



DOI: <https://doi.org/10.38035/gijea.v4i3>
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Analysis Of the Contribution of Regional General Hospitals to Regional Economic Growth in Jakarta

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Abstract: Regional economic growth is not only determined by physical investment and the industrial sector, but also by the quality of human resources, especially public health. Public health services through regional general hospitals have a strategic role in increasing productivity, reducing the economic burden due to disease, and encouraging local economic activities. In Jakarta as a metropolitan area with high socio-economic complexity, the optimization of public health services has the potential to make a significant contribution to regional economic growth. However, empirical studies that analyze the contribution of hospital services to regional economic growth based on public perception are still limited. This study aims to determine the development of public health services in DKI Jakarta in recent years (reviewed from the hospital, service coverage, and public health output), to determine the development of regional economic growth of DKI Jakarta in the study period, and to find out that public health services have a significant contribution to regional economic growth in DKI Jakarta. This research is quantitative using descriptive and verifiable research methods. The population of this study is residents of DKI Jakarta who have been treated at hospitals in the Jakarta area with a sample of 100 respondents. Data processing uses a simple regression analysis technique, with data processing using SPSS. The results of the study show that public health services at Jakarta Hospital are in the category of good to good and the economic growth of the Jakarta region is in the category of good to good and public health services organized by the regional general hospital in Jakarta make a significant contribution to regional economic growth.

Keyword: Public Health Services, Regional Economic Growth, Regional General Hospital.

INTRODUCTION

Based on data from the Central Statistics Agency of Jakarta Province, Jakarta's economic growth has fluctuated in recent years. In 2021, economic growth was recorded at 3.56%, increasing to 5.25% in 2022, but slowing to 4.96% in 2023. And in 2025 the Jakarta Provincial Government recorded economic growth of 5.21 percent, this is still fluctuating. Although Jakarta is the center of the national economy, economic growth has not been completely stable and even. One of the factors that affect economic productivity is the quality

of public health and the effectiveness of public health services. Public health services through regional general hospitals. It has a strategic role in increasing productivity, reducing the economic burden due to disease, and encouraging local economic activities. In Jakarta as a metropolitan area with high socio-economic complexity, the optimization of public health services has the potential to make a significant contribution to regional economic growth. One of the factors that affect economic productivity is the quality of public health and the effectiveness of public health services. This is supported by statements by international institutions, especially from the World Health Organization and health economics research. WHO explains that public health affects individual productivity and national productivity (Agustina, 2022), The quality of human health will affect the size and size of the productivity produced in a country (Prasetyo, 2019), This shows that the better the public health, the higher the work productivity, the lower the rate of lost working hours, and the higher the economic welfare of the community. Thus, an excellent public health service is needed, a hospital in the city of Jakarta. According to various reports from information, hospitals in Jakarta still do not provide optimal public health services. Problems in several hospitals, such as poor communication between hospital management and patients, as well as a lack of medical personnel, especially doctors and nurses at service locations. This causes long queues and less responsive services to the community, in addition to the weak response of hospital officers in responding to patients who are waiting for treatment in the emergency room and treatment room. Many people are abandoned in waiting rooms without further explanation (Kenneth, 2025).

Based on the empirical study, the analysis of the contribution of hospital services to regional economic growth based on public perception is still limited. This study aims to determine the development of public health services at Jakarta Hospital in recent years, service coverage, and public health output, and to determine the development of regional economic growth of Jakarta in the research period, and to find out whether public health services have a significant contribution to regional economic growth in Jakarta. Public health is one of the important pillars in economic development, especially in urban areas that have high socio-economic dynamics such as Jakarta Province. The health status of the workforce is a key factor that drives work productivity and local economic growth. When a person is sick and hospitalized, there are several economic impacts such as direct costs consisting of drug costs, hospitalization, transportation, and indirect costs consisting of lost working hours/income, decreased productivity of caring families, as well as effects on household consumption. This means that a high health burden can depress the family's economy and reduce people's purchasing power, especially if care requires long-term care or prolonged hospitalization.

Health economics theory places health as an integral part of human capital, Human capital is defined not only by the level of education, but also by the health status of the individual which contributes to the increase in one's productivity and work capacity. Optimal health conditions allow workers to work longer, more harder, and with higher efficiency, thereby increasing the number of hours worked and participation in the labor market (Akram et al, 2008). This is in line with findings showing that good health conditions significantly increase the probability of participation in the workforce (Febrian et al, 2025). A good health status allows the workforce to adapt better to technological changes and increasingly complex work demands, so that human capital with optimal health conditions is better able to respond to the needs of the dynamic labor market and contribute to increased labor participation (Mincer, 1989).

Regional economic growth is one of the indicators of development success which is influenced by various factors, including the quality of human resources. Public health plays an important role in shaping the work capacity, labor productivity, and economic stability of

the region. Investment in public health will increase labor productivity, which in turn has a positive impact on regional economic growth. In large urban areas such as Jakarta, public health services, especially those provided by regional general hospitals, play a strategic role as primary and referral health facilities. The Jakarta provincial government through the policy of improving health services, as well as the allocation of the health budget that increases every year, has made efforts to improve the health status of the community. Jakarta's economic growth shows quite strong dynamics, with a contribution of more than 17% to national GDP (BPS, 2024). Improving the quality of public health can reduce the burden of disease, reduce productive health costs, and increase labor force participation (Tan, 2014). This shows the potential relationship between improving public health services and regional economic growth.

In the context of national development, the Indonesian government places the health sector as an integral part of sustainable development. Law Number 23 of 2014 concerning regional government emphasizes that health services are mandatory affairs that are the responsibility of local governments. This is strengthened by the implementation of the health social security administration agency program since 2014, which expands public access to health services and increases the utilization of public health facilities, including regional general hospitals. Jakarta as the capital of the country and the center of national economic activities, Jakarta has a significant contribution to the national gross regional domestic product. The Jakarta area is one of the areas with high economic activity, characterized by the growth of the trade, services, and industrial sectors. The high level of economic activity requires adequate public health system support to maintain labor productivity and social stability.

Regional general hospital as a health facility owned by the local government has a strategic role not only in providing curative and preventive health services, but also as a driver of the local economy (Domański, B., & Gwosdz, 2010). The existence of the regional general hospital creates jobs for medical and non-medical personnel, encourages demand for supporting goods and services (medicines, medical devices, logistics), and increases the attractiveness of the area for investment. From a regional economic perspective, local government spending on the health sector can have a multiplier effect on the local economy (Garrido-Yserte, R., & Gallo-Rivera, 2008). In the Jakarta area, there are several hospitals that function as referrals for public health services. Optimizing the performance of hospitals in this region has the potential to improve public health, reduce the number of illnesses and lost productivity days, and ultimately contribute to increasing regional economic output. However, the empirical relationship between the quality and service capacity of the hospital and regional economic growth indicators still requires more in-depth study, especially in the city of Jakarta as the capital city.

Based on this description, research on the contribution of public health services to regional economic growth in Jakarta study on regional general hospitals is relevant and important. This research is expected to provide an overview of the extent to which public health services play a role in supporting local economic growth, as well as being the basis for formulating health development policies that are more effective and oriented towards economic impact.

The formulation of the problem is designed as follows:

1. What is the description of public health services at hospitals in the Jakarta area?
2. What is the picture of economic growth in the Jakarta area?
3. How does public health care affect economic growth of the Jakarta area?

METHOD

This research is quantitative research using descriptive and verifiable research methods, because there are variables that will be examined in relation to the subject and the purpose is to present a structured, factual picture of the facts and relationships between the variables being studied.

Table 1. Variable Operational

Variable	Dimensions	Indicator	Measurement	Scale
Public Health Services	Quality of Service	1. Speed of service	1. Service speed level	Ordinal
		2. Accuracy of medical diagnosis and treatment	2. The degree of accuracy of medical diagnosis and treatment	
		3. Friendliness of medical personnel	3. Level of friendliness of medical personnel	
		4. Availability of medicines and medical facilities	4. Availability Levels of Medicines and Medical Facilities	
	Service Accessibility	1. Ease of registration	1. Ease of entry	Ordinal
		2. Ease of location access	2. Ease of access to location	
		3. Affordability of service fees	3. Affordability of service fees	
		4. Ease of use of health insurance	4. Level of ease of use of health insurance	
	Efficiency and Management	1. Service waiting time	1. The level of effectiveness of service waiting times	Ordinal
		2. Cost transparency	2. Cost transparency level	
		3. Availability of inpatient accommodation	3. Availability of inpatient accommodation	
		4. Effective administration system	4. Level of Effective Administration System	
Regional Economic Growth	Increased Community Productivity	1. People are healthier and able to work optimally	1. Health level and ability of the community to work optimally	Ordinal
		2. Decrease in days from work due to illness	2. Low level of non-working permits	
		3. Increased morale and capacity	3. Increased morale	
		4. The community's economic activities are getting smoother	4. The level of economic activity is getting smoother	
	Increase in Community Income	1. Increased community income	1. The level of income of the community increases	Ordinal
		2. More controlled health spending	2. Controlled Rate Health expenditure	
		3. Better household economic stability	3. Household economic stability level is better	
		4. People's purchasing power increases	4. The level of people's purchasing power increases	
	Community Welfare	1. Improved quality of life	1. Improved Quality of Life	Ordinal
		2. Reduced economic burden	2. Rate of Reduction in Economic Burden	
		3. A sense of security against health risks	3. Level of Sense of Sense of Health Risk	
		4. Ability to meet basic needs	4. Ability Level meets basic needs	

Populasi

Population is a whole set or group of people, interesting events or events occur so that it is more valuable to conduct research and investigation of interesting events (Sekaran & Bougie, 2016). The population of this study is residents of Jakarta who have been treated at hospitals in the Jakarta area.

Sample

Samples are a part of the number and characteristics that a population possesses. taken from that population (Sekaran & Bougie, 2016). A sample is a part or replica of the population being studied, where a number of elements have properties or characteristics that can be generalized. In sampling, there are several opinions related to the number of samples that should be used. The data collection technique in this study is the sampling technique. Sampling, which is a method that selects a part of the population to be used as data to be processed for research. The sampling technique used in this study is non-probability sampling, which is a sampling technique that provides equal opportunities or opportunities for each element or member of the population to be selected as a sample. According to (Sekaran & Bougie, 2016) states that "non-probability sampling is a sample sampling technique that does not provide equal opportunities for every element or member of the population to be selected as a member of the sample". Therefore, the researcher must take a truly representative sample (can be representative). In this study, the researcher used purposive sampling, according to (Sekaran & Bougie, 2016) stating that purposive sampling has the meaning of a sample determination technique with certain considerations.

According to (Hair et al., 2019) the sample size if it is too large will make it difficult to get a suitable model, and it is recommended that the appropriate sample size be between 100-200 respondents. The sample size in this study is using the formula Rao Purba (1966) in (Fauzi 2017) because the population size in this study is not known for sure the number of patients who have done hospital services in the Jakarta area, so the formula is as follows:

$$n = \frac{Z^2}{4Moe^2}$$

Description:

n = Number of Samples

Z = Normal distribution rate at a significant level of 5% = 19.6

Moe = Margin of error, which is the maximum sampling error rate for which the results are tolerable or cooled by 10% or 0.10.

So that research samples were obtained, namely:

$$n = \frac{1.96^2}{4(0.10)^2}$$

n=96,04 rounded to 100 (to be more representative)

Data Collection

Some of the data collection techniques mentioned in the given context include:

1. Data collection through the distribution of questionnaires.
2. Library research

Data Processing

The data collected from the survey results will be grouped based on variables and types of respondents and tabulated. The data processing of the results of the research of 100 respondents was carried out by calculation using simple regression using SPSS software.

RESULT AND DISCUSSION

Public Health Services at Regional General Hospitals in Jakarta

The results of data processing descriptively show the following data:

Table 2. Descriptive Statistics

Indicator	Mean
Speed of service	4.91
Accuracy of medical diagnosis and treatment	5.10
Friendliness of medical personnel	4.76
Availability of medicines and medical facilities	4.75
Ease of registration	4.76
Ease of location access	4.65
Affordability of service fees	5.76
Ease of use of health insurance	5.24
Service waiting time	5.86
Cost transparency	5.02
Availability of inpatient accommodation	5.52
Effective administration system	4.82

Based on the results of a descriptive analysis of the variables of public health services in the Jakarta general hospitals region, it was found that all indicators had a mean value in the range of 4.65 to 5.86 on a scale of 1-7. This shows that in general, public health services in the Jakarta general hospitals region are perceived as quite good to good by respondents. There are no indicators that are in the low category, so it can be concluded that the quality of public health services in the Jakarta general hospitals region has been relatively positive according to the perception of the public/patients.

The indicator with the highest mean value was the service waiting time of 5.86, which showed that respondents assessed that the waiting time for services at the Jakarta regional general hospitals was good. Furthermore, the service cost affordability indicator obtained a mean of 5.76, which indicates that the cost of health services in regional general hospitals is considered quite affordable by the public. Other indicators that also received good ratings were the availability of inpatient places at 5.52, ease of use of health insurance at 5.24, accuracy of diagnosis and medical procedures at 5.10, and cost transparency at 5.02. These results show that the main strength of public health services in the Jakarta regional general hospitals lies in the aspects of service efficiency, affordability, health financing system support, and quality of core medical services.

On the other hand, several indicators are still in the category of quite good, namely service speed (4.91), effective administrative system (4.82), friendliness of medical personnel (4.76), ease of registration (4.76), availability of drugs and medical facilities (4.75), and ease of location access (4.65). This shows that even though public health services have been running well, there are still several aspects of operational and patient service experience that need to be improved, especially related to hospital accessibility, administrative efficiency, quality of officer-patient interaction, and facility and medication support. Thus, in general, Jakarta regional general hospitals have been able to provide positive public health services but still need to strengthen technical aspects of service and service user experience.

Jakarta Regional Economic Growth

The results of data processing descriptively show the following data:

Table 3. Descriptive Statistics

Indicator	Mean
People are healthier and able to work optimally	5.13
Decrease in days from work due to illness	5.15
Increased morale and work capacity	5.54
The community's economic activities are getting smoother	4.77
Increased community income	4.30
More controlled health spending	5.10
Better household economic stability	4.65
People's purchasing power increases	5.86
Improved quality of life	5.86
Reduced economic burden	5.02
A sense of security against health risks	5.52
Ability to meet basic needs	4.82

Based on the results of descriptive statistical analysis of regional economic growth variables, it was obtained that the mean value of each indicator was in the range of 4.30 to 5.86 on a scale of 1 - 7. This shows that in general, respondents assess regional economic growth related to public health services to be in the category of good to good. These findings indicate that public health services in the Jakarta regional general hospitals have had a positive impact on various economic dimensions of the community, especially in the aspects of quality of life, purchasing power, work productivity, and reducing the burden on the household economy.

The indicators with the highest mean value were that people's purchasing power increased and quality of life increased, each by 5.86, which showed that respondents felt the benefits of public health services in improving their welfare and household consumption ability. Furthermore, the indicator of increasing enthusiasm and work capacity obtained a mean of 5.54, as well as a sense of security against health risks of 5.52, which shows that public health services play a role in increasing labor productivity and providing a sense of security for the public against the risk of health costs. Other indicators that are also in the good category are a decrease in days from work due to illness (5.15), people are healthier and able to work optimally (5.13), health expenditure is more controlled (5.10), and a decrease in economic burden (5.02).

On the other hand, several indicators are still in the fairly good category, namely the ability to meet basic needs (4.82), people's economic activities are getting smoother (4.77), household economic stability is better (4.65), and people's income is increasing (4.30). These results show that the influence of public health services on economic growth is more felt in indirect dimensions, such as increased productivity, reduced health costs, and improved quality of life, than in direct economic dimensions such as income increase. Thus, public health services can be understood as a strategic factor that strengthens the economic foundation of the community through improving health quality, spending efficiency, and increasing work capacity.

The Influence of Public Health Services on Jakarta's Economic Growth

The results of regression processing show the following data:

Table 4. Uji Regresi

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.073	1.609		.046	.964
	Regional Economic Growth	.990	.025	.969	38.909	.000

a. Dependent Variable: Public Health Services

Based on the results of linear regression, it shows that public health services have a positive and significant effect on regional economic growth with a significant level of 0.000, which means that H_a is rejected and H_o is accepted

Table 5. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.969 ^a	.939	.939	3.540

a. Predictors: (Constant), Regional Economic Growth

Based on the table above, it shows that public health services have a positive effect on regional economic growth with an influence value of 0.969 or equivalent to 96.9%. This is very high value. Based on the results of the study, it was found that public health services in regional general hospitals in Jakarta have a very large influence on regional economic growth, which is 96.9%, while the remaining 3.1% is influenced by other factors outside the research model. These findings show that the quality and effectiveness of public health services not only function as a social service instrument, but also a strategic factor in encouraging regional economic activities.

Conceptually, these results confirm that the health sector has an important position in economic development, because public health is part of human capital that determines labor productivity, quality of life, social efficiency, and economic resilience of a region. When public health services run well, both in terms of accessibility, service quality, speed of handling, availability of medical personnel, facilities, and affordability, the impact is not only felt on improving the degree of public health, but also on improving people's ability to work, produce, and participate in economic activities.

The results of this study show that public health services in Jakarta through regional general hospitals contribute significantly to regional economic growth because health is a form of long-term investment in human resource development. People who receive good health services tend to have more stable physical and mental conditions, so they are able to work more productively, have a lower rate of absenteeism, and produce higher economic output. Countries with better health rates have higher economic growth because health improves the quality of human capital (Bloom, D. E., Canning, D., & Sevilla, 2004). In the context of Jakarta as the center of national government, business, services, and trade, adequate health services are an important foundation to maintain the continuity of labor productivity. This is in accordance with the statement of Jati et al (2021) which states that adequate health services are the main pillars in maintaining the health of the workforce to prevent work-related diseases and minimize attendance.

This directly contributes to increased efficiency, motivation, and sustainability of productivity. If people get health care quickly and quality through regional general hospitals, the potential for loss of working days due to illness, delay in treatment, or disease complications can be reduced. Thus, public health services play a role in maintaining labor productivity, which ultimately contributes to regional economic growth.

Regional general hospitals not only function as social service providers, but also as regional economic drivers. Regional general hospitals function as an economic engine that drives regional growth, no longer just a center of social healing. Regional hospitals transform the local economy through labor absorption, operational cash turnover, and multiplier effects on surrounding businesses. Hospitals are no longer just health care providers, but organizations that create *value*, increase productivity, and have an economic impact on society (Porter, M. E., & Teisberg, 2006). Hospitals are one of the largest economic sectors that contribute to job creation, investment, and local economic activity (Henderson, 2017). The findings of the influence of 96.9% show that regional general hospitals cannot be seen solely as socially oriented public service institutions, but also as regional economic institutions. Regional general hospitals contribute to economic growth through several paths, such as through improving the quality of public health, healthy people have better work capacity, are more productive, and are better able to contribute to economic activities, both in the formal and informal sectors.

CONCLUSIONS

In general, public health services in the Jakarta general hospitals region are in the category of good to moderate. The strongest aspects: service waiting time, affordability, availability of hospitalization, ease of health insurance. Aspects that still need to be improved such as ease of access to the location, availability of medicines/facilities, friendliness of medical personnel, administration, and ease of registration. Jakarta general hospitals have been quite effective in providing public health services, but improving the quality of patient experience-based services is still important. Public health services organized by the regional general hospital in Jakarta make a significant contribution to regional economic growth. This contribution is not only seen from the main function of the hospital as a health service provider that improves the degree of public health, but also through its role in improving the quality of more productive human resources, reducing the economic burden due to disease, and strengthening labor productivity. Overall, this study emphasizes that local government investment in improving the quality of public health services at hospitals is a strategic investment that not only improves community welfare but also strengthens regional economic competitiveness.

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