

David G. Brown, President and CEO, Greater Omaha Chamber

Testimony for Hearing on the Challenges of an Aging VA Medical Center Introduction

Good afternoon, I'm David G. Brown, president and CEO of the Greater Omaha Chamber.

The Chamber is proud that the VA Nebraska-Western Iowa Hospital is one of the top 10 VA hospitals in the country.

It is a leader in the "ambient experience for patients" and in "state of the art" technology.

Even with these positive attributes, significant capital improvements are essential to maintaining the high quality health care currently being delivered by the hospital.

We are proud to say that the Greater Omaha community continues to support the VA Hospital — it is another example of the public-private partnerships that are typical of the Greater Omaha community.

Greater Omaha's Economy

Greater Omaha is an excellent city in which to do business.

Omaha is ranked #10 by the Brookings institute among "America's Most Recession-Resistant Cities" and among the top 25 "Best Places to Live and Launch a Business" by Forbes Small Business.

In fact, this favorable climate extends throughout the state of Nebraska, where according to the Miliken Institute, the cost of doing business is 18 percent lower than the national average.

Omaha is home to four Fortune 500 Headquarters: Berkshire Hathaway; Union Pacific; ConAgra Foods; Peter Kiewit and Sons. (Mutual of Omaha is close @ 525)

Greater Omaha is also home to a broad range of corporate headquarters. Companies from all industry sectors find Omaha an excellent place to conduct business — Mutual of Omaha, Werner, TD AMERITRADE, HDR, Inc., infoGROUP, Omaha Steaks and Valmont, to name just a few.

Also, Greater Omaha is fortunate to maintain numerous large employers, the top being Offutt Air Force Base in Bellevue, which employs approximately 12,000 military and civilian workers; Second is The Nebraska Medical Center, with approximately 8,350 employees.

Major private employers include Alegent Health, First Data, First National Bank, ConAgra Foods, Union Pacific, Mutual of Omaha and PayPal.

Major employers are committed to community investment and growth. The diversified economy is not reliant on any one industry.

Greater Omaha's economy benefits from solid population and labor force growth with a relatively diverse industry mix.

The eight counties of Greater Omaha have a labor force totaling more than 456,000, of which approximately 440,000 are employed. Since 1990, the area has added over 84,000 people to its labor force.

Greater Omaha has a higher concentration of its employment in financial activities (Omaha — 8.5 percent vs. U.S. — 5.9 percent); trade, transportation and utilities (21.3 percent vs. 19.2 percent); information (2.6 percent vs. 2.2 percent).

It is worth mentioning that our financial sector has held up well compared to the national level and, despite the turmoil in the financial markets set in motion 13041e

-s-last year, employment in Omaha's financial sector remains essentially unchanged.

The high concentration of insurance carriers helps to provide stability to our local economy.

There are also more than two dozen insurance companies domiciled in Greater Omaha.

The strength of Greater Omaha's economy can also be seen in its

unemployment rate, which is consistently lower than the national unemployment rate. (5.2% in June compared to 9.5% for the nation in June)

Forbes magazine ranked Omaha eighth among the "Best Cities for Jobs in 2008" and Nebraska as the 10th most favorable state for business.

Greater Omaha has a history of strong business-government partnerships in area development projects.

In the past decade, this cooperative redevelopment has resulted in more than \$11 billion in new investment metro-wide with \$2 billion in downtown alone.

VA Impact on the Economy

Currently, the annual economic impact of the operations of the VA hospital is significant - contributing \$68.5 million to the regional economy (direct, indirect and induced)

Employment at the hospital supports an additional 545 jobs in our local labor market

From an economic development standpoint, and considering the capital improvements under discussion, this investment has the potential for expanding services and the creation of additional jobs for Greater Omaha.

The medical sector has been, and will continue to be, an extremely important contributor to the economic growth in our community.

Investment that results in jobs — especially jobs at this level - helps keep our economy stable.

Omaha is one of the few communities in the US that has two university medical research facilities and the Chamber often uses this fact when recruiting businesses and people to Greater Omaha.

The VA Hospital also plays a major role in medical research in our community through partnership affiliations with UNMC and Creighton Medical Center essence, creating a third medical research facility in Omaha.

This research impacts the wider medical community in ways we often don't consider such as:
m The VA provides employment opportunities for students in residency from the two medical schools.

m Keeping these skilled physicians in our community for residency training is a huge benefit for our community and our local economy.

® Ultimately the goal is, keep many of these physicians employed in Omaha full time.

Impact on the community

The VA hospital provides specialty care to veterans in our community The VA plays an important role in rural health in our region

The VA continues to incorporate leading-edge technology in their specialty care programs

VA perform an important role in taking care of 1 out of 3 vets in the area — alleviating pressure/case load on other hospitals and medical facilities

Enhancement of the existing facility is essential in ensuring continued, on-going "state of the art" care for veterans.

Involvement with business community

As our guard and reserve personnel return from war zones, the VA plays an important role in the re-assimilation into society and returning them to being productive contributors in the

community.

VA is an important resource to the business community in learning how to assist the returning employees

In fact, this is an area that the Chamber intends to be more involved in — (our role is to provide our members with the services they need and this is an area we are considering; David — they asked us yesterday if we could add ways to help businesses in this area- reminded me of the personal conversation you had with a returning National Guardsman)

Conclusion

On behalf of the Greater Omaha Chamber, I ask for your careful consideration of the request before you.

Thank you for your time.