

February 18, 2022

## 2022 begins with modest health employment growth following a familiar pattern

### HIGHLIGHTS

- ▲ Health care employment grew modestly in January 2022, adding 18,000 jobs. As we saw through 2021, most of the growth was in ambulatory care settings, which added 14,700 jobs, while hospitals added 3,400 jobs and nursing and residential care settings were flat (-100 jobs).
- ▲ The annual benchmark revisions to the BLS Current Employment Statistics survey, the source of most of the figures in this brief, did not substantially change the story of recovery from the pandemic-induced drop in employment that has varied by setting of care. Revisions added 52,000 jobs to the health employment total, which remains 378,000 jobs, or 2.3% below the level of February 2020, the pre-pandemic peak.
- ▲ By setting, revisions added 56,000 jobs to the estimate of ambulatory care employment, now at 1.7% above the pre-pandemic level. Revisions lowered the hospital employment estimate by 14,000 jobs; this setting remains 2% below the pre-pandemic peak. Finally, revisions added 9,500 jobs to nursing and residential care employment, but these settings are still down 409,000 jobs, or 12.1% since February 2020.
- ▲ The economy added 449,000 jobs in January 2022, surpassing consensus expectations. About 93% of the 20.5 million-job drop in employment seen early in the pandemic has been regained, with a remaining deficit of 2.87 million jobs compared to February 2020. The unemployment rate ticked up slightly to 4.0%.

### Cyclical Employment Big Picture

Seasonally Adjusted	February 2020 (peak)	Jan 2021	Dec 2021	Jan 2022
Total Employment (000)	152,504	143,017	149,162	149,629
Non-Health Employment (000)	136,014	127,080	133,068	133,517
Health Employment (000)	16,491	15,937	16,094	16,112
Health Share of Total Employment	10.81%	11.14%	10.79%	10.77%
Unemployment Rate	3.5%	6.3%	3.9%	4.0%

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.

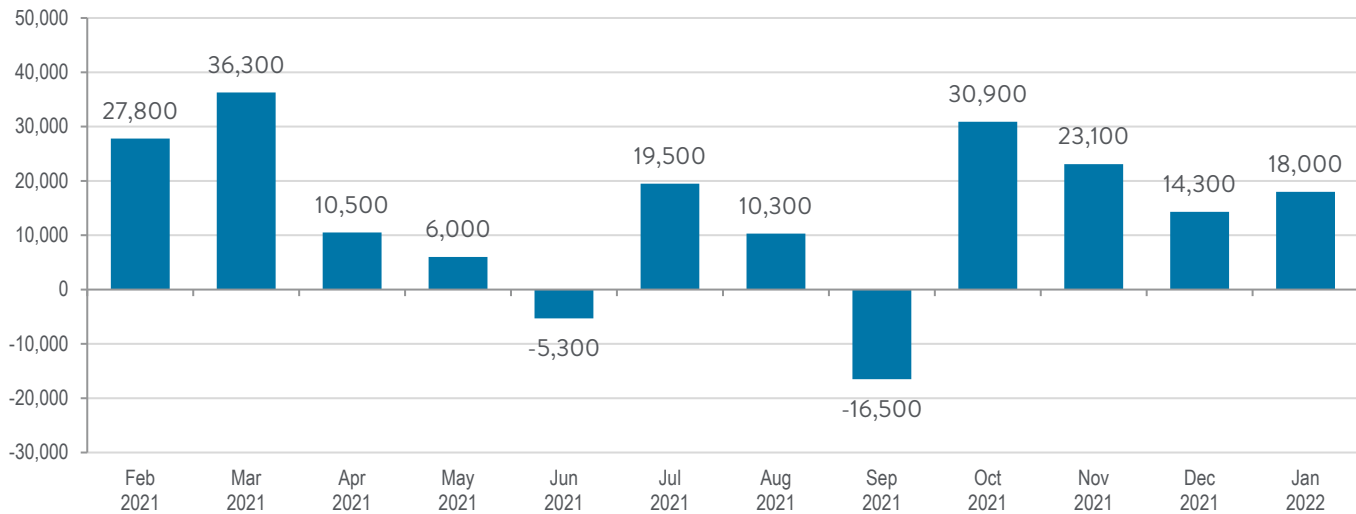
*The Health Sector Economic Indicators<sup>SM</sup>* (HSEI) reports are a monthly publication of Altarum providing analyses of health spending, employment, and prices. For more information, contact Ani Turner at [ani.turner@altarum.org](mailto:ani.turner@altarum.org). Ani Turner (principal author), Corwin Rhyan, George Miller, PhD, and Matt Daly, PhD, contributed to this brief. We thank Paul Hughes-Cromwick, who originated the concept of these reports and provided inspired leadership of the work from its inception. Media Contact: [press@altarum.org](mailto:press@altarum.org). For more information, visit <http://altarum.org/solution/health-sector-spending>.



## DISCUSSION

Health care employment grew modestly in January 2022, adding 18,000 jobs (Exhibit 1). Revisions to November and December 2021 and annual BLS benchmark revisions going back through 2017 changed the pattern of health jobs growth in 2021 slightly but did not significantly change the story over this period. After revisions, health care added 93,000 jobs in 2021, with ambulatory care settings adding 265,000 jobs, hospitals ending the year down 31,000 jobs, and residential care settings down 142,000 jobs. These figures are very similar to preliminary findings we reported last month, with the main difference being slightly more job growth in ambulatory settings.

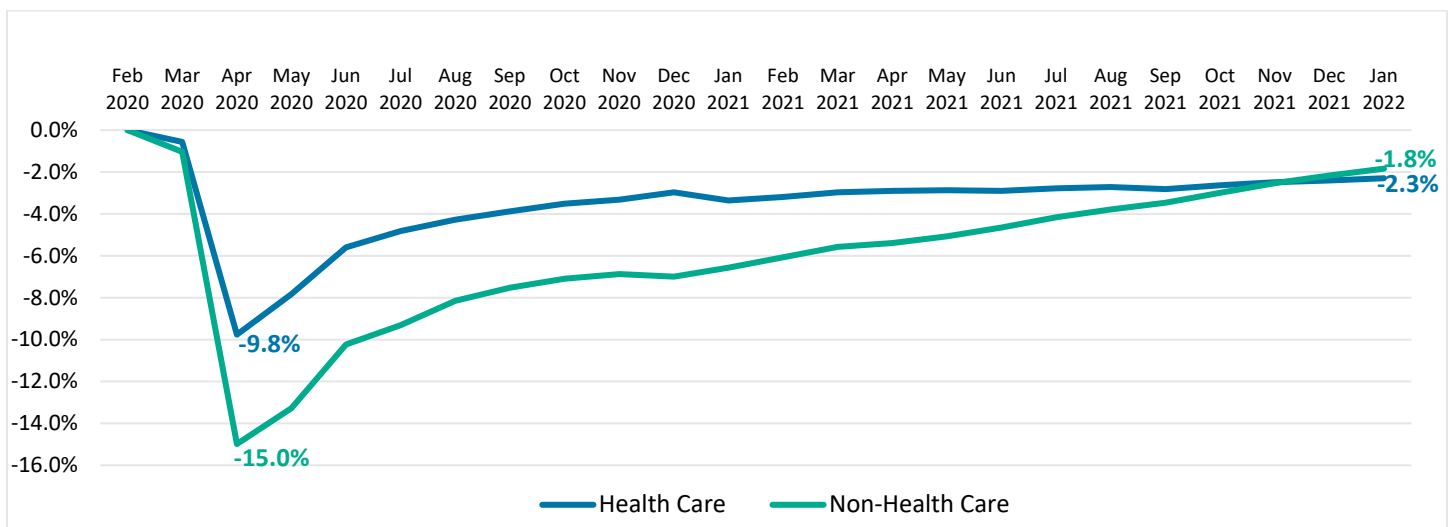
### Exhibit 1. Month-over-month Change in Health Care Employment, Seasonally Adjusted



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

Monthly data show the overall economy adding a robust 449,000 jobs, surpassing consensus expectations, especially with the anticipated impacts of the omicron variant surge. Job recovery outside health care has been faster in 2021 and 2022 than in health care (Exhibit 2), with non-health jobs now 1.8% below the level of February 2020, while jobs in health care are 2.3% below the February 2020 level.

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

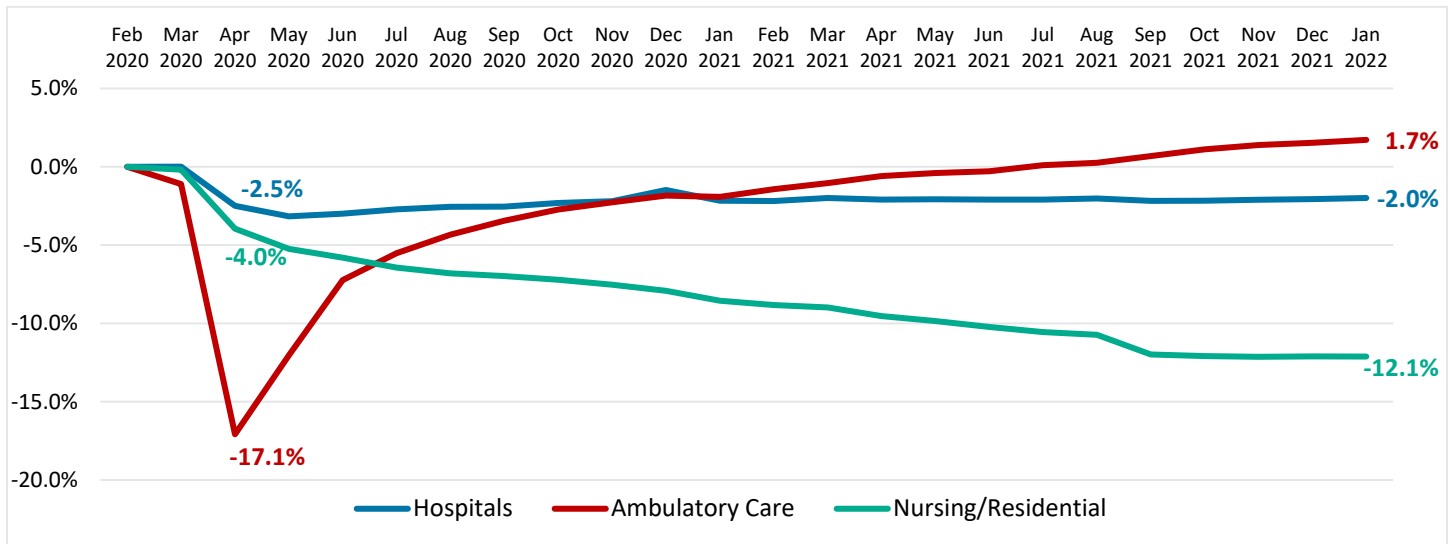


Source: Altarum analysis of monthly BLS Current Employment Statistics data.



Of course, as we have emphasized in the past, within health care, the story varies quite a bit by setting of care (Exhibit 3). Since falling steeply in spring 2020, ambulatory care employment has grown steadily and is now 135,000 jobs (1.7%) above the level of February 2020. Hospital employment is recovering slowly and remains 105,000 jobs (2.0%) below the level of February 2020, while nursing and residential care employment is the main driver of slow health employment recovery and remains 409,000 jobs (12.1%) below the level of February 2020.

**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.



## DETAILED HEALTH CARE EMPLOYMENT

### Exhibit 4. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	January 2022	December 2021	January 2021	January 2020	February 2020
Non-Health Care	133,517	133,068	127,080	135,667	136,014
Health Care	16,112	16,094	15,937	16,462	16,491
Ambulatory Health Care Services	8,013	7,998	7,727	7,854	7,878
Offices of Physicians	2,787	2,778	2,693	2,720	2,728
Offices of Dentists	1,019	1,015	972	990	994
Offices of Other Health Care Practitioners	1,052	1,050	976	999	1,004
Outpatient Care Centers	1,008	1,008	980	997	997
Medical and Diagnostic Labs	310	310	297	288	287
Home Health Care Services	1,522	1,524	1,502	1,540	1,549
Other Ambulatory	315	313	308	320	319
Hospitals	5,131	5,128	5,122	5,229	5,236
Nursing and Residential Care Facilities	2,968	2,968	3,088	3,379	3,377
Nursing Care Facilities	1,347	1,345	1,417	1,585	1,585
Other Nursing and Residential	1,621	1,623	1,672	1,794	1,792
Health Share of Employment	10.77%	10.79%	11.14%	10.82%	10.81%

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

### Exhibit 5. Change in Employment Data by Sector, Seasonally Adjusted

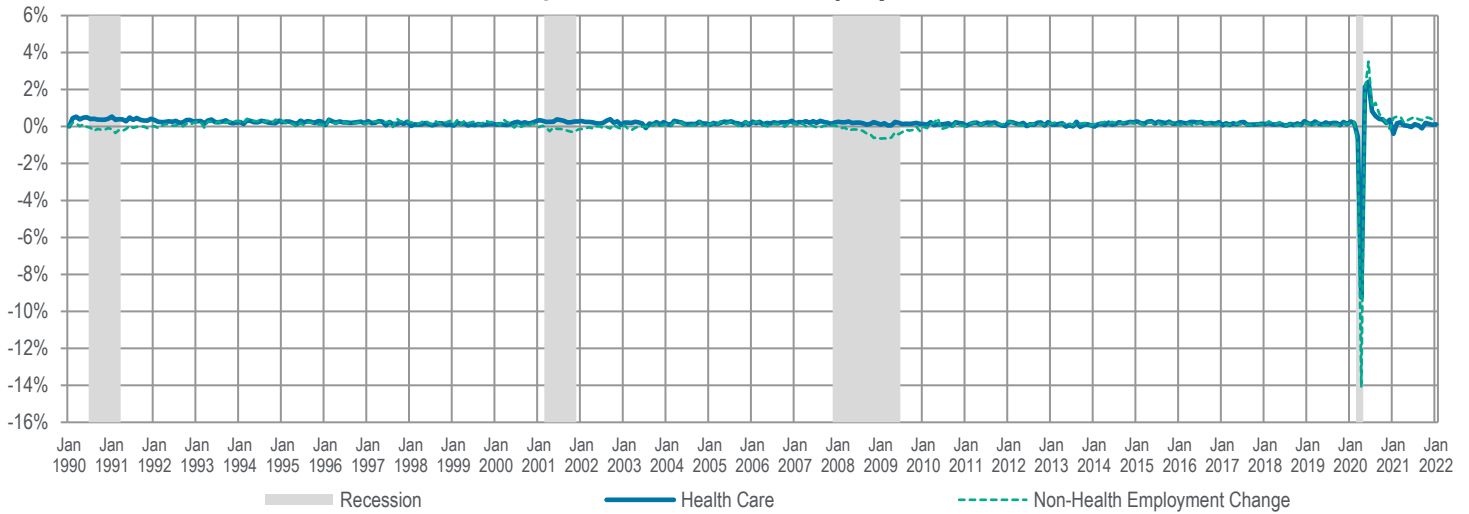
Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	449.0	6,437.1	-2,149.6	-2,496.6
Health Care	18.0	174.9	-349.4	-378.4
Ambulatory Health Care Services	14.7	286.5	159.3	135.3
Offices of Physicians	9.7	94.9	67.6	59.8
Offices of Dentists	3.7	47.2	28.9	24.9
Offices of Other Health Care Practitioners	1.5	76.2	53.1	47.5
Outpatient Care Centers	0.2	28.3	10.5	10.7
Medical and Diagnostic Labs	-0.2	12.8	21.8	22.8
Home Health Care Services	-1.7	20.6	-17.7	-26.3
Other Ambulatory	1.3	6.5	-4.9	-4.0
Hospitals	3.4	8.7	-98.1	-104.6
Nursing and Residential Care Facilities	-0.1	-120.3	-410.6	-409.1
Nursing Care Facilities	2.1	-69.5	-237.9	-237.6
Other Nursing and Residential	-2.2	-50.8	-172.7	-171.5
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	4.1%	5.1%	-0.8%	-1.0%
Health Care	1.4%	1.1%	-1.1%	-1.2%
Ambulatory Health Care Services	2.2%	3.7%	1.0%	0.9%
Offices of Physicians	4.3%	3.5%	1.2%	1.1%
Offices of Dentists	4.5%	4.9%	1.4%	1.3%
Offices of Other Health Care Practitioners	1.7%	7.8%	2.6%	2.4%
Outpatient Care Centers	0.2%	2.9%	0.5%	0.6%
Medical and Diagnostic Labs	-0.8%	4.3%	3.7%	4.1%
Home Health Care Services	-1.3%	1.4%	-0.6%	-0.9%
Other Ambulatory	5.1%	2.1%	-0.8%	-0.7%
Hospitals	0.8%	0.2%	-0.9%	-1.0%
Nursing and Residential Care Facilities	0.0%	-3.9%	-6.3%	-6.5%
Nursing Care Facilities	1.9%	-4.9%	-7.8%	-8.1%
Other Nursing and Residential	-1.6%	-3.0%	-4.9%	-5.1%

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



## TIME SERIES TRACKER

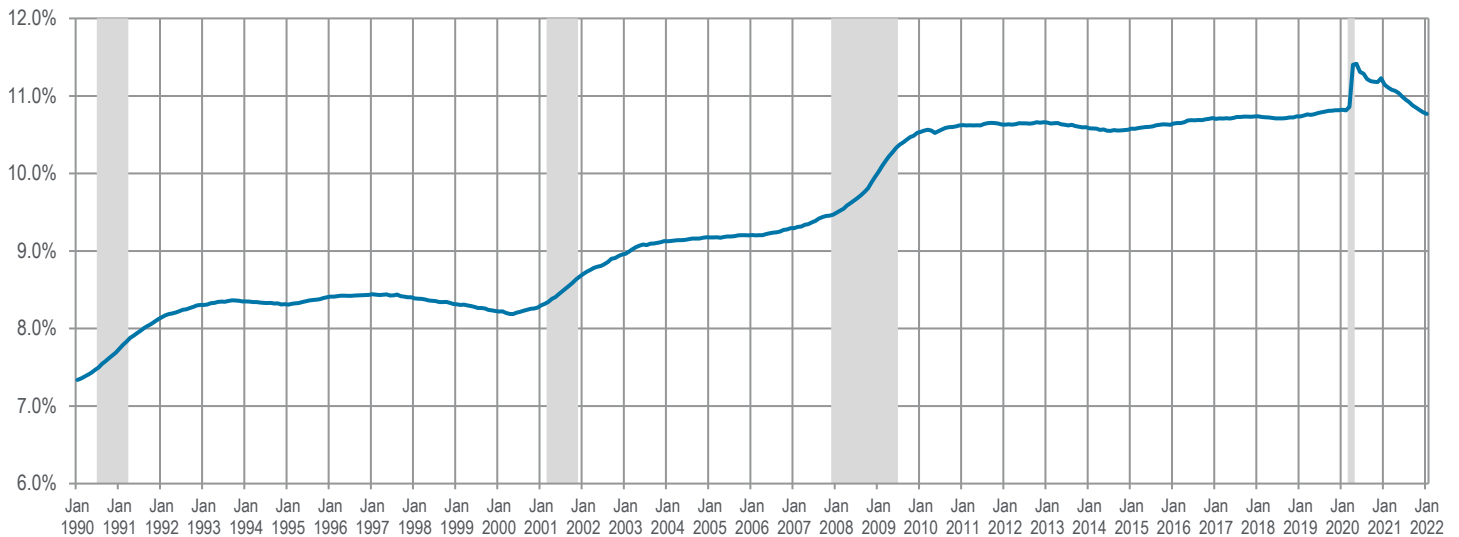
**Exhibit 6. Twelve-month Percent Change in Health Care Employment**



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.

**Exhibit 7. Health Care Share of Total Employment**



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.