

July 20, 2022

National health spending continues to decline as a percent of GDP

HIGHLIGHTS

- ▲ National health spending in May 2022 grew by 5.6%, year over year. In the absence of federal government support in 2021 and 2022, health spending would have grown by 4.9%.
- ▲ GDP in May 2022 was 9.1% higher than in May 2021 as GDP growth continues to outpace health spending growth. The difference in growth is largely attributable to the recent high rate of inflation, which has not yet had a major impact on health spending.
- ▲ In May 2022, health spending accounted for 18.0% of GDP but this share has been declining steadily over the past several months. It was 18.8% of GDP in December 2021.

National Health Spending and GDP*

	May 2020	May 2021	Apr 2022	May 2022
GDP	19.37	22.73	24.60	24.79
National Health Spending (HS)	4.36	4.21	4.44	4.45
HS Share of GDP	22.5%	18.5%	18.1%	18.0%
HS Share of PGDP	19.9%	18.2%	17.7%	17.5%
Growth from Prior 12 Months				
HS	16.7%	-3.3%	5.4%	5.6%
GDP	-9.0%	17.3%	8.9%	9.1%
HS minus GDP	25.7%	-20.7%	-3.5%	-3.5%
HS minus PGDP	14.3%	-9.2%	-3.7%	-3.9%

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

* 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 Ani Turner at ani.turner@altarum.org. George Miller, PhD (principal author), Ani Turner, Corwin Rhyan, and Matt Daly, PhD, contributed to this brief. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.



DISCUSSION

At \$4.45 trillion (seasonally adjusted annual rate), national health spending in May 2022 was 5.6% higher than in May 2021, while GDP grew over this same time period by 9.1%. This difference in growth rates is largely attributable to the recent high rate of inflation, which has not yet had a major impact on health spending. As a result, health spending has been declining as a percent of GDP in recent months. Having reached a recent peak of 18.8% in December 2021, it stands at 18.0% in May. In the absence of COVID-related federal government support, health spending in May 2022 would have grown at a lower rate of 4.9%, largely because of an increase in the spring of 2022 of federal support of public health via the Public Health and Social Services (PHSS) Emergency Fund.

Our spending estimates for recent months are based primarily on the National Income and Products Accounts (NIPA) provided by the Bureau of Economic Analysis (BEA). BEA's release of NIPA data for May included updates for January through April.

Exhibit 1 shows our current estimate of the trajectory of growth in national health spending since the start of 2020 through May 2022 with and without COVID-related federal government support to providers and public health activities. Because much of this government support was not associated with actual consumption of health care goods and services, the trajectory without government support provides a better indication of expenditures used to provide personal health care. The exhibit illustrates the extent to which GDP growth since before the pandemic-induced recession has outpaced health spending: As of May 2022, GDP was 13.8% higher than in January 2020, while health spending grew by 10.2% and would have grown by 7.6% in the absence of the federal government support.

Exhibit 1. Percent Change in National Health Spending and GDP Since January 2020

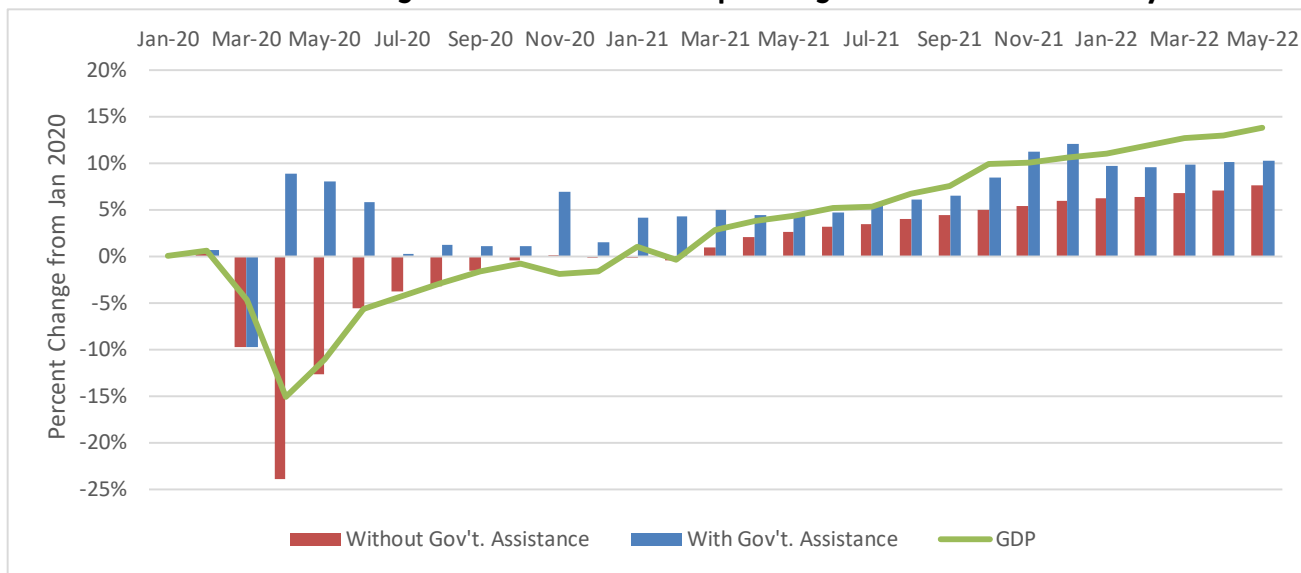


Exhibit 2 shows how spending growth among major categories has varied since January 2020, both with and without the government spending increase. With the decline in federal government support, the curves tend to converge in more recent months. Since January 2020, spending on home health care has increased the most among the categories shown, at 8.6%, while spending on dental services remains 0.3% below its January 2020 level. During the same period, retail spending on prescription drugs, which did not receive significant federal support during the pandemic, grew by 13.9% (data not shown).



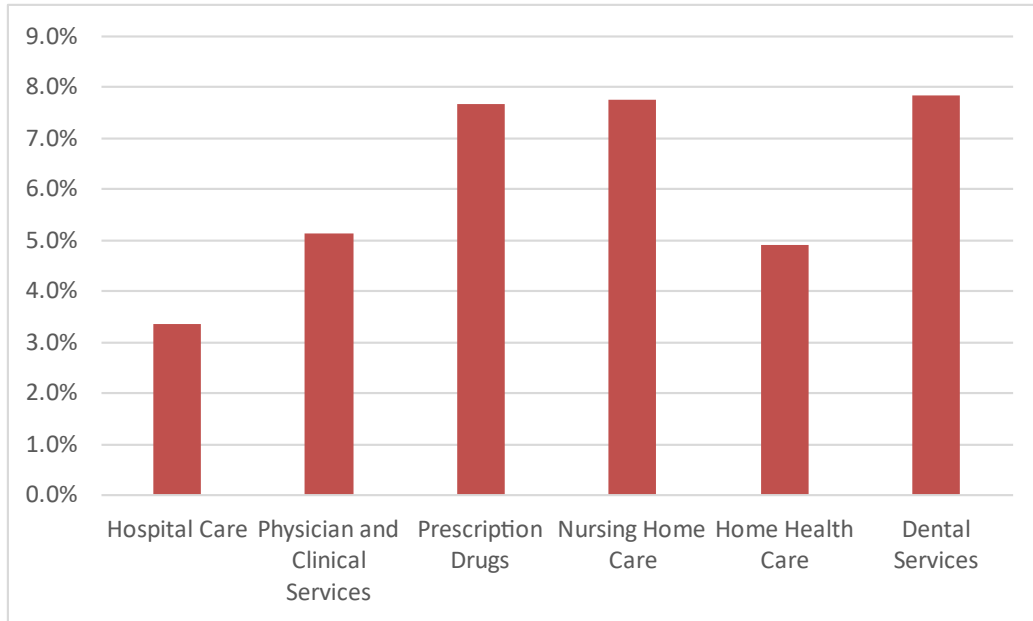
Exhibit 2. Percent Change in Spending Since January 2020, by Major Category



Exhibit 3 indicates the growth in spending by major categories over the past year without the impact of federal government support. The values for growth rates in the absence of government support provide the clearest picture of the growth in the portion of spending actually used to provide clinical services. Overall, personal health care spending growth (growth in spending on goods and services) since May 2021 was 4.7% without government support, similar to the pre-pandemic growth in spending on personal health care for all of 2019, which was a slightly more modest 4.4%. Since May 2021 through May 2022, spending without government assistance on nursing home care and dental services grew the fastest, at 7.8% each, with prescription drug spending not far behind at 7.7%. Hospital spending grew the slowest, at 3.3%.



Exhibit 3. Health Care Spending 12-Month Growth without Government Assistance





DETAILED HEALTH SPENDING

Exhibit 4. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	May 2019	May 2020	May 2021	May 2022
GDP	\$21,278.9	\$19,366.9	\$22,726.2	\$24,791.3
National Health Spending	\$3,736.4	\$4,360.0	\$4,214.9	\$4,451.1
Personal health care	\$3,242.2	\$3,566.2	\$3,617.9	\$3,779.0
Hospital care	\$1,189.4	\$1,352.7	\$1,331.3	\$1,379.1
Physician and clinical services	\$763.9	\$786.7	\$835.0	\$875.0
Other professional services	\$111.0	\$124.0	\$126.3	\$128.4
Dental services	\$143.5	\$119.0	\$163.4	\$175.2
Other personal health care	\$274.3	\$356.7	\$355.5	\$363.6
Home health care	\$113.9	\$135.9	\$122.6	\$124.7
Nursing home care	\$173.6	\$226.9	\$179.7	\$191.9
Prescription Drugs	\$335.3	\$337.0	\$360.9	\$388.6
Durable medical equipment	\$56.4	\$45.5	\$56.3	\$60.7
Nondurable medical products	\$81.0	\$81.8	\$87.0	\$91.8
Program administration and net cost of private health insurance	\$194.2	\$205.0	\$216.3	\$230.3
Government public health activities	\$104.1	\$398.1	\$173.8	\$219.4
Research	\$55.8	\$59.4	\$65.2	\$69.9
Structures and equipment	\$140.0	\$131.3	\$141.6	\$152.5
HS Share of GDP	17.6%	22.5%	18.5%	18.0%
HS Share of PGDP	17.5%	19.9%	18.2%	17.5%

Source: Altarum monthly national health spending estimates. The monthly GDP is from IHS Markit.

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

Exhibit 5. National Health Spending 12-Month Growth Rates by Detailed Category

Growth Rates	May 2020	May 2021	May 2022
GDP	-9.0%	17.3%	9.1%
National Health Spending	16.7%	-3.3%	5.6%
Personal health care	10.0%	1.5%	4.5%
Hospital care	13.7%	-1.6%	3.6%
Physician and clinical services	3.0%	6.1%	4.8%
Other professional services	11.7%	1.8%	1.7%
Dental services	-17.1%	37.3%	7.2%
Other personal health care	30.1%	-0.3%	2.3%
Home health care	19.4%	-9.8%	1.7%
Nursing home care	30.7%	-20.8%	6.8%
Prescription Drugs	0.5%	7.1%	7.7%
Durable medical equipment	-19.4%	23.8%	8.0%
Nondurable medical products	1.0%	6.4%	5.5%
Program administration and net cost of private health insurance	5.5%	5.5%	6.5%
Government public health activities	282.2%	-56.3%	26.2%
Research	6.5%	9.8%	7.2%
Structures and equipment	-6.2%	7.8%	7.7%
HS Minus GDP	25.7%	-20.7%	-3.5%
HS Minus PGDP	14.3%	-9.2%	-3.9%

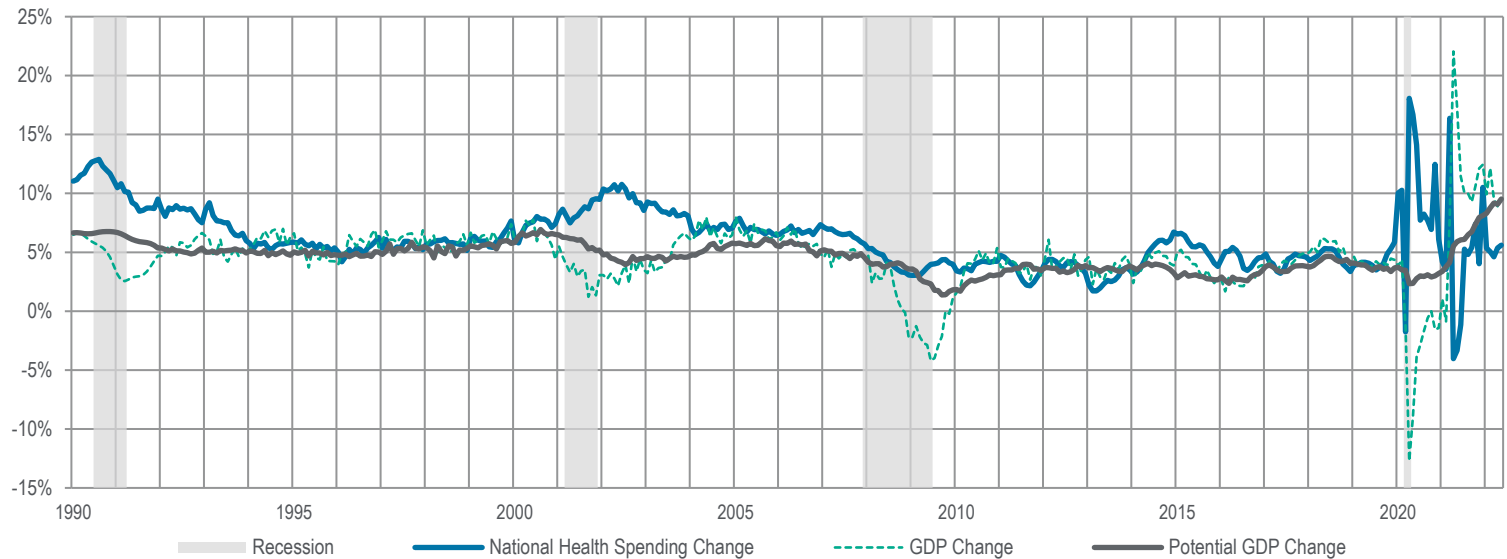
Source: Computed from Exhibit 2.

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



TIME SERIES TRACKER

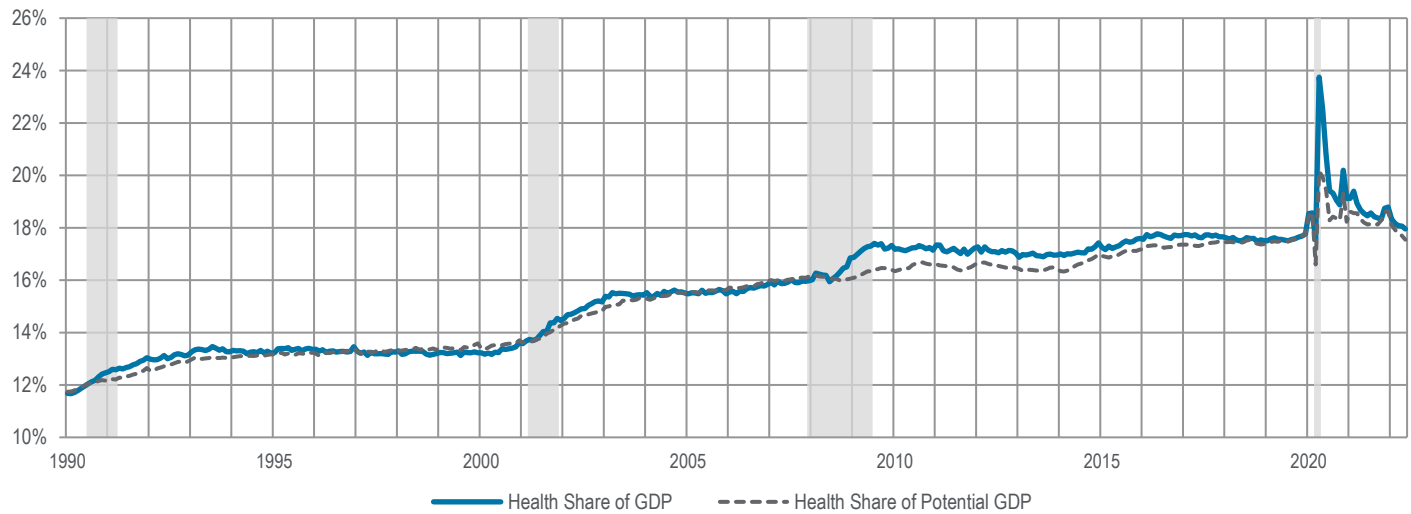
Exhibit 6. Year-over-Year Percentage Change in Spending and GDP



Source: Altarum monthly national health spending estimates. The monthly GDP is from IHS Markit.

Note: Lightly shaded bars denote recession periods.

Exhibit 7. Monthly Health Spending as a Percentage of Monthly GDP



Source: Altarum monthly national health spending estimates. Monthly GDP is from IHS Markit. 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 \(1990–2020\) and projections \(2021\)](#). 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 2021 are based on NHEA actuals (through 2020) and projections (for 2021) and ensure that monthly estimates sum exactly to NHEA annual amounts. The 2021 ratios are used to adjust BEA spending for months in 2022.

July 20, 2022

Overall health care price growth finally accelerates as private prices jump in June

HIGHLIGHTS

- ▲ Growth in the overall Health Care Price Index (HCPI) increased to 2.8% year over year in June, up from 2.0% in May. This 0.8 percentage point increase from the prior month was the fastest since January 2007.
- ▲ The acceleration in overall prices is mainly attributable to higher private prices—private price growth for all services jumped from 3.0% in the prior month to 3.9% in June and private price growth for hospitals was even faster at 4.9% year over year.
- ▲ Economywide inflation also continued in June, as CPI year-over-year growth increased to 9.1% and PPI growth increased to 11.3%. Services CPI growth (excluding healthcare) increased to 6.4% and commodities inflation increased again to 13.4% year over year.
- ▲ Among major health care categories, physician services increased the least in June (0.5%), while hospital price growth (3.5%) and dental care services (4.7%) increased the fastest.
- ▲ Growth in our implicit measure of utilization for May slowed slightly to 2.4%, while the somewhat smoother three-month average was even lower, at 2.1%.

	June 2020	June 2021	May 2022	June 2022
Health Care Price Index (HCPI)	2.7%	2.3%	2.0%	2.8%
GDP Deflator (GDPD)	0.9%	4.2%	7.5%	**
HCPI - GDPD	1.8%	-1.9%	-5.5%	**
<i>Addendum</i>				
Personal health care spending	7.0%	4.2%	4.5%	**
Health care utilization	4.3%	1.9%	2.4%	**
Medical Consumer Price Index (MCPI)	5.1%	0.4%	3.7%	4.5%
Consumer Price Index – all items (CPI)	0.6%	5.4%	8.6%	9.1%
Producer Price Index – Final Demand (PPI)	-0.7%	7.6%	10.9%	11.3%

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

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 Ani Turner at ani.turner@altarum.org. Corwin Rhyan (principal author), Ani Turner, George Miller, PhD, and Matt Daly, PhD, contributed to this brief. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.



DISCUSSION

For the first time since economywide inflation began to accelerate in early 2021, Health Care Price Index (HCPI) growth has meaningfully accelerated this month, potentially marking the end of a period where health care price growth was below its historical average, while most of the other goods and services in the US got significantly more expensive. In June 2022, the HCPI year-over-year growth jumped to 2.8%, up from 2.0% growth in May (Exhibit 1). While 2.8% year-over-year price growth is still quite moderate, the month over month growth (0.8 percentage points) is a notable acceleration and may portend a future period of further health care price increases. Economywide price growth has continued to climb from already high rates, as CPI growth hit 9.1% in June and PPI 11.3% year over year (Highlights Table).

As we had hypothesized [in prior price briefs](#), the acceleration in health care prices appears to be showing first amongst private prices, as the measures of private price growth for both overall services and hospital services increased faster than for public payers in June (Exhibits 6 and 7). Prices paid by private insurance for overall services grew at the fastest rate since 2015, reaching 3.9% year-over-year growth, and price growth for private insurance for hospital services (a subset of the overall component) increased even more rapidly, at 4.9%. We expect private price growth is likely to remain high and potentially even accelerate further in 2022 and 2023, particularly given the recent news of the 2023 health insurance marketplace rate filings, where many insurers are baking in assumptions of [much faster cost growth](#), upwards of 10% year over year. Conversely, we expect public price growth to remain more subdued, as indications from CMS indicate [hospital](#) and [physician](#) rate increases for Medicare in 2023 will be low.

Among the major sectors, the greatest increase in health care prices in June occurred in Dental and Hospital settings (each rising 4.7% and 3.5%, respectively). Conversely, physician and clinical services prices again increased at the slowest rate among major health care sectors at only 0.5% growth and marking the fifth straight month of below 1.0% price growth for physicians (Exhibit 3). Prescription drug price growth also increased slightly in June at 2.5%, up from 1.9% in May and the fastest since February 2020.

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

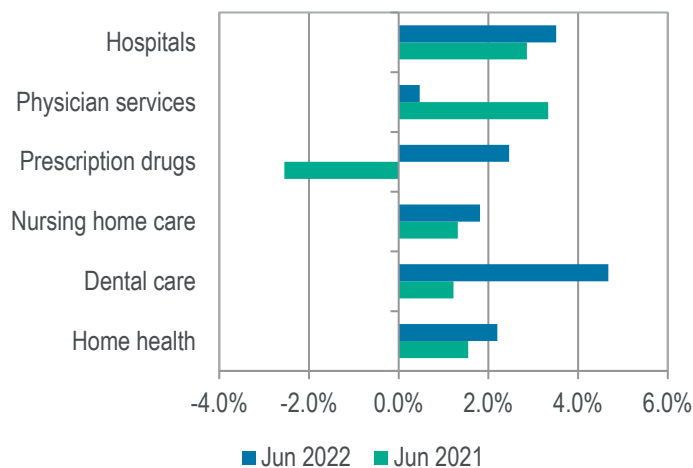
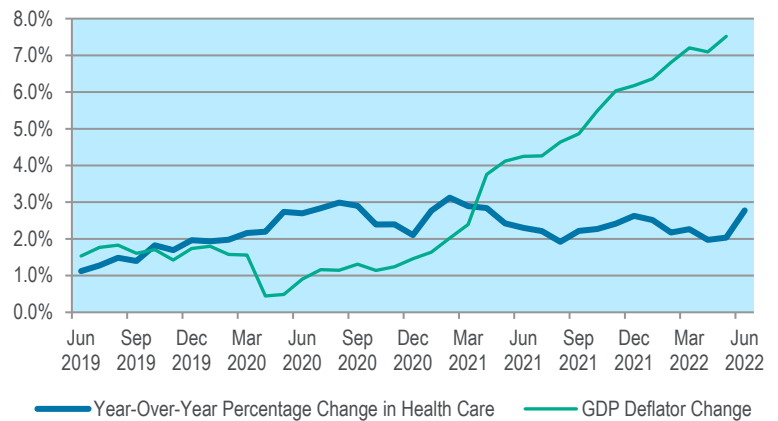


Exhibit 1. Year-over-Year Growth in HCPI & GDPD



Source: Altarum analysis of monthly BLS price data and monthly GDPD data published by Macroeconomic Advisers.

As for our implicit measure of overall health care utilization for May 2022, we find that it grew by 2.4% year over year (Exhibit 8), while April's utilization growth was revised downward with refreshed price and spending data to 2.2%. As a result, the three-month average utilization growth fell to 2.1%. Prescription drug utilization growth was the fastest among the major categories at 5.7%, while hospital care utilization growth was the slowest at 1.6% in May. Use of physician and clinical services continued its climb over recent months, accelerating to 4.3%. Overall utilization increases appear to have moderated over recent months and are closer to the historical average following the massive 2020 and 2021 disruptions in health care spending.



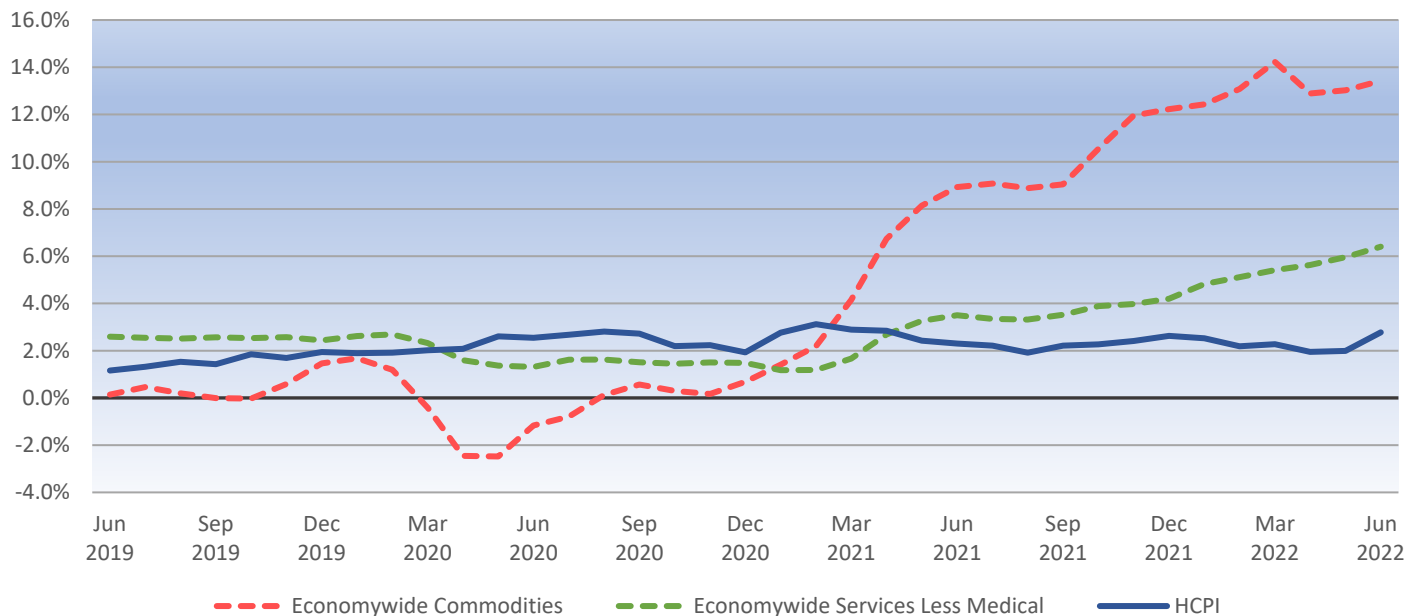
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending June 2020	Ending June 2021	Ending June 2022
Health Care Price Index (HCPI)	2.7%	2.3%	2.8%
Hospital care	3.4%	2.9%	3.5%
Physician and clinical services	1.2%	3.3%	0.5%
Prescription drugs	2.0%	-2.5%	2.5%
Nursing home care	4.8%	1.3%	1.8%
Dental Services	3.2%	1.2%	4.7%
Home health care	3.7%	1.6%	2.2%
Other professional services	1.3%	2.3%	4.7%
Other personal health care	2.9%	5.5%	3.9%
Other nondurable medical products	-1.0%	-0.5%	4.7%
Durable medical equipment	-0.5%	-3.3%	4.5%

Source: Altarum analysis of monthly BLS data.

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

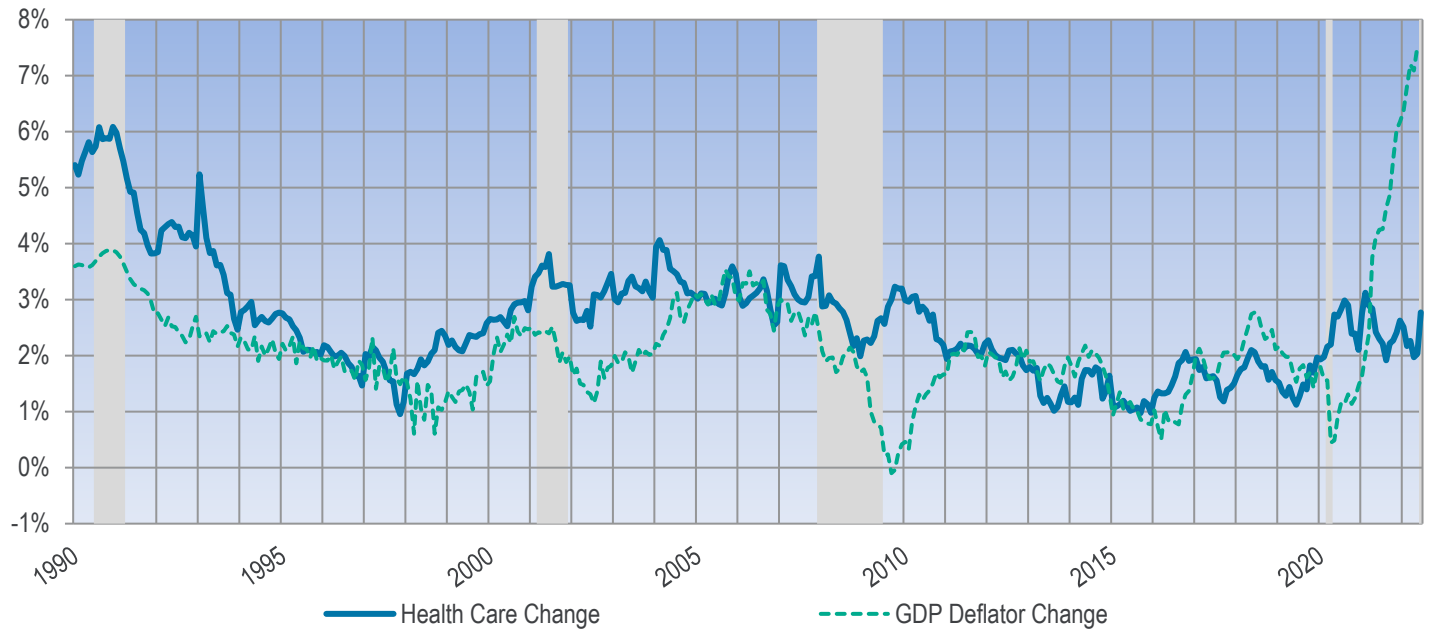


Methods. Altarum’s estimates for the monthly HCPI, a price index for personal health care spending within the National Health Expenditure Accounts, are essentially monthly versions of the annual index developed by the CMS National Health Statistics Group (NHSG). The advantages of this measure over the 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.



TIME SERIES TRACKER

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



Source: Altarum monthly national health spending and price index estimates.

Note: Lightly shaded bars denote recession periods. (The [2020 recession timing](#) was announced by NBER on July 19th, 2021)

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

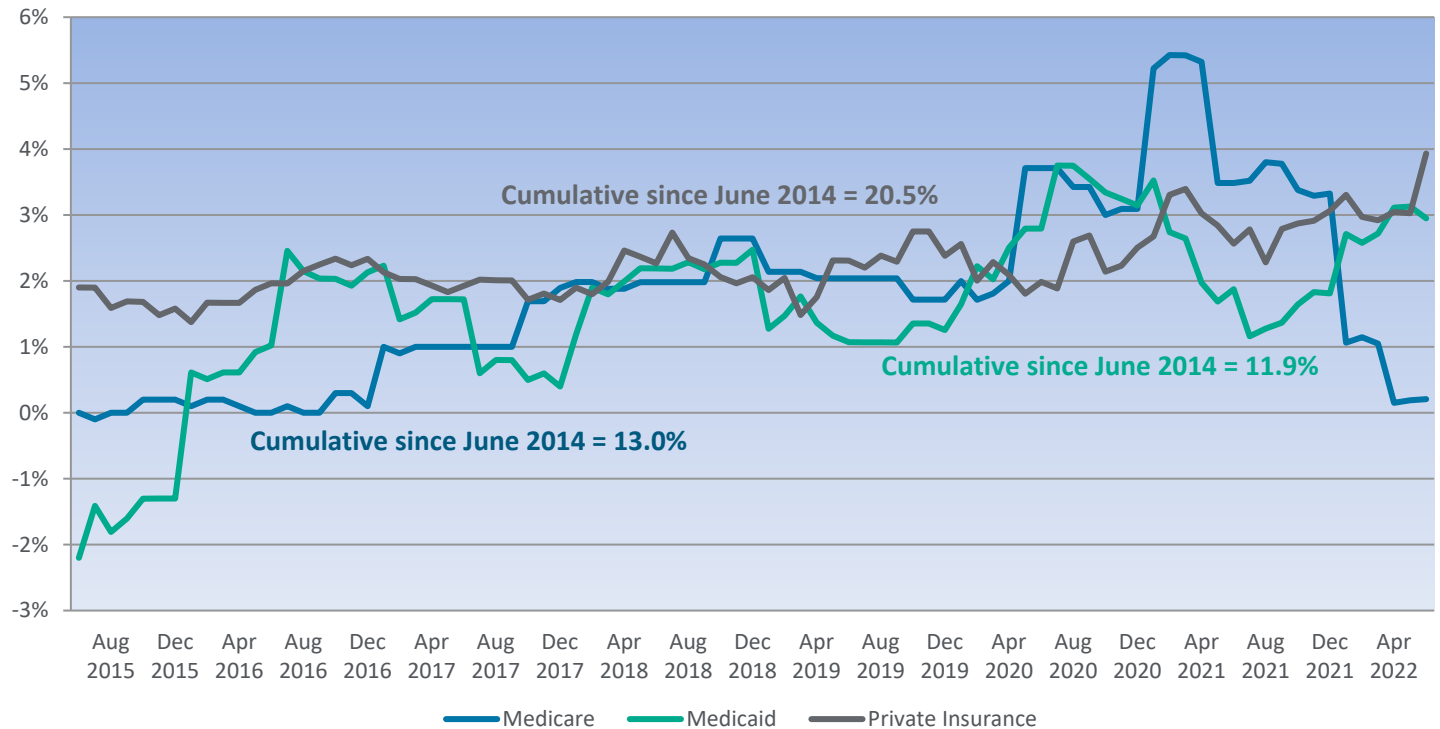
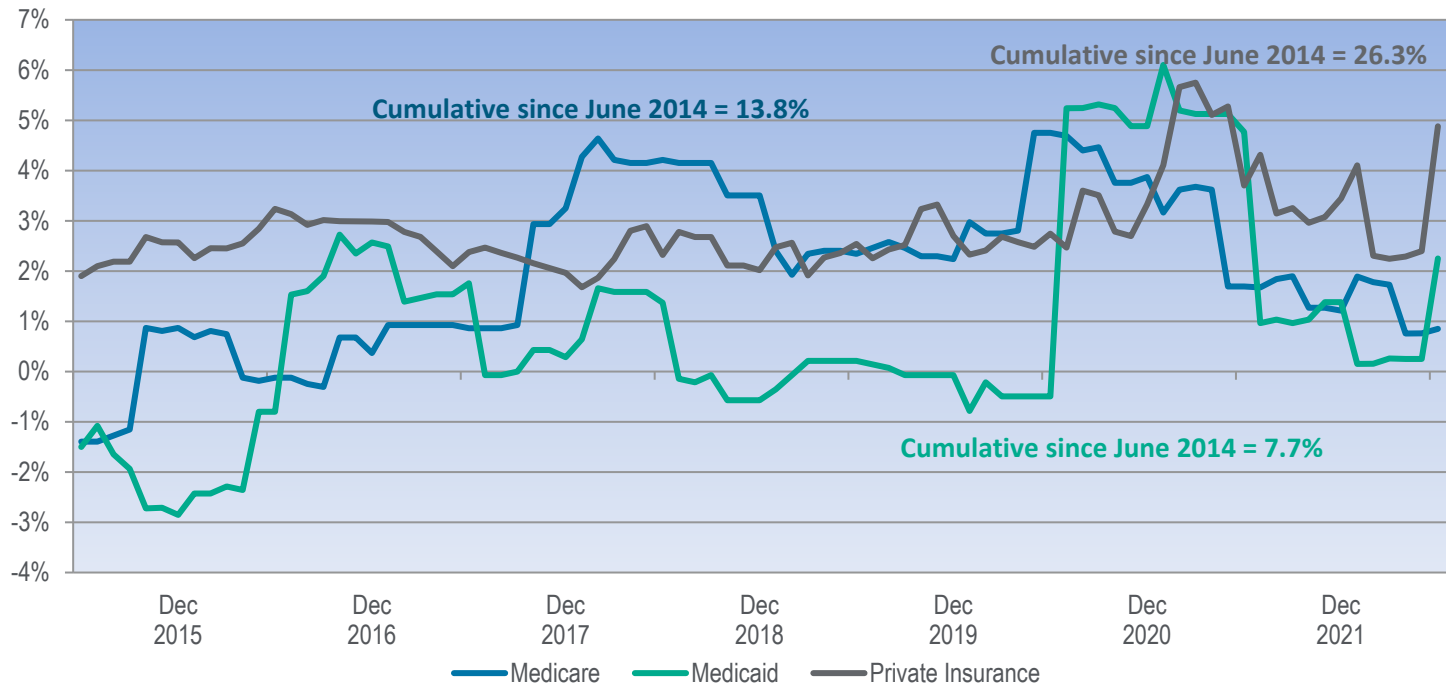




Exhibit 7. Year-over-Year Change in Hospital Services Price Growth, by Payer



Source: Altarum analysis of monthly BLS data.

Exhibit 8. Implicit Health Care Utilization Growth by Major Components of NHE, Year-over-year

	May 2022	3-Month Moving Average	12-Month Moving Average
Total health care	2.4%	2.1%	2.6%
Hospital care	1.6%	2.3%	3.2%
Physician and clinical services	4.3%	3.5%	3.1%
Prescription drugs	5.7%	5.1%	6.7%
Nursing home care	4.6%	4.8%	2.4%
Dental Services	4.6%	3.0%	9.2%
Home health care	-0.5%	-0.8%	-1.0%
Other professional services	-2.9%	-1.9%	3.3%
Other personal health care	-1.7%	-3.0%	-5.5%
Other nondurable medical products	2.3%	0.2%	2.3%
Durable medical equipment	5.0%	2.1%	1.5%

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): $U = S - P - Pop$. 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.

July 20, 2022

Health care adds a robust 56,700 jobs in June, including 20,500 in hospitals

HIGHLIGHTS

- ▲ Health care employment grew by 56,700 jobs in June 2022. Gains were seen in all major settings of care, with ambulatory care adding 28,200 jobs, hospitals adding 20,500 jobs, and nursing and residential care facilities adding 8,000 jobs.
- ▲ Health care employment is 176,000 jobs, or 1.1%, below the pre-pandemic peak. Employment in ambulatory settings is now 260,000 jobs (3.3%) above where it was in February 2020, while hospital employment remains 57,000 jobs (1.1%) below February 2020 and nursing and residential care employment is down by 379,000 jobs (11.2% decline).
- ▲ The economy added 372,000 jobs in June, consistent with average 381,000 added in the past four months. Total employment is now about half a million jobs and 0.3% below where it was in February 2020, while the unemployment rate remains at 3.6% for the fourth month in a row.
- ▲ Wage data are consistent with a tight labor market overall and in health care in particular. Average hourly earnings in health care grew 7.3% year over year in May 2022 (the most recent industry-level data). Earnings across all private sector jobs grew 5.3% year over year in May and 5.1% in June 2022.

Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Jun 2021	May 2022	Jun 2022
Total Employment (000)	152,504	145,698	151,608	151,980
Non-Health Employment (000)	136,014	129,686	135,350	135,665
Health Employment (000)	16,491	16,013	16,258	16,315
Health Share of Total Employment	10.81%	10.99%	10.72%	10.73%
Unemployment Rate	3.5%	5.9%	3.6%	3.6%

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. This work was made possible through generous support from the Robert Wood Johnson Foundation.

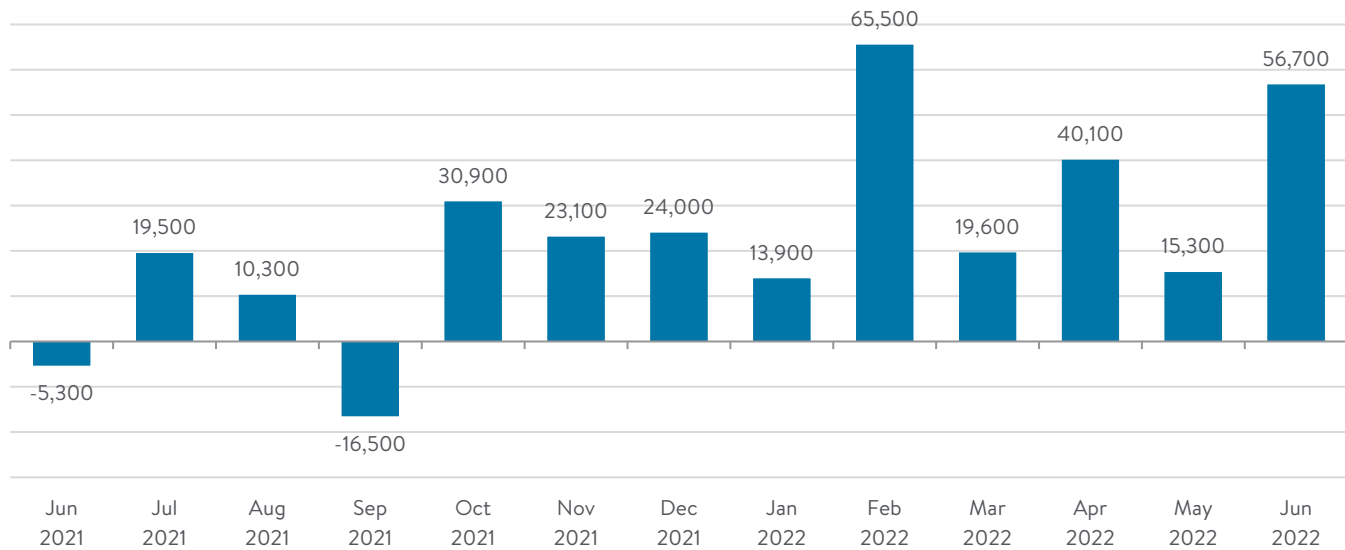
The Health Sector Economic IndicatorsSM (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact Ani Turner at ani.turner@altarum.org. Ani Turner (principal author), Corwin Rhyan, George Miller, PhD, and Matt Daly, PhD, contributed to this brief. Media Contact: press@altarum.org. For more information, visit <http://altarum.org/solution/health-sector-spending>.



DISCUSSION

Health care employment grew by 56,700 jobs in June. Health care has added 211,000 jobs through the first half of 2022, averaging 35,000 new jobs per month, compared to 26,000 per month in the last quarter of 2021 (Exhibit 1).

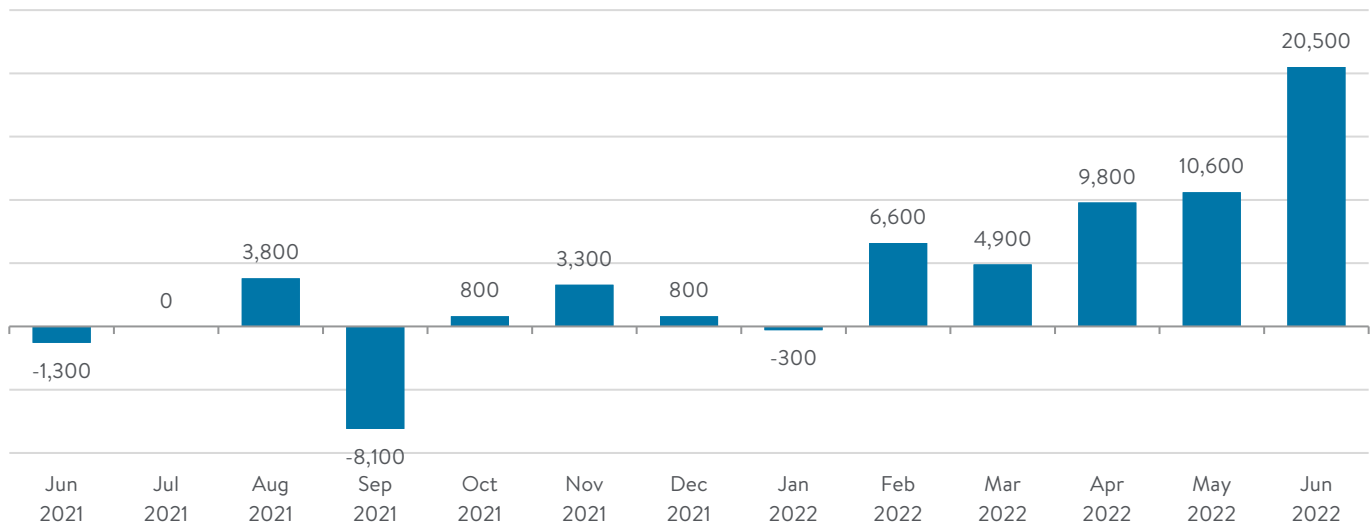
Exhibit 1. Month-over-month Change in Health Care Employment, Seasonally Adjusted



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

Hospital hiring was especially strong in June, with hospitals adding 20,500 jobs. Despite the [financial challenges and workforce shortages](#) being faced by hospitals in the first half of 2022, hospital hiring appears to be picking up compared to 2021 (Exhibit 2).

Exhibit 2. Month-over-month Change in Hospital Employment, Seasonally Adjusted



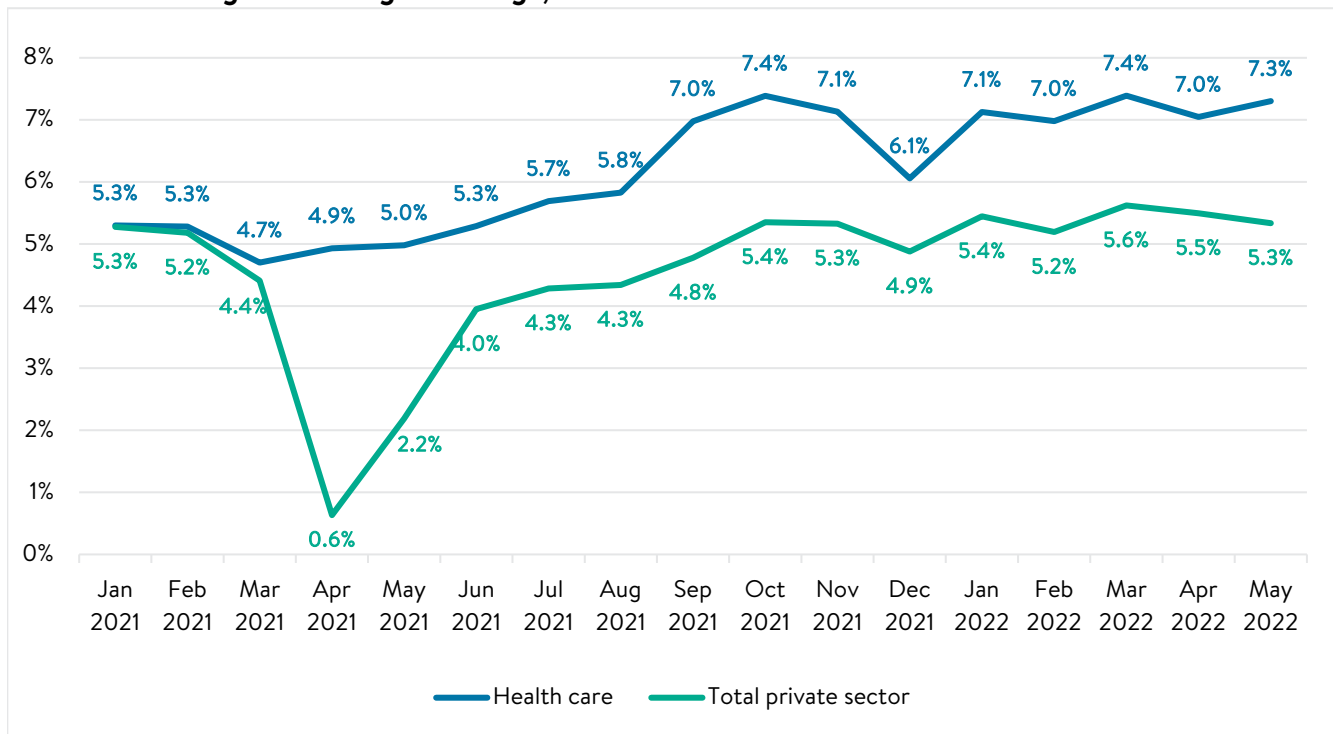
Source: Altarum analysis of monthly BLS Current Employment Statistics data.



The economy continues to add a substantial number of jobs each month, although the pace of growth is slowing. With the 372,000 jobs added in June, the economy is averaging 457,000 new jobs per month in the first half of 2022, compared to 524,000 per month added in 2021. Total employment is about half a million jobs (520,000) and 0.3% below where it was in February 2020. The unemployment rate remained at 3.6% for the fourth month in a row, very close to the pre-pandemic rate of 3.5%, which was a 50-year low.

Health care wages have been growing even faster than overall wages, especially since mid-2021 (Exhibit 3). Private sector earnings grew an average of 5.4% year over year in the first five months of 2022, while health sector earnings are averaging 7.2% growth over the same period.

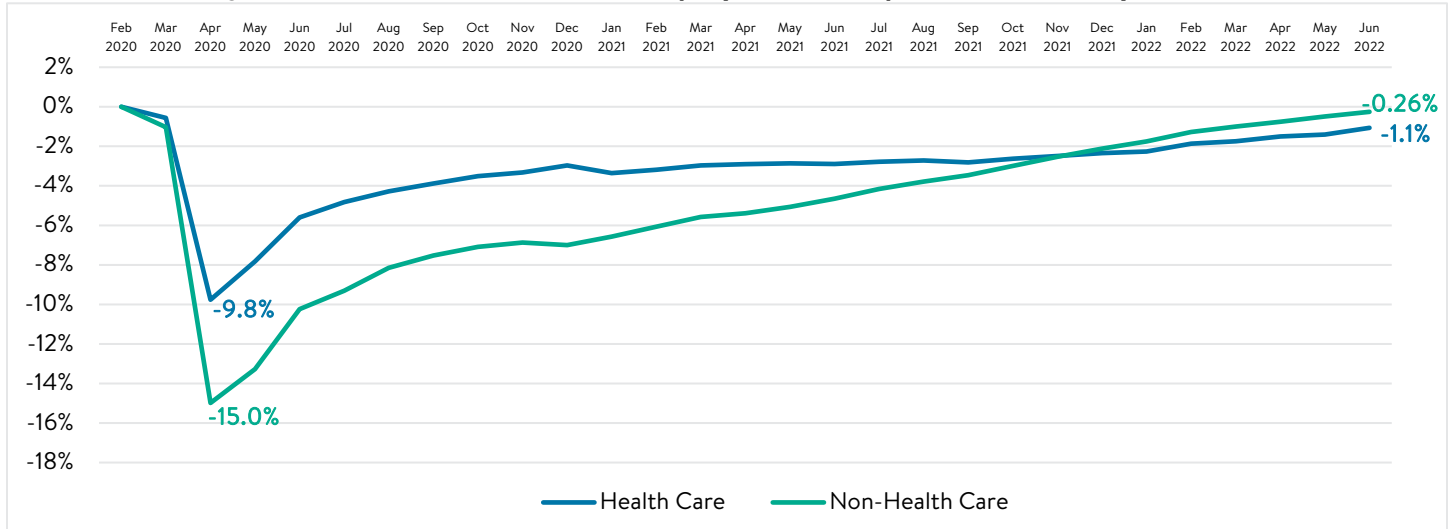
Exhibit 3. Change in Average Earnings, Year over Year





More than two years since the start of the pandemic, total nonfarm employment is less than half a percent (0.34%) below where it was in February 2020. Health care jobs are 1.1% below the pre-pandemic peak while non-health jobs are 0.26% below the peak (Exhibit 4).

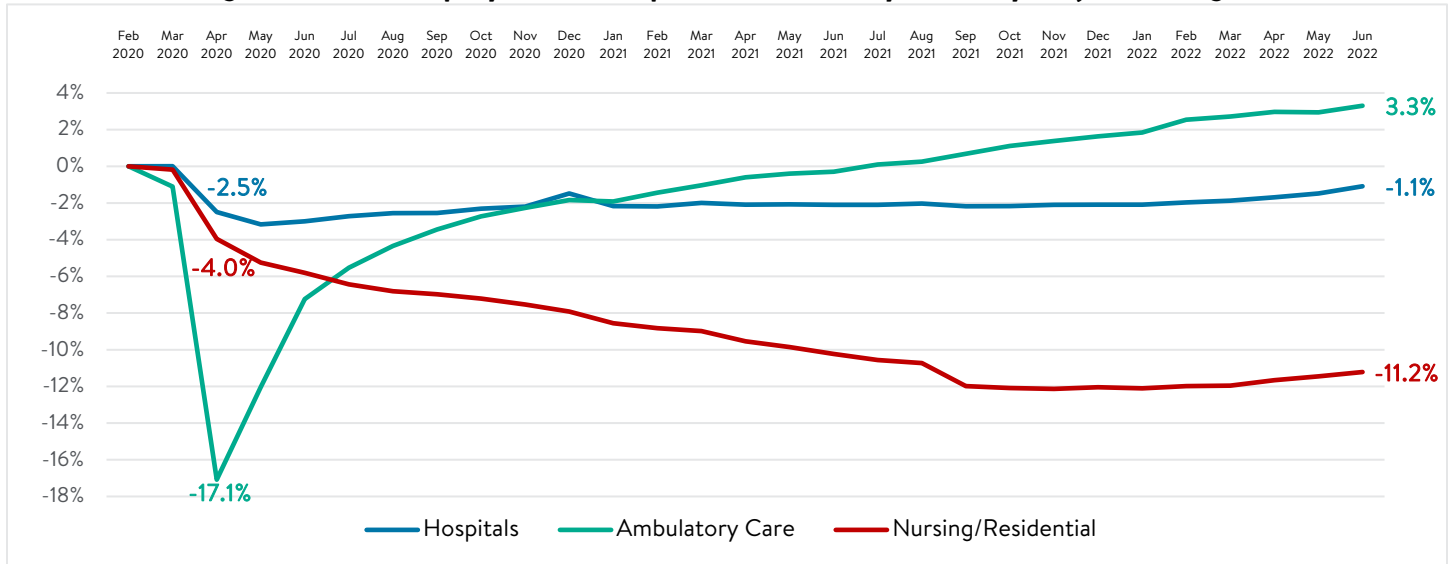
Exhibit 4. Change in Health and Non-Health Employment Compared to February 2020



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

There are important differences in trends by setting of care. Employment in ambulatory care settings has grown steadily since falling sharply early in the pandemic and is now 260,400 jobs (3.3%) above the level of February 2020 (Exhibit 5). Hospital employment remains 57,000 jobs (1.1%) below the level of February 2020, while nursing and residential care employment is 379,000 jobs (11.2%) below the level of February 2020. About 60% of the drop in nursing and residential care employment is in nursing homes, which have lost 229,000 jobs, while 40% is in other nursing and residential care, which has dropped 150,000 jobs.

Exhibit 5. Change in Health Employment Compared to February 2020 by Major Setting of Care



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



DETAILED HEALTH CARE EMPLOYMENT

Exhibit 6. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	June 2022	May 2022	June 2021	June 2020	February 2020
Non-Health Care	135,665	135,350	129,686	122,093	136,014
Health Care	16,315	16,258	16,013	15,568	16,491
Ambulatory Health Care Services	8,138	8,110	7,855	7,308	7,878
Offices of Physicians	2,821	2,815	2,732	2,569	2,728
Offices of Dentists	1,027	1,023	993	881	994
Offices of Other Health Care Practitioners	1,075	1,071	1,003	886	1,004
Outpatient Care Centers	1,020	1,015	996	945	997
Medical and Diagnostic Labs	315	314	306	271	287
Home Health Care Services	1,564	1,555	1,513	1,458	1,549
Other Ambulatory	317	317	312	298	319
Hospitals	5,179	5,158	5,126	5,079	5,236
Nursing and Residential Care Facilities	2,998	2,990	3,032	3,181	3,377
Nursing Care Facilities	1,356	1,351	1,376	1,490	1,585
Other Nursing and Residential	1,642	1,640	1,656	1,691	1,792
Health Share of Employment	10.73%	10.72%	10.99%	11.31%	10.81%

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

Exhibit 7. Change in Employment Data by Sector, Seasonally Adjusted

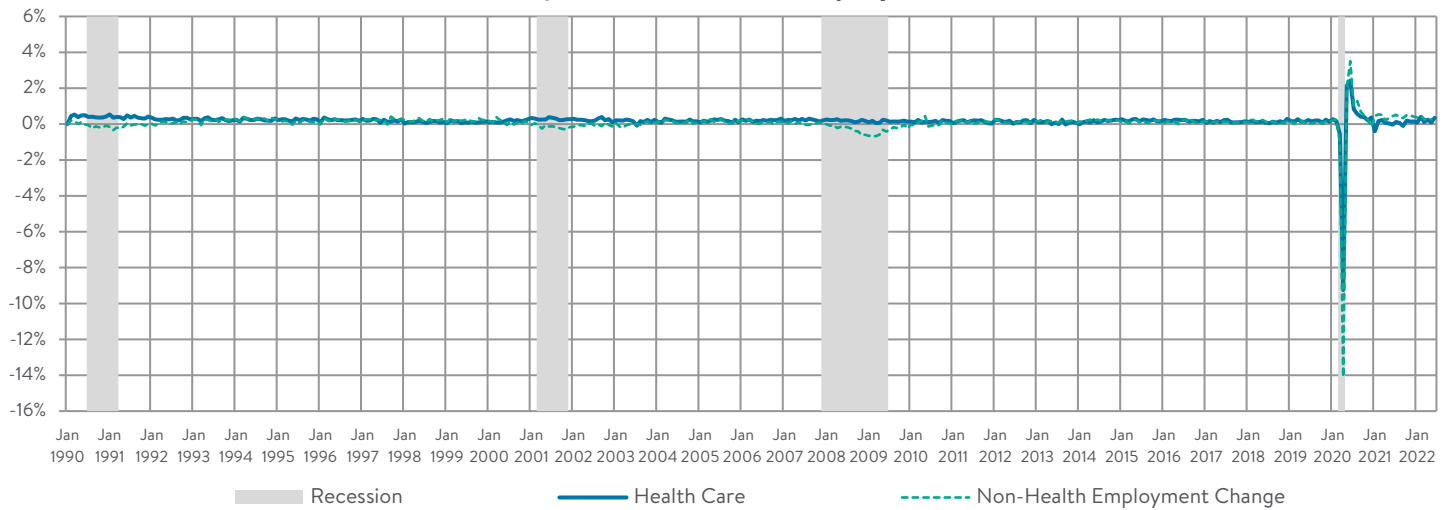
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	315.3	5,979.6	13,572.6	-348.4
Health Care	56.7	302.4	747.4	-175.6
Ambulatory Health Care Services	28.2	283.1	830.4	260.3
Offices of Physicians	5.8	88.6	251.5	93.3
Offices of Dentists	3.4	33.2	145.6	32.3
Offices of Other Health Care Practitioners	3.7	71.5	188.7	70.3
Outpatient Care Centers	5.0	24.6	75.7	23.1
Medical and Diagnostic Labs	1.3	9.7	44.2	28.0
Home Health Care Services	9.0	50.1	105.9	15.0
Other Ambulatory	0.0	5.3	18.8	-1.6
Hospitals	20.5	52.7	99.8	-57.1
Nursing and Residential Care Facilities	8.0	-33.4	-182.8	-378.8
Nursing Care Facilities	5.4	-20.3	-134.0	-228.8
Other Nursing and Residential	2.6	-13.1	-48.8	-150.0
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	2.8%	4.6%	5.4%	-0.1%
Health Care	4.3%	1.9%	2.4%	-0.5%
Ambulatory Health Care Services	4.3%	3.6%	5.5%	1.4%
Offices of Physicians	2.5%	3.2%	4.8%	1.5%
Offices of Dentists	4.1%	3.3%	7.9%	1.4%
Offices of Other Health Care Practitioners	4.2%	7.1%	10.1%	2.9%
Outpatient Care Centers	6.1%	2.5%	3.9%	1.0%
Medical and Diagnostic Labs	5.1%	3.2%	7.8%	4.1%
Home Health Care Services	7.2%	3.3%	3.6%	0.4%
Other Ambulatory	0.0%	1.7%	3.1%	-0.2%
Hospitals	4.9%	1.0%	1.0%	-0.5%
Nursing and Residential Care Facilities	3.3%	-1.1%	-2.9%	-5.0%
Nursing Care Facilities	4.9%	-1.5%	-4.6%	-6.5%
Other Nursing and Residential	1.9%	-0.8%	-1.5%	-3.7%

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



TIME SERIES TRACKER

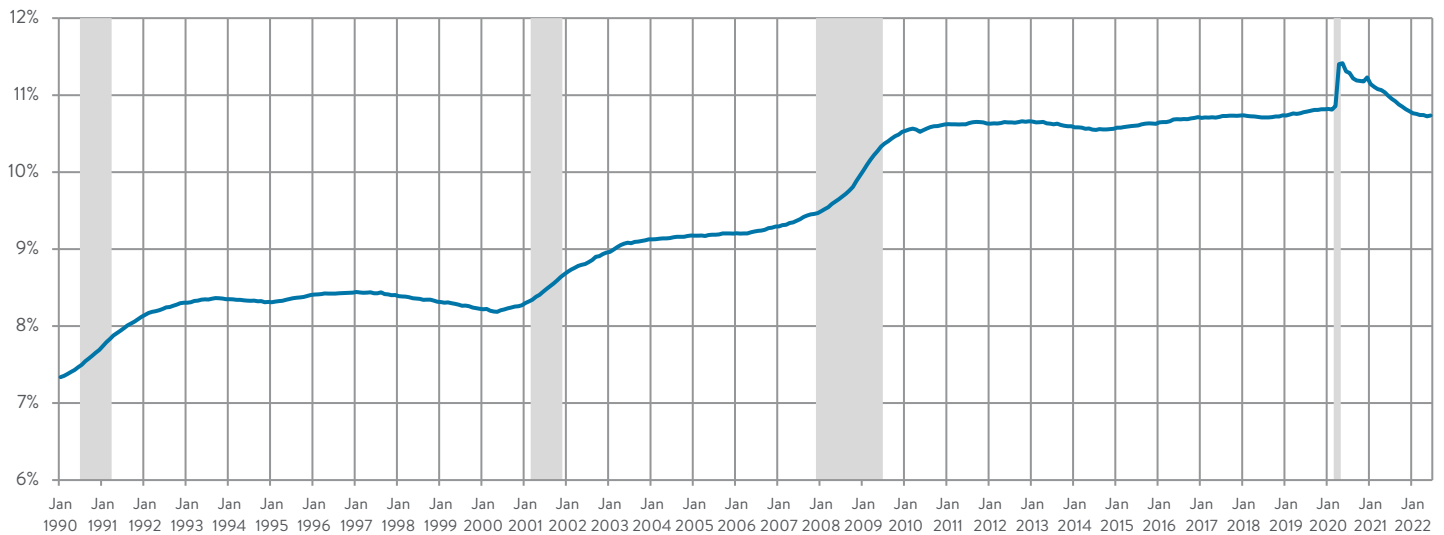
Exhibit 8. Twelve-month Percent Change in Health Care Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

Exhibit 9. Health Care Share of Total Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.