

September 25, 2024

National health spending growth moderates; home health care growth remains high

HIGHLIGHTS

- ▲ In July 2024, national health spending was 7.1% higher than in July 2023 and represented 17.6% of GDP.
- ▲ Nominal GDP in July 2024 was 5.6% higher than in July 2023, growing 1.5 percentage points more slowly than health spending.
- ▲ Personal health care spending growth in July was 7.3%, year over year, with utilization growth continuing to outpace price growth.
- ▲ Growth among major spending categories was highest by far for home health care, at 18.2%, year over year. Spending growth on each of the other major categories was below 10%, with spending on hospital care growing the slowest, at 5.7%.

National Health Spending and GDP*

	July 2022	July 2023	June 2024	July 2024
GDP	25.76	27.39	28.72	28.91
National Health Spending (HS)	4.47	4.77	5.08	5.10
HS Share of GDP	17.4%	17.4%	17.7%	17.6%
HS Share of PGDP	17.2%	17.5%	17.9%	17.8%
Growth from Prior 12 Months				
HS	5.1%	6.6%	7.3%	7.1%
GDP	8.9%	6.3%	5.6%	5.6%
HS minus GDP	-3.8%	0.3%	1.6%	1.5%
HS minus PGDP	-4.5%	1.3%	2.4%	2.2%

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).

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), Stephen McCall, and Matt Daly, PhD, contributed to this brief. We thank Corwin Rhyhan for his personal leadership of this work. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.

DISCUSSION

In July 2024, national health spending reached a seasonally adjusted annual rate of \$5.10 trillion, after a downward revision to June expenditures to \$5.08 trillion. July’s spending corresponds to a year-over-year growth rate of 7.1%, while June’s growth rate has been reduced to 7.3%.

Since July 2023, nominal GDP grew by 5.6%, the same year-over-year growth rate as in June. Health spending in July accounted for 17.6% of GDP, down from the revised share for June of 17.7%.

The 7.1% year-over-year growth rate in national health spending represented a growth rate that was 1.5 percentage points above GDP growth. The year-over-year growth rate in personal health care spending (spending on health care goods and services) decreased from 7.6% in June to 7.3% in July, resulting in personal health care spending as a percent of GDP equaling 14.9%, the same share as in June (Exhibit 1).

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

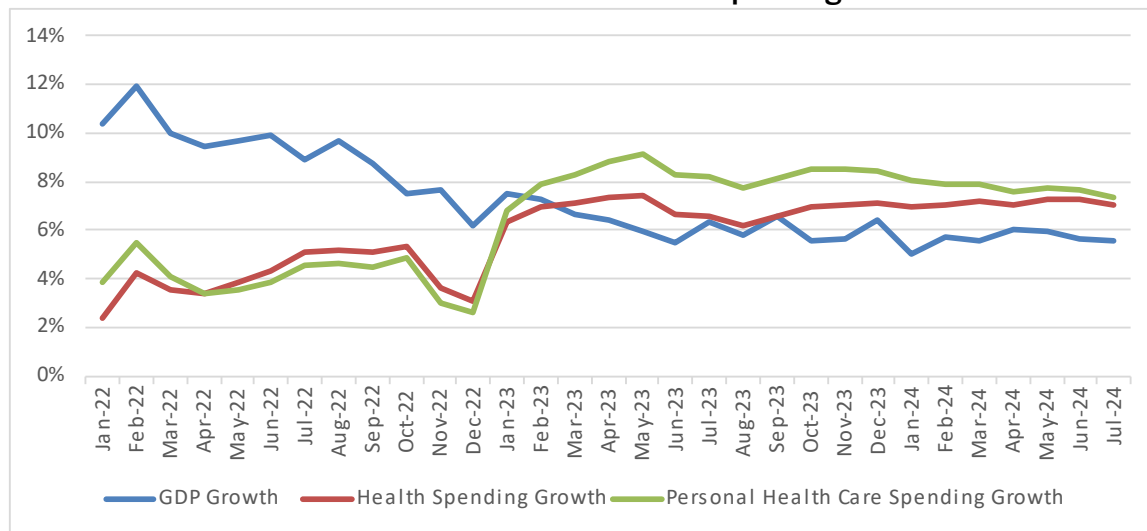


Exhibit 2 illustrates how health spending in July was distributed among spending categories. Personal health care constituted 84% of national health spending. Slightly more than half of total expenditures was attributed to hospital care and physician and clinical services.

Exhibit 2. Health Spending by Category, July 2024

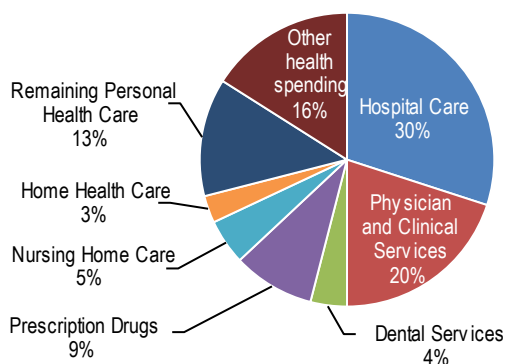


Exhibit 3 displays the growth in spending by major categories within personal health care since July 2023. Spending on home health care showed the fastest growth by far, at 18.2%. The slowest growth occurred in spending on hospital care, at 5.7%. This is the fourth successive month in which growth in spending on home health care exceeded 16%; the year-over-year growth for this four-month period (April through July) stands at 19.7%. This rapid growth is partly attributable to a drop in spending from April through June of 2023 (Exhibit 4). As in previous months, July’s growth in home health care spending is almost entirely due to utilization growth rather than price increases, with 15.9 percentage points of the 18.2% growth resulting from an increase in utilization, as indicated in this month’s HSEI [Price Brief](#). As we have noted previously, this recent growth in home health care spending was the largest since the spring of 2020, when government subsidies to combat the pandemic caused a major jump in

spending. Our [recent blog](#) unpacks longer-term spending patterns in home health care and compares them with growth in spending for nursing home care.

Exhibit 3. Health Care Spending 12-Month Growth

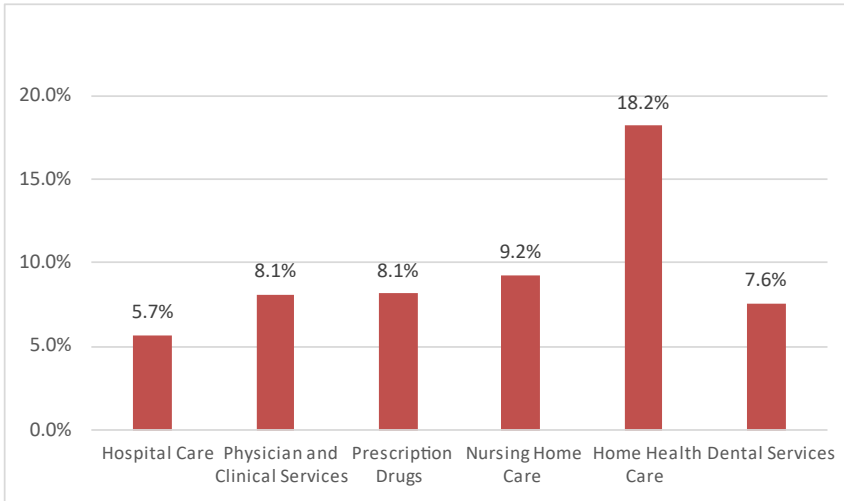


Exhibit 4. Home Health Care Spending Since January 2023 (annual rate in thousands of dollars)

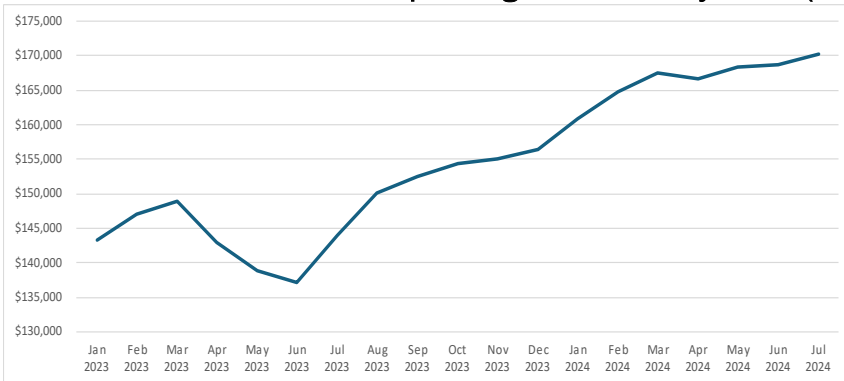
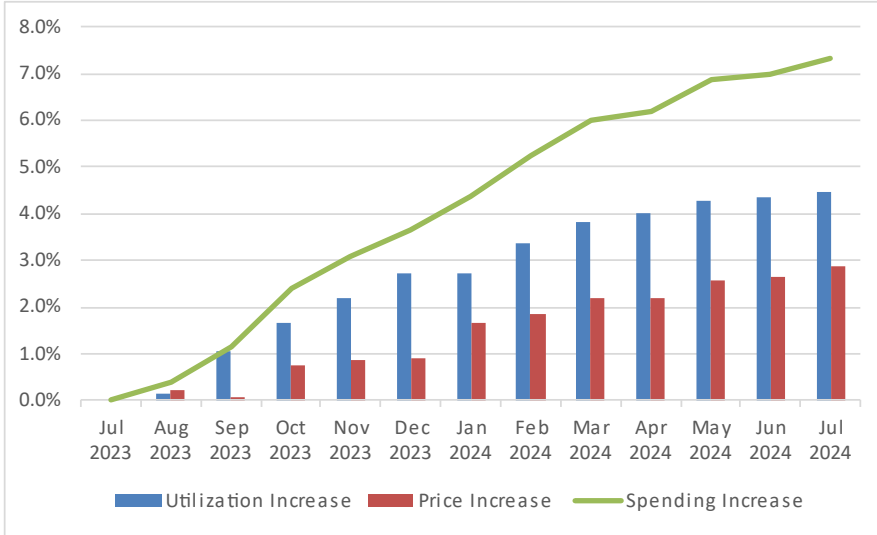


Exhibit 5 shows how spending on personal health care has grown over the past year (since July 2023) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth through July 2024 has continued to be driven more by utilization growth than by price increases: Of the 7.3% growth in personal health care spending during this period, 2.9 percentage points can be attributed to price growth, while the remaining 4.5 percentage point growth was associated with increases in utilization. (Percentages do not add to total due to rounding.)

Exhibit 5. Cumulative Growth in Personal Health Care Spending



DETAILED HEALTH SPENDING

Exhibit 6. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	July 2021	July 2022	July 2023	July 2024
GDP	\$23,662.5	\$25,763.1	\$27,387.1	\$28,909.9
National Health Spending	\$4,256.0	\$4,471.7	\$4,765.3	\$5,102.0
Personal health care	\$3,542.6	\$3,704.6	\$4,007.6	\$4,301.6
Hospital care	\$1,318.5	\$1,354.1	\$1,453.5	\$1,536.4
Physician and clinical services	\$852.4	\$882.0	\$958.1	\$1,035.4
Other professional services	\$133.3	\$140.1	\$152.5	\$165.9
Dental services	\$164.9	\$164.3	\$178.1	\$191.6
Other personal health care	\$223.2	\$247.6	\$267.5	\$284.7
Home health care	\$124.5	\$133.9	\$144.0	\$170.2
Nursing home care	\$180.0	\$192.5	\$210.8	\$230.2
Prescription Drugs	\$376.4	\$406.1	\$447.1	\$483.6
Durable medical equipment	\$64.1	\$67.9	\$71.5	\$75.7
Nondurable medical products	\$105.3	\$116.2	\$124.5	\$128.0
Program administration and net cost of private health insurance	\$302.3	\$336.5	\$363.8	\$387.1
Government public health activities	\$202.5	\$212.9	\$158.7	\$166.8
Research	\$61.9	\$65.0	\$68.1	\$71.5
Structures and equipment	\$146.7	\$152.7	\$167.0	\$175.0
HS Share of GDP	18.0%	17.4%	17.4%	17.6%
HS Share of PGDP	18.0%	17.2%	17.5%	17.8%

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.

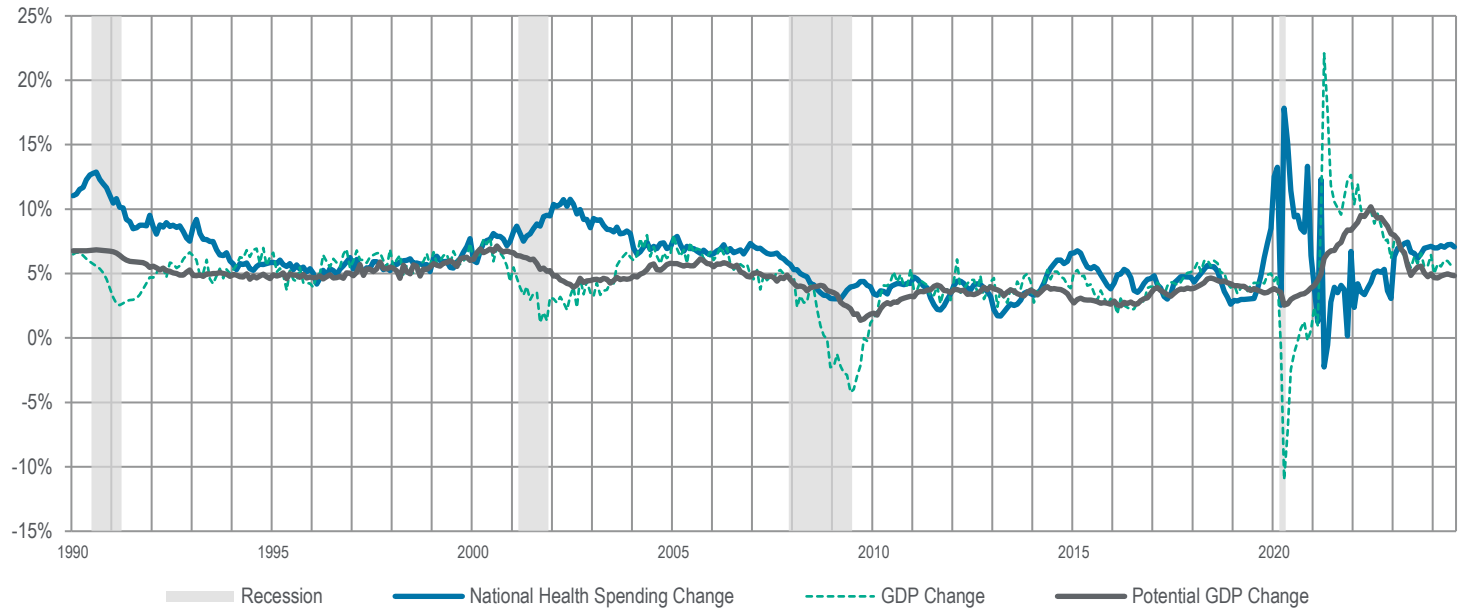
Exhibit 7. National Health Spending 12-Month Growth Rates by Detailed Category

Growth Rates	July 2022	July 2023	July 2024
GDP	8.9%	6.3%	5.6%
National Health Spending	5.1%	6.6%	7.1%
Personal health care	4.6%	8.2%	7.3%
Hospital care	2.7%	7.3%	5.7%
Physician and clinical services	3.5%	8.6%	8.1%
Other professional services	5.1%	8.9%	8.7%
Dental services	-0.3%	8.4%	7.6%
Other personal health care	10.9%	8.0%	6.4%
Home health care	7.5%	7.6%	18.2%
Nursing home care	6.9%	9.5%	9.2%
Prescription Drugs	7.9%	10.1%	8.1%
Durable medical equipment	5.9%	5.3%	5.9%
Nondurable medical products	10.4%	7.1%	2.8%
Program administration and net cost of private health insurance	11.3%	8.1%	6.4%
Government public health activities	5.2%	-25.5%	5.1%
Research	4.9%	4.9%	4.9%
Structures and equipment	4.1%	9.4%	4.8%
HS Minus GDP	-3.8%	0.3%	1.5%
HS Minus PGDP	-4.5%	1.3%	2.2%

Source: Computed from Exhibit 5.
Note: This exhibit compares monthly national health spending to that of the same month from the previous year.

TIME SERIES TRACKER

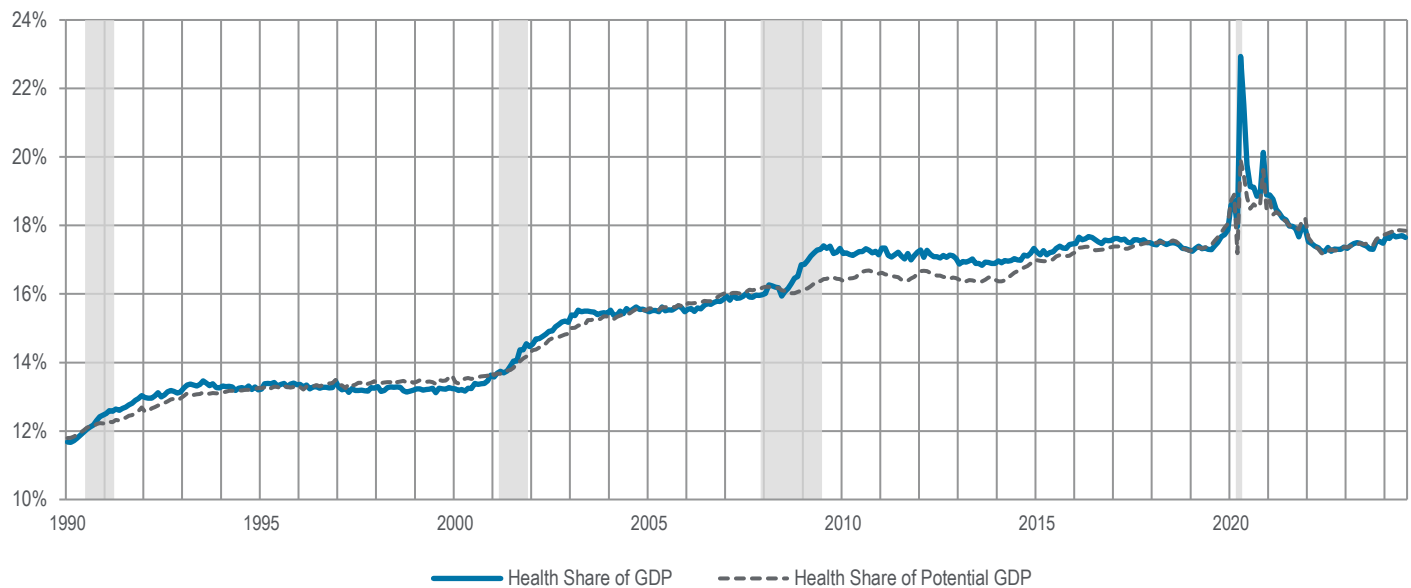
Exhibit 8. Year-over-Year Percentage Change in Spending and GDP



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 9. 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 \(1990–2022\) and projections](#) (2023 and 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 2022 are based on NHEA actuals and ensure that monthly estimates sum exactly to NHEA annual amounts. The 2022 ratios are used to adjust BEA spending for months in 2023 and 2024.

September 25, 2024

Health care prices continue to rise faster than economywide inflation

HIGHLIGHTS

- ▲ The overall Health Care Price Index (HCPI) increased by 2.7% year over year in August, down 0.2 percentage points from a month prior.
- ▲ Economywide inflation fell, with year-over-year growth in the overall Consumer Price Index (CPI) decreasing to 2.5% and growth in the Producer Price Index (PPI) dropping to 1.7%.
- ▲ Among the major health care categories, prices for nursing home care (3.8%) and dental care (3.5%) were the fastest growing, while physician and clinical price growth was the slowest (1.3%).
- ▲ For major payers, year-over-year Medicaid price growth (5.7%) exceeded services price growth for private insurance (3.2%) and Medicare patients (1.7%).
- ▲ The implicit measure of health care utilization growth was 4.5% year over year in July, equal to the revised June value.
- ▲ Home health care utilization was, by far, the fastest growing component, increasing 15.9% year over year. This category was followed by physician and clinical services (6.7%), prescription drugs (5.6%), and nursing home care (5.1%), while hospital care and dental services trailed the other categories at 2.7% and 2.6%, respectively.

	Aug 2022	Aug 2023	Jul 2024	Aug 2024
Health Care Price Index (HCPI)	3.0%	2.8%	2.9%	2.7%
GDP Deflator (GDPD)	7.1%	3.3%	2.6%	**
HCPI - GDPD	-4.1%	-0.4%	0.3%	**
Addendum				
Personal health care spending	4.6%	7.7%	7.3%	**
Health care utilization	1.6%	4.9%	4.5%	**
Medical Consumer Price Index (MCPI)	5.4%	-1.0%	3.2%	3.0%
Consumer Price Index, all items (CPI)	8.3%	3.7%	2.9%	2.5%
Producer Price Index, Final Demand (PPI)	8.7%	1.9%	2.1%	1.7%

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. Corey Rhyan (principal author), George Miller, PhD, Stephen McCall, and Matt Daly, PhD, contributed to this brief. We thank Ani Turner for her years of leadership of this work. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.

DISCUSSION

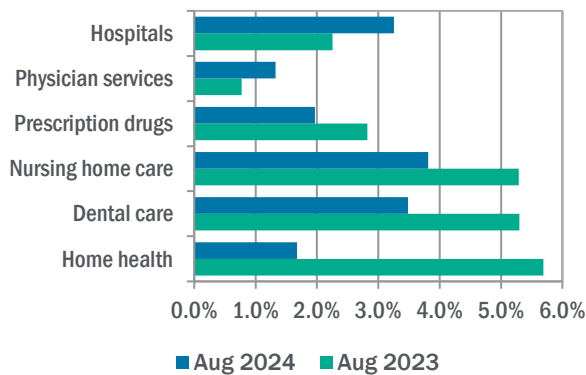
The overall health care price index (HCPI) increased by 2.7% year over year in August, down from 2.9% in July (Exhibit 1). The July value was 0.3 percentage points greater than economywide inflation as measured by the GDP deflator (Exhibit 1). This marks the tenth straight month where health care prices have risen faster than economywide inflation. Over the first half of 2024, health care price growth has averaged 3.0% year over year, just up from the 2.9% overall 2023 annual average.

Regarding other measures of economywide inflation, CPI price growth fell to 2.5% year over year in August, while PPI inflation fell to 1.7%. Economywide price increases continue to be driven by services inflation (up 5.0% year over year), while commodities inflation continued its negative trend begun last month, dropping to -1.1% (Exhibit 4).

Health care services continued to be the major driver of health care price growth in August, with nursing home care services up 3.8%, dental care up 3.5%, and hospital care up 3.3%. Still, the year-over-year increases in prescription drug prices observed in recent months continued this month at 2.0% (Exhibits 2 and 3). Price growth for physician and clinical services continues to be one of the slowest-growing categories, up 1.3% year over year and 1.3 percentage points below the aggregate HCPI. 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.

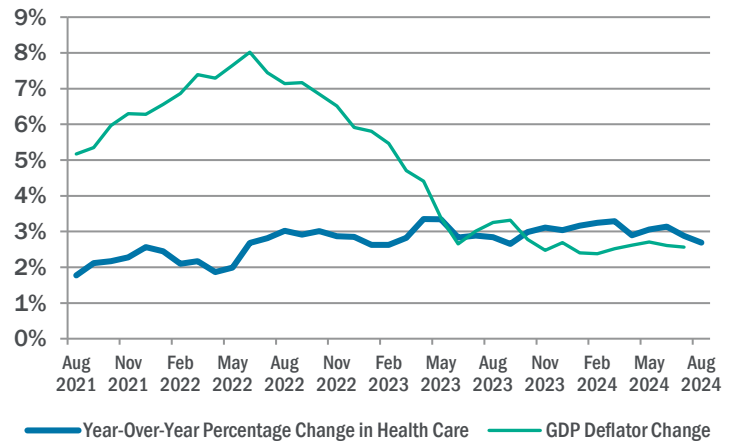
Among major payers for health care services, prices rose fastest for Medicaid patients last month, increasing 5.7% year over year, much higher than price growth for private insurance patients (3.2%) and Medicare (1.7%), as shown in Exhibit 6. Among specific health sector components, faster price growth among Medicaid patients was seen in both hospital care (up 5.9% year over year, as shown in Exhibit 8), and physician and clinical care (up 12.4%, as shown in Exhibit 7). Hospital price growth rates for other payers in August were slower than Medicaid—private insurance hospital prices were up 4.2% year over year while Medicare was up 2.5%.

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) held in August at 4.5%, equal to the three-month moving average (Exhibit 9). The fastest-growing utilization component by far was again home health care, up a substantial 15.9% year over year, followed by physician services (6.7%), prescription drugs (5.6%) and nursing care facilities (5.1%), with hospital care (2.7%) and dental services (2.6%) running behind.

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](#).

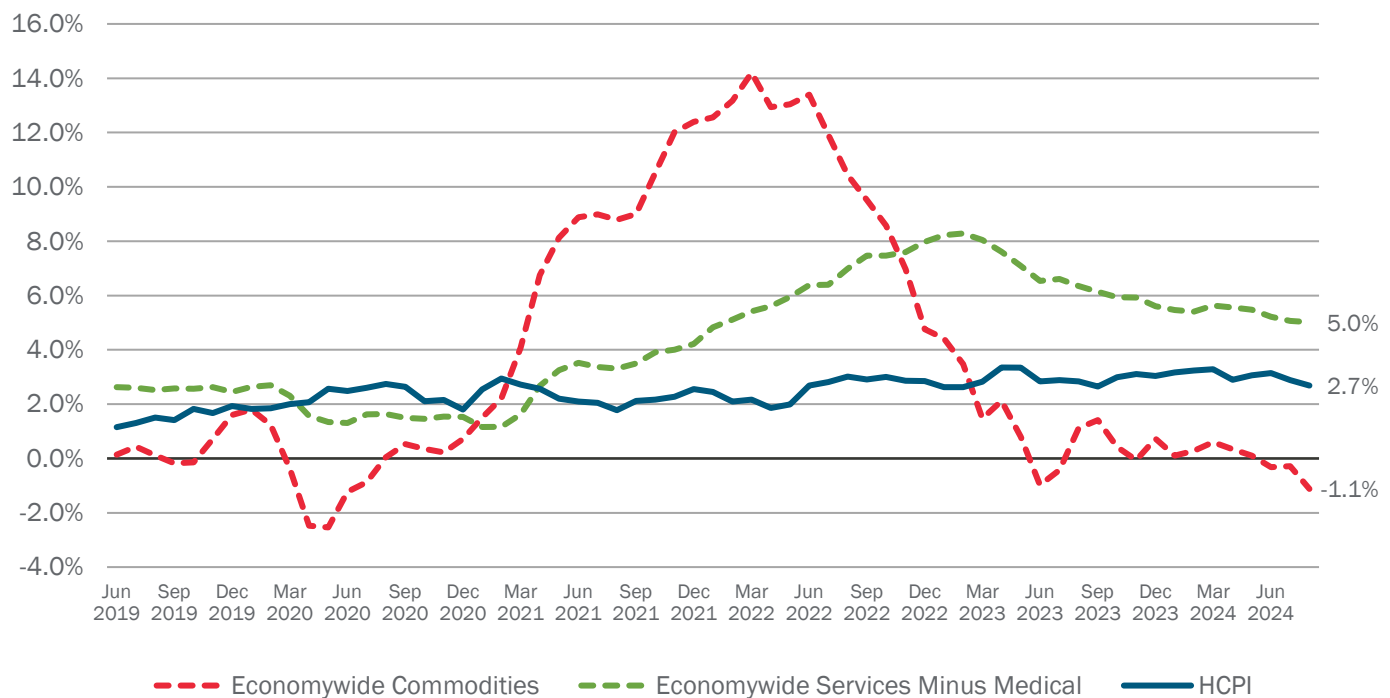
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending August 2022	Ending August 2023	Ending August 2024
Health Care Price index	3.0%	2.8%	2.7%
Hospital Care	3.3%	2.3%	3.3%
Physician and clinical services	0.3%	0.8%	1.3%
Prescription drugs	3.2%	2.8%	2.0%
Nursing home care	3.9%	5.3%	3.8%
Dental services	4.7%	5.3%	3.5%
Home health care	1.9%	5.7%	1.7%
Other professional services	4.4%	0.1%	0.7%
Other personal health care	4.9%	6.1%	5.6%
Other non-durable medical products	6.1%	7.5%	2.4%
Durable medical equipment	3.5%	5.6%	1.7%

Source: Altarum analysis of monthly BLS data.

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

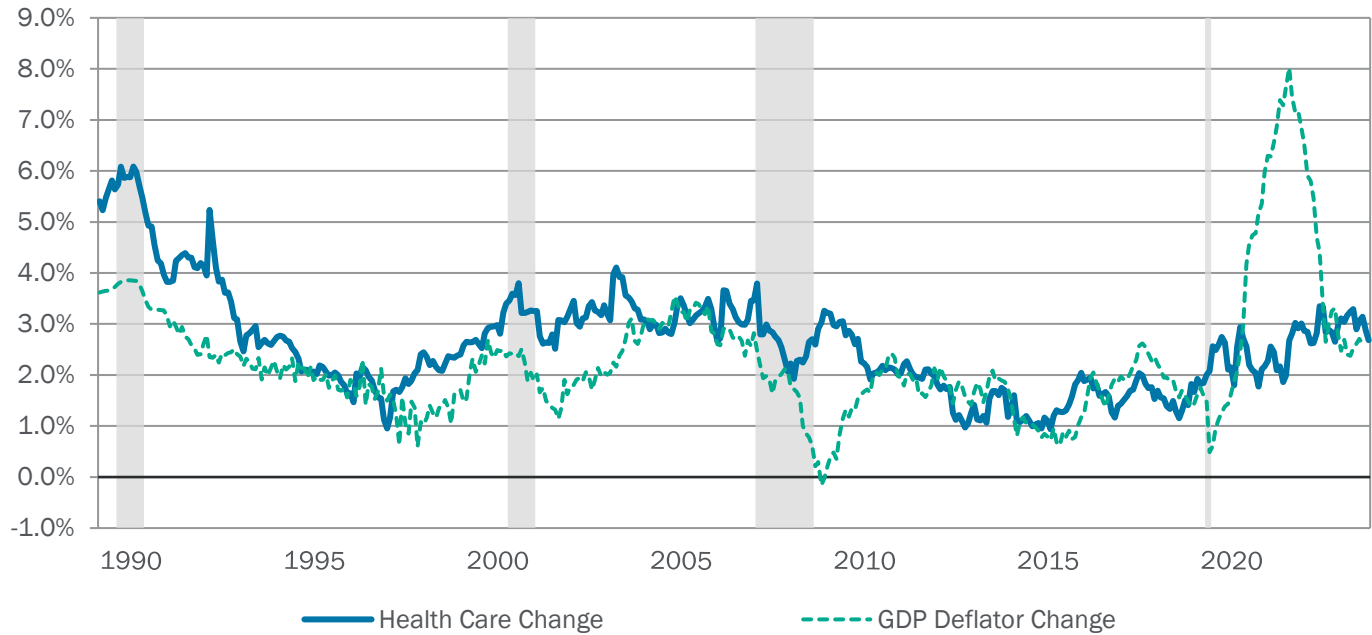


Source: Altarum analyses of BLS price data.

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.

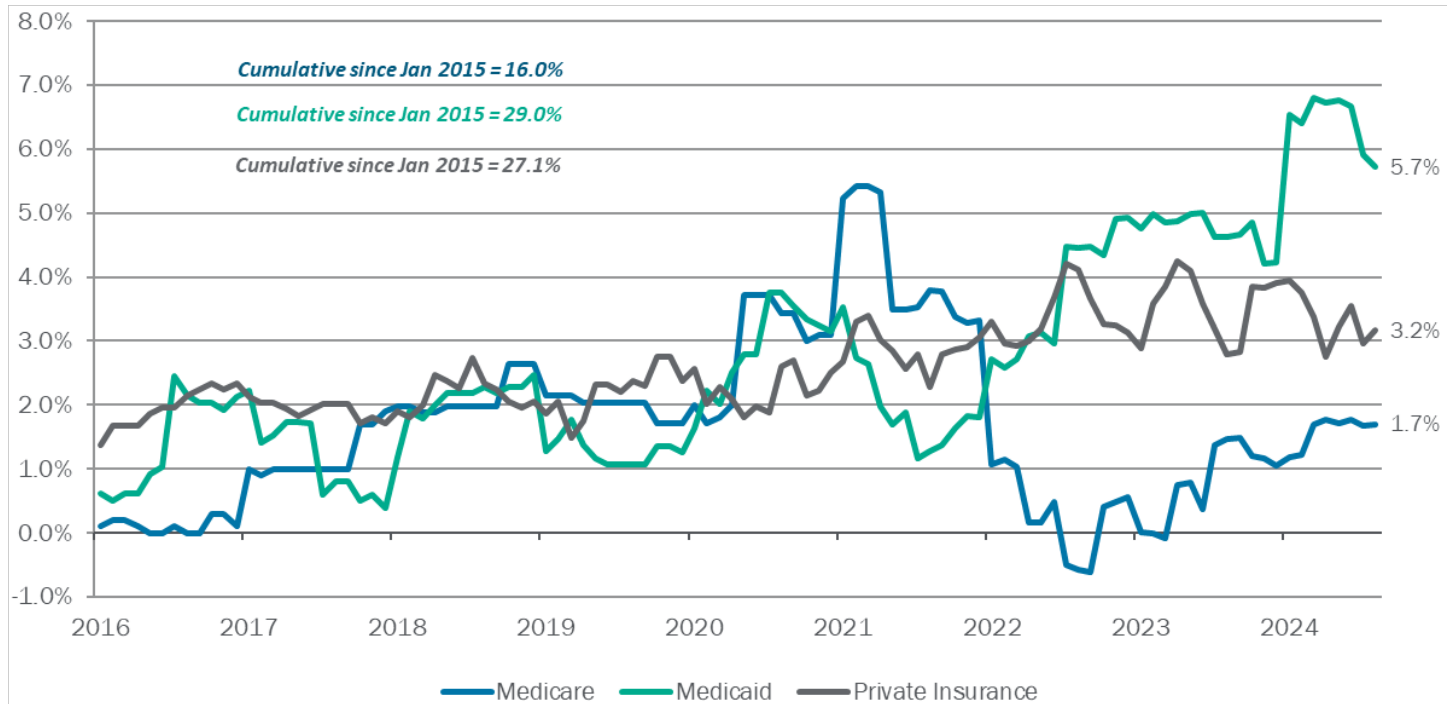
TIME SERIES TRACKER

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



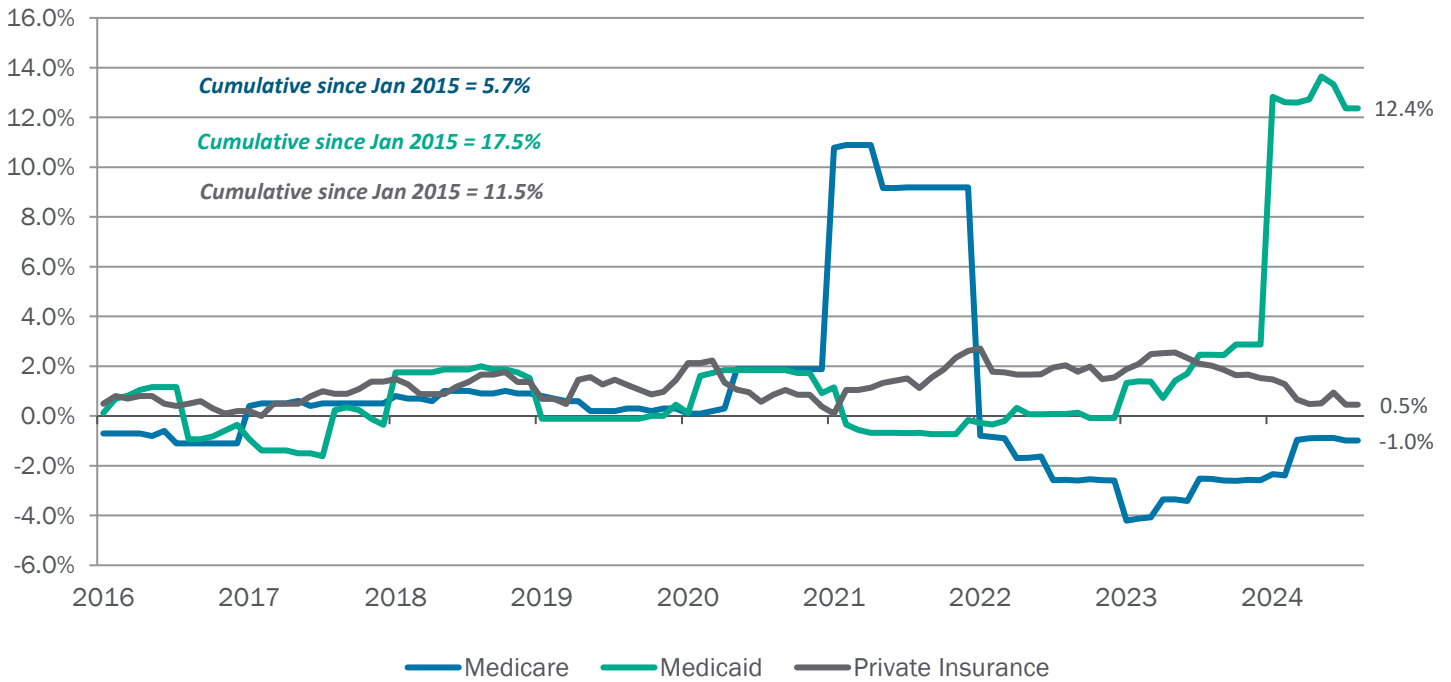
Source: Altarum analyses of BLS price data.
Note: Lightly shaded bars denote recession periods.

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



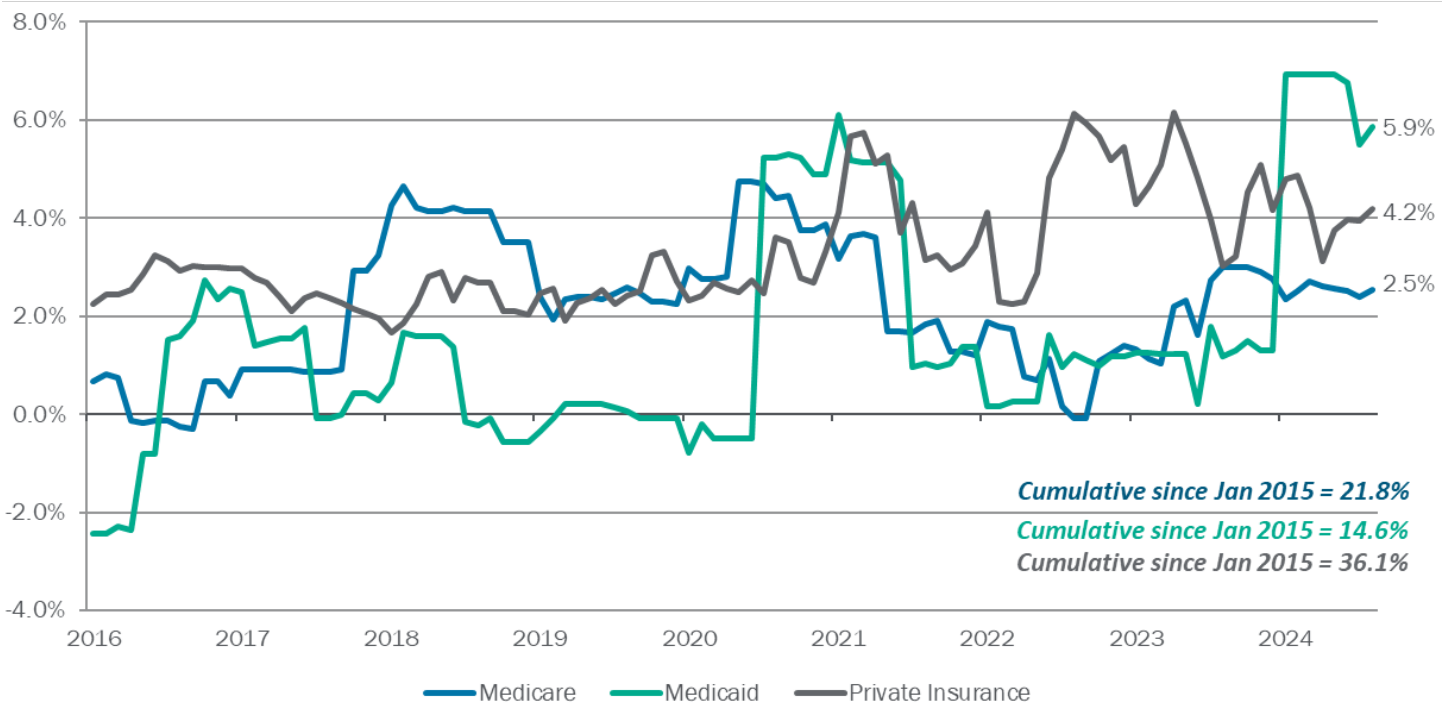
Source: Altarum analyses of BLS price data.

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

	July 2024	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.5%	4.5%	4.9%
Hospital care	2.7%	2.8%	3.7%
Physician and clinical services	6.7%	6.7%	7.3%
Prescription drugs	5.6%	5.5%	7.5%
Nursing home care	5.1%	5.0%	4.5%
Dental Services	2.6%	2.5%	2.3%
Home health care	15.9%	18.5%	11.8%
Other professional services	8.7%	9.1%	8.3%
Other personal health care	0.1%	-0.5%	0.2%
Other nondurable medical products	-1.1%	-2.2%	-2.9%
Durable medical equipment	3.2%	4.1%	2.1%

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 ($S \cdot P$); however, as long as the two growth rates are small, this term is insignificant.

Source: Altarum analyses of BLS price data.

September 25, 2024

The health care industry only added 30,900 jobs in August 2024, a below-average month for the economy overall

HIGHLIGHTS

- ▲ In August 2024, health care industry employment increased by 30,900 and non-health care industries added 111,100. These figures were both well below monthly averages for the previous 12 months.
- ▲ August's health care job growth was led by ambulatory health care services, which added 23,900 jobs, followed by hospitals, with 9,600 jobs.
- ▲ Nursing and residential care facilities had a net loss of 2,600 jobs in August, comprising 3,600 jobs lost in nursing care facilities and 1,000 jobs gained in other residential care facilities.
- ▲ The unemployment rate decreased slightly to 4.2% in August 2024 from 4.3% in July.
- ▲ In health care and social assistance in July, the job openings rate was 6.0%, the hiring rate was 3.5%, and the total separations rate was 3.3%.
- ▲ Nominal health care wage growth in July 2024 was 3.5% year over year, with growth rates of 4.1% in nursing and residential care facilities, 3.6% in hospitals, and 3.4% in ambulatory health care services.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Aug 2023	Jul 2024	Aug 2024
Total Employment (000)	152,309	156,421	158,637	158,779
Non-Health Employment (000)	135,828	139,375	140,936	141,047
Health Employment (000)	16,481	17,046	17,701	17,732
Health Share of Total Employment	10.82%	10.90%	11.16%	11.17%
Unemployment Rate	3.5%	3.8%	4.3%	4.2%

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

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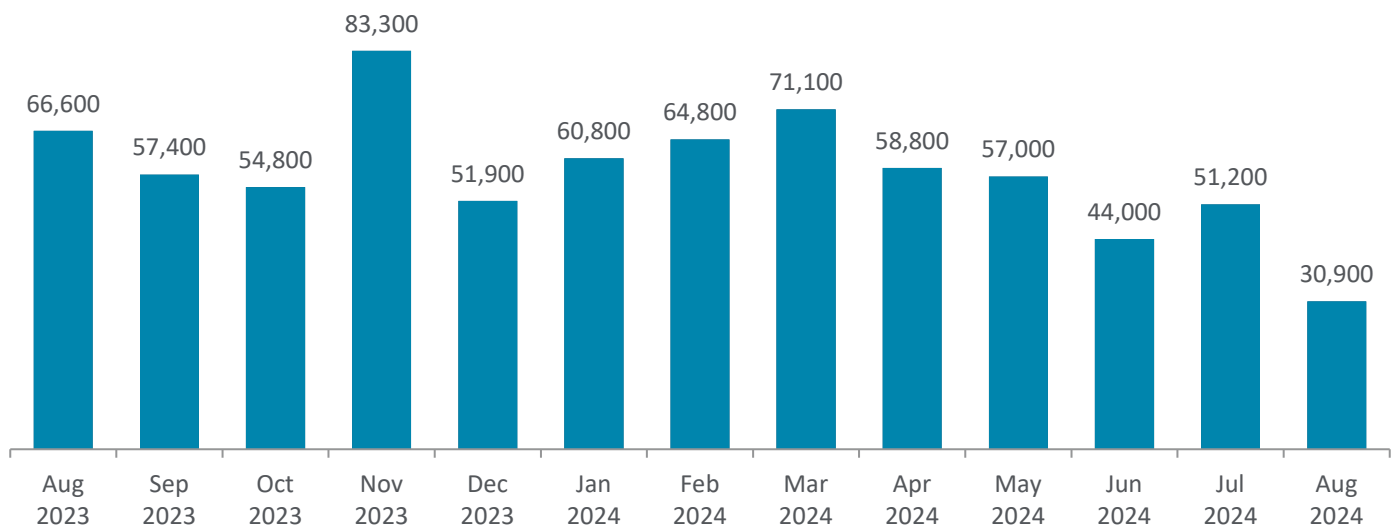
DISCUSSION

In August 2024, the health care industry added 30,900 new jobs (as shown in Exhibit 1), which was 45.9% lower than the monthly average of 60,100 jobs in the previous year. Similarly, non-health care industries added 111,100 jobs, 21.8% lower than the 12-month average of 142,000 jobs gained per month.

Within the health care industry, ambulatory health care services added 23,900 jobs in August (21.1% below the subsector's monthly average in the past year), and hospitals added 9,600 jobs (50.2% below the previous 12-month average). Nursing and residential care facilities lost 2,600 jobs in August. In this subsector, nursing care facilities lost 3,600 jobs, marking the largest decrease in employment in this setting since September 2021, when employment was still falling due to pandemic factors. While other nursing and residential care homes added 1,000 new jobs in August, this was a small fraction of the monthly average of 6,200 jobs added in the past year.

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 healthcare, 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

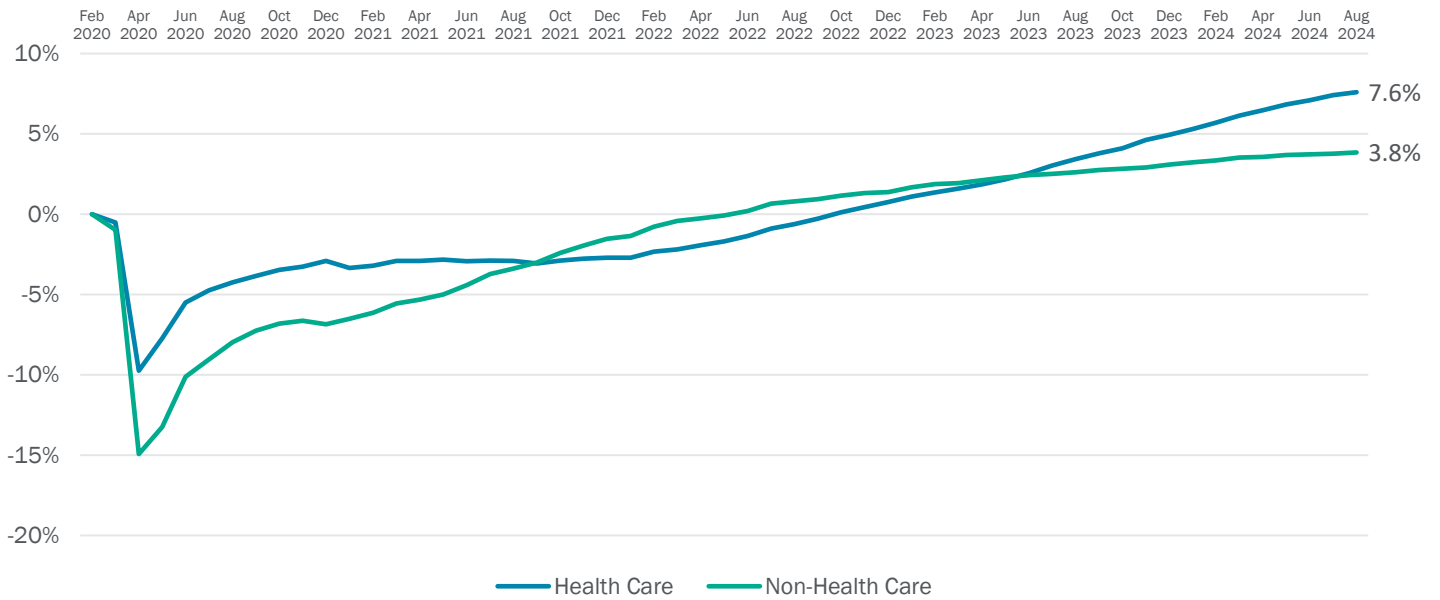


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Since February 2020, before the COVID-19 recession began, health care employment has grown by 1,251,300 jobs or 7.6%, which is higher than the 3.8% 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. Although August 2024 was a slow month for job growth in health care, it was the twenty-ninth consecutive month that health care industry growth outpaced non-health care industries. During that period, the health care industry grew by 9.7%, versus 4.1% in non-health care industries.

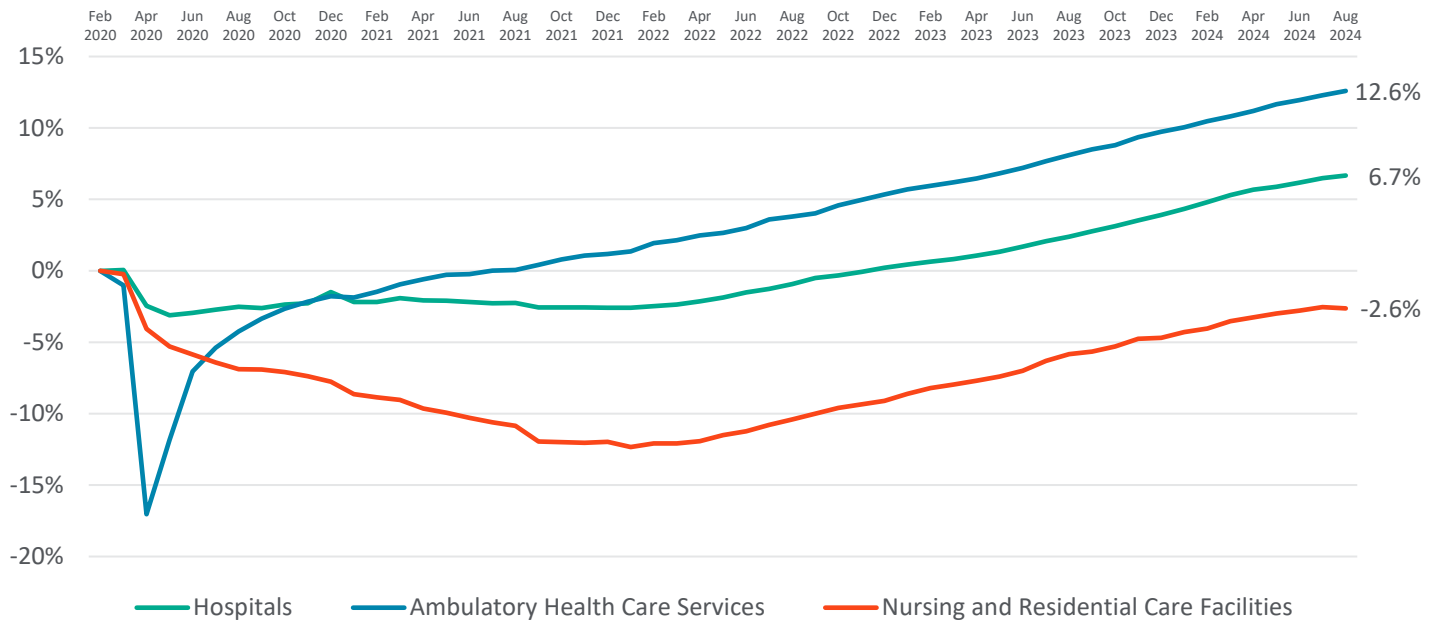
Since February 2020, employment in ambulatory health care services has increased by 990,800 jobs or 12.6%, while hospital employment has grown by 349,100 jobs or 6.7% (see Exhibit 3). However, employment in nursing and residential care facilities is still 88,600 jobs (2.6%) below pre-pandemic levels. 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.

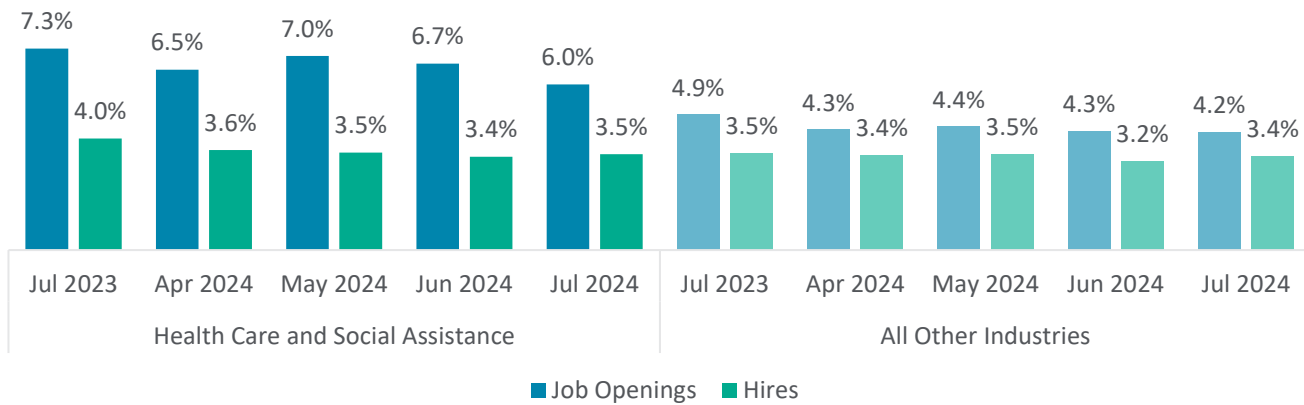
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



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

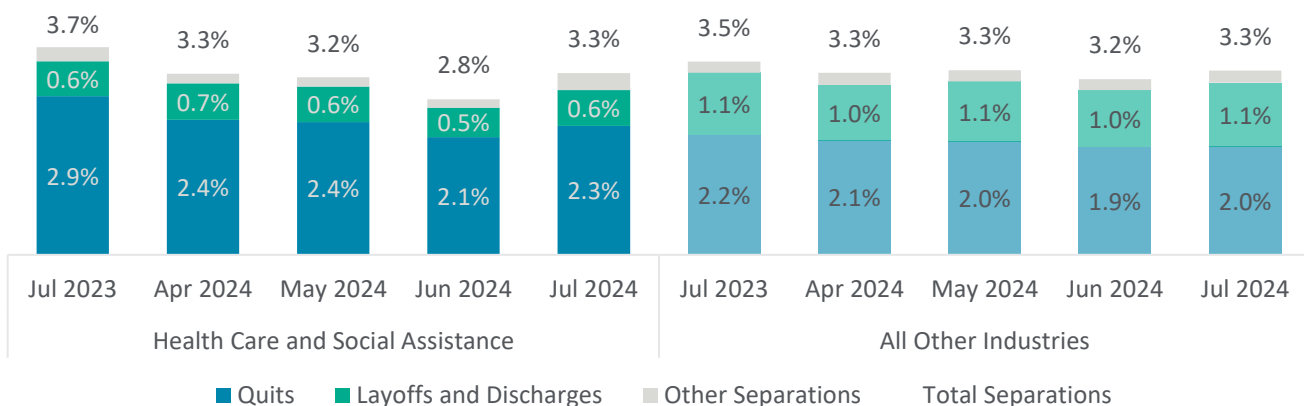
The job openings rate in health care and social assistance was 6.0% in July 2024, a decrease over recent months and the past year, as shown in Exhibit 4. The job openings rate in July was still well above the rate of 4.2% in all other industries. The hiring rate in health care and social assistance increased marginally to 3.5%, which was slightly higher than the rate for all other industries (3.4%). The job separation rate in the health care and social assistance industry was 3.3% in July 2024, an increase from 2.8% in the previous month, as shown in Exhibit 5. This increase occurred for separations of all types, including quits, layoffs and discharges, and other separations.

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.

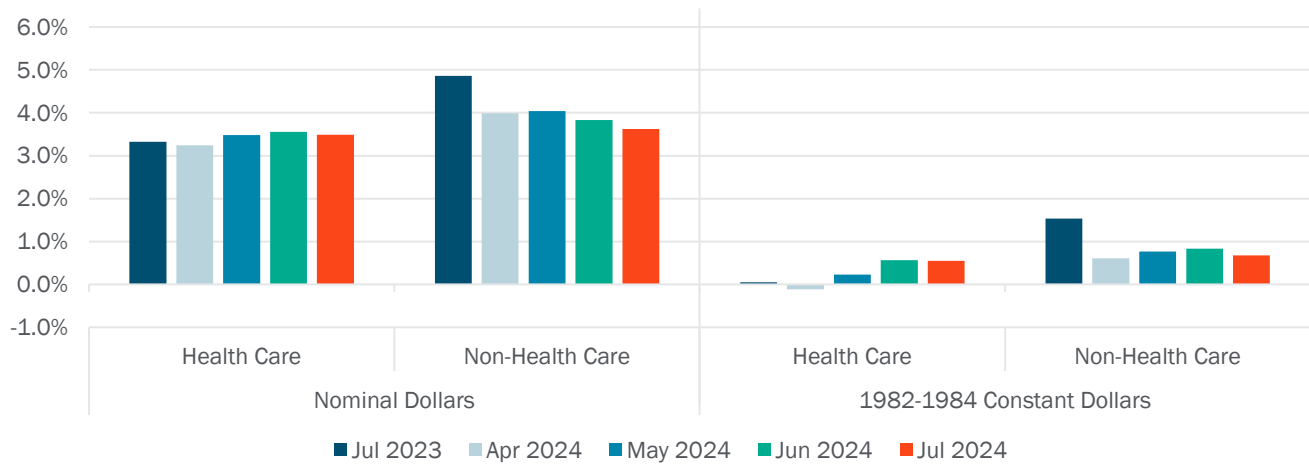
Exhibit 5. Monthly Separation Rates by Type in the Health Care and Social Assistance and All Other Industries



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.

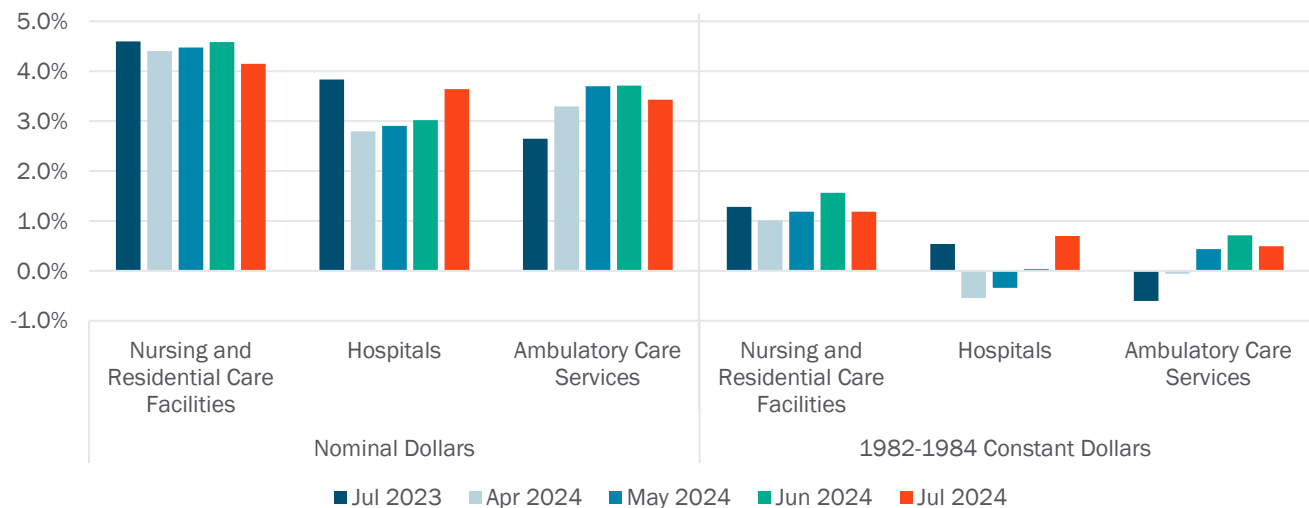
Year-over-year wage growth in the health care sector was 3.5% in July 2024, which was similar to recent months and slightly higher than a year ago, as shown in Exhibit 6. After adjusting for inflation, year-over-year health care wage growth was 0.6%. Nominal wage growth was fastest in the nursing and residential care facilities at 4.1%, followed by hospitals at 3.6% and ambulatory health care services at 3.4% (see Exhibit 7). Inflation-adjusted wages grew by 1.2% in nursing and residential care facilities, 0.7% in hospitals, and 0.5% in ambulatory care services. Non-health care wage growth was 3.6% in July, or 0.7% after adjusting for inflation.

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



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

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



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

DETAILED HEALTH CARE EMPLOYMENT

Exhibit 8. Employment by Sector and Subsector, Seasonally Adjusted

Employment (in Thousands)	August 2024	July 2024	August 2023	August 2022	February 2020
Non-Health Care	141,047	140,936	139,375	136,902	135,828
Health Care	17,732	17,701	17,046	16,379	16,481
Ambulatory Health Care Services	8,859	8,835	8,506	8,167	7,869
Offices of Physicians	3,046	3,038	2,937	2,824	2,725
Offices of Dentists	1,041	1,042	1,030	1,017	991
Offices of Other Health Care Practitioners	1,220	1,212	1,163	1,100	1,001
Outpatient Care Centers	1,093	1,091	1,061	1,040	996
Medical and Diagnostic Labs	319	319	322	320	289
Home Health Care Services	1,781	1,775	1,642	1,539	1,547
Other Ambulatory ^a	360	358	352	327	319
Hospitals	5,584	5,575	5,360	5,186	5,235
Nursing and Residential Care Facilities	3,289	3,291	3,180	3,026	3,377
Nursing Care Facilities	1,468	1,472	1,430	1,357	1,587
Other Nursing and Residential ^b	1,821	1,820	1,750	1,668	1,790
Health Share of Employment	11.17%	11.16%	10.90%	10.69%	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 August 2024, Seasonally Adjusted

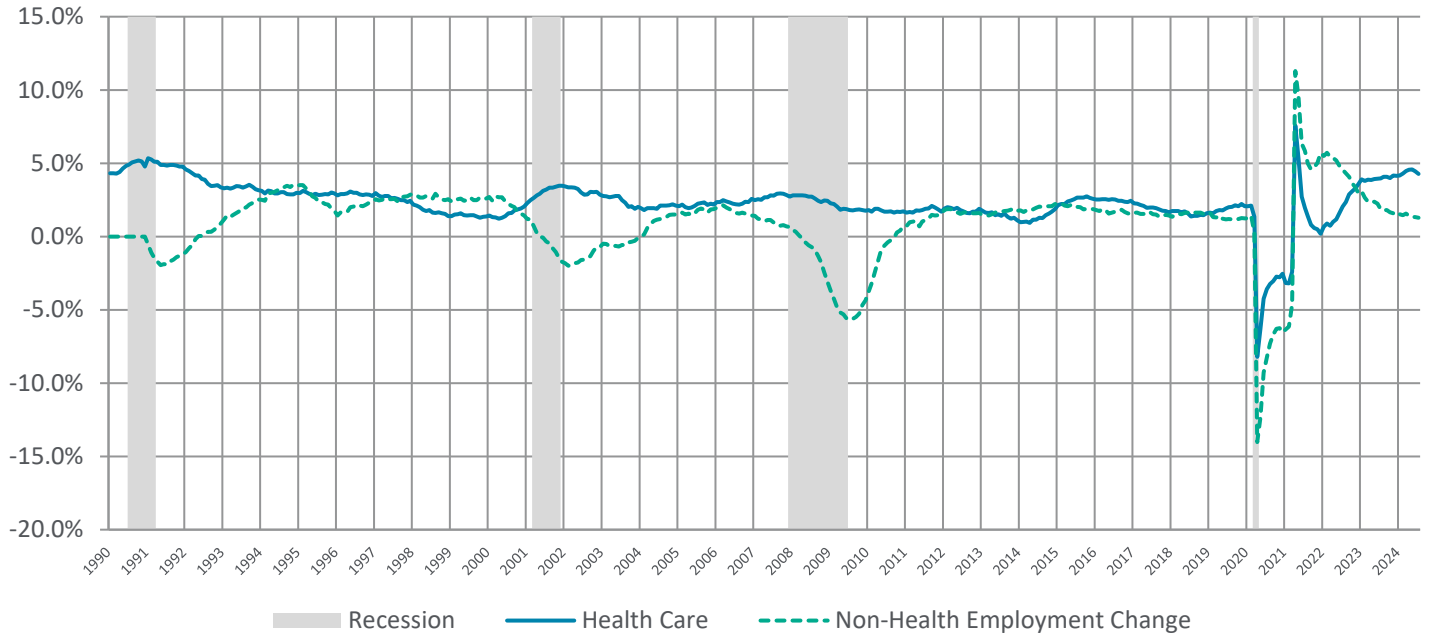
Employment Change (in Thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	111.1	1,672.0	4,144.8	5,218.7
Health Care	30.9	686.0	1,353.2	1,251.3
Ambulatory Health Care Services	23.9	353.7	692.5	990.8
Offices of Physicians	7.1	108.8	221.9	320.1
Offices of Dentists	-1.0	11.3	24.1	49.8
Offices of Other Health Care Practitioners	8.1	57.6	120.5	219.3
Outpatient Care Centers	1.7	31.9	53.0	96.9
Medical and Diagnostic Labs	0.1	-3.3	-1.4	29.5
Home Health Care Services	5.5	139.2	241.5	234.4
Other Ambulatory ^a	2.4	8.2	32.8	40.8
Hospitals	9.6	223.8	397.9	349.1
Nursing and Residential Care Facilities	-2.6	108.5	262.8	-88.6
Nursing Care Facilities	-3.6	38.4	110.7	-119.0
Other Nursing and Residential ^b	1.0	70.1	152.1	30.4
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.0%	1.2%	1.5%	0.8%
Health Care	2.1%	4.0%	4.0%	1.6%
Ambulatory Health Care Services	3.3%	4.2%	4.2%	2.7%
Offices of Physicians	2.8%	3.7%	3.9%	2.5%
Offices of Dentists	-1.1%	1.1%	1.2%	1.1%
Offices of Other Health Care Practitioners	8.3%	5.0%	5.3%	4.5%
Outpatient Care Centers	1.9%	3.0%	2.5%	2.1%
Medical and Diagnostic Labs	0.4%	-1.0%	-0.2%	2.2%
Home Health Care Services	3.8%	8.5%	7.6%	3.2%
Other Ambulatory ^a	8.4%	2.3%	4.9%	2.7%
Hospitals	2.1%	4.2%	3.8%	1.4%
Nursing and Residential Care Facilities	-0.9%	3.4%	4.3%	-0.6%
Nursing Care Facilities	-2.9%	2.7%	4.0%	-1.7%
Other Nursing and Residential ^b	0.7%	4.0%	4.5%	0.4%

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.

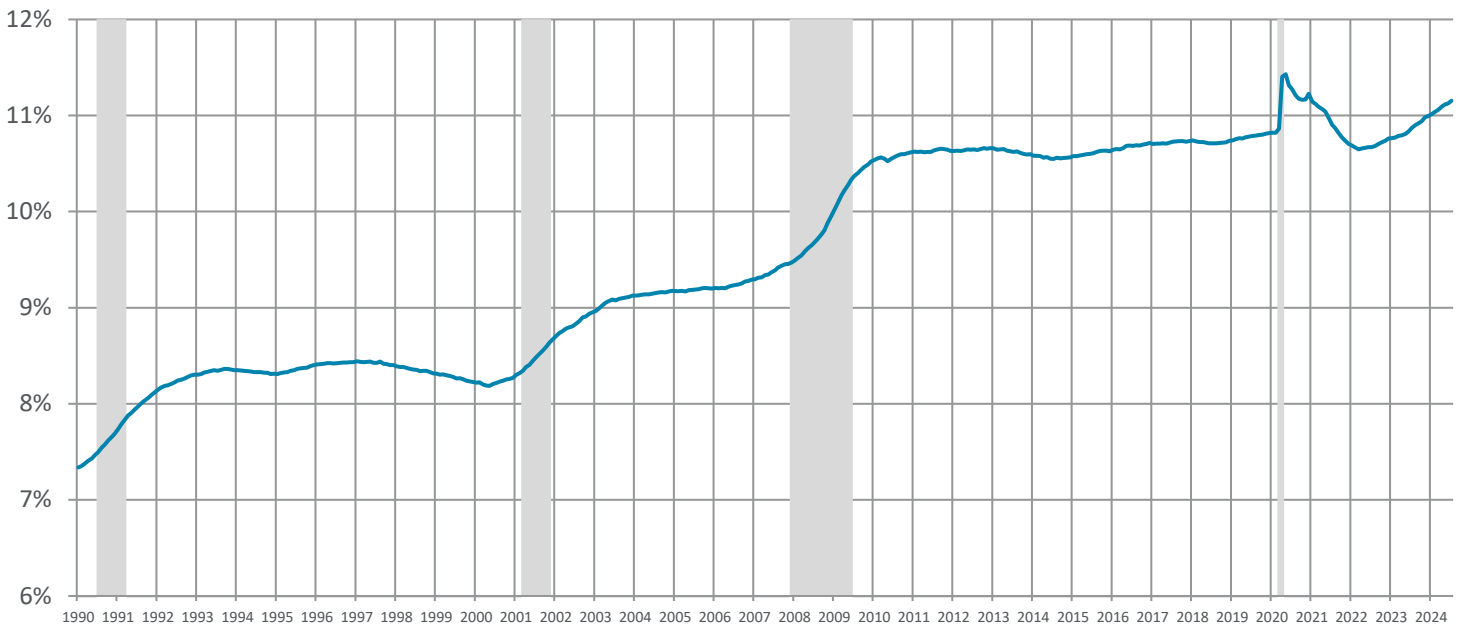
TIME SERIES TRACKER

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.