

Estimated Food Spending at Hospital Anchors in Baltimore

Universities participating in this study allowed for significant visibility into the opportunity among university anchors to use food spending to drive job growth in Baltimore. Another significant sub-group of anchors in Baltimore is hospitals, which represent nearly half of the anchor population. Through follow-up efforts, Karp Resources was able to obtain some estimates of hospital food spending per bed for hospitals operating in Baltimore. Using these estimates, we are able to estimate a range of spending across the 14 Baltimore-area hospitals. This food spending represents a significant portion of anchor food dollars in Baltimore.

An estimated range for annual food spending at hospitals is outlined below, based on the amount of total food spending at one hospital and a per-bed estimate for similar hospitals. This data was shared with Karp Resources on the condition of anonymity, as hospital procurement departments require significant discretion in sharing out their spending and pricing information.

Anchor - Hospital	# of beds	Food spend/yr:	
		Low estimate (\$K)	High estimate (\$K)
Bon Secours Baltimore Health System	125	\$691	\$1,100
Maryland General Hospital	213	\$1,178	\$1,874
MedStar Harbor Hospital	179	\$990	\$1,575
MedStar Union Memorial	249	\$1,377	\$2,191
MedStar Franklin Square Medical Center	380	\$2,101	\$3,344
MedStar Good Samaritan Hospital	346	\$1,913	\$3,045
Mercy Medical Center	196	\$1,084	\$1,725
Saint Agnes Hospital	287	\$1,587	\$2,526
Sinai Hospital	467	\$2,582	\$4,110
VA Medical Center	115	\$636	\$1,012
University of Maryland Medical Center	2,300	\$12,716	\$20,240
Mt Washington Pediatric Hospital	102	\$564	\$898
Johns Hopkins Hospital	1,031	\$5,700	\$9,073
Johns Hopkins Bayview Medical Center	518	\$2,864	\$4,558
Total	6,508	\$35,980	\$57,270

As we can see, estimates show an even larger amount of food spend among hospitals (\$36 to \$57 million) than was seen among university anchors (\$16 to \$20 million). Hospitals operate year-round, often serving three meals per day, and are responsible for feeding large numbers of staff, in addition to patients and their families. Therefore per-bed food spend far exceeds the per-student food spend at universities.

The data that was shared does not give us any insight into the percentage of food spending that is currently being made at local businesses. As an exercise, we might use the 23% figure that we gleaned from university food purchasing, which would suggest that hospitals spend \$28 to \$44 million with firms located outside of Baltimore City or County.

While these estimates are directional and cannot be confirmed without a more detailed review of hospital data, it is likely that hospitals have the potential to contribute as much or more to anchor food purchasing shifts as the universities. Even a small percentage of hospital spending converted toward local businesses would have a significant impact.