Altarum

Health Sector Economic Indicators℠

Insights from Monthly National Health Employment Data through October 2026 LABOR BRIEF

November 20, 2026

Job growth was up in October, led in part by health care

HIGHLIGHTS

- In October 2026, health care industry employment increased by 41,600 jobs while non-health care industries gained 123,400 jobs.
- By major subsector, October's health care job growth was led by ambulatory health care services, which added 19,400 jobs, followed by hospitals, which added 16,000. Nursing and residential facilities gained 6,200 jobs, partly reversing significant losses from last month.
- For health care and social assistance, the job openings rate was 5.8% and the hiring rate was 2.9% in September (October data are not yet available). The total separations rate was 2.8%.
- The overall unemployment rate was 4.1% in October, down 0.1% from September.
- Nominal health care wage growth in September was 2.6% year over year, with growth rates of 3.1% in hospitals, 2.3% in ambulatory health care services, and 3.4% in nursing and residential care facilities.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Oct 2025	Sep 2026	Oct 2026
Total Employment (000)	152,293	158,408	159,128	159,293
Non-Health Employment (000)	135,818	140,193	140,578	140,701
Health Employment (000)	16,475	18,215	18,550	18,592
Health Share of Total Employment	10.82%	11.50%	11.66%	11.67%
Unemployment Rate	3.5%	4.5%	4.2%	4.1%

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

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.

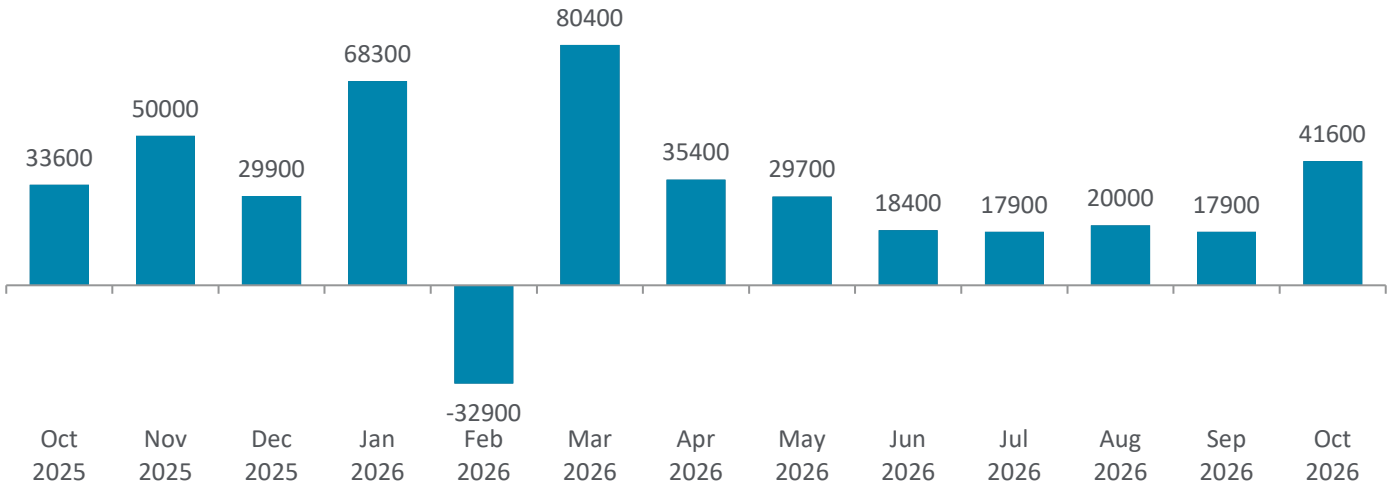
The Health Sector Economic Indicators℠ (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact George Miller at george.miller@altarum.org. George Miller, PhD, and Matt Daly, PhD (principal author) contributed to this brief. For more information, visit http://altarum.org/solution/health-sector-spending.

DISCUSSION

In October 2026, the health care industry added 41,600 new jobs, as shown in Exhibit 1. This figure is higher than the monthly average of 30,700 jobs added in the previous 12 months and is a significant increase from the smaller gains observed over recent months. Non-health-care industries added 123,400 jobs.

In October, ambulatory health care services added 19,400 jobs, above the monthly average of 17,300 for the past year. Growth of major categories in this subsector was dominated by home health care at 10,500 jobs. Offices of physicians lost 800 jobs for the month, while offices of dentists lost 1,200 (see Exhibit 9). Nursing and residential care facilities gained 6,200 jobs, compared to an average of 4,200 jobs added per month in the past year. Within this subsector, nursing care facilities gained 2,100 jobs, below the prior 12-month average of 2,700, while other nursing and residential care homes gained 4,100 positions compared to an average gain of 1,500 per month in the last year. Finally, hospitals recorded a gain of 16,000 jobs, up 74% from subsector's 12-month average gain of 9,200.

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

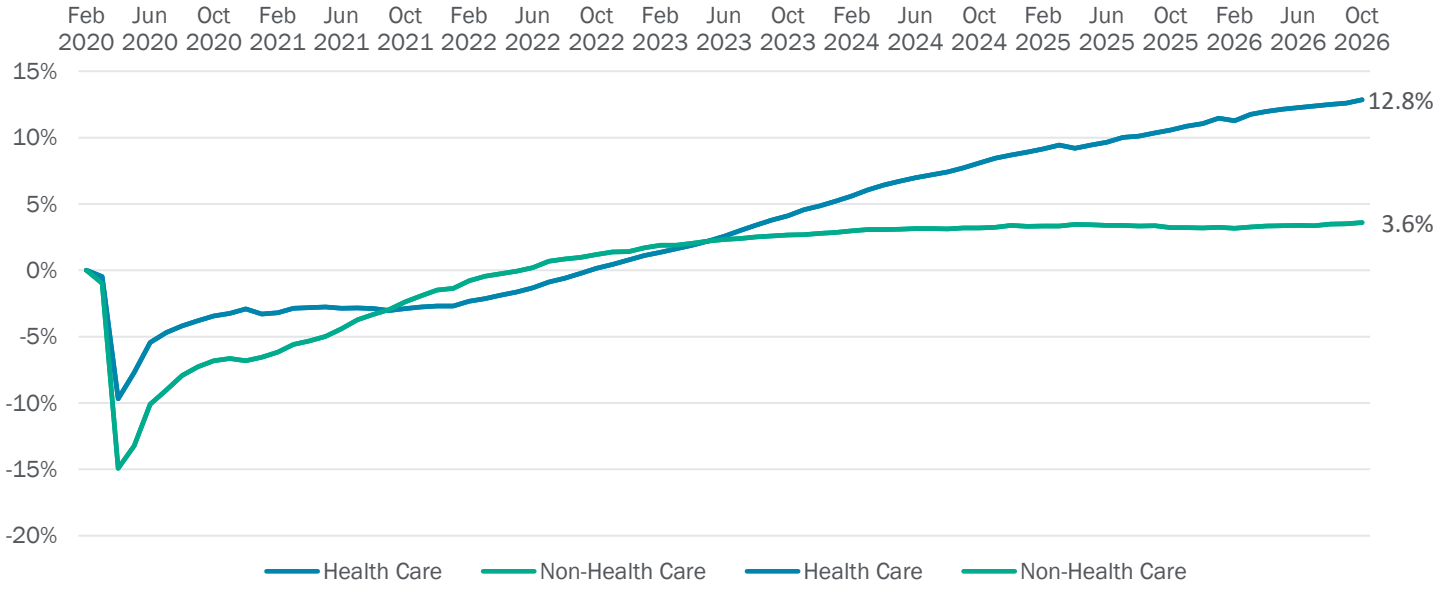


Source: Altarum analysis of monthly BLS Current Employment Statistics data.

Since February 2020, before the COVID-19 recession began, health care employment has grown by 2,117,000 jobs, or 12.8%—more than triple the 3.6% 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 has mostly maintained its pace since then, while employment growth in non-health care industries has been largely stagnant for nearly three years. As of October 2026, the health care industry has outpaced non-health care industries for 47 consecutive months.

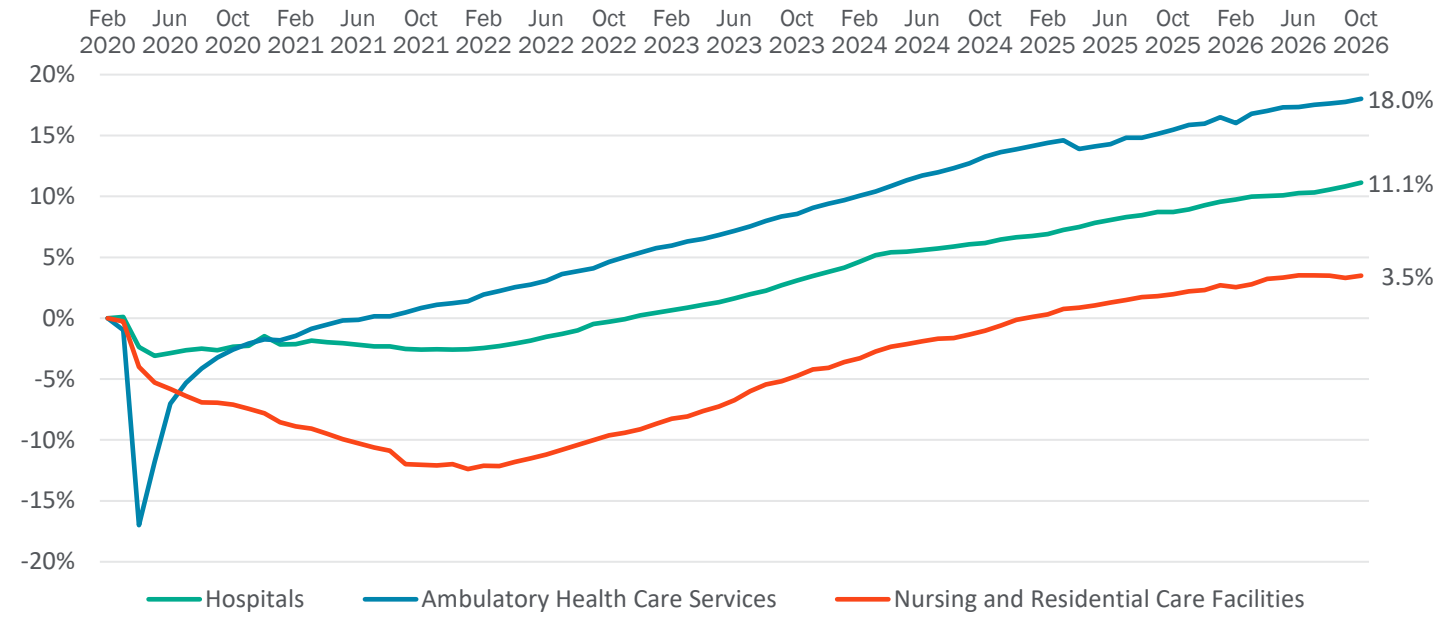
Since February 2020, employment in ambulatory health care services has increased by 1,416,600 jobs, or 18.0%, while hospital employment has grown by 582,500 jobs, or 11.1% (see Exhibit 3). Employment in nursing and residential care facilities remained below pre-pandemic levels until January 2025 but is now up 117,900 jobs (3.5%) over the February 2020 baseline. (As described in an Altarum analysis, this contraction in employment was 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.

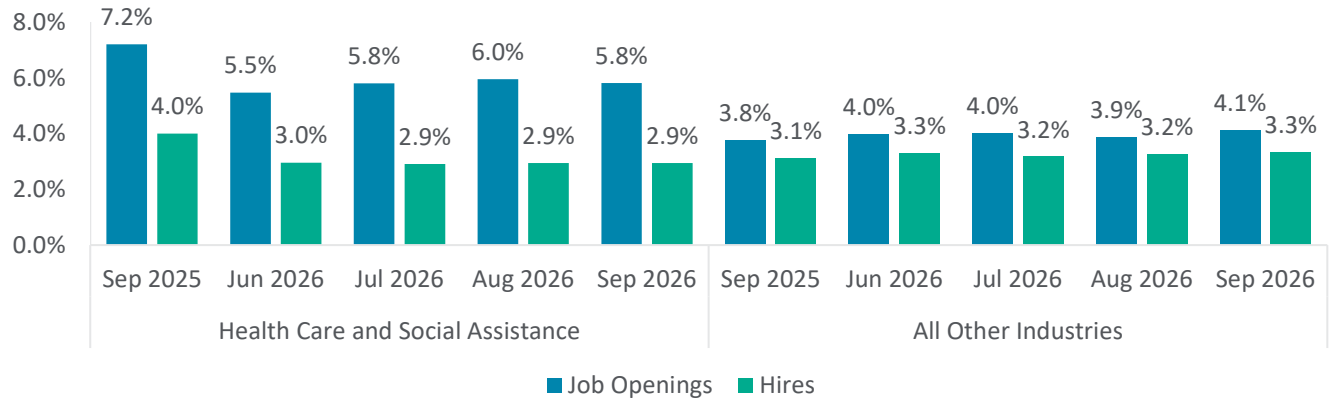
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



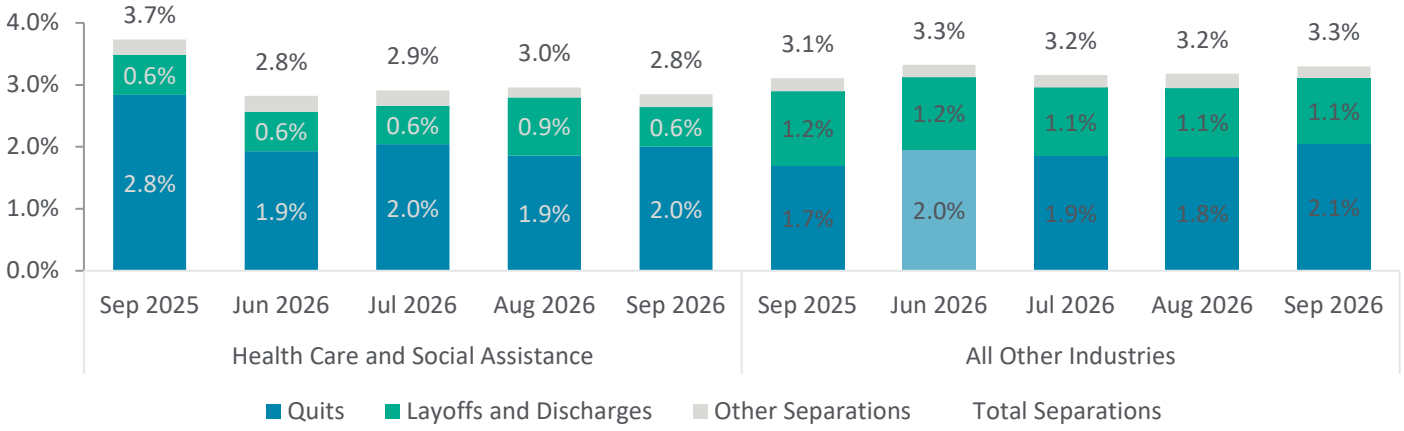
Source: Altarum analysis of monthly BLS Current Employment Statistics data.

In September 2026, the job openings rate in health care and social assistance fell 0.2 percentage points to 5.8% from the revised August value, as shown in Exhibit 4. The hiring rate has held very steady in recent months and stood at 2.9% in September. The total separations rate fell slightly to 2.8% in September, 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

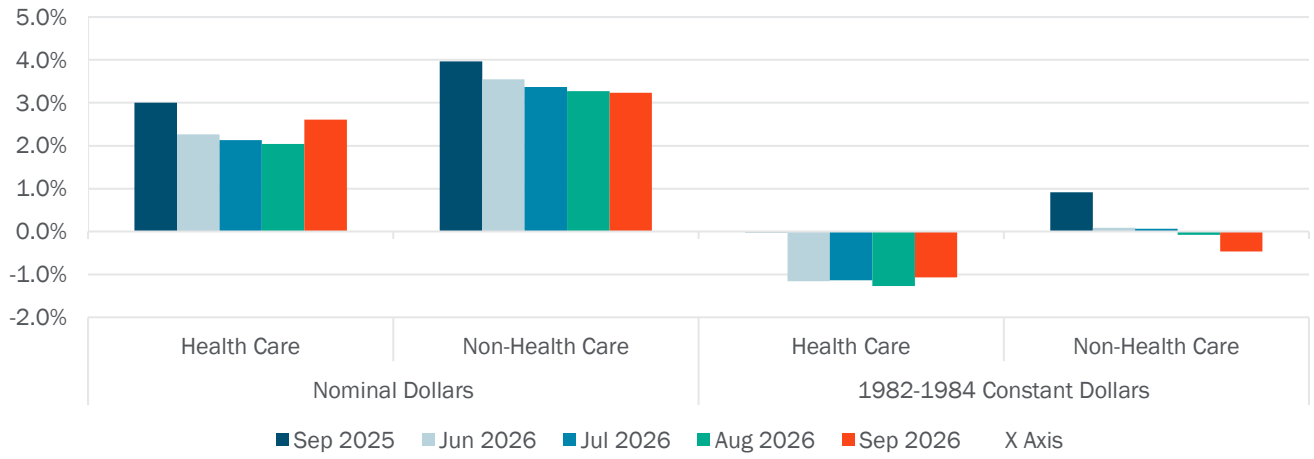


Source: Altarum analysis of monthly BLS Job Openings and Labor Turnover Survey.
Notes: The job openings rate is the number of job openings on the last business day of the month as a percent of employment plus job openings, while the hire rate is the number of hires during the entire month as a percent 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.



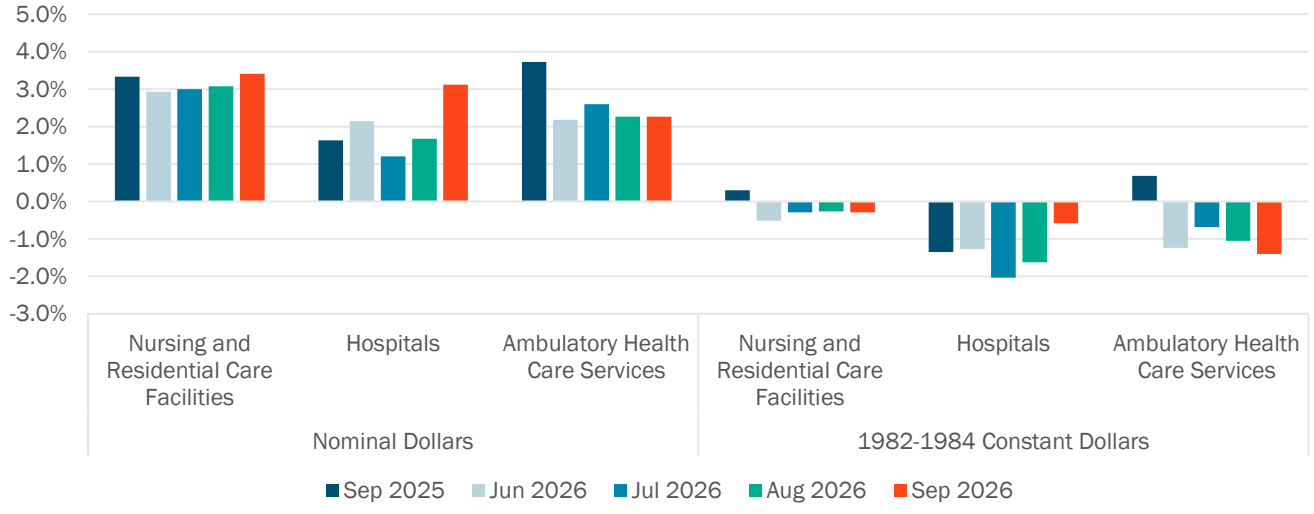
Year-over-year wage growth in the health care sector in nominal dollars was 2.6% in September 2026, as shown in Exhibit 6. However, after adjusting for inflation, that growth becomes negative, at -1.1%. Nominal wage growth was fastest in nursing and residential care facilities at 3.4%, followed by hospitals at 3.1% and ambulatory health care services at 2.3% (see Exhibit 7). Inflation-adjusted wages, however, were down 0.3% for nursing and residential care facilities, down 0.6% in hospitals, and down 1.4% in ambulatory health care services. Meanwhile, nominal non-health-care wage growth was up 3.2% in September, down 0.5% 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)	Oct 2026	Sep 2026	Oct 2025	Oct 2024	Feb 2020
Non-Health Care	140,701	140,578	140,193	140,138	135,818
Health Care	18,592	18,550	18,215	17,807	16,475
Ambulatory Health Care Services	9,281	9,261	9,081	8,907	7,864
Offices of Physicians	3,059	3,059	3,030	2,973	2,725
Offices of Dentists	1,055	1,056	1,052	1,056	991
Offices of Other Health Care Practitioners	1,369	1,364	1,315	1,265	1,002
Outpatient Care Centers	1,204	1,200	1,181	1,155	996
Medical and Diagnostic Labs	309	310	312	306	288
Home Health Care Services	1,904	1,893	1,824	1,788	1,545
Other Ambulatory[a]	380	379	367	365	318
Hospitals	5,816	5,800	5,690	5,557	5,234
Nursing and Residential Care Facilities	3,496	3,489	3,444	3,343	3,378
Nursing Care Facilities	1,592	1,590	1,559	1,504	1,587
Other Nursing and Residential[b]	1,904	1,900	1,885	1,839	1,791
Health Share of Employment	11.67%	11.66%	11.50%	11.27%	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.

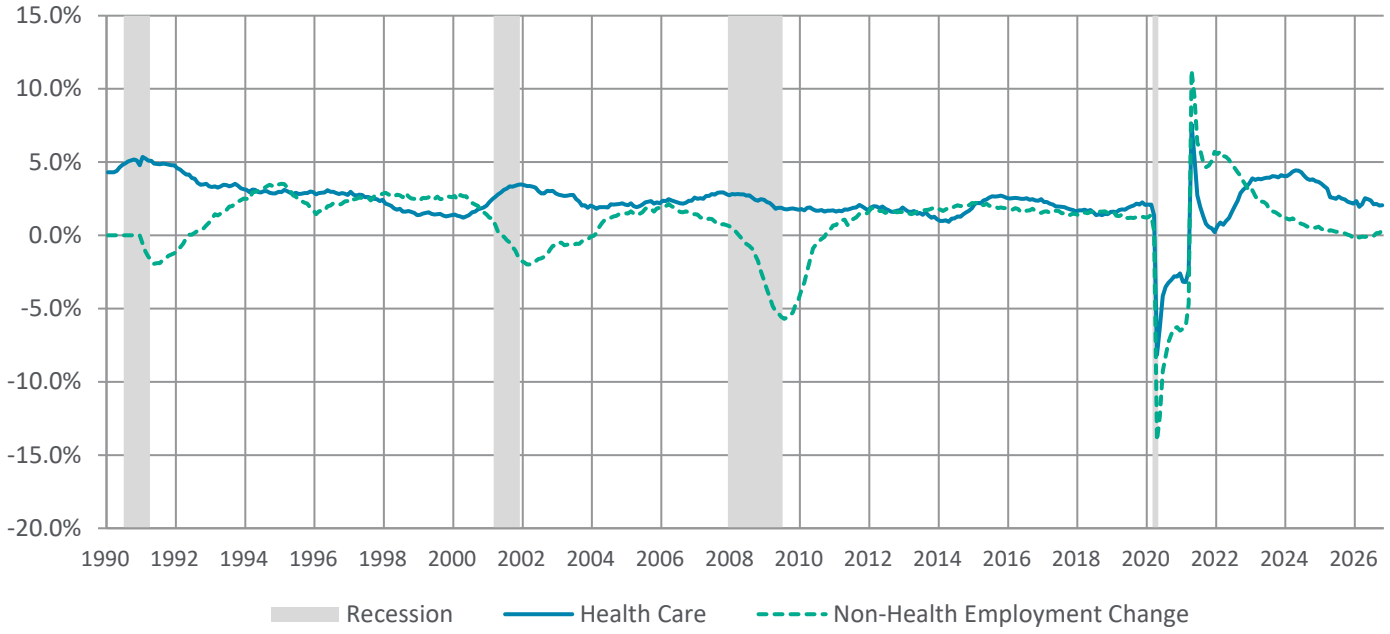
Exhibit 9. Change in Employment by Sector and Subsector, Seasonally Adjusted

Employment Change (in Thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	123.4	508.4	562.9	4,883.0
Health Care	41.6	376.6	785.1	2,117.0
Ambulatory Health Care Services	19.4	199.1	373.5	1,416.6
Offices of Physicians	-0.8	28.7	85.8	333.9
Offices of Dentists	-1.2	3.2	-0.7	64.2
Offices of Other Health Care Practitioners	5.4	53.7	104.5	367.6
Outpatient Care Centers	4.8	23.0	49.9	208.4
Medical and Diagnostic Labs	-0.6	-3.0	3.3	21.7
Home Health Care Services	10.5	80.1	115.3	358.9
Other Ambulatory[a]	1.3	13.3	15.4	62.0
Hospitals	16.0	125.8	259.0	582.5
Nursing and Residential Care Facilities	6.2	51.7	152.6	117.9
Nursing Care Facilities	2.1	33.1	87.4	5.3
Other Nursing and Residential[b]	4.1	18.6	65.2	112.6
Annualized Percent Change	**One Month**	**12 Months**	**24 Months**	**Since Feb 2020**
Non-Health Care	1.1%	0.4%	0.2%	0.5%
Health Care	2.7%	2.1%	2.2%	1.8%
Ambulatory Health Care Services	2.5%	2.2%	2.1%	2.5%
Offices of Physicians	-0.3%	0.9%	1.4%	1.7%
Offices of Dentists	-1.4%	0.3%	0.0%	0.9%
Offices of Other Health Care Practitioners	4.9%	4.1%	4.0%	4.8%
Outpatient Care Centers	4.9%	1.9%	2.1%	2.9%
Medical and Diagnostic Labs	-2.3%	-1.0%	0.5%	1.1%
Home Health Care Services	6.9%	4.4%	3.2%	3.2%
Other Ambulatory[a]	4.2%	3.6%	2.1%	2.7%
Hospitals	3.4%	2.2%	2.3%	1.6%
Nursing and Residential Care Facilities	2.2%	1.5%	2.3%	0.5%
Nursing Care Facilities	1.6%	2.1%	2.9%	0.1%
Other Nursing and Residential[b]	2.6%	1.0%	1.8%	0.9%

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.

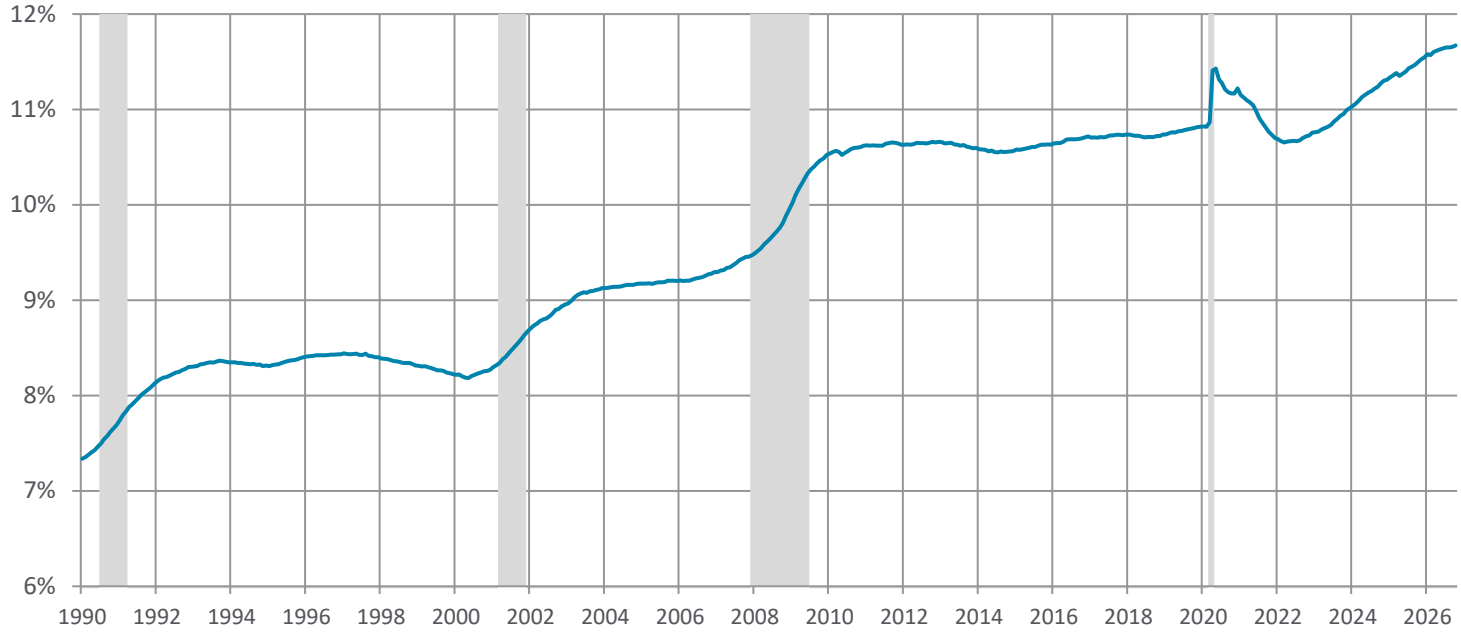
TIME SERIES TRACKER

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.