

ECONOMIC AND COMMUNITY IMPACT OF THE XAVIER OCHSNER COLLEGE OF MEDICINE

DECEMBER 2024



XAVIER
Ochsner
College of Medicine

PREPARED BY **TRIPP UMBACH**

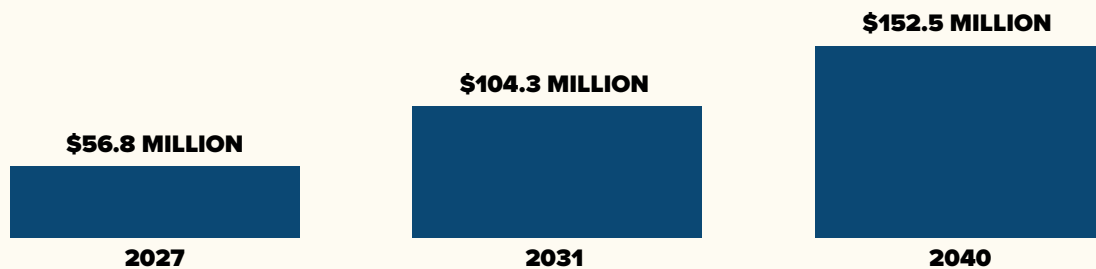


XAVIER OCHSNER COLLEGE OF MEDICINE'S IMPACT

XOCOM IMPACT ON STATE OF LOUISIANA

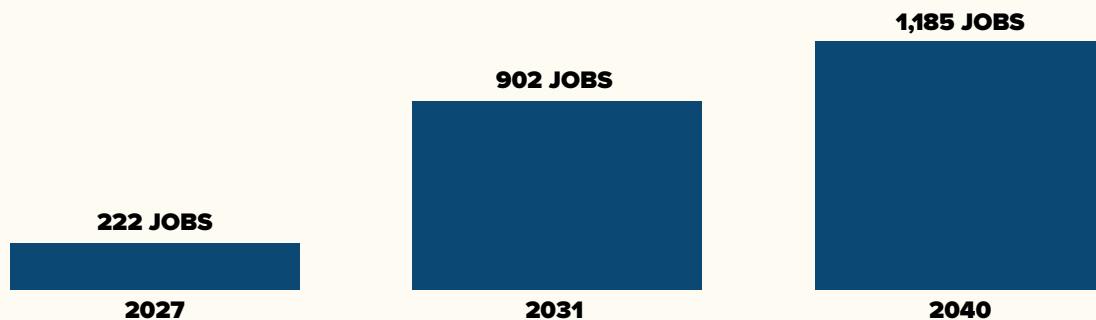
ECONOMIC IMPACT

As early as 2040, the total economic impact of the Xavier Ochsner College of Medicine (XOCOM) in Louisiana will grow to **\$152.5 million**. Projected incremental growth over the 13-year period (as early as 2027 through 2040) is expected to equal **\$95.7 million**.



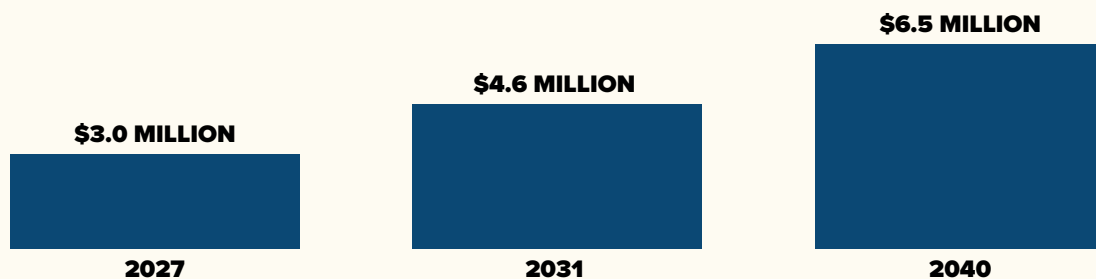
EMPLOYMENT IMPACT

As early as 2040, the total employment impact of XOCOM in Louisiana will grow to **1,185 jobs**. Projected incremental job growth over the 13-year period (as early as 2027 through 2040) is expected to total 963 additional jobs.



TAX IMPACT

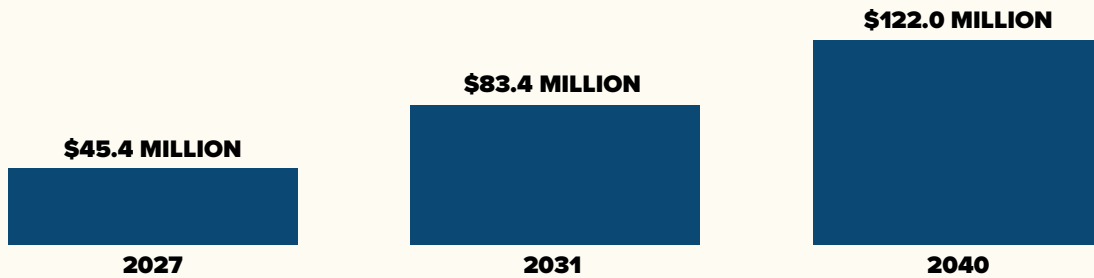
As early as 2040, the total tax impact of XOCOM in Louisiana will grow to **\$6.5 million**. Projected incremental tax growth over the 13-year period (as early as 2027 through 2040) is expected to total \$3.5 million.



XOCOM IMPACT ON NEW ORLEANS¹

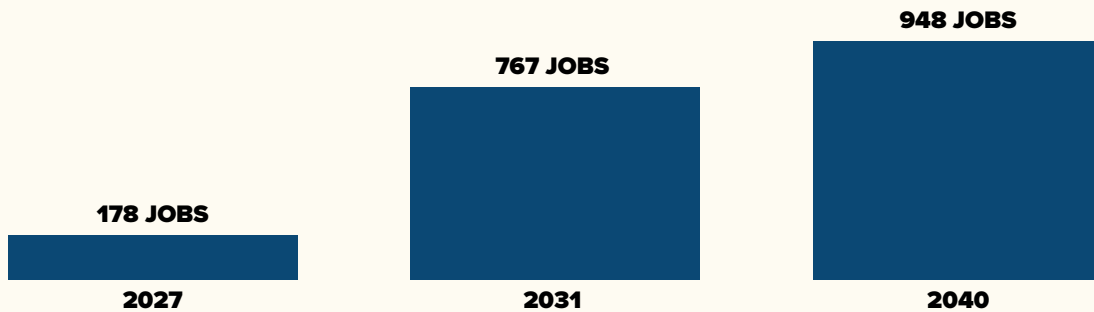
ECONOMIC IMPACT

As early as 2040, the total economic impact of XOCOM in New Orleans will grow to **\$122.0 million**. Projected incremental growth over the 13-year period (as early as 2027 through 2040) is expected to equal \$76.6 million.



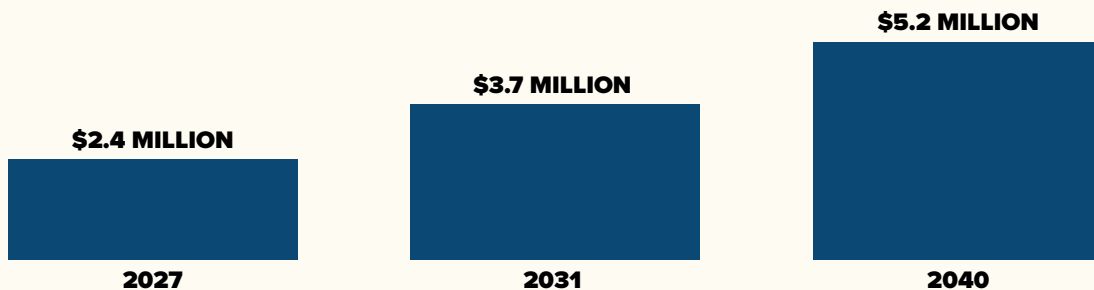
EMPLOYMENT IMPACT

As early as 2040, the total employment impact of XOCOM in New Orleans will grow to **948 jobs**. Projected incremental job growth over the 13-year period (as early as 2027 through 2040) is expected to total 770 additional jobs.



TAX IMPACT

As early as 2040, the total tax impact of XOCOM in New Orleans will grow to **\$5.2 million**. Projected incremental tax growth over the 13-year period (as early as 2027 through 2040) is expected to total \$2.8 million.



¹ The New Orleans metropolitan area, designated the New Orleans–Metairie metropolitan statistical area by the U.S. Office of Management and Budget, or simply Greater New Orleans, is a metropolitan statistical area designated by the United States Census Bureau encompassing seven Louisiana parishes—the equivalent of counties in other U.S. states—centered on the city of New Orleans. The population of Greater New Orleans was 1,271,845 in 2020.

PROJECTED RESEARCH IMPACT

As early as 2040, research at XOCOM is expected to generate **\$28.9 million** in economic impact, support **116 jobs**, and generate **\$1.1 million** in tax revenue in Louisiana.

PROJECTED ECONOMIC IMPACT OF XOCOM ALUMNI NATIONWIDE

As early as 2040, XOCOM trained physicians are estimated to contribute **\$2.9 billion** in economic impact to the U.S. economy, support **15,818 jobs**, and generate **\$116.7 million** in tax revenue. These figures highlight the broad national influence XOCOM graduates will have on economic growth and job creation across the country.

PROJECTED ECONOMIC IMPACT OF XOCOM ALUMNI IN LOUISIANA

As early as 2040, XOCOM is expected to have approximately **263 working alumni** in Louisiana. These alumni will generate a combined annual economic impact of nearly **\$526 million** in Louisiana, support **3,130 jobs**, and generate **\$16.9 million** in tax revenue.

263 WORKING ALUMNI IN LOUISIANA BY 2040

\$526 MILLION
COMBINED ANNUAL ECONOMIC IMPACT

3,130 JOBS
SUPPORTED

\$16.9 MILLION
GENERATED IN TAX REVENUE

HEALTHCARE COST SAVINGS

These healthcare professionals will be responsible for **\$190.8 million** in healthcare cost savings annually as early as 2040.



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A POWERFUL PARTNERSHIP

The establishment of the Xavier Ochsner College of Medicine (XOCOM) signifies a transformative moment for the New Orleans region, the state of Louisiana, and the United States. This innovative partnership between Xavier University of Louisiana (XULA), renowned for its dedication to preparing Black students for medical school, and Ochsner Health (Ochsner), the Gulf South's leading academic medical center, promises significant economic and community benefits. More importantly, it is a beacon of hope in addressing long-standing health disparities, expanding the physician workforce, and driving economic growth in the region.

Located in the BioDistrict of New Orleans, XOCOM will symbolize progress and a tangible step toward a healthier, more equitable future. When the first class of 50 medical students arrives as early as summer of 2027, XOCOM will join the nation's historically Black medical schools: Howard University College of Medicine, Morehouse School of Medicine, Meharry Medical College, and the Charles R. Drew University of Medicine and Science.

XULA and Ochsner will create a robust physician workforce to improve health equity for our communities and build the healthcare workforce of the future. By anchoring their partnership with XOCOM, the two institutions affirm their legacy of advancing healthcare excellence and education and creating stellar medical education for future generations.

This collaboration between XULA and Ochsner is not merely a new venture; it builds on a long history of successful partnerships. Since the 1980s, the two institutions have collaborated on the XULA College of Pharmacy, which ranks among the top in the nation for producing Black graduates with Doctor of Pharmacy degrees. More recently, they have partnered on the Physician Assistant (PA) program and the Ochsner - Xavier Institute for Health Equity and Research (OXIHER). These successful collaborations have laid a strong foundation for the launch of XOCOM, ensuring that the new college of medicine benefits from a wealth of experience and expertise.

This partnership is not just additive; it's a force multiplier. Together, XULA and Ochsner will create synergy, catalyze change, and leverage their impact. An innovative curriculum will prioritize health equity, health literacy, and population health. XULA's excellence in science education and Ochsner's vast clinical resources will establish XOCOM as a premier college of medicine.



XOCOM CAN CHANGE THE FACE OF MEDICINE

Research highlights an urgent need for this HBCU college of medicine, as the demand for diverse doctors is projected to grow significantly. Currently, 25% of incoming interns in the National Resident Matching Program come from foreign medical schools because of a shortage of U.S. medical school graduates.² By 2036, the U.S. could face a shortfall of up to 86,000 physicians. Louisiana is expected to have one of the largest anticipated shortages, with an estimated shortage of 100 physicians for every 100,000 patients.³

While medical school enrollment is increasing across the country, the proportion of students from underrepresented groups is declining, XULA and Ochsner will help address this issue by developing XOCOM. Although Black and African American populations represent 13.7% of U.S. residents and 57% of New Orleans residents⁴, only 5.7% of physicians⁵ are Black. Additionally, just 3.25%⁶ of physician assistants and 2%⁷ of genetic counselors identify as Black or African American.

Studies show that representation in medicine is crucial. A 2022 research paper in the National Library of Medicine emphasized that diversity in medicine enhances health outcomes by improving access to healthcare services and fostering patient trust. Historically, minority-serving institutions have been the largest producers of Black and Hispanic or Latino physicians.⁸

Through the establishment of XOCOM, XULA and Ochsner aim to redefine the landscape of medicine by nurturing a new generation of physicians who reflect the communities they serve. XOCOM's vision is to unleash the power of diversity, transform medical education, and develop compassionate physician scientists who will champion inclusivity and excellence in medicine.

XOCOM is dedicated to addressing healthcare disparities by training a more diverse physician workforce and striving for healthcare equity. Its focus on eliminating inequities in healthcare delivery and increasing the representation of diverse medical professionals will lead to improved healthcare outcomes for underserved communities. This commitment is essential not only for improving health outcomes but also for tackling the healthcare workforce shortage and ensuring fair access to care for all.

² Source: <https://www.heritage.org/education/report/why-dont-us-medical-schools-produce-more-doctors#:~:text=In%202024%2C%2025%20percent%20of,physicians%20working%20in%20the%20U.S.>

³ Sources: <https://human-resources-health.biomedcentral.com/articles/10.1186/s12960-020-0448-3/tables/2> and <https://human-resources-health.biomedcentral.com/articles/10.1186/s12960-020-0448-3>

⁴ Source: <https://www.census.gov/quickfacts/fact/table/neworleanscitylouisiana,US/RHI225223>

⁵ Source: <https://www.aamc.org/news/what-s-your-specialty-new-data-show-choices-america-s-doctors-gender-race-and-age>

⁶ Source: [New Data: PA Students Have Diverse Backgrounds, Life Experiences - AAPA](#)

⁷ Source: [Racial disparities in cancer genetic counseling encounters: study protocol for investigating patient-genetic counselor communication in the naturalistic clinical setting using a convergent mixed methods design - PMC \(nih.gov\)](#)

⁸ Source: <https://pmc.ncbi.nlm.nih.gov/articles/PMC9158407/>

Addressing healthcare disparities is a national priority, as communities of color are disproportionately affected by chronic diseases, lower life expectancy, and limited access to quality care. XOCOM will play a critical role in bridging this gap by training healthcare providers who reflect the communities they serve. Research shows that when patients are treated by healthcare providers who share their racial or ethnic background, outcomes improve, trust is built, and cultural competence within the healthcare system is enhanced.⁹ Additionally, studies show that the overall healthcare system benefits when more physicians of color are part of the workforce, leading to improved outcomes for all patients, regardless of race or ethnicity.

A 2023 study published in the Journal of the American Medical Association highlighted that a greater representation of Black primary care physicians (PCPs) is linked to improved population health outcomes for Black individuals. The study suggests that building a more representative PCP workforce nationwide may be crucial for enhancing population health.

XOCOM's focus on reducing health disparities also has significant economic implications. According to the landmark report "Health Disparities in the United States: Closing the Gap," the U.S. could save \$230 billion in direct medical costs and \$1 trillion in indirect costs by closing the health gap between racial and ethnic groups. By ensuring equitable healthcare access, XOCOM will not only improve the health of communities of color but also contribute to economic empowerment and community well-being.

⁹ Peek ME. Increasing Representation of Black Primary Care Physicians-A Critical Strategy to Advance Racial Health Equity. JAMA Netw Open. 2023 Apr 3;6(4):e236678. doi: 10.1001/jamanetworkopen.2023.6678. Erratum in: JAMA Netw Open. 2023 May 1;6(5):e2317327. doi: 10.1001/jamanetworkopen.2023.17327. PMID: 37058312; PMCID: PMC10295710.



XOCOM ASPIRES TO

Transform the face and demographics of medicine, so doctors better understand, reflect, and serve their patients;

Reduce health disparities—and medical education disparities—swiftly and enduringly, for generations to come;

Accelerate discoveries that improve the health of the people and communities they serve;

Increase health literacy across our communities and entire state; and

Be a national leader in addressing health disparities head-on.



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XOCOM PLEDGES TO

Meet the high standards of excellence XULA and Ochsner embody;

Nurture a sense of mission and service in tomorrow's doctors; and

Be guided, always, by its quest for a healthier and more just society.



PROJECT OVERVIEW

Establishing XOCOM comes as Louisiana faces a significant shortage of medical professionals and the nation's need of doctors of color to care for diverse populations. XOCOM will be a game-changer for New Orleans and for Louisiana, improving healthcare access and outcomes for all. Tripp Umbach¹⁰ was retained in the spring of 2024 to analyze and independently assess the economic impact of XOCOM. This report demonstrates how New Orleans and Louisiana communities will reap the positive economic benefits of XOCOM's development and ongoing operations.

Tripp Umbach's analysis of XOCOM focused on the following impacts:

- **Start-up and Construction:** Economic, employment, and tax impacts to New Orleans and Louisiana from 2024 to 2027 during start-up and construction of XOCOM.
- **Full Operation:** The economic, employment, and tax impacts to New Orleans and Louisiana as early as 2031 when XOCOM is projected to have all four years of students.
- **Full Maturity:** The economic, employment, and tax impacts to New Orleans and Louisiana as early as 2040 after XOCOM is projected to having graduated nine classes, with six classes in practice.¹¹
- **Research:** The economic, employment, and tax impacts to New Orleans and Louisiana from expected research impacts at XOCOM as early as 2040.
- **Workforce Expansion:** The economic, employment, and tax impacts to New Orleans and Louisiana from physician workforce expansion driven by XOCOM as early as 2040.
- **Healthcare Cost Savings:** The total healthcare cost savings to New Orleans and Louisiana from physician graduates working in primary care as early as 2040.

¹⁰ Tripp Umbach is the national leader in conducting independent economic impact analysis and reports for higher education and healthcare clients. The firm has completed more than 500 similar studies for medical schools, academic medical centers, teaching hospitals, and bioscience innovation districts since 1990.

¹¹ Tripp Umbach applied an average of three-year residency for this analysis.

Economic Impact Methodology

Tripp Umbach analyzed the future economic impact of the XOCOM using the IMPLAN input-output model.¹² IMPLAN calculates XOCOM's economic impact. The input-output methodology allows insight into the regional economy's forward and backward linkages (direct and indirect spending), highlighting how they add value to the initial dollars spent. The model measures the annual economic activity resulting from inter- and intra-industry transactions. For example, when XOCOM spends money to pay employee salaries, buy supplies, and cover other operating expenses, it creates a direct effect. When the businesses that supply XOCOM entities with goods and services (e.g., healthcare supplies or services) pay their employees or purchase supplies, they create an indirect effect. When medical school employees and students spend money in the local economy, this causes an induced effect. When combined, the direct, indirect, and induced impact activity is called the multiplier effect. For this report, Tripp Umbach presents all data in two levels, direct and indirect (with indirect and induced combined).

Projected data for the proposed XOCOM were provided to Tripp Umbach by ECG. They included proposed capital expenditures, operational expenditures, the number of medical school students, faculty and staff, payroll and benefits, and projected taxes paid to local and state governments. Tripp Umbach also utilized the annual report, websites, and other documents the XOCOM sponsoring entities supplied. Tripp Umbach used secondary data and the firm's benchmarking databases, developed over 30 years from experience with 40 new medical schools, to estimate visitor spending for conferences and meetings, service location visits, research, and the value of donations and volunteerism by employees.

While this study is limited to the economic and community impact of XOCOM on Louisiana and New Orleans, XOCOM's presence will also benefit XULA, Ochsner Health, and other New Orleans and Louisiana hospitals. These significant additional benefits are not captured in this report.

¹² Minnesota IMPLAN Group Inc. (MIG) is the corporation that is responsible for the production of IMPLAN (IMpact analysis for PLANning) data and software. IMPLAN is a micro-computer-based, input-output modeling system. With IMPLAN, one can estimate Input-Output models of up to 528 sectors for any region consisting of one or more counties. IMPLAN includes procedures for generating multipliers and estimating impacts by applying final demand changes to the model.



OVERVIEW OF ECONOMIC AND COMMUNITY IMPACTS

Medical schools are significant drivers of economic activity and development in their regions. Economic benefits will accrue from the spending by the medical campus on capital improvements and goods and services; from spending by staff and faculty and medical trainees; and spending (external to the institution) by visitors to the medical campus. Impacts associated with XOCOM will go beyond its annual operational impact. Overall, the result is a multiplier economic impact that is an exponential result of XOCOM's presence. Colleges of medicine provide an anchor to keep residents from seeking services elsewhere, ultimately capturing and keeping fresh dollars in the community. These “captured” dollars drive additional spending and investment, making New Orleans economically healthier as XOCOM improves physical health and well-being. Each dollar spent by XOCOM has a rippling effect throughout New Orleans and Louisiana.

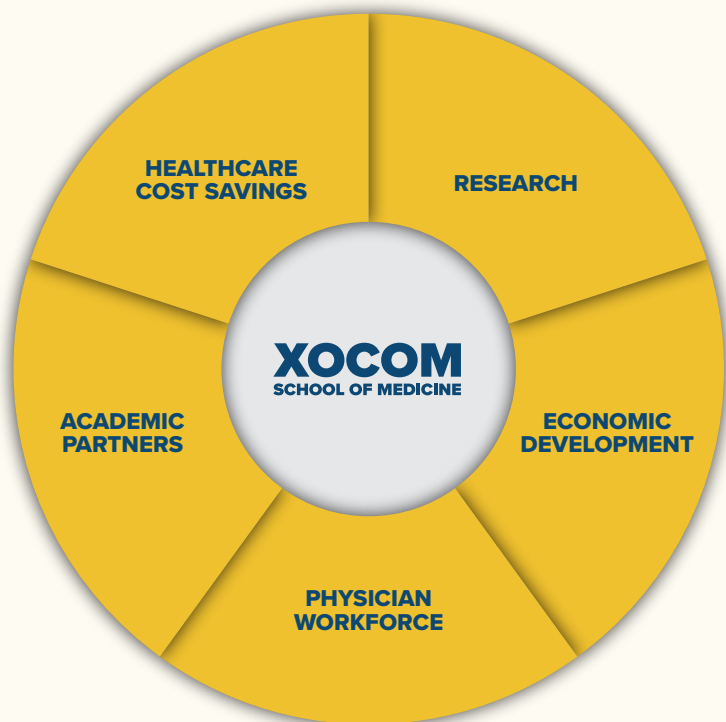
Establishing XOCOM will significantly impact the local and regional healthcare landscape. XOCOM will enhance the healthcare, research, and academic footprint by diversifying its offerings, which not only will create jobs by attracting and retaining quality workforce and sparking potential commercialization and spinoff business but will also enhance economic development by providing services for residents in the community. New Orleans, like other underserved communities in Louisiana, requires bold action to be taken to strengthen the economy and bolster the health of its communities.

Through affiliated teaching hospitals and clinics, medical schools provide critical healthcare services to the community, generating revenue streams and supporting the local healthcare ecosystem. Additionally, by offering high-quality education and training programs for future healthcare professionals, including doctors, nurses, researchers, pharmacists, and technicians, medical schools meet the workforce needs of the healthcare industry, ensuring a skilled labor force and driving economic development. Overall, medical schools contribute significantly to the vibrancy and resilience of local and state economies by catalyzing innovation, job creation, healthcare provision, and education.

Tripp Umbach developed economic models to measure how the XOCOM impacts New Orleans and Louisiana's economy. As early as 2040, XOCOM's operations will generate **\$152.5 million** in impact to the state and **\$122.0 million** to New Orleans. However, XOCOM's operations are only the starting point, as the college of medicine provides multiple additional economic and social benefits highlighted throughout this report.



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ECONOMIC IMPACT DURING START-UP AND CONSTRUCTION

XOCOM will offer state-of-the-art medical technology and facilities, providing students with immersive learning and hands-on training. The curriculum emphasizes interdisciplinary collaboration, clinical proficiency, and compassionate patient care, preparing graduates for complex healthcare challenges.

Strategically located in the BioDistrict New Orleans, specifically in Benson Tower next to the Caesars Superdome, XOCOM will foster research and innovation, driving economic development. The location aligns with XOCOM's goals of healthcare excellence and job growth.

Economically, XOCOM will boost New Orleans by attracting investment and stimulating related industries. It will create construction jobs and employment opportunities for faculty, administrative staff, and support personnel, enhancing the local economy and increasing demand for housing, retail, and services.

The BioDistrict's focus on health innovation will make it a leader in regional healthcare, promoting inclusive job growth. By situating XOCOM in this dynamic community, XULA and Ochsner aim to address global health challenges and drive regional economic growth through strategic investments and job creation.

The start-up and construction impacts associated with the planning, development, and launch of XOCOM are in addition to the annual operational impact expected when XOCOM is scheduled to open in 2027. The renovated facilities within Benson Tower in downtown New Orleans will serve as XOCOM's headquarters. The construction phase will generate significant economic activity, creating jobs and boosting local businesses.

Economic Impact of Construction: Tripp Umbach developed economic models to measure how the construction and renovation of space within the Benson Tower will impact the economies of Louisiana and New Orleans. Tripp Umbach measured the economic impact generated by the construction and renovation of space within the Benson Tower during the three years of construction (2024-2027) using data supplied by ECG on behalf of XULA and Ochsner. The new building will generate economic impact of **\$56.8 million** on the Louisiana economy and **\$45.4 million** on the New Orleans economy.

Employment Impact of Construction: Not only will the development of XOCOM increase economic impact, but it also helps to support and sustain jobs throughout the state and within the region. During the construction period XOCOM will support **222 jobs** in Louisiana and **178 jobs** in New Orleans. These jobs, full- and part-time positions, include those direct jobs supported by construction and indirect and induced jobs created by support services, vendors, contractors, hotels, and retail establishments.

Tax Impact of Construction: Besides the economic and employment values that the construction of Benson Tower will have on the state, the project will generate **\$3 million** in state, with **\$2.4 million** impacting New Orleans.

PROJECTED ECONOMIC IMPACT OF XOCOM AT FULL OPERATION

AS EARLY AS 2031

Economic Impact: When XOCOM is fully operational projected as early as 2031, when all four classes of medical students are enrolled, XOCOM's operations will generate significant economic and social value for the citizens of New Orleans and the state of Louisiana. As early as 2031, XOCOM's operations are expected to generate **\$104.3 million** (\$32.7 million direct and \$71.6 million indirect/induced) in economic impact for the Louisiana economy and **\$83.4 million** (\$26.2 million direct and \$57.2 million indirect) in economic impact in New Orleans.

Employment Impact: Not only will XOCOM generate business volume in Louisiana, but it will also help support and sustain jobs statewide. As early as 2031, when all four years of medical students are enrolled, XOCOM will support **902 jobs** (88 direct and 814 indirect/induced) in Louisiana and **767 jobs** in New Orleans (80 direct and 687 indirect). These jobs, both full- and part-time, include not only the direct positions created by XOCOM but also the indirect and induced roles generated by support services, vendors, contractors, hotels, and retail businesses that serve both XOCOM and the visitors drawn to the area by the program's activities.

Total Economic Impact of XOCOM on New Orleans (as early as 2031)

IMPACT	EMPLOYMENT	OUTPUT
Direct	80 jobs	\$29.7 million
Indirect/Induced	687 jobs	\$53.7 million
Total	767 jobs	\$83.4 million

Total Economic Impact of XOCOM on State of Louisiana (as early as 2031)

IMPACT	EMPLOYMENT	OUTPUT
Direct	88 jobs	\$37.1 million
Indirect/Induced	814 jobs	\$67.2 million
Total	902 jobs	\$104.3 million

Tax Impact: Besides the program's economic and employment values for the state, XOCOM will generate **\$4.6 million** in state and local taxes as early as 2031.

PROJECTED ECONOMIC IMPACT OF XOCOM AT FULL MATURITY

AS EARLY AS 2040

Economic Impact: When XOCOM is at full maturity projected as early as 2040, its operations will generate significant economic and social value for the citizens of New Orleans and Louisiana. As early as 2040, XOCOM's operations are expected to generate **\$152.5 million** (\$44.6 million direct and \$107.9 indirect) in economic expansion for the Louisiana economy and **\$122.0 million** (\$35.7 direct and \$86.3 indirect) in economic expansion in New Orleans.

Employment Impact: In addition to the business volume generated in Louisiana, XOCOM will also help support and sustain jobs in New Orleans and statewide. As early as 2040, XOCOM will support **1,185 jobs** (106 direct and 1,079 indirect) in Louisiana and **948 jobs** in New Orleans (90 direct jobs and 858 indirect jobs). These jobs, both full- and part-time, encompass not only the direct positions supported by XOCOM but also the indirect and induced jobs generated by support services, vendors, contractors, hotels, and retail establishments. These additional jobs are created to accommodate both XOCOM's needs and the influx of visitors drawn to the area due to the program's operations.

Total Economic Impact of XOCOM on New Orleans (as early as 2040)

IMPACT	EMPLOYMENT	OUTPUT
Direct	90	\$35.7 million
Indirect/Induced	858	\$86.3 million
Total	948 jobs	\$122.0 million

Total Economic Impact of XOCOM on State of Louisiana (as early as 2040)

IMPACT	EMPLOYMENT	OUTPUT
Direct	106	\$44.6 million
Indirect/Induced	1,079	\$107.9 million
Total	1,185 jobs	\$152.5 million

Tax Impact: Besides the program's economic and employment values for the state, the program will generate more than **\$6.5 million** in state and local taxes as early as 2040 because of XOCOM.



IMPACT OF RESEARCH

AS EARLY AS 2040

XULA and Ochsner are leaders in cutting-edge research, significantly advancing health disparities, pharmacology, and medical education. XULA specializes in minority health, pharmaceutical sciences, and health equity, while Ochsner focuses on clinical trials, translational research, and healthcare delivery improvements.

The establishment of a top-tier college of medicine in downtown New Orleans will elevate the city’s status as a center for biomedical research and healthcare innovation. The partnership between XULA and Ochsner will attract significant research funding and collaborations with pharmaceutical companies, biotech firms, and other healthcare entities. This will create high-paying research and development jobs, stimulating the local economy. With cutting-edge medical technology and facilities, XOCOM will foster a culture of innovation, positioning New Orleans as a leader in healthcare advancements and solutions.

XOCOM will expand research and innovation through interdisciplinary collaborations, advanced technology, and increased funding. This partnership aims to advance precision medicine, biotechnology, and public health, attracting top faculty and students, and enhancing research output. XOCOM will strengthen regional public health systems and provide cost-effective health services, driving scientific and community health advancements. XOCOM will collaborate with leaders in the BioDistrict to strengthen the regional economy through strategic investments, expand the city’s biosciences and health innovation ecosystem, and generate jobs and economic opportunities for New Orleans residents.

Although the economic and social benefits of improved healthcare delivery for underserved communities are substantial, fully quantifying these benefits is beyond this report’s scope.

Economic Impact: The total economic impact of research is expected to add **\$28.9 million** to the Louisiana economy as early as 2040 (\$15.0 million direct and \$13.9 million indirect) and **\$23.1 million** to the New Orleans economy as early as 2040 (\$12.0 million direct and \$11.1 million indirect). This impact is in addition to the projected effects of XOCOM operations.

Employment Impact: Besides the business volume generated in Louisiana, XOCOM will also help support and sustain jobs in New Orleans and statewide. As early as 2040, XOCOM research will support **116 jobs** (8 direct and 108 indirect) in Louisiana and **98 jobs** in New Orleans (6 direct and 92 indirect).

Total Economic Impact of Research at XOCOM on New Orleans (as early as 2040)

IMPACT	EMPLOYMENT	OUTPUT
Direct	6	\$12.0 million
Indirect/Induced	92	\$11.1 million
Total	98 jobs	\$23.1 million

Total Economic Impact of Research at XOCOM on State of Louisiana (as early as 2040)

IMPACT	EMPLOYMENT	OUTPUT
Direct	8	\$15.0 million
Indirect/Induced	108	\$13.9 million
Total	116 jobs	\$28.9 million

Tax Impact: As early as 2040, research at XOCOM will generate **\$1.1 million** in state and local taxes.





PHYSICIAN WORKFORCE EXPANSION

XOCOM will play a critical role in addressing the physician shortage in Louisiana and nationwide, particularly among physicians of color who are more likely to serve diverse populations. By training more physicians, especially in rural and underserved communities, XOCOM will help alleviate this shortage. Starting with 50 students in its first class and expanding to 100 over the first three years, XOCOM will increase the number of well-trained doctors in the Gulf South, ensuring better access to quality healthcare for residents.

Graduate medical education (GME) programs at Ochsner and other organizations, in partnership with XOCOM, will drive improvements in healthcare quality, access, and economic development. Ochsner currently sponsors 34 ACGME-accredited residency and fellowship programs, offering a variety of GME programs designed to train and support future healthcare professionals by enhancing skills, providing hands-on experience, and fostering a diverse and well-equipped healthcare workforce.

Expanding residency training in Louisiana and neighboring states is crucial for recruiting more graduates, addressing a pressing healthcare need, and potentially transforming the lives of countless individuals and families. XOCOM, through its educational partnerships with XULA, Ochsner, other healthcare institutions, private donors, and business organizations, will play a pivotal role in improving both the economic and physical health of Louisiana. According to Tripp Umbach, each physician who stays to practice after completing residency training brings substantial economic and social benefits to their community.

National Economic Impact of XOCOM Alumni: As early as 2040, Tripp Umbach estimates that XOCOM-trained physicians will contribute \$2.9 billion in economic impact to the U.S. economy, support 15,818 jobs, and generate \$116.7 million in tax revenue.¹³ These figures highlight the broad national influence XOCOM graduates will have on economic growth and job creation across the country.

¹³ <https://www.physicianseconomicimpact.org>

Economic Impact of XOCOM Alumni in Louisiana: Based on publicly available data from the academic medicine industry, Tripp Umbach projects that approximately 50 percent of XOCOM students will complete their medical education and residency, and begin practicing in Louisiana. Each physician who remains in the state is estimated to contribute \$2 million annually to the economy. By 2040, this could translate to an additional \$526 million per year being injected into Louisiana’s economy.¹⁴ The presence of XOCOM-trained physicians will play a crucial role in strengthening the state’s economic, medical, and social well-being.

Table 1: Physician Workforce Projections for XOCOM

YEAR	# OF GRADUATES	# REMAINING IN LOUISIANA TO PRACTICE
2031	50	-
2032	75	-
2033	100	-
2034	100	-
2035	100	25
2036	100	38
2037	100	50
2038	100	50
2039	100	50
2040	100	50
Total	925	263

Employment Impact from Alumni: XOCOM will not only drive business growth in the state and country but also contribute to job creation through its physician workforce. As early as 2040, XOCOM graduates who choose to stay in Louisiana are projected to support **3,130 jobs** across the state.

Tax Impact from Alumni: XOCOM graduates who remain in Louisiana are expected to generate more than **\$16.9 million** in state taxes because of its presence.

¹⁴ <https://www.physicianseconomicimpact.org>

HEALTHCARE COST SAVINGS

Healthier populations contribute to a more robust local economy, and a stronger regional economy contributes to a healthier population. The most visible connection between health and the economy is sustaining a healthier workforce. Healthier workers are more likely to show up for work, be more productive, have better physical and mental health, and engage in education and skills training. Health is linked with positive economic outcomes, affecting per-capita income, unemployment, and poverty.

XOCOM is expected to be a leader in the shift from volume to value, implementing the principles of patient-centered medical home-health clinics, which place patients at the center and coordinate patient care in collaboration with other health professionals, such as nurses, specialists, and pharmacists.

XOCOM students who complete training and eventually practice medicine within Louisiana will have a substantial economic impact. In addition, those who practice in primary care specialties that stay within Louisiana will be responsible for approximately **\$3.6 million** (per physician) in healthcare cost savings related to providing appropriate primary care and disease management to patients in an office versus a hospital setting. New primary-care physicians will yield actual savings as emergency room use declines and community health status increases from early detection and care coordination.

Tripp Umbach estimates that 20 percent of the 263 XOCOM-trained physicians will practice in primary care specialties within medically underserved communities in Louisiana. These physicians will become a vital healthcare safety net for underserved/rural communities. Annual expected healthcare cost savings of \$3.6 million (per physician) from an estimated 53 physicians will total **\$190.8 million in healthcare cost savings** (as early as 2040).





IMPACT ON THE COMMUNITY

XOCOM's dedication to community engagement and partnerships with local healthcare providers will strengthen the healthcare infrastructure and promote collaborative public health initiatives, yielding transformative benefits for the community, economy, and regional healthcare. The arrival of students, faculty, and staff will stimulate demand for housing, retail, and services, further boosting the local economy. Additionally, XOCOM is likely to attract related healthcare facilities and research institutions, forming a healthcare hub that draws investment and talent.

The importance of diversity in medicine cannot be overstated. Research shows that diversity among healthcare providers enhances patient trust, communication, and health outcomes. By increasing the number of Black physicians and other underrepresented minorities, XOCOM will help bridge the gap in healthcare access and quality for marginalized populations. This aligns with XULA's mission, established nearly 100 years ago by St. Katharine Drexel and the Sisters of the Blessed Sacrament, to promote a more just and humane society.

XOCOM's focus on community engagement will extend academic health systems into population health, creating a competitive infrastructure that connects people, classrooms, labs, and information services to the region. Its pathway programs will offer career tracks for students, foster research collaborations with faculty, and establish joint programs that expand XOCOM's influence. Regional healthcare systems will benefit from reduced physician recruitment costs, increased clinical services from faculty and graduates, and improved revenue from quality outcomes associated with a focus on academic medicine.

Establishing XOCOM is a landmark achievement for XULA, Ochsner, and the broader New Orleans and Louisiana communities. By addressing critical healthcare needs, promoting diversity in medicine, and driving economic growth, XOCOM will have lasting economic and community impacts. This groundbreaking partnership exemplifies the power of collaboration and the potential for transformative change when institutions work together toward a common goal. As XOCOM grows, it will enhance the economic vitality of New Orleans and serve as a national model for addressing health disparities and physician shortages. XOCOM's focus on mentorship and leadership will equip students to become agents of change, driving policies and practices that foster equity and excellence. The impact of XOCOM will reach far beyond its campus, as graduates go on to serve communities throughout Louisiana and across the nation.



APPENDIX A: PARTNERSHIP

Xavier University of Louisiana (XULA) and Ochsner Health (Ochsner) are uniquely positioned to open a new HBCU college of medicine. XULA is a national leader in educating African American students who go on to complete medical school – a distinction the institution has held for many decades. Ochsner, with a strong commitment to community investment and health equity, trains more than 330 residents and fellows annually through its graduate medical education programs.

As stated above, the partnership between XULA and Ochsner began in the 1980s with the XULA College of Pharmacy, which is nationally recognized for producing Black graduates with Doctor of Pharmacy degrees. Their collaboration has since expanded to include a Physician Assistant (PA) program, new graduate programs in health sciences, and OXIHHER.

ABOUT XULA

Celebrating nearly 100 years of service, XULA is the nation's only historically Black and Catholic university and consistently ranks among the top HBCUs. It is a national leader in educating African American graduates who go on to medical schools. XULA's College of Pharmacy is also among the top producers of African American pharmacists. Founded in 1925 by St. Katharine Drexel and the Sisters of the Blessed Sacrament, XULA has expanded its programs across disciplines including arts, sciences, business, and education. XULA provides a comprehensive educational experience that combines traditional classroom study with hands-on research, service-learning, and life experiences, all within a nurturing environment aimed at developing leaders and agents of positive change.

ABOUT OCHSNER

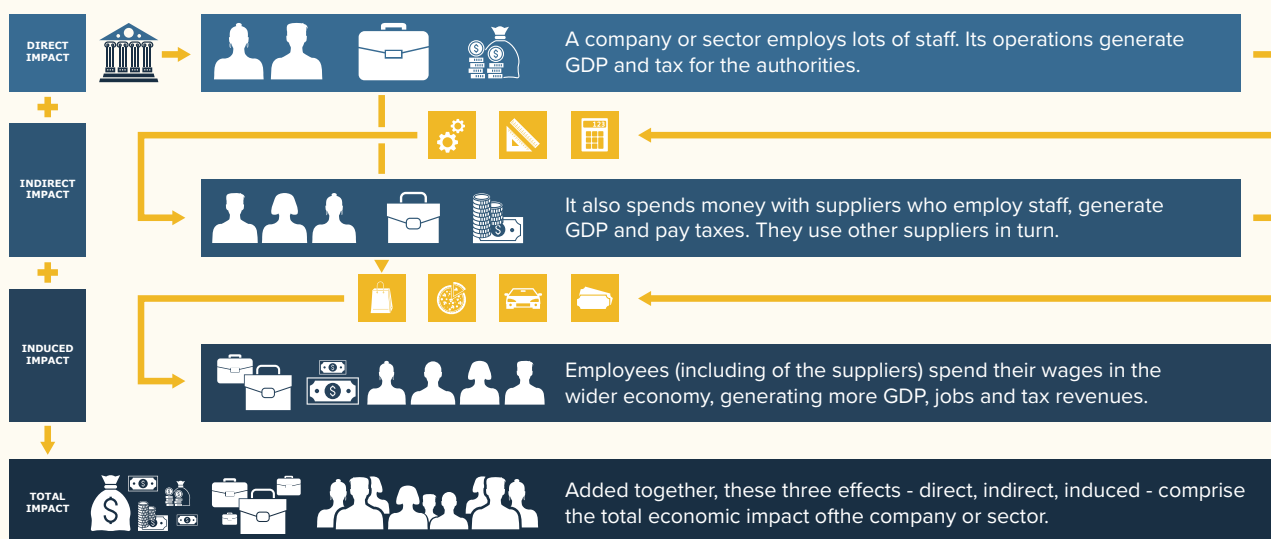
Ochsner is one of the nation's leading nonprofit academic health systems with 46 hospitals and 370 health and urgent care centers. Based in New Orleans since 1942, Ochsner's mission is to serve, heal, lead, educate, and innovate. Ochsner is a leader in value-based care, serving more than 1.5 million patients annually across the entire Gulf South region, from every state in the nation and more than 65 countries. Recognized by U.S. News & World Report as the No. 1 hospital in Louisiana for 13 consecutive years, Ochsner also boasts the top-ranked children's hospital in the state. With a workforce of over 38,000 and more than 4,700 employed and affiliated physicians, Ochsner is dedicated to inspiring healthier lives and stronger communities through its unmatched expertise and quality of care.

APPENDIX B: METHODOLOGY

Tripp Umbach utilized the IMPLAN (input-output modeling software) methodology to analyze XOCOM's economic and societal impacts. This model leverages the latest economic data from public sources such as the U.S. Bureau of Economic Analysis (BEA), the U.S. Department of Labor's Bureau of Labor Statistics (BLS), and the U.S. Census Bureau. IMPLAN predicts the effects of changes in employment and spending on a regional economy. IMPLAN runs economic impact analyses, useful for evaluating a sector's economic contribution. The analysis of XOCOM's impact on Louisiana includes three types of impact:

1. **Direct Impact:** This includes the value added by XOCOM, encompassing employee compensation, returns to investors, property income, and government payments.
2. **Indirect Impact:** These are the results of payments to industries that support and supply XOCOM. Payments to suppliers are transferred to employees, investors, and the government, creating a ripple effect through the economy, which ends with leakage mostly because of the purchase of imported goods.
3. **Induced Impact:** This occurs when household and government spending recirculates money back into the economy, amplifying the industry's total contribution.

This analysis is based on data from ECG on behalf of XULA and Ochsner and secondary data research, detailing XOCOM's economic contributions and societal impacts on Louisiana's residents.





APPENDIX C: TRIPP UMBACH QUALIFICATIONS

Tripp Umbach is a pioneer in economic design. Founded in 1990, Tripp Umbach is among the most established and respected private consulting firms in the United States. Its rich history is rooted in advanced quantitative methods, community assessment, economic impact assessment, and economic development. Tripp Umbach is the national leader in conducting independent economic impact analysis and reports for higher education and healthcare clients. The firm has completed more than 500 similar studies for medical schools, academic medical centers, teaching hospitals, and bioscience innovation districts since 1990.

Tripp Umbach is credited with pioneering economic impact assessment for colleges and universities and was the first private consulting firm to complete Community Health Needs Assessments for hospitals and health systems. Beginning with completing the nation's first higher education economic impact study for Washington & Jefferson College, Tripp Umbach has become the gold standard for college and university impact studies and has completed studies for hundreds of leading universities throughout the United States and globally.

Since then, Tripp Umbach completed more than 1,000 economic impact studies for organizations such as the American Hospital Association (AHA), the Association of Public and Land-grant Universities, and the National Park Service. During the early 2000s, Tripp Umbach conducted feasibility studies and implementation plans for a new generation of U.S. medical schools. Today, Tripp Umbach has completed projects for approximately 40 newly established or expanded medical schools and health science centers and is the national leader in consulting for academic medical centers.

Tripp Umbach is a force in economic and community development, working with healthcare, education, government, and corporate clients to improve communities' economic, social, and physical well-being worldwide. With more than 1,000 clients throughout the United States and Canada, Tripp Umbach is a leading provider of community health needs assessments, economic impact studies, feasibility studies, economic development, and strategic planning, all with the philosophy of turning ideas into action to improve the world.

Tripp Umbach continues to expand its consulting services at the intersection of healthcare, higher education, community health, economic development, and real estate development. Tripp Umbach applies advanced economic design thinking tools to solve the most complex problems facing organizations, communities, and society.



XAVIER
 **Ochsner**
College of Medicine