secretary Eric Paley**

Massachusetts Executive Office  
of Economic Development



## ECONOMIC ACTIVITY: Creating Opportunity and Prosperity

Hospitals are central economic engines for working families, communities, and the entire state. **The activity generated by hospitals contributes \$94 billion to Massachusetts’ total economic output each year, representing one-eighth of the state’s economy.**

Hospitals are also a leading – often *the* leading – source of jobs for their regions. They employ 207,000 people with a median salary of \$83,000 per year – 36% higher than the state median. Zooming out: hospitals *support* 452,000 jobs through the network of sectors they touch on a daily basis – translating to 12% of all employment in the commonwealth. They are unique beacons of opportunity for people of all skills, backgrounds, and aspirations.

Healthcare’s employment reach is profound. Among the top 50 employers in Massachusetts, 44% of jobs are in hospitals and health systems. The largest five hospitals and health systems employ more people than the top five higher education, finance, and life sciences companies combined.

# MASSACHUSETTS' ECONOMIC ANCHOR

Here's what our hospitals and health systems make possible:

**\$94 BILLION**

in annual economic activity for Massachusetts

**\$83,000 MEDIAN SALARY**

36% higher than the state median

Directly employs

**207,000 PEOPLE**

and working families

**BIGGER THAN GDP**

of 7 states

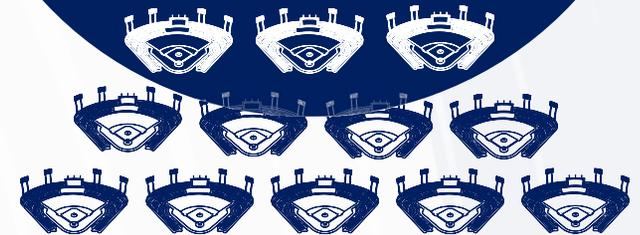
Added **10,000 JOBS**

in the past 5 years

Supports **452,000 JOBS**

across sectors, or 12% of all jobs in the state

*That's enough people to fill Fenway Park 12 times*



## LARGEST EMPLOYERS IN THE STATE

**Of the Top 50 employers in Massachusetts:**

- 12 are hospitals and health systems
- 44% of jobs are in hospitals and health systems

The top five health systems employ more than the top five higher education, finance, and life science companies combined.



Sources:

Center for Health Information and Analysis; 2023 data  
Statista; Gross domestic product of the United States in 2024, by state  
U.S. Bureau of Labor Statistics; 2023 data

American Hospital Association; "Hospitals are Economic Drivers in their Communities" (2018)

Boston Business Journal; 2025 List of Largest Hospitals in Massachusetts, 2025 List of Largest Employers in Massachusetts



“Innovation drives better care and stronger communities across Massachusetts. By advancing new treatments, technologies, and ideas, our hospitals help ensure the commonwealth remains a leader in health and opportunity.”

**Anne Klibanski, M.D.**

President and CEO,  
Mass General Brigham  
Chair, MHA Board of Trustees



## **INNOVATION: Driving Cures, Careers, and Care**

The Massachusetts healthcare sector, with hospitals and health systems at its center, fuels the innovation economy that defines the commonwealth. It draws \$4.3 billion annually in research funding from the federal government. In turn, those investments are spread across the countless organizations, municipalities, and sectors that keep research and innovation humming.

The clinical trials occurring at hospitals are the catalyst for disease-curing, life-saving interventions that are adopted around the globe. Massachusetts has always been an innovator in medical care and is a prestige training ground for thousands of resident physicians and nurses who will continue the tradition of Massachusetts-grown medical excellence in the decades to come.

# LIFESAVING INNOVATION

Hospitals and health systems keep Massachusetts at the forefront of global leadership:

Fueling

**\$4.3 BILLION**

annually in federal research funding that is spread throughout sectors and communities

**5,700 ACTIVE CLINICAL TRIALS**

helping save lives here and around the world

## TRAINING THE NEXT GENERATION:

-  4,600+ medical residents and
-  4,000+ nursing graduates each year

## LOCAL BREAKTHROUGHS



### FROM THEN...

-  First use of x-rays and anesthesia
-  First successful heart valve surgery and organ transplant
-  Discoveries that led to vaccines for polio and measles
-  First successful use of chemotherapy for cancer

### ...TO NOW

-  Discovered genes for Alzheimer's disease
-  First pediatric gene therapy administered
-  Developed leading COVID-19 vaccines
-  Pioneering CAR-T therapies
-  Large-scale deployment of AI tools for radiology

*Sources:*  
U.S. agency websites (National Institutes of Health, Centers for Disease Control and Prevention, National Science Foundation, Centers for Medicare and Medicaid Services)  
Clinicaltrials.gov

Massachusetts Executive Office of Health and Human Services; Statistics about Massachusetts nursing licenses



“As our communities face continuing disparities in healthcare access, the Community Benefits program fills a gap in community health by encouraging our hospitals and HMOs to use their resources to creatively tackle pressing public health issues across the commonwealth. I am encouraged to see Massachusetts hospitals and HMOs developing programs to help our residents access services that improve their social determinants of health.”

Attorney General  
**Andrea Joy Campbell**



## COMMUNITY: Investing Close to Home

Hospitals anchor communities. They are always there, always open, always accessible, and they provide an irreplaceable measure of stability to people as they go about their lives. As they grow and prosper, so does their influence. If they close or are forced to cut service lines, regional economies, workers, and patients all suffer.

In FY2023, Massachusetts hospitals devoted approximately \$4.2 billion to subsidized care for low-income patients and to fund programs within their communities that improved health outcomes. These programs address specific health concerns and disparities identified in collaboration with trusted local partners such as faith-based organizations, schools, first responders, and advocacy groups. Hospitals invest in free outreach to students and seniors, those with substance use disorder, and many others.

# COMMUNITY INVESTMENT

Hospitals and health systems are the largest charitable and philanthropic anchor for their communities:

**\$4.2 BILLION**

each year to help fund care for low-income patients and community investments that support everyday health needs

**\$586 ANNUALLY  
FOR EVERY  
RESIDENT**

between subsidized care for low-income patients and health programs in places where people live, work, and play

**#1 STATE**

for care access

**#1 STATE**

for healthy lives, including health outcomes and healthy behaviors



“Massachusetts consistently ranks number one in the Commonwealth Fund’s State Scorecard on State Health System Performance, leading the nation in access to care, quality, and health outcomes. This isn’t a coincidence, but instead a testament to the choices policymakers and healthcare leaders in Massachusetts have made to prioritize access to high-quality healthcare.”

**Joseph R. Betancourt, M.D.**

President,  
The Commonwealth Fund



## **EXTRAORDINARY CARE, EXTRAORDINARY OUTCOMES: 24/7/365**

No matter what region of the state, world-class care is everywhere in Massachusetts. People travel from around the globe to be treated at the commonwealth’s hospitals and health systems. Massachusetts is simply the home to some of the most respected and admired medical institutions in the world, while the excellence in care throughout the state is unparalleled.

The #1 rankings are one way to tell the story. The other is in the day-to-day compassionate care that touches the lives of nearly everyone in Massachusetts at some point in their lives – from the joyous birth of a child to the unflinching response to generational emergencies. The Massachusetts healthcare sector is always there to provide stability and assurance – no matter who needs it.

# EXTRAORDINARY CARE & OUTCOMES

An uncompromising, nation-leading commitment to patient care:

## #1 HEALTHCARE SYSTEM



- ✓ Access
- ✓ Healthy lives
- ✓ Healthy outcomes and behaviors
- ✓ Preventing premature deaths from treatable causes
- ✓ Infant mortality deaths

### ALWAYS THERE:

**2.8 million** emergency department visits annually



**18 million** office visits annually



**68,000** babies delivered each year



More than **800,000** patients admitted for  
**5.7 million** days of care



### IN CRISIS:

2013 Boston Marathon bombings:  
**zero hospital mortalities**



COVID-19 pandemic:  
**lowest rate of preventable deaths**



Steward Health Care bankruptcy:  
stepped up to **save five hospitals** from closing





**MASSACHUSETTS**  
**Health & Hospital**  
**ASSOCIATION**

Frontline of the Economy:  
The Ripple Effects of Massachusetts Healthcare

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