

January 31, 2025

Spending growth for home health care significantly exceeds overall growth in personal health care spending for past 18 months

HIGHLIGHTS

- ▲ In November 2024, national health spending grew by 7.2%, year over year. October's growth of 7.6% represented 18.1% of October GDP. (November GDP is not available.)
- ▲ Personal health care spending growth in November was 7.4%, year over year, with utilization growth continuing to outpace price growth.
- ▲ Growth among major spending categories continued to be highest for home health care, at 10.1%, year over year, while spending growth for prescription drugs grew the slowest, at 5.5%. Growth in home health care spending since June 2023 (24.8%) has greatly exceeded growth in spending for other categories of personal health care spending.

National Health Spending and GDP*

	November 2022	November 2023	October 2024	November 2024
GDP	26.79	28.24	29.52	**
National Health Spending (HS)	4.64	5.00	5.35	5.36
HS Share of GDP	17.3%	17.7%	18.1%	**
HS Share of PGDP	17.5%	18.0%	18.5%	**
Growth from Prior 12 Months				
HS	4.0%	7.7%	7.6%	7.2%
GDP	8.4%	5.4%	5.1%	**
HS minus GDP	-4.4%	2.2%	2.5%	**
HS minus PGDP	-4.7%	3.0%	3.1%	**

Source: Altarum monthly health spending estimates (see Methods box below). Monthly GDP is from S&P Global Market Intelligence. PGDP, defined as what GDP would be at full employment, is from the quarterly Congressional Budget Office estimates, converted to monthly by Altarum.

Note: Discrepancies in differences are due to rounding.

* Spending is in trillions of dollars at a seasonally adjusted annual rate (SAAR).

** Data not available.

Altarum is a nonprofit research and consulting organization that creates and implements solutions to advance health among at-risk and disenfranchised populations. Since 2011, Altarum has researched cost growth trends and key drivers of U.S. health spending and formulated policy strategies to help bend the cost growth curve. This work was made possible through generous support from the Robert Wood Johnson Foundation.

The Health Sector Economic IndicatorsSM reports are a monthly publication of Altarum and provide an analysis of health spending, employment, and prices. For more information, contact George Miller at george.miller@altarum.org. George Miller, PhD (principal author) and Matt Daly, PhD, contributed to this brief. We thank Stephen McCall and Corwin Rhyan for their previous contributions to this work. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.

DISCUSSION

In November 2024, national health spending reached a seasonally adjusted annual rate of \$5.36 trillion. November’s spending corresponds to a year-over-year growth rate of 7.2%.

Year-over-year GDP growth was 5.1% in October, and national health spending in October grew 2.5 percentage points faster than GDP. (November GDP data are not currently available.) National health spending in October represented 18.1% of GDP.

The year-over-year growth rate in personal health care spending (spending on health care goods and services) was 7.4% in November.

Exhibit 1. Year-over-Year Growth in GDP and Health Spending

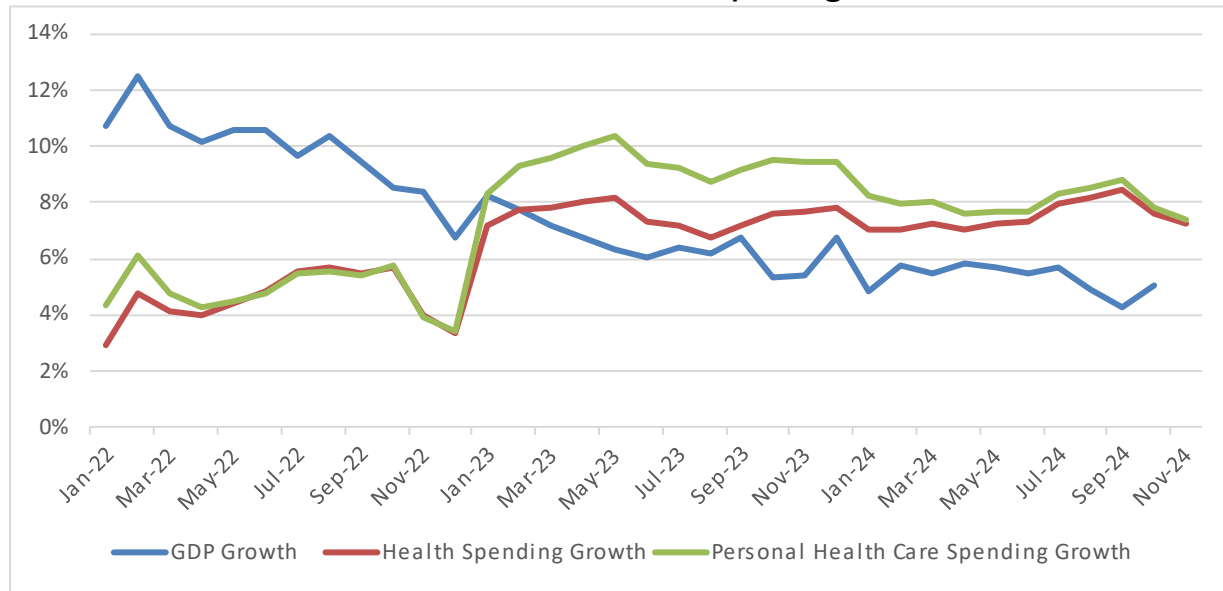


Exhibit 2 illustrates how health spending in November was distributed among spending categories. Personal health care constituted 85% of national health spending. Slightly more than half of total expenditures was attributed to hospital care and physician and clinical services. (Components do not add to 100% due to rounding.)

Exhibit 2. Health Spending by Category, November 2024

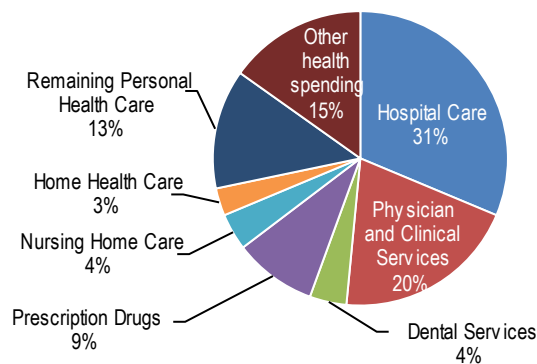


Exhibit 3 displays the growth in spending for personal health care and its major component categories for the 12 month periods ending November 2024 and November 2023. Spending on all categories except physician services and dental services showed slower growth this year compared with last. Annual growth in November 2024 was again greatest for home health care at 10.1%. The slowest growth occurred in spending on prescription drugs, at 5.5%. Since June of 2023, spending on home health care has grown by 24.8%, more than double the growth of personal health care spending overall (11.4%) over the same period and exceeding the growth in the second fastest growing of the major categories – nursing home care, at 13.4% – by 11.4 percentage points.

Exhibit 3. Health Care Spending 12-Month Growth

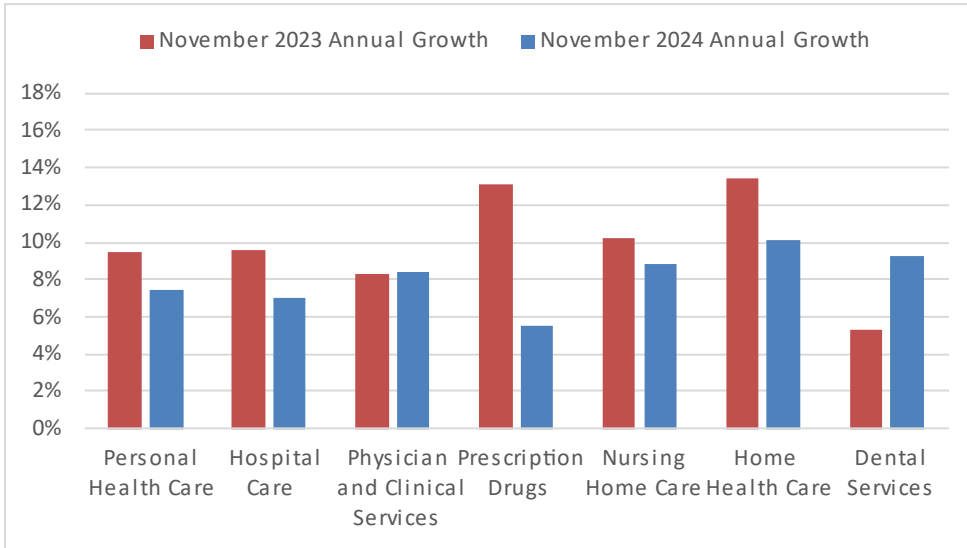
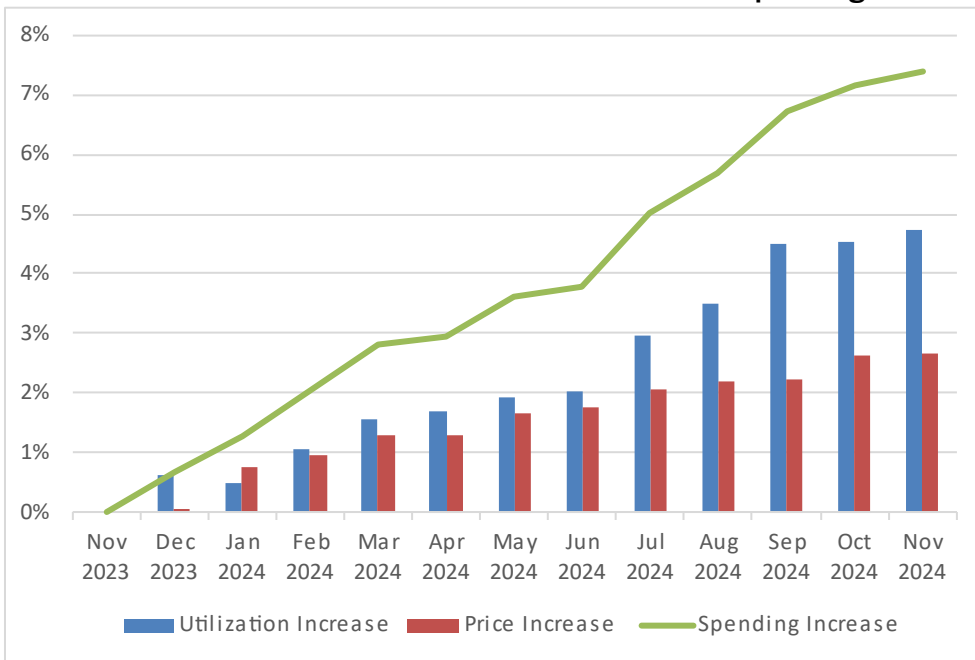


Exhibit 4 shows how spending on personal health care has grown over the past year (since November 2023) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth through November 2024 has continued to be driven more by utilization growth than by price increases: of the 7.4% growth in personal health care spending during this period, 2.7 percentage points can be attributed to price growth, while the remaining 4.7 percentage point growth was associated with increases in utilization.

Exhibit 4. Cumulative Growth in Personal Health Care Spending



DETAILED HEALTH SPENDING

Exhibit 5. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	November 2021	November 2022	November 2023	November 2024
GDP	\$24,708.4	\$26,786.3	\$28,237.5	**
National Health Spending	\$4,463.0	\$4,642.4	\$4,998.2	\$5,360.1
Personal health care	\$3,723.8	\$3,869.1	\$4,234.6	\$4,548.0
Hospital care	\$1,381.0	\$1,425.6	\$1,562.3	\$1,671.6
Physician and clinical services	\$910.6	\$929.7	\$1,006.8	\$1,091.0
Other professional services	\$143.4	\$148.2	\$164.7	\$180.0
Dental services	\$177.5	\$167.5	\$176.5	\$192.8
Other personal health care	\$234.2	\$256.5	\$277.3	\$294.6
Home health care	\$129.0	\$137.4	\$155.9	\$171.7
Nursing home care	\$187.5	\$198.6	\$218.9	\$238.2
Prescription Drugs	\$383.5	\$417.0	\$471.5	\$497.5
Durable medical equipment	\$66.6	\$70.3	\$74.4	\$78.7
Nondurable medical products	\$110.5	\$118.2	\$126.4	\$131.8
Program administration and net cost of private health insurance	\$313.0	\$347.8	\$368.2	\$393.2
Government public health activities	\$202.6	\$194.9	\$151.8	\$163.3
Research	\$64.2	\$69.9	\$73.5	\$77.0
Structures and equipment	\$159.4	\$160.7	\$170.0	\$178.7
HS Share of GDP	18.1%	17.3%	17.7%	**
HS Share of PGDP	18.3%	17.5%	18.0%	**

Source: Altarum monthly national health spending estimates. The monthly GDP is from S&P Global Market Intelligence.

Notes: Spending is expressed in billions of dollars at a SAAR.

** Data not available.

Exhibit 6. National Health Spending 12-Month Growth Rates by Detailed Category

Growth Rates	November 2022	November 2023	November 2024
GDP	8.4%	5.4%	**
National Health Spending	4.0%	7.7%	7.2%
Personal health care	3.9%	9.4%	7.4%
Hospital care	3.2%	9.6%	7.0%
Physician and clinical services	2.1%	8.3%	8.4%
Other professional services	3.3%	11.2%	9.3%
Dental services	-5.6%	5.3%	9.3%
Other personal health care	9.5%	8.1%	6.2%
Home health care	6.5%	13.5%	10.1%
Nursing home care	5.9%	10.2%	8.8%
Prescription Drugs	8.7%	13.1%	5.5%
Durable medical equipment	5.5%	5.8%	5.8%
Nondurable medical products	7.0%	6.9%	4.3%
Program administration and net cost of private health insurance	11.1%	5.9%	6.8%
Government public health activities	-3.8%	-22.1%	7.6%
Research	8.8%	5.1%	4.8%
Structures and equipment	0.8%	5.8%	5.1%
HS Minus GDP	-4.4%	2.2%	**
HS Minus PGDP	-4.7%	3.0%	**

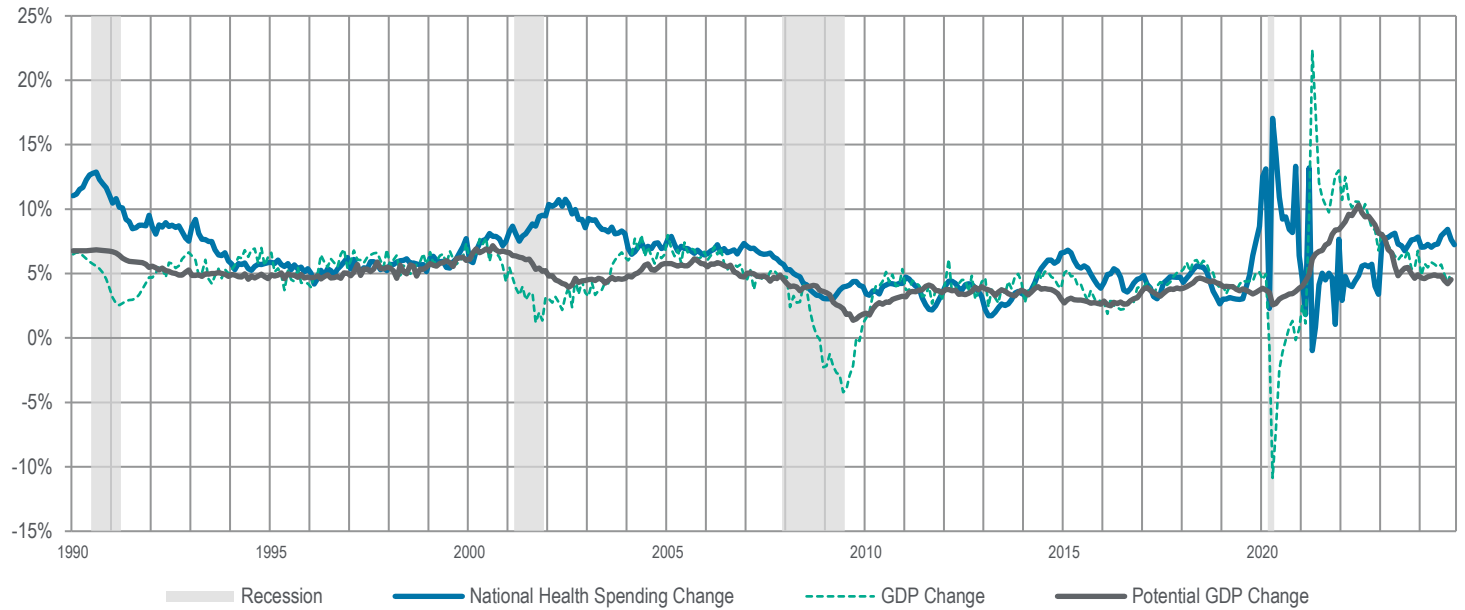
Source: Computed from Exhibit 5.

Note: This exhibit compares monthly national health spending to that of the same month from the previous year.

** Data not available.

TIME SERIES TRACKER

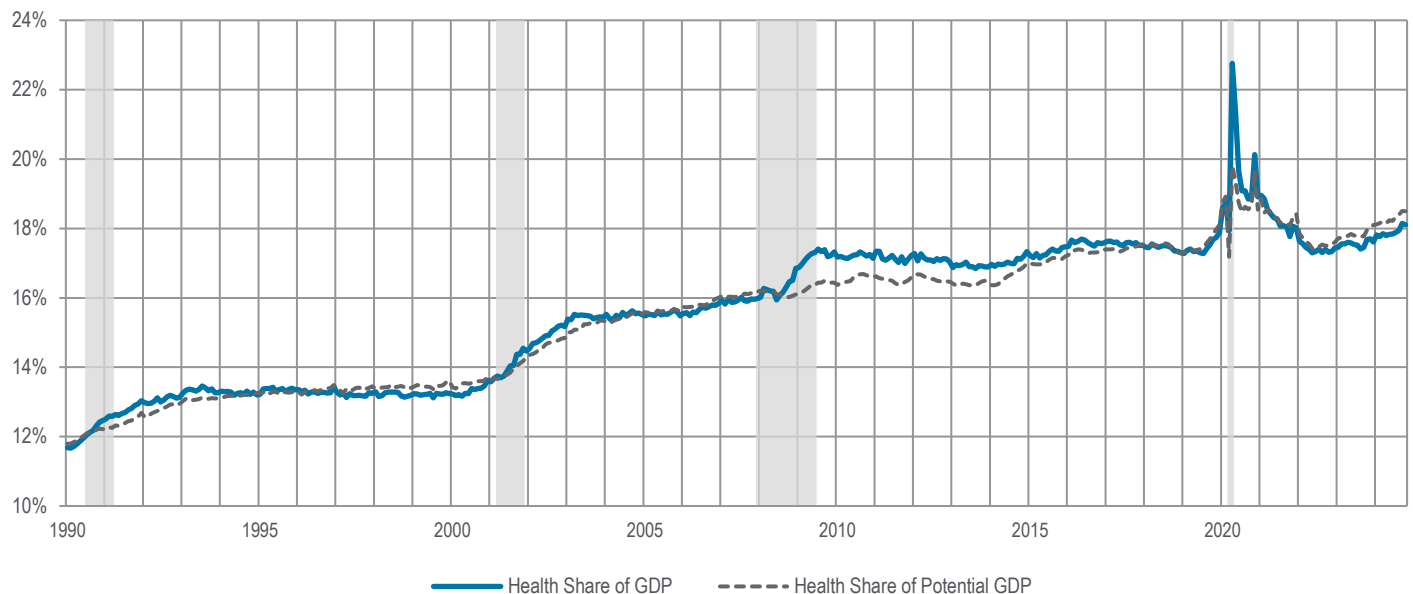
Exhibit 7. Year-over-Year Percentage Change in Spending and GDP



Source: Altarum monthly national health spending estimates. The monthly GDP is from S&P Global Market Intelligence.

Note: Lightly shaded bars denote recession periods.

Exhibit 8. Monthly Health Spending as a Percentage of Monthly GDP



Source: Altarum monthly national health spending estimates. Monthly GDP is from S&P Global Market Intelligence. PGDP is from the U.S. Congressional Budget Office and has been converted to monthly estimates. **Note:** Lightly shaded bars denote recession periods.

Methods. Altarum’s estimates are based on [BEA monthly health spending](#) and [CMS annual NHE estimates \(1990–2023\) and projections \(2024\)](#). BEA spending categories are matched to NHEA components by using information presented in the [following](#): Hartman, M. B., Kornfeld, R. J., & Catlin, A. C. (2010, September). A reconciliation of health care expenditures in the National Health Expenditures Accounts and in gross domestic product. *Survey of Current Business*, 90(9), 42–52. For all NHEA personal health care categories except “other health, residential, and personal care,” monthly estimates are based on BEA spending adjusted to NHEA by using annual ratios. For the remaining categories, national health spending estimates and projections are allocated across months by using a simple trend. Annual ratio adjustments through 2023 are based on NHEA actuals and ensure that monthly estimates sum exactly to NHEA annual amounts. The 2023 ratios are used to adjust BEA spending for months in 2024.

January 31, 2025

Economy-wide inflation extends recent lead over health care price increases

HIGHLIGHTS

- ▲ In December, the overall Health Care Price Index (HCPI) held steady at the 2.7% revised November year-over-year value.
- ▲ Economy-wide inflation rose, with year-over-year growth in the overall Consumer Price Index (CPI) increasing by 0.2% to 2.9% and growth in the Producer Price Index (PPI) increasing 0.3% to 3.3%. This extends the recent overtaking of general inflation over the HCPI seen last month.
- ▲ Among the major health care categories, prices for hospitals (3.3%) and dental care (3.0%) were the fastest-growing, while prescription drugs was the slowest (1.1%).
- ▲ For major payers, year-over-year Medicaid price growth (5.3%) exceeded services price growth for private insurance (3.4%) and Medicare patients (1.3%), continuing a trend beginning in June of 2022.
- ▲ The implicit measure of health care utilization growth was 4.7% year over year in November, down from the revised October value of 5.1%.
- ▲ Home health care utilization increased 8.5% year over year. While this was the fastest-growing category this month (as it has been since August of 2023) it has been steadily declining in recent months since peaking at nearly 17% in May. This category was followed by physician and clinical services (6.4%), nursing care (6.0%), dental services (5.3%), and prescription drugs (4.8%), while hospital care and trailed the other categories at 3.9%.

	Dec 2022	Dec 2023	Nov 2024	Dec 2024
Health Care Price Index (HCPI)	2.8%	3.1%	2.7%	2.7%
GDP Deflator (GDPD)	6.0%	2.6%	**	**
HCPI - GDPD	-3.2%	0.5%	**	**
Addendum				
Personal health care spending	3.4%	9.4%	7.4%	**
Health care utilization	0.6%	6.3%	4.7%	**
Medical Consumer Price Index (MCPI)	4.0%	0.5%	3.1%	2.8%
Consumer Price Index, all items (CPI)	6.5%	3.4%	2.7%	2.9%
Producer Price Index, Final Demand (PPI)	6.4%	1.1%	3.0%	3.3%

Source: Altarum analysis of U.S. Bureau of Labor Statistics (BLS) data. HCPI is a composite price index designed to measure overall price changes for personal health care spending and is patterned after the price index developed by the Centers for Medicare & Medicaid Services (CMS). Details are provided below. Numbers may not subtract properly due to rounding. **Data not available

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The Health Sector Economic IndicatorsSM (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact George Miller at George.Miller@altarum.org. George Miller, PhD, and Matt Daly, PhD (principal author) contributed to this brief. We thank Corwin Rhyon and Stephen McCall for their previous contributions to this work. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.

DISCUSSION

The overall health care price index (HCPI) held at the 2.7% year-over-year revised November value in December (Exhibit 1). The October value was 0.5% greater than economy-wide inflation as measured by the GDP deflator (November GDP data are not yet available) (Exhibit 1). Health care price growth in 2024 averaged 3.0% year over year, just as it did in 2023.

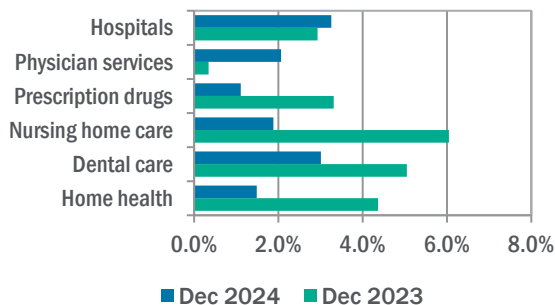
Regarding other measures of economy-wide inflation, CPI price growth rose 0.2% to 2.9% year over year in December, while PPI inflation rose 0.3% to 3.3%. Economy-wide price increases continue to be driven by services inflation (up 4.5% year over year) while commodities inflation rose to 0.3%, ending a recent negative trend (Exhibit 4).

Health care services continued to be the major driver of health care price growth in December, with hospital care up 3.3% and dental services up 3.0%.

Prescription drug prices was the slowest-growing component at 1.1%, 1.6 percentage points below the aggregate HCPI (Exhibits 2 and 3). In July, CMS released their proposal for Medicare physician reimbursement for 2025, including a [2.8% cut for physician fees](#) next year. While the final impact of this proposed cut on overall physician payments may be mitigated by other changes to the physician fee schedule or by Congress [intervening as it has in years past](#), this proposal indicates significant possible downward pressure on physician and clinical care prices in the future.

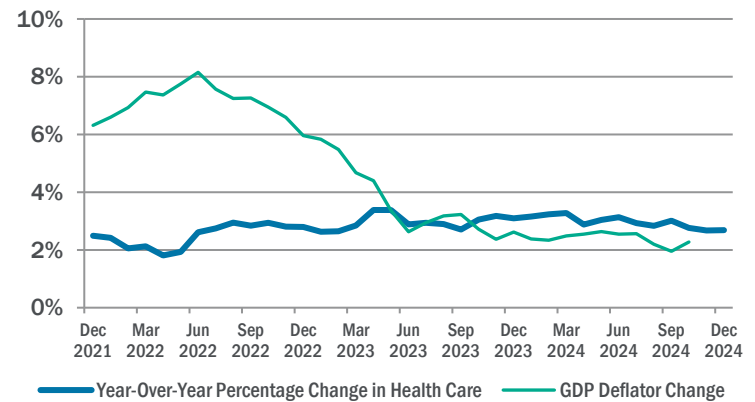
Among major payers for health care services, prices rose fastest for Medicaid patients last month, increasing 5.3% year over year, higher than price growth for private insurance patients (3.4%) and Medicare (1.3%), as shown in Exhibit 6. Along with last month's value, this is Medicare's lowest growth rate since February. Among specific health sector components, faster price growth among Medicaid patients was seen in both hospital care (up 5.5% year over year, as shown in Exhibit 8) and physician and clinical care (up 12.0%, as shown in Exhibit 7). Hospital price growth rates for other payers in December were slower than Medicaid—private insurance hospital prices were up 4.2% year over year (up slightly from last month) while Medicare was up 1.9%.

Exhibit 2. Year-over-Year Price Growth for Selected Categories



Source: Altarum analysis of monthly BLS price data.

Exhibit 1. Year-over-Year Growth in HCPI & GDPD



Source: Altarum analysis of monthly BLS price data.

Our implicit measure of overall health care utilization growth (total spending growth net of health care price inflation) fell by 0.4% in November to 4.7%, below the twelve-month moving average of 5.1% (Exhibit 9). The fastest-growing utilization component was again home health care, up 8.5% year over year, followed by physician services at 6.4%, nursing at 6.0%, and dental services at 5.3%. Hospital care ran behind at 3.9%.

This month continues the 2024 trend of higher overall growth in the use of health care services compared to health care prices; however, with health care price growth increasing, this trend could change in the future. We will continue to monitor these data and this trend in our future price and [spending briefs in upcoming months](#).

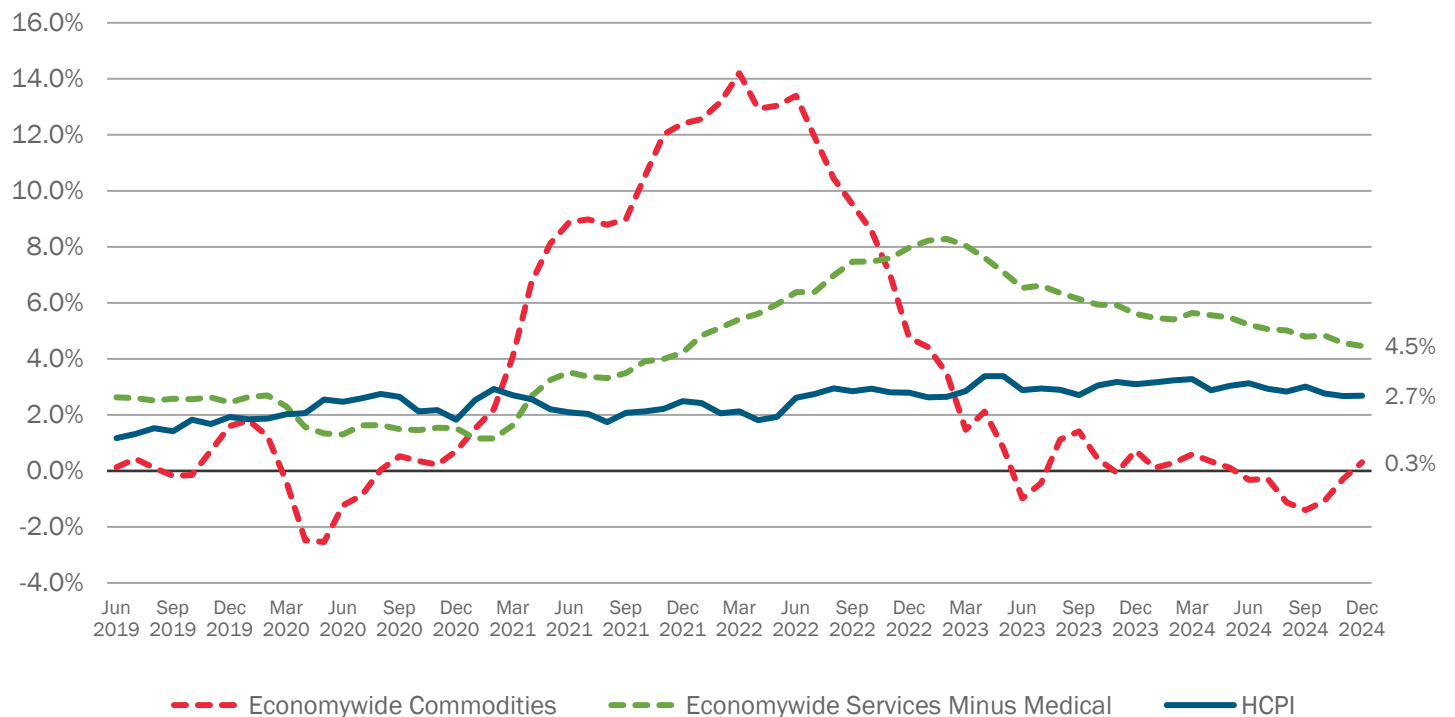
PRICE GROWTH BY DETAILED CATEGORIES

Exhibit 3. Annualized % Change in Prices for Major Components of National Health Expenditures

	Ending December 2022	Ending December 2023	Ending December 2024
Health Care Price index	2.8%	3.1%	2.7%
Hospital Care	3.1%	2.9%	3.3%
Physician and clinical services	0.2%	0.3%	2.1%
Prescription drugs	1.8%	3.3%	1.1%
Nursing home care	5.0%	6.0%	1.9%
Dental services	6.4%	5.0%	3.0%
Home health care	3.1%	4.4%	1.5%
Other professional services	2.1%	1.4%	1.8%
Other personal health care	4.7%	6.2%	6.8%
Other non-durable medical products	5.4%	8.3%	-0.3%
Durable medical equipment	5.2%	3.2%	1.7%

Source: Altarum analysis of monthly BLS data.

Exhibit 4. Year-over-Year Percentage Change in Health Prices Compared with Economy-wide Commodities vs. Economy-wide Services

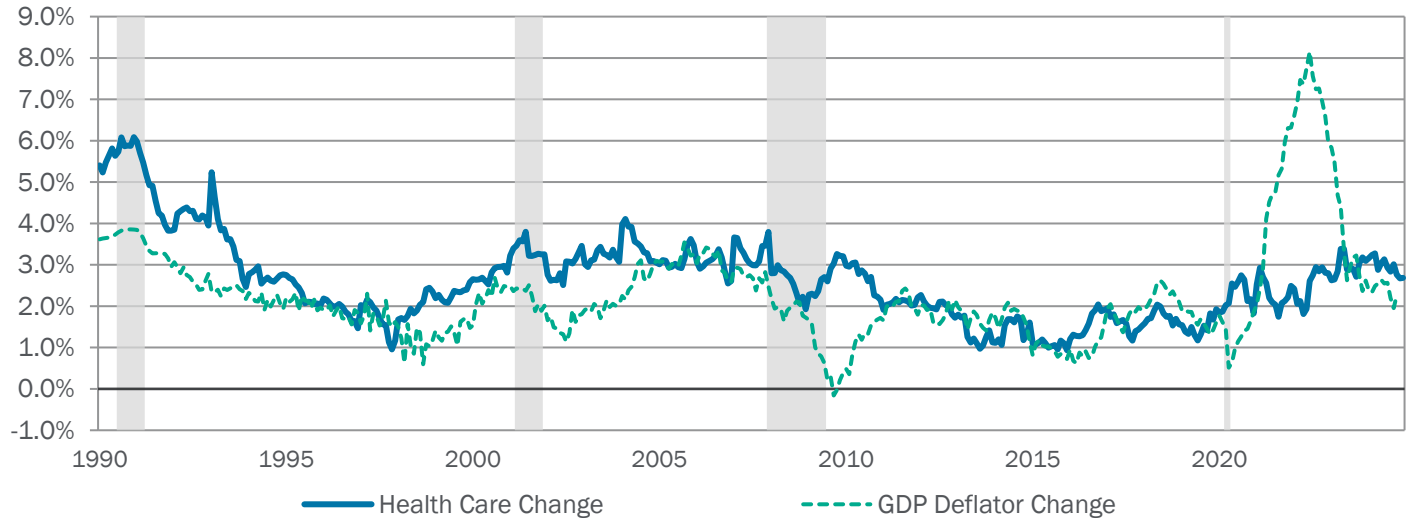


Methods. Altarum’s estimates for the monthly HCPI, a price index for personal health care spending within the National Health Expenditure Accounts, are essentially monthly versions of the annual index developed by the CMS National Health Statistics Group (NHSG). The advantages of this measure over the medical care component of the CPI are well documented. Information on the CMS index is presented in the following source: U.S. Department of Health and Human Services. (2019). *National Health Expenditure Accounts: Methodology Paper, 2018—Definitions, Sources, and Methods*. Washington, DC: Centers for Medicare & Medicaid Services. Retrieved from <http://www.cms.gov/files/document/definitions-sources-and-methods.pdf>. The HCPI is calculated by using BLS data on PPIs for hospital, physician, nursing home, and home health components and CPIs for prescription drugs and other remaining items. Following NHSG, we use the GDPD rather than the CPI as our measure of economy-wide inflation. While this brief focuses on prices, it also incorporates data from our spending brief and shows the power of looking at prices and spending together. In particular, it reveals the striking role of utilization in health spending growth trends.

Source: Altarum analyses of BLS price data.

TIME SERIES TRACKER

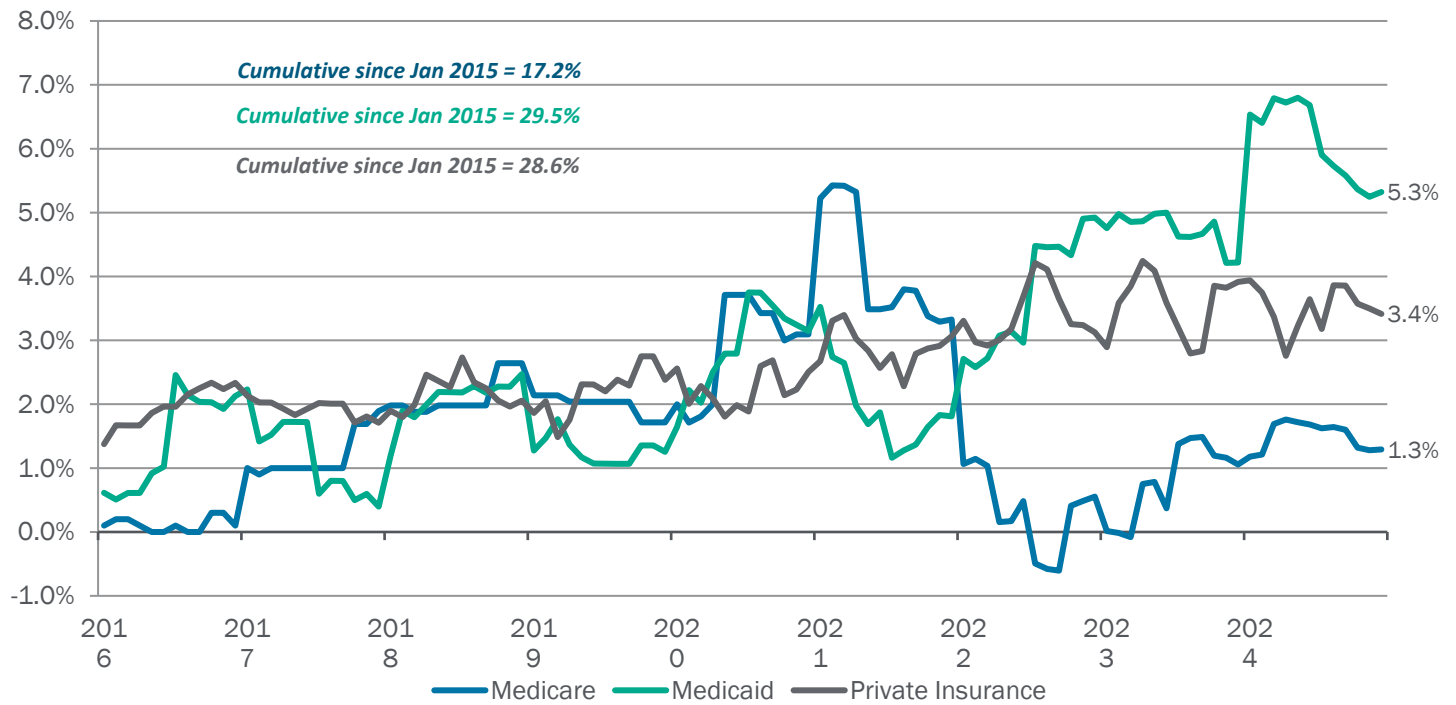
Exhibit 5. Year-over-Year Percentage Change in Health Prices Compared with the GDP Deflator



Source: Altarum analyses of BLS price data.

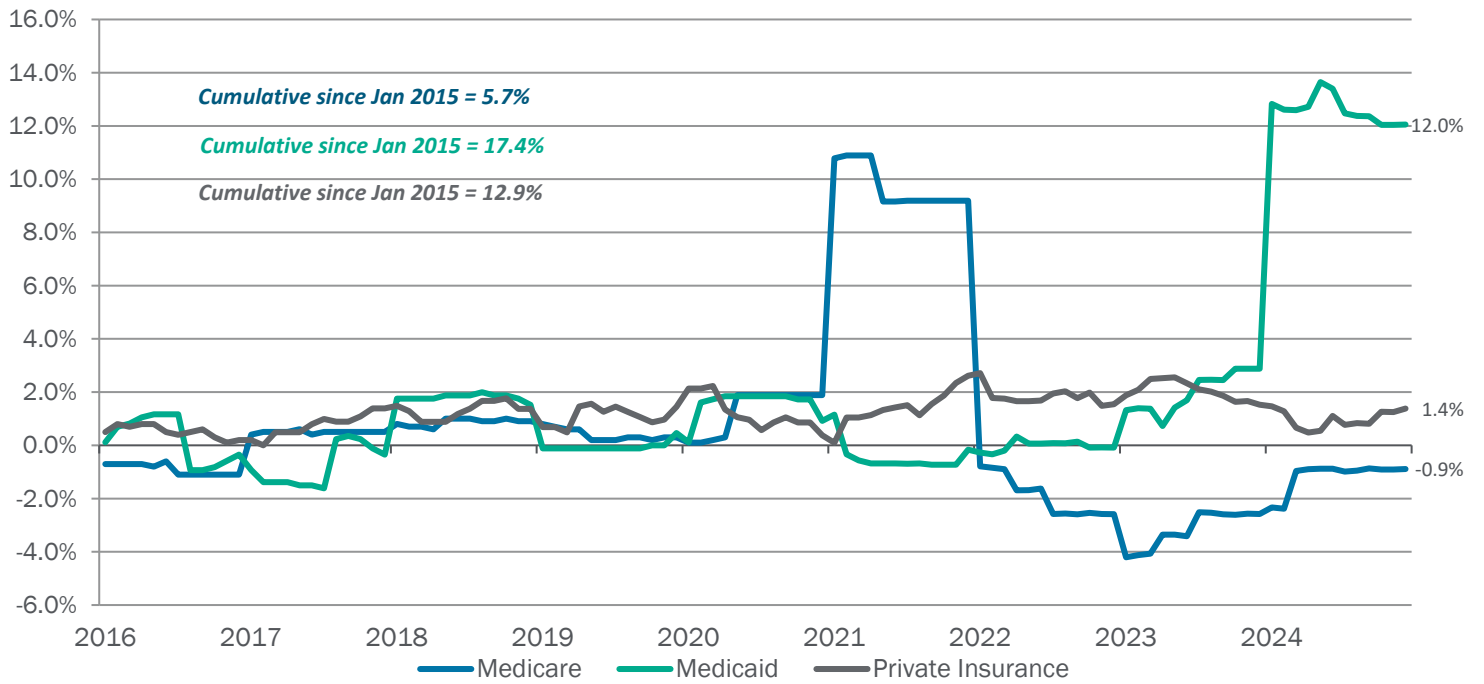
Note: Lightly shaded bars denote recession periods.

Exhibit 6. Year-over-Year Change in Health Care Services Price Growth by Payer



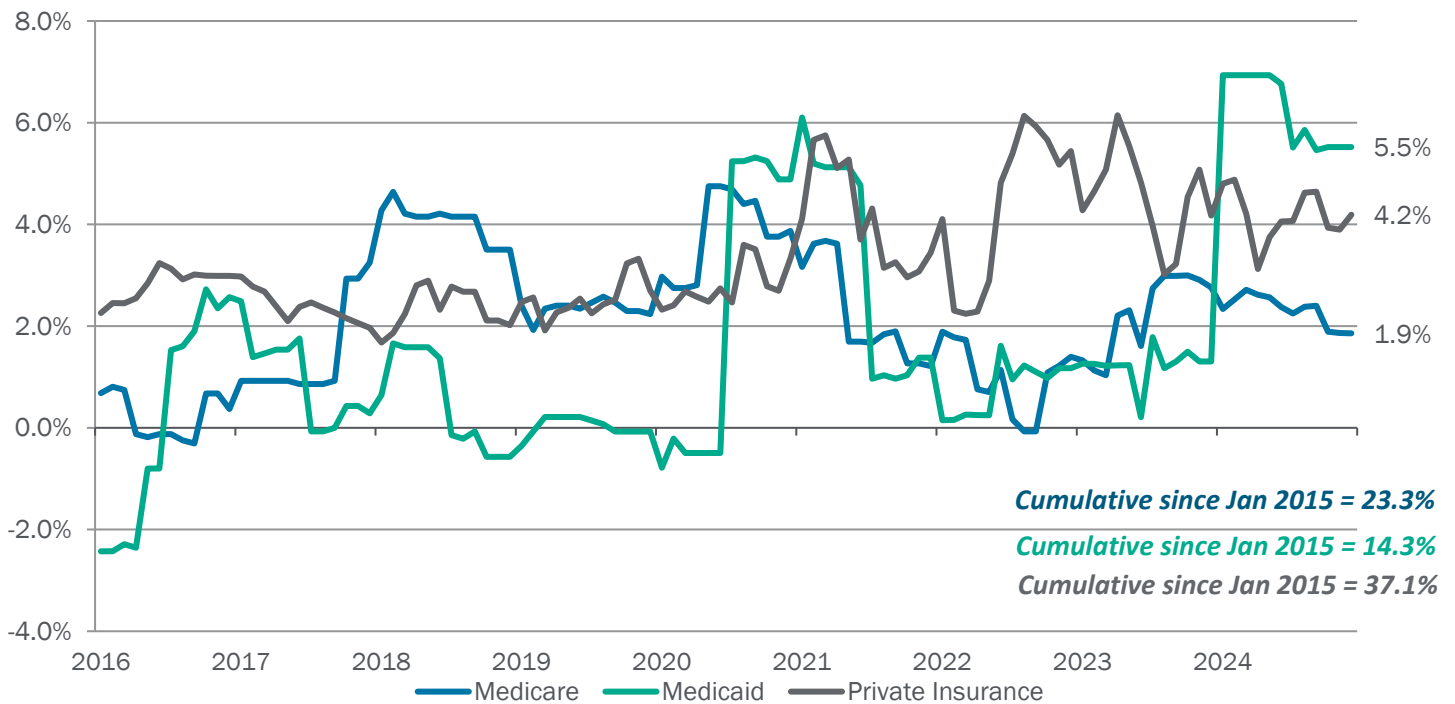
Source: Altarum analyses of BLS price data.

Exhibit 7. Year-over-Year Change in Physician Care Services Price Growth by Payer



Source: Altarum analyses of BLS price data.

Exhibit 8. Year-over-Year Change in Hospital Services Price Growth by Payer



Source: Altarum analyses of BLS price data.

Exhibit 9. Implicit Health Care Utilization Growth by Major Components of NHE, Year-over-year

	November 2024	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.7%	5.2%	5.1%
Hospital care	3.9%	3.9%	4.1%
Physician and clinical services	6.4%	7.5%	7.3%
Prescription drugs	4.8%	5.8%	6.7%
Nursing home care	6.0%	6.7%	5.7%
Dental Services	5.3%	4.8%	2.6%
Home health care	8.5%	8.5%	11.2%
Other professional services	7.8%	9.2%	9.2%
Other personal health care	-0.7%	-0.5%	-0.3%
Other nondurable medical products	4.7%	4.2%	-0.8%
Durable medical equipment	3.2%	3.8%	3.8%

Source: Altarum analysis of monthly BLS data combined with Altarum HSEI spending data.

Note: Beginning in March 2021, we slightly updated the computation of estimated implicit utilization shown in Exhibit 8 to be more consistent with our spending data. Previous iterations calculated implicit utilization growth (U) as spending growth (S) net of price growth (P) and population growth (Pop): $U = S - P - \text{Pop}$. New data (from March 2021 onward) now include population growth in utilization, with the new measure calculated as: $U = S - P$. This approach is an approximation, ignoring the interaction term between spending and prices growth ($S * P$); however, as long as the two growth rates are small, this term is insignificant.

Source: Altarum analyses of BLS price data.

January 31, 2025

Health care job growth continues steady climb while employment in other industries has been fluctuating over previous year

HIGHLIGHTS

- ▲ In December 2024, health care industry employment increased by 46,100 jobs while non-health care industries increased by 209,900 jobs.
- ▲ By major subsector, December's health care job growth was led by ambulatory health care services, which added 20,600 jobs, followed by nursing and residential facilities, which added 14,000 jobs. Hospitals added 11,500 jobs.
- ▲ The hiring rate was 3.3% and the jobs opening rate was 6.2% in November. The total separations rate was 2.8%.
- ▲ The unemployment rate was 4.1% in December, down 0.1% from the previous month.
- ▲ Nominal health care wage growth in November 2024 was 4.0% year over year, with growth rates of 3.6% in ambulatory health care services, 4.0% in nursing and residential care facilities, and 4.4% in hospitals.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Dec 2023	Nov 2024	Dec 2024
Total Employment (000)	152,309	157,304	159,280	159,536
Non-Health Employment (000)	135,828	140,011	141,352	141,561
Health Employment (000)	16,481	17,293	17,929	17,975
Health Share of Total Employment	10.82%	10.99%	11.26%	11.27%
Unemployment Rate	3.5%	3.8%	4.2%	4.1%

Source: Altarum analysis of Bureau of Labor Statistics (BLS) data. Health care employment is private only.

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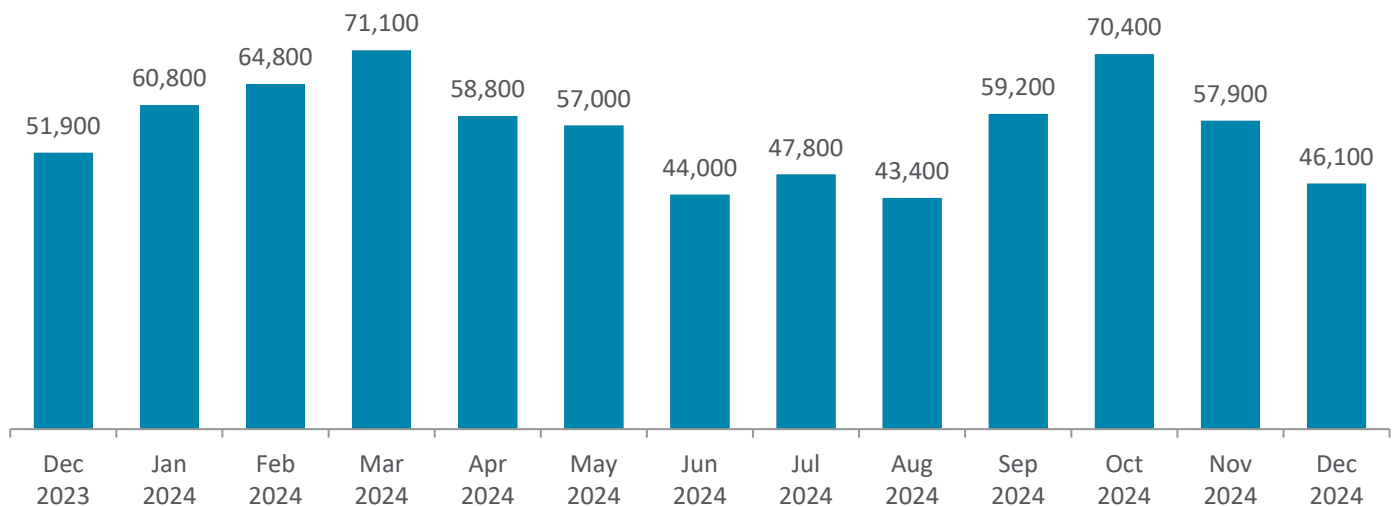
DISCUSSION

In December 2024, the health care industry added 46,100 new jobs, as shown in Exhibit 1. This figure is lower than the monthly average of 57,300 jobs added in the previous year (from December 2023 to November 2024). Non-health care industries added 209,900 jobs in December, continuing a bounceback in economy-wide job growth likely due to [factors](#) relating to strike resolution and continued recovery from the impacts of Hurricanes Milton and Helene. In 2024, the variability in monthly job growth for the health care industry was nearly four times smaller than for the composite of all other industries, as measured by coefficient of variation.

In December, ambulatory health care services added 20,600 jobs, which is 31% lower than the monthly average of 29,900 for the past year (see Exhibit 9). Growth in this subsector was led by home health care services (15,200), followed by physicians’ offices (10,400), while dentists’ offices lost jobs (-3,700). Nursing and residential care facilities added 14,000 jobs in December, 51% higher than the monthly average of 9,300 jobs added in the past year. Within this subsector, nursing care facilities gained 6,600 jobs, which was 88% above the prior 12-month average, while other nursing and residential care homes added 7,400 positions, 28% higher than the previous 12-month average. Finally, hospitals recorded an increase of 11,500 jobs, 36% lower than the subsector’s 12-month average.

The employment figures for 2023 and early 2024 will be [updated](#) soon based on more accurate but less timely unemployment claims. Initial estimates suggest that the economy added 818,000 fewer jobs than originally reported in 2023 and early 2024. However, the private education and health services sector, which includes education, social assistance, and health care, had 87,000 more jobs than previously reported. These changes will impact our annual and biannual average employment analyses once they are included in the employment data in February 2025.

Exhibit 1. Month-Over-Month Change in Health Care Employment, Seasonally Adjusted



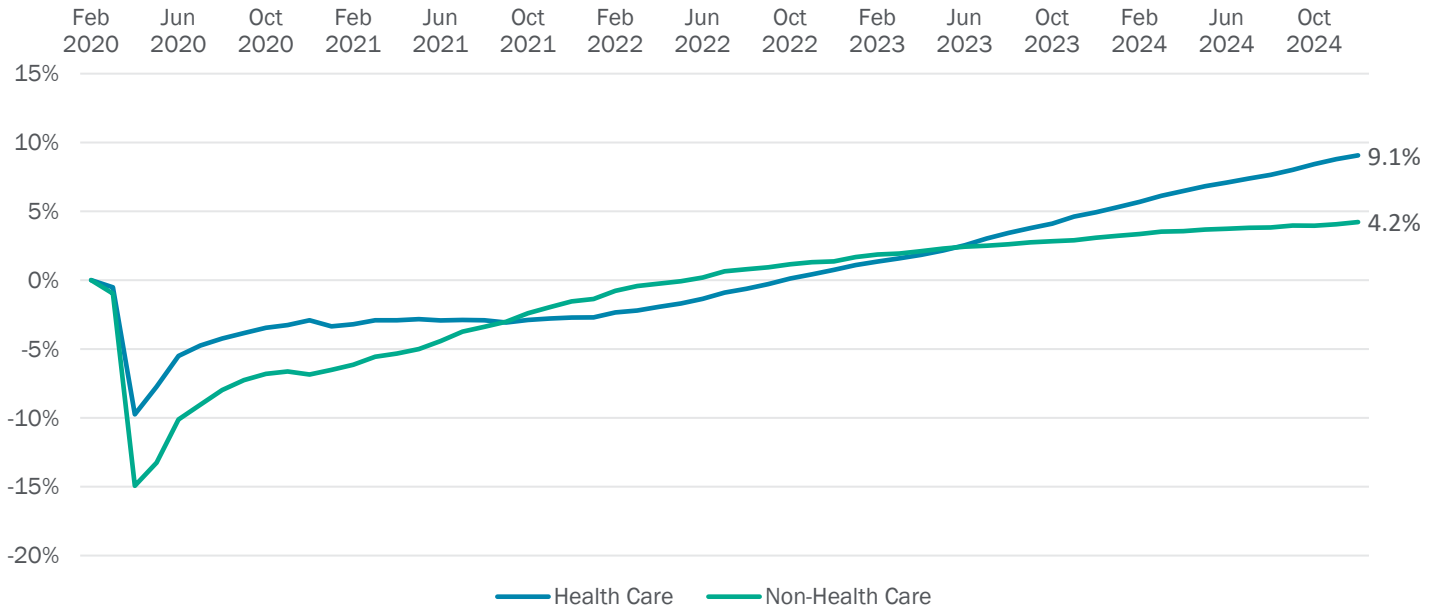
Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Since February 2020, before the COVID-19 recession began, health care employment has grown by 1,494,000 jobs or 9.1%, more than double the 4.2% increase in non-health care employment over the same period (see Exhibit 2). The health care industry started growing especially quickly in February 2022, and employment growth in non-health care industries began to slow down in April of the same year. By December 2024, the health care industry had outpaced non-health care industries for 33 consecutive months. During that period, the health care industry grew by 11.2%, versus 4.5% in non-health care industries.

Since February 2020, employment in ambulatory health care services has increased by 1,115,100 jobs or 14.2%, while hospital employment has grown by 413,700 jobs or 7.9% (see Exhibit 3). However, employment in nursing and residential care facilities is still 34,800 jobs (1.0%) below pre-pandemic levels. As described in a recent Altarum

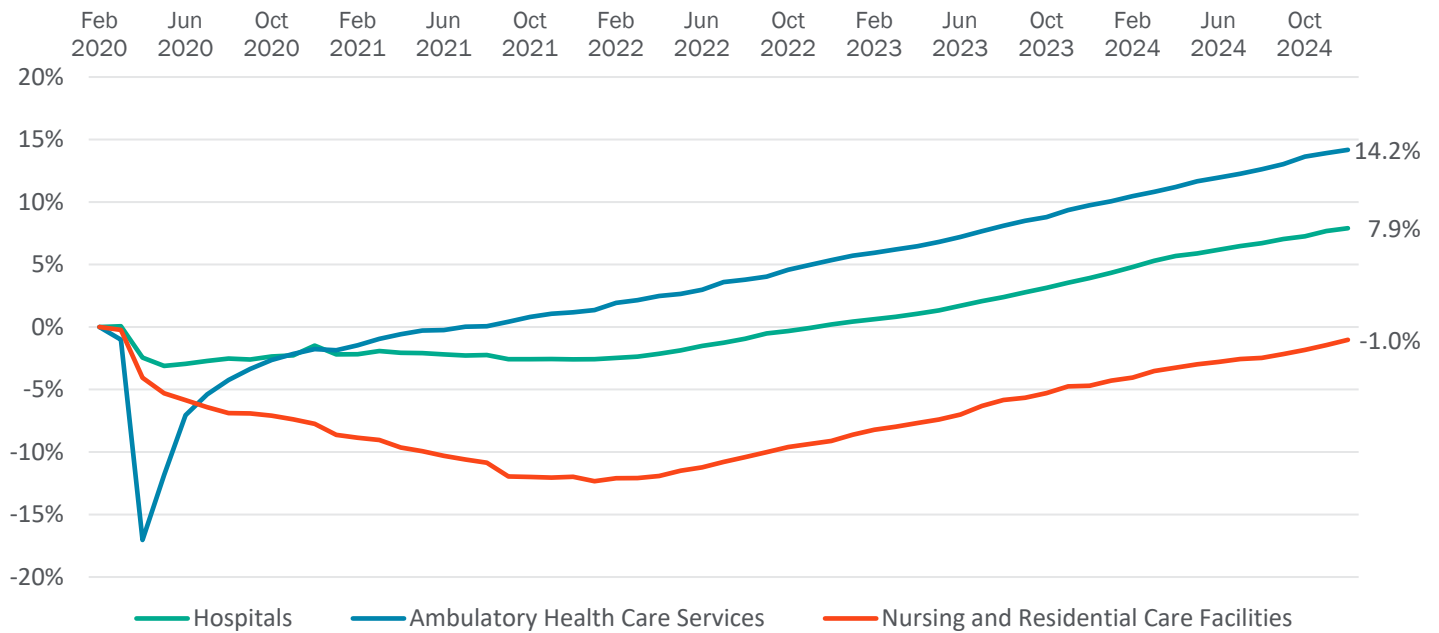
[analysis](#), this contraction in employment is likely due to skilled nursing facility closures, lower resident censuses, and staffing shortages. All three health care subsectors have steadily increased since February 2022.

Exhibit 2. Change in Health and Non-Health Employment Compared to February 2020



Source: Altarum analysis of monthly BLS Current Employment Statistics data.

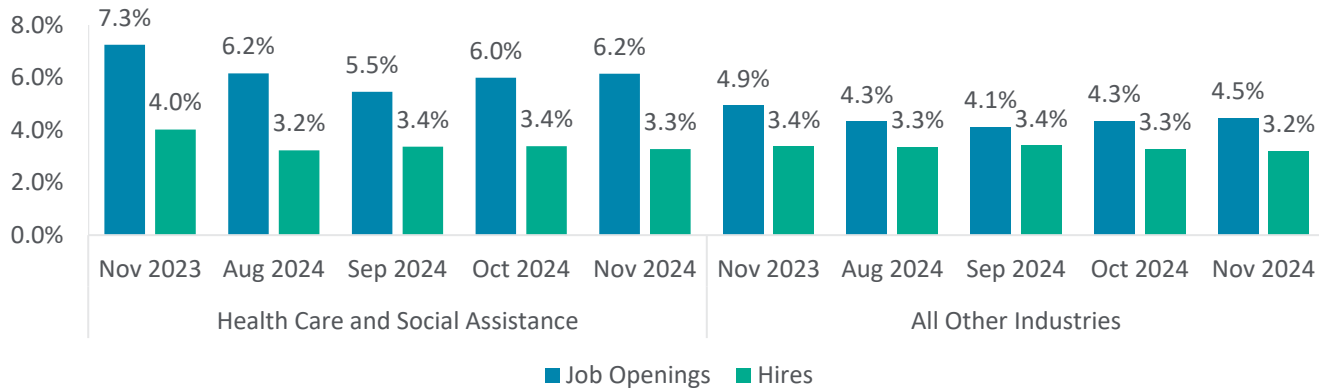
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



Source: Altarum analysis of monthly BLS Current Employment Statistics data.

The November job openings rate in health care and social assistance increased 0.2 percentage points to 6.2% from the revised 6.0% October value, as shown in Exhibit 4. This continues a climb from September’s value of 5.5%. Conversely, the hiring rate fell from 3.4% to 3.3%. The total separations rate also fell, from 3.1% to 2.8%, as shown in Exhibit 5.

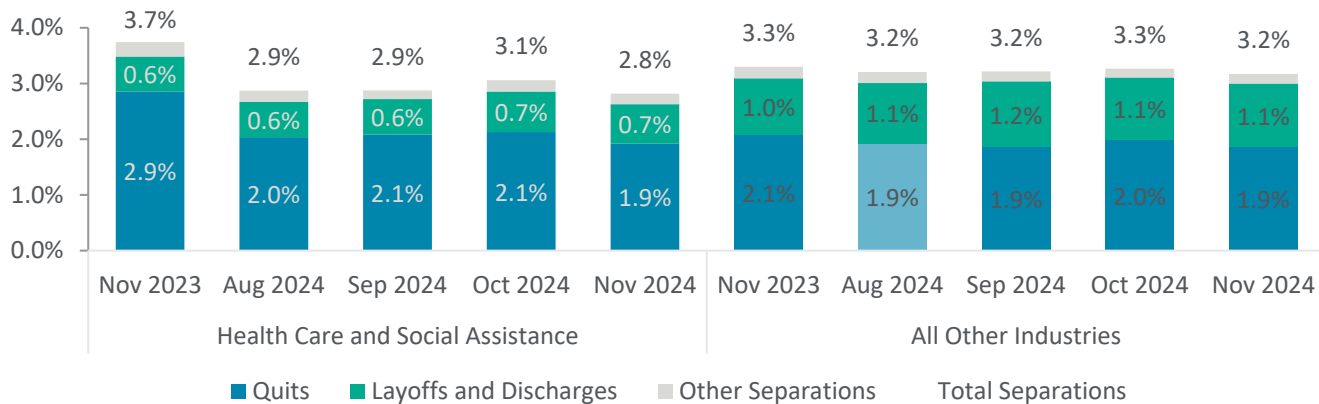
Exhibit 4. Monthly Rates of Hires and Job Openings in the Health Care and Social Assistance and All Other Industries



Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.

Notes: The job opening rate is the number of job openings on the last business day of the month as a percent of employment plus job openings, while the hire rate is the number of hires during the entire month as a percent of employment. Health care jobs typically constitute 80% of all jobs in the health care and social assistance sector. Most social assistance jobs are in services for the elderly and persons with disabilities and childcare services.

Exhibit 5. Monthly Separation Rates by Type in the Health Care and Social Assistance and All Other Industries

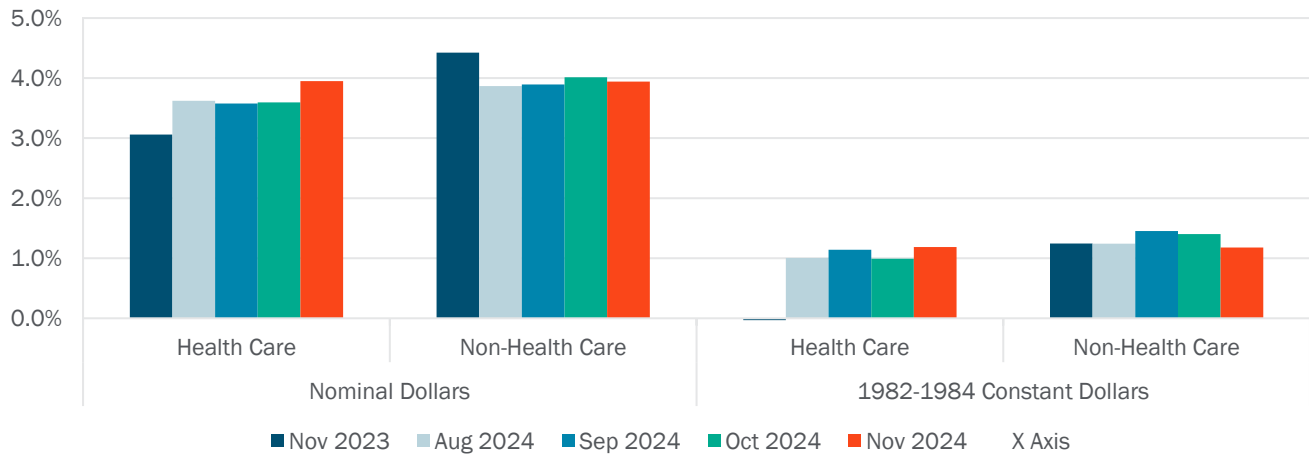


Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.

Notes: Separation rates are the number of separations during the entire month as a percent of employment. Health care jobs typically constitute 80% of all jobs in the health care and social assistance sector. Most social assistance jobs are in services for the elderly and persons with disabilities and childcare services.

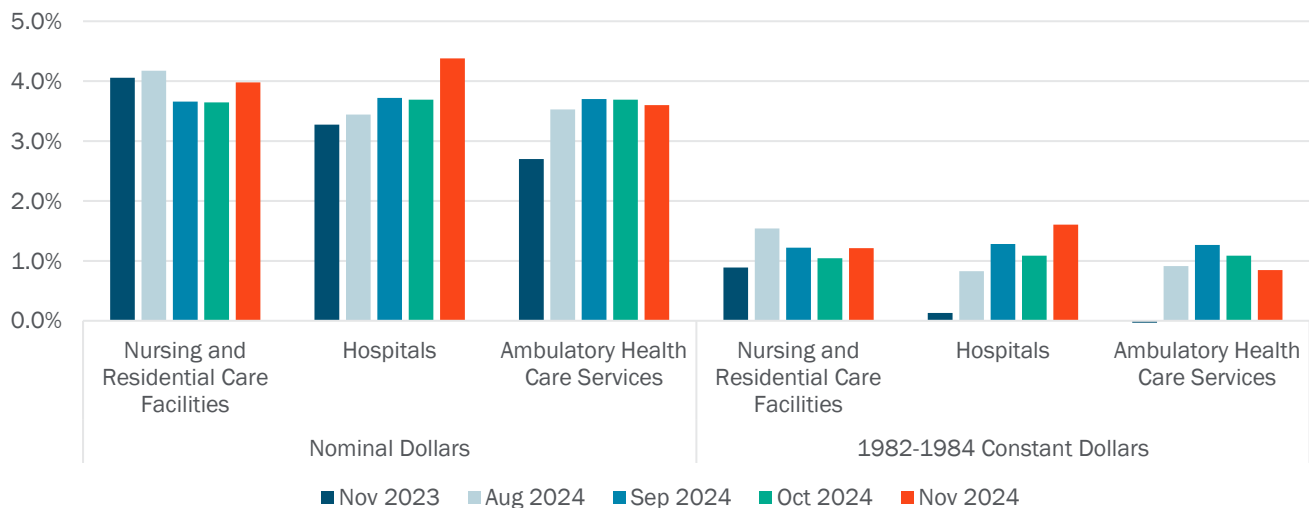
Year-over-year wage growth in the health care sector was 4.0% in November 2024, a step up from recent months and 0.9 percentage points above a year prior, as shown in Exhibit 6. After adjusting for inflation, year-over-year health care wage growth was 1.2%. Nominal wage growth was fastest in hospitals at 4.4%, followed by nursing and residential care facilities at 4.0% and ambulatory services at 3.6% (see Exhibit 7). Inflation-adjusted wages grew by 1.6% in hospitals, 0.8% in ambulatory health care services, and 1.2% in nursing and residential care facilities. Non-health care wage growth was 3.9% in November, or 1.2% after adjusting for inflation.

Exhibit 6. Change in Average Hourly Earnings, Year over Year, in Health Care and Non-Health Care Industries



Source: Altaram analysis of monthly BLS Current Employment Statistics data.

Exhibit 7. Change in Average Hourly Earnings, Year over Year, by Health Care Subsector



Source: Altaram analysis of monthly BLS Current Employment Statistics data.

DETAILED HEALTH CARE EMPLOYMENT

Exhibit 8. Employment by Sector and Subsector, Seasonally Adjusted

Employment (in Thousands)	December 2024	November 2024	December 2023	December 2022	February 2020
Non-Health Care	141,561	141,352	140,011	137,686	135,828
Health Care	17,975	17,929	17,293	16,605	16,481
Ambulatory Health Care Services	8,984	8,963	8,635	8,290	7,869
Offices of Physicians	3,075	3,064	2,985	2,864	2,725
Offices of Dentists	1,048	1,051	1,032	1,024	991
Offices of Other Health Care Practitioners	1,243	1,240	1,184	1,123	1,001
Outpatient Care Centers	1,091	1,094	1,076	1,048	996
Medical and Diagnostic Labs	319	318	325	318	289
Home Health Care Services	1,851	1,836	1,680	1,571	1,547
Other Ambulatory ^a	358	361	353	342	319
Hospitals	5,649	5,637	5,440	5,246	5,235
Nursing and Residential Care Facilities	3,342	3,328	3,218	3,069	3,377
Nursing Care Facilities	1,492	1,486	1,444	1,378	1,587
Other Nursing and Residential ^b	1,850	1,843	1,774	1,691	1,790
Health Share of Employment	11.27%	11.26%	10.99%	10.76%	10.82%

Source: Altarum analysis of BLS Current Employment Statistics data. February 2020 is displayed as the month of pre-pandemic peak employment.

^a "Other Ambulatory" care settings include ambulance services, blood and organ banks, and all other non-classifiable ambulatory health care service providers.
^b "Other Nursing and Residential" includes assisted living communities, continuing care retirement communities, residential intellectual and developmental disability facilities, residential mental health and substance abuse facilities, and all other non-classifiable residential care providers.

Exhibit 9. Change in Employment by Sector and Subsector in December 2024, Seasonally Adjusted

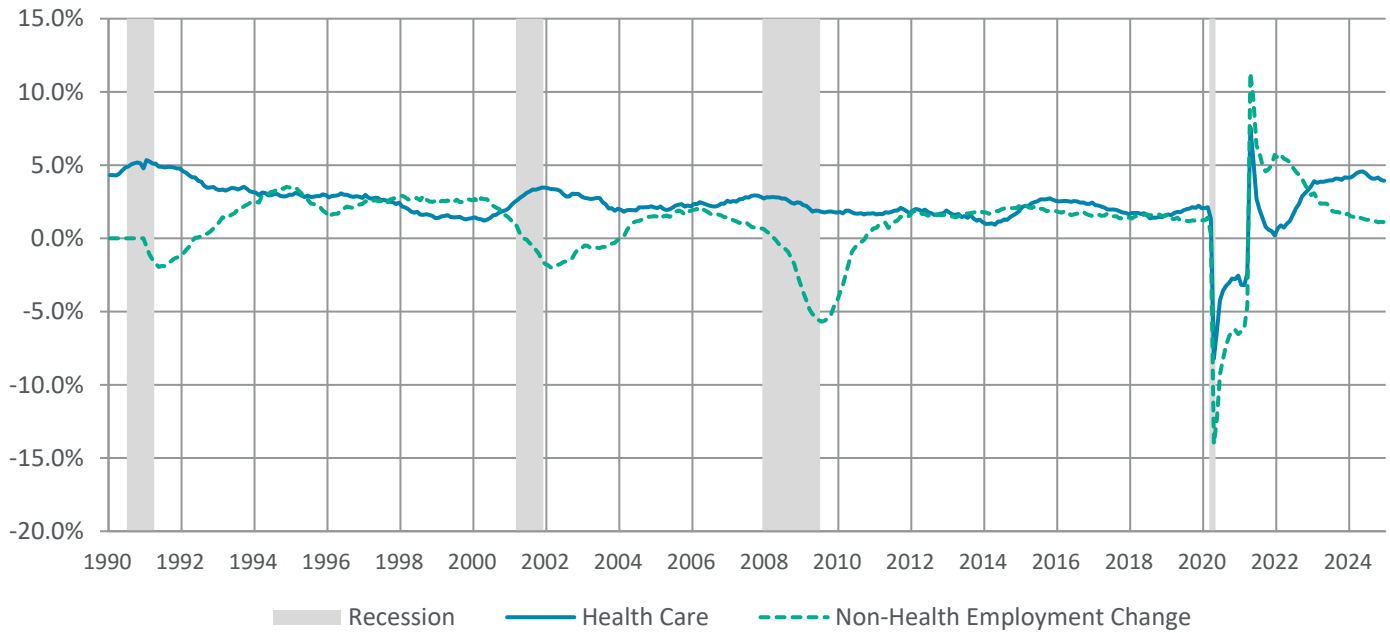
Employment Change (in Thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	209.9	1,550.7	3,875.3	5,733.0
Health Care	46.1	681.3	1,369.7	1,494.0
Ambulatory Health Care Services	20.6	348.6	693.9	1,115.1
Offices of Physicians	10.4	89.6	210.4	349.3
Offices of Dentists	-3.7	16.0	23.8	56.6
Offices of Other Health Care Practitioners	3.2	59.7	119.9	242.4
Outpatient Care Centers	-2.8	14.8	42.9	94.5
Medical and Diagnostic Labs	1.2	-6.5	1.3	29.6
Home Health Care Services	15.2	170.3	279.4	304.2
Other Ambulatory ^a	-2.8	4.8	16.3	38.6
Hospitals	11.5	208.8	402.9	413.7
Nursing and Residential Care Facilities	14.0	123.9	272.9	-34.8
Nursing Care Facilities	6.6	47.9	114.3	-94.7
Other Nursing and Residential ^b	7.4	76.0	158.6	59.9
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.8%	1.1%	1.4%	0.9%
Health Care	3.1%	3.9%	4.0%	1.8%
Ambulatory Health Care Services	2.8%	4.0%	4.1%	2.8%
Offices of Physicians	4.1%	3.0%	3.6%	2.5%
Offices of Dentists	-4.1%	1.6%	1.2%	1.2%
Offices of Other Health Care Practitioners	3.1%	5.0%	5.2%	4.6%
Outpatient Care Centers	-3.0%	1.4%	2.0%	1.9%
Medical and Diagnostic Labs	4.6%	-2.0%	0.2%	2.0%
Home Health Care Services	10.4%	10.1%	8.5%	3.8%
Other Ambulatory ^a	-8.9%	1.4%	2.4%	2.4%
Hospitals	2.5%	3.8%	3.8%	1.6%
Nursing and Residential Care Facilities	5.2%	3.8%	4.4%	-0.2%
Nursing Care Facilities	5.5%	3.3%	4.1%	-1.3%
Other Nursing and Residential ^b	4.9%	4.3%	4.6%	0.7%

Source: Altarum analysis of BLS Current Employment Statistics data. Change since February 2020 represents a comparison to pre-pandemic peak employment.

^a "Other Ambulatory" care settings include ambulance services, blood and organ banks, and all other non-classifiable ambulatory health care service providers.
^b "Other Nursing and Residential" includes assisted living communities, continuing care retirement communities, residential intellectual and developmental disability facilities, residential mental health and substance abuse facilities, and all other non-classifiable residential care providers.

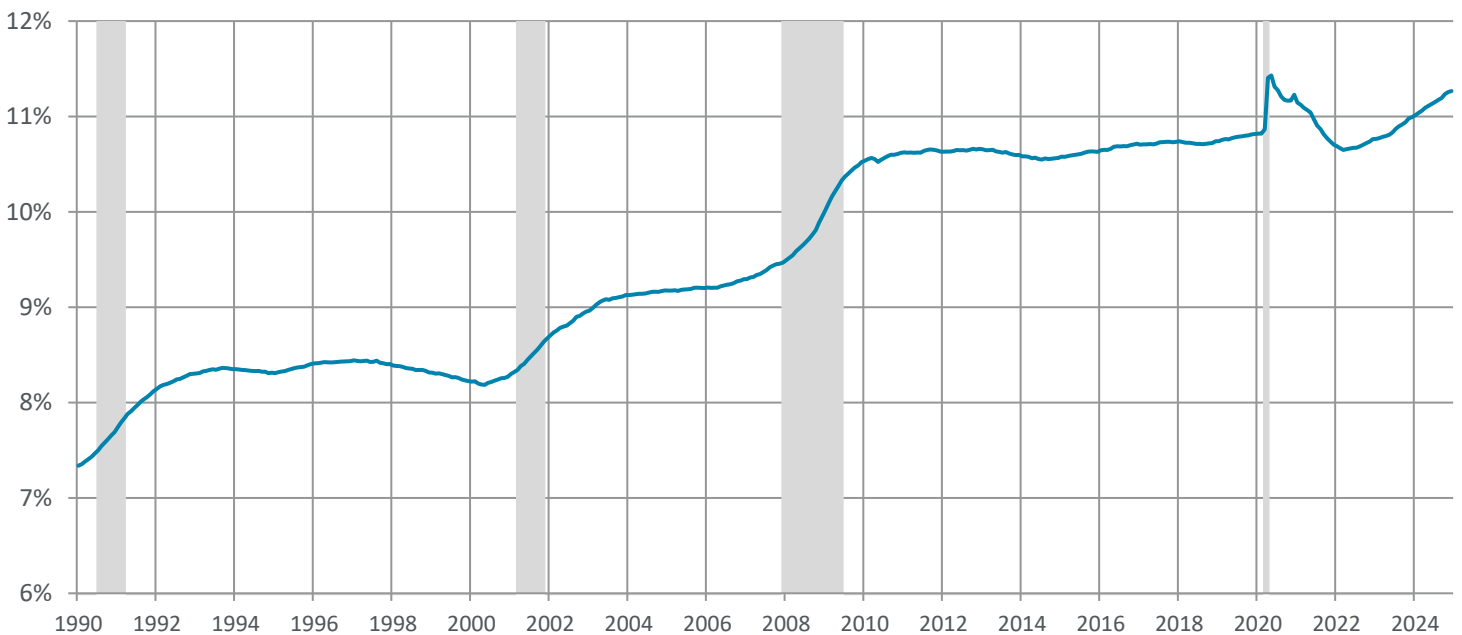
TIME SERIES TRACKER

Exhibit 10. Twelve-Month Percent Change in Employment



Source: Altarum analysis of BLS data.
Note: Lightly shaded bars denote recession periods.

Exhibit 11. Health Care Share of Total Employment



Source: Altarum analysis of BLS data.
Note: Lightly shaded bars denote recession periods.