

May 25, 2023

Growth rates of GDP and national health spending are converging

HIGHLIGHTS

- ▲ In March 2023, national health spending grew by 5.4%, year over year, and now represents 17.3% of GDP.
- ▲ Nominal GDP in March 2023 was 6.4% higher than in March 2022, and grew one percentage point faster than health spending, as the growth rates in GDP and health spending have begun to converge.
- ▲ Neglecting government subsidies, spending on personal health care increased by 7.7%, year over year, and by 7.2% when subsidies are included, exceeding March's GDP growth rate.
- ▲ Neglecting government subsidies, spending on nursing home care (12.1%) grew fastest in March, while physician and clinical services spending increased the least (5.0%).

National Health Spending and GDP*

	Mar 2021	Mar 2022	Feb 2023	Mar 2023
GDP	22.69	24.97	26.44	26.56
National Health Spending (HS)	4.22	4.37	4.57	4.60
HS Share of GDP	18.6%	17.5%	17.3%	17.3%
HS Share of PGDP	18.3%	17.3%	17.1%	17.1%
Growth from Prior 12 Months				
HS	15.1%	3.5%	5.2%	5.4%
GDP	8.7%	10.0%	6.9%	6.4%
HS minus GDP	6.4%	-6.5%	-1.7%	-1.0%
HS minus PGDP	10.5%	-5.7%	-2.3%	-1.2%

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 Rhyon, 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

In March 2023, national health spending grew by 5.4%, year over year, reaching a seasonally adjusted annual rate of \$4.60 trillion. Health spending in March accounted for 17.3% of GDP. While the GDP growth rate continues to outpace the growth in health spending, the two rates have been converging for the past 4 months, and now differ by just 1.0 percentage point. As discussed below, growth in spending on personal health care in March (spending on health care goods and services, including federal government subsidies) was 7.2%, year over year, exceeding the GDP growth rate.

Exhibit 1. Year-over-Year Growth in GDP and Health Spending, and Spending as a Percent of GDP

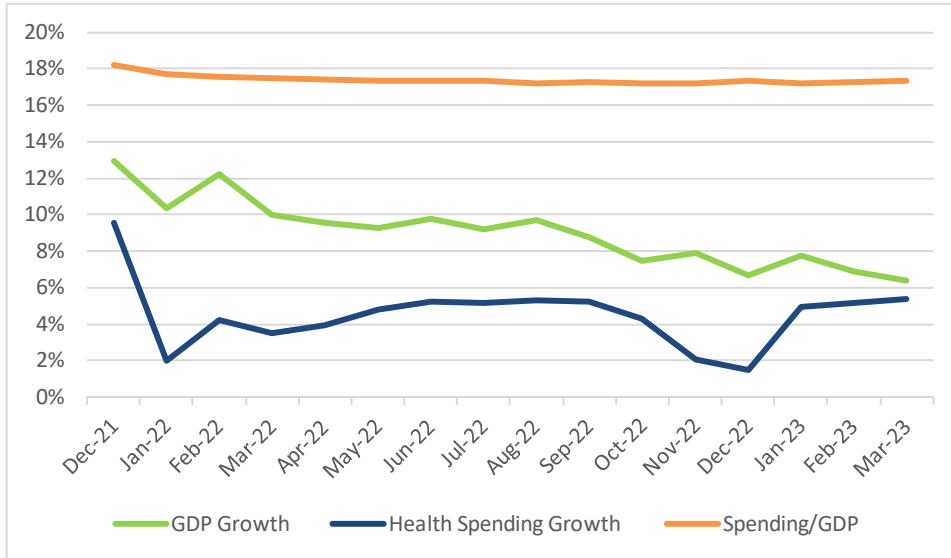


Exhibit 2 shows the trajectory of growth in national health spending and GDP since the start of 2020 through March 2023 with and without COVID-related federal government support to providers and public health activities. This support has declined significantly in recent months. National health spending in March 2023 was 14.8% higher than its pre-pandemic (January 2020) level, while GDP over the same period grew by 22.0%.

Exhibit 2. Percent Change in National Health Spending and GDP Since January 2020

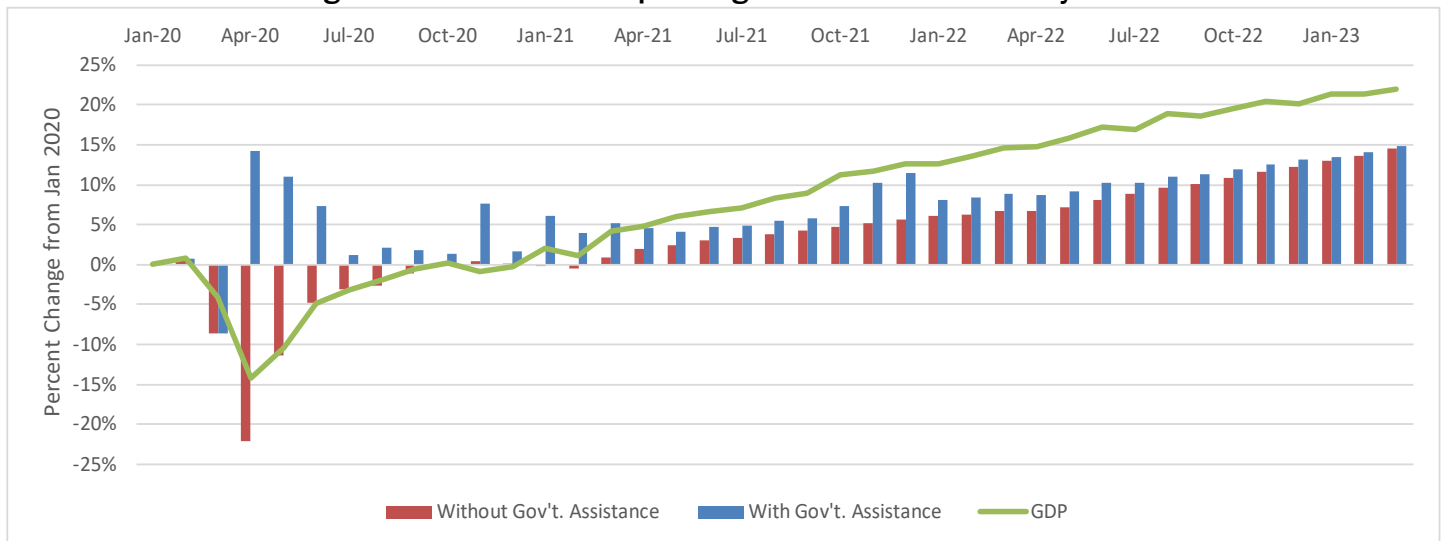


Exhibit 3 displays the growth in spending by major categories within personal health care over the past year without the impact of the decline in federal government support. Overall, personal health care spending growth since March 2022 was 7.7% without government assistance and 7.2% with government support, as government subsidies to providers were smaller in the past year than earlier in the pandemic. Excluding such support, spending in the past year on nursing home care grew the fastest, at 12.1%, followed by spending on prescription drugs (9.9%) and home health care (9.2%). Spending on physician and clinical services grew the slowest, at 5.0%.

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

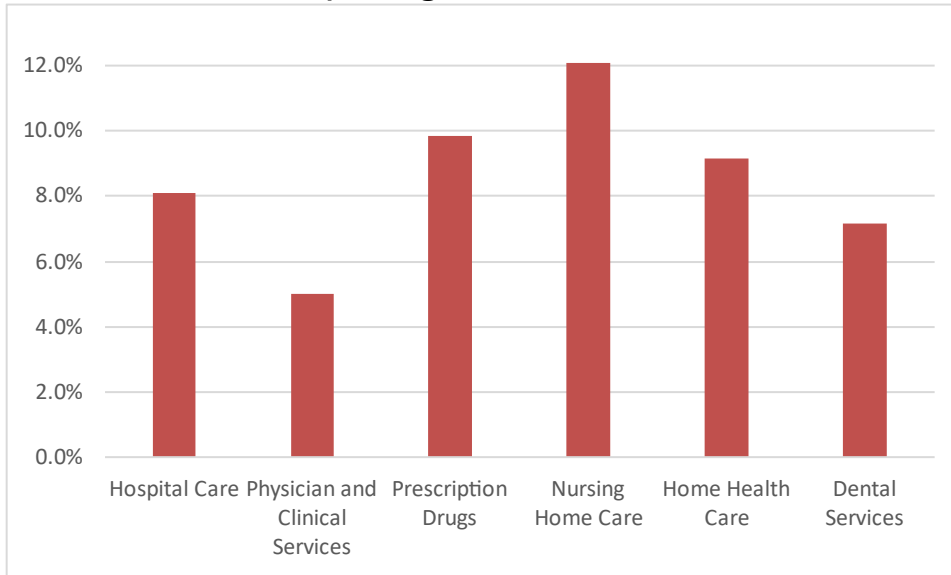
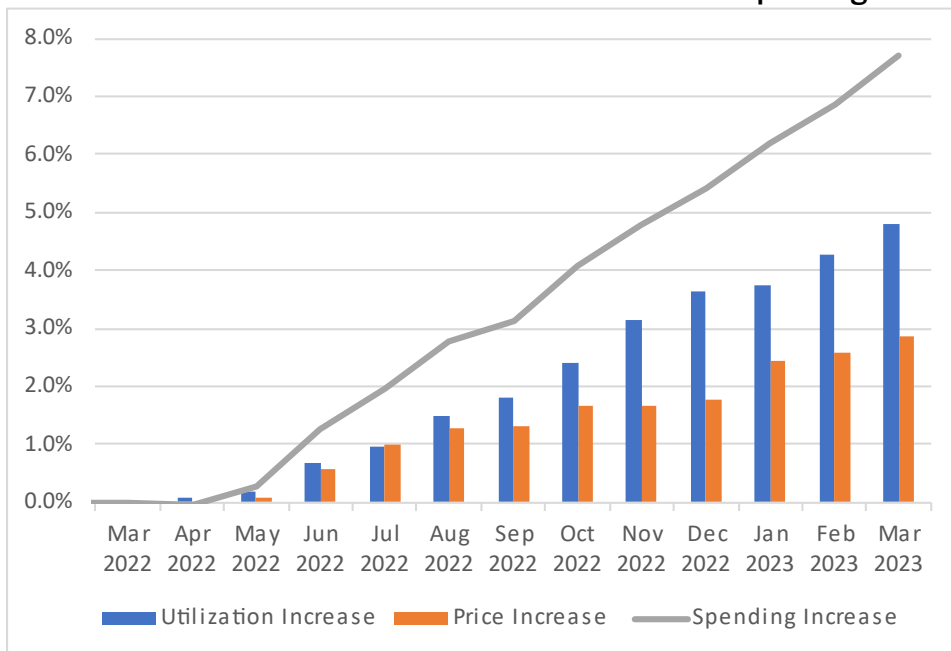


Exhibit 4 shows how spending on personal health care (without government subsidies) has grown over the past year (since March 2022) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth continues to be driven largely by utilization growth through March 2023: Of the 7.7% growth in personal health care spending during this period, 2.9 percentage points can be attributed to price growth, while the remaining 4.8 percentage point growth was associated with increases in utilization. (The latter rate was 4.3 percentage points if government subsidies are included, for an overall growth in personal health care spending of 7.2%.)

Exhibit 4. Cumulative Growth in Personal Health Care Spending without Government Assistance



Two new data sources will likely result in revisions to the data reported in this spending brief. On May 19, the U.S. Census Bureau released its latest [Advance Quarterly Services Report](#), which indicates that spending on health care services grew by 9.5%, year over year, in the first quarter of 2023. The U.S. Bureau of Economic Analysis, which provides much of the data we incorporate into our spending briefs, uses data from this report to estimate spending on health care services. This higher growth rate than we have been reporting might result in upward revisions to our spending estimates. In addition, we anticipate release of CMS' National Health Expenditure Projections in June. Subsequent versions of this spending brief will be updated to incorporate the projections for the year 2022.

DETAILED HEALTH SPENDING

Exhibit 5. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	Mar 2020	Mar 2021	Mar 2022	Mar 2023
GDP	\$20,885.1	\$22,694.9	\$24,967.3	\$26,561.6
National Health Spending	\$3,665.5	\$4,217.5	\$4,365.8	\$4,601.4
Personal health care	\$3,016.5	\$3,510.0	\$3,632.6	\$3,894.4
Hospital care	\$1,041.0	\$1,298.8	\$1,346.6	\$1,445.2
Physician and clinical services	\$753.3	\$865.2	\$873.4	\$913.4
Other professional services	\$98.7	\$123.5	\$130.8	\$142.3
Dental services	\$119.0	\$160.4	\$169.3	\$180.8
Other personal health care	\$199.3	\$222.8	\$226.4	\$237.4
Home health care	\$112.1	\$121.9	\$127.6	\$138.7
Nursing home care	\$185.8	\$178.1	\$190.8	\$212.9
Prescription Drugs	\$368.6	\$372.1	\$396.8	\$435.9
Durable medical equipment	\$51.5	\$68.2	\$70.2	\$79.4
Nondurable medical products	\$87.4	\$98.8	\$100.8	\$108.4
Program administration and net cost of private health insurance	\$339.5	\$316.4	\$309.3	\$325.2
Government public health activities	\$117.1	\$188.8	\$205.7	\$150.2
Research	\$59.5	\$60.7	\$64.5	\$68.0
Structures and equipment	\$132.8	\$141.6	\$153.7	\$163.6
HS Share of GDP	17.6%	18.6%	17.5%	17.3%
HS Share of PGDP	16.6%	18.3%	17.3%	17.1%

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

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

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

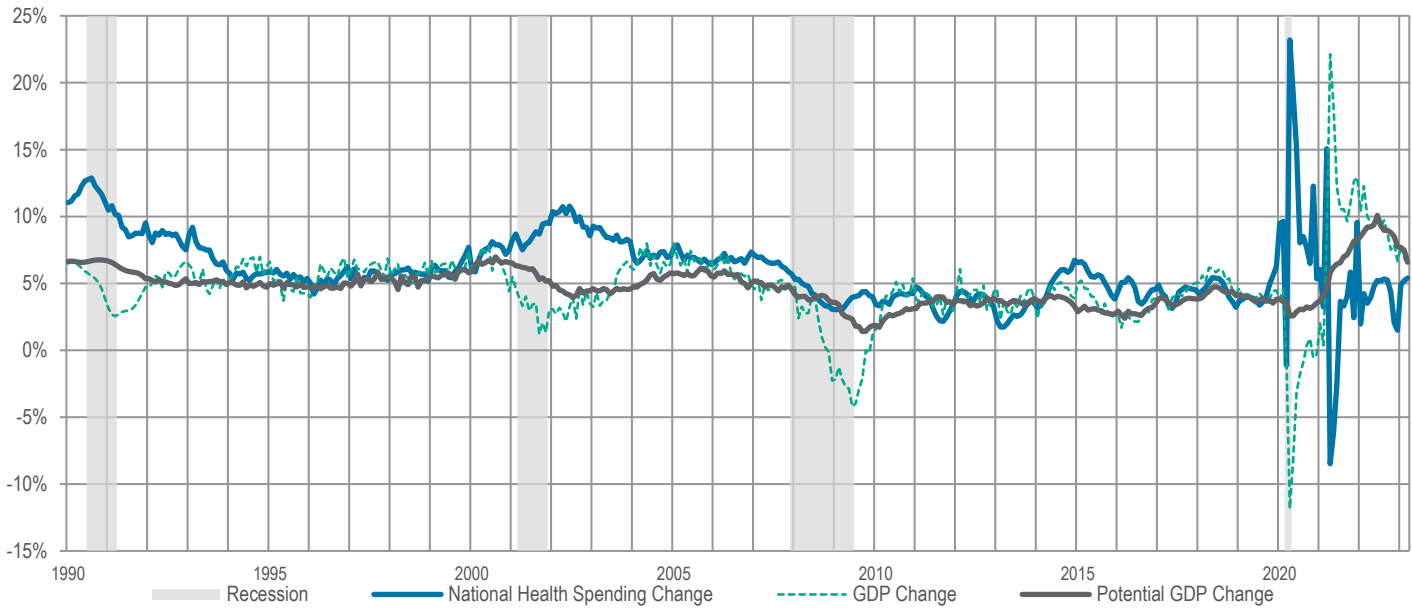
Growth Rates	Mar 2021	Mar 2022	Mar 2023
GDP	8.7%	10.0%	6.4%
National Health Spending	15.1%	3.5%	5.4%
Personal health care	16.4%	3.5%	7.2%
Hospital care	24.8%	3.7%	7.3%
Physician and clinical services	14.9%	0.9%	4.6%
Other professional services	25.2%	5.9%	8.8%
Dental services	34.8%	5.6%	6.8%
Other personal health care	11.8%	1.6%	4.8%
Home health care	8.8%	4.6%	8.7%
Nursing home care	-4.1%	7.1%	11.6%
Prescription Drugs	1.0%	6.7%	9.9%
Durable medical equipment	32.6%	2.8%	13.2%
Nondurable medical products	13.1%	1.9%	7.5%
Program administration and net cost of private health insurance	-6.8%	-2.2%	5.1%
Government public health activities	61.2%	9.0%	-27.0%
Research	2.1%	6.2%	5.5%
Structures and equipment	6.6%	8.5%	6.5%
HS Minus GDP	6.4%	-6.5%	-1.0%
HS Minus PGDP	10.5%	-5.7%	-1.2%

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

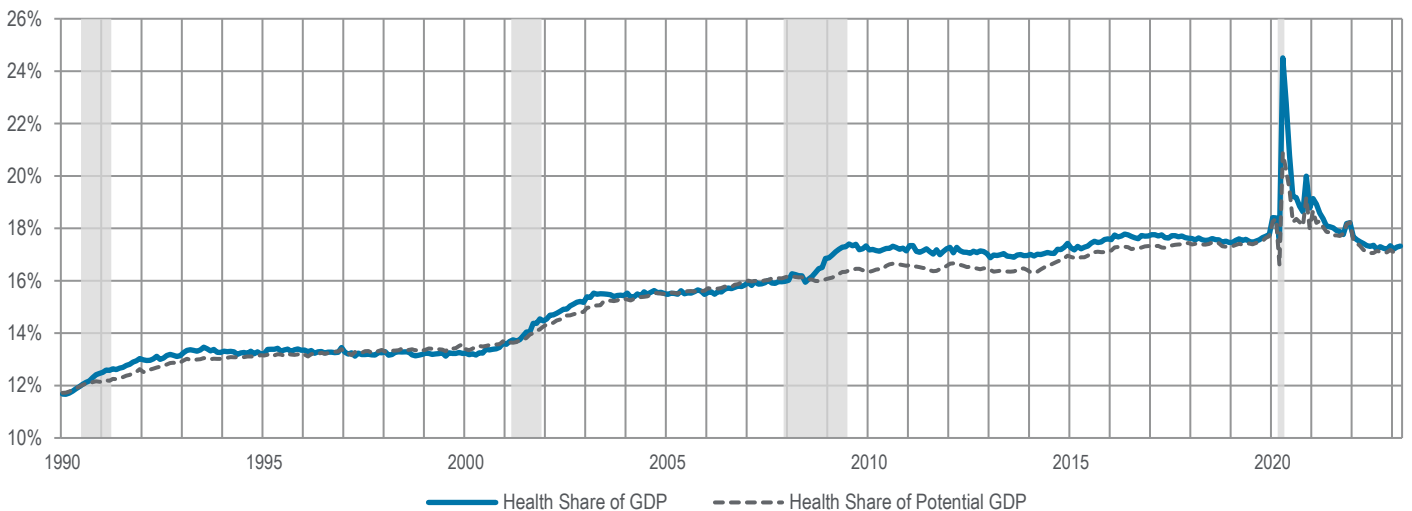
Exhibit 7. Year-over-Year Percentage Change in Spending and GDP



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

Note: Lightly shaded bars denote recession periods.

Exhibit 8. 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 \(1990–2021\) and projections \(2022 and 2023\)](#). 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 and ensure that monthly estimates sum exactly to NHEA annual amounts. The 2021 ratios are used to adjust BEA spending for months in 2022 and 2023.

May 25, 2023

Health care price growth accelerates in April amid slowing overall inflation

HIGHLIGHTS

- ▲ The overall Health Care Price Index (HCPI) increased by 3.4% year over year in April, up 0.5 percentage points from the revised 2.9% growth rate observed in March.
- ▲ The 3.4% year over year growth rate is the fastest overall health care price growth since December 2007. Month-over-month HCPI growth is also up (0.4% between March and April), implying an even faster annualized rate of 4.5% growth last month.
- ▲ Prices for health care services paid for by private insurance increased by 4.1% in April (up from the revised 3.6% growth in March), while Medicare prices increased 1.1% year over year and Medicaid prices increased 4.9%.
- ▲ Economywide inflation slowed again in April, as overall CPI growth fell from 5.0% to 4.9% and PPI price growth fell from 2.7% to 2.3%.
- ▲ Among the major health care categories, prices for nursing home care (7.1%) and dental care (7.1%) grew fastest, while physician and clinical services (0.7%) price growth was the slowest.
- ▲ Our implicit measure of health care utilization growth increased again, up 4.3% year over year in March and the fastest increase seen in over a year.

	April 2021	April 2022	March 2023	April 2023
Health Care Price Index (HCPI)	2.7%	1.9%	2.9%	3.4%
GDP Deflator (GDPD)	4.0%	7.3%	4.7%	**
HCPI - GDPD	-1.4%	-5.4%	-1.8%	**
Addendum				
Personal health care spending	-3.0%	3.5%	7.2%	**
Health care utilization	-5.6%	1.6%	4.3%	**
Medical Consumer Price Index (MCPI)	1.5%	3.2%	1.5%	1.1%
Consumer Price Index, all items (CPI)	4.2%	8.3%	5.0%	4.9%
Producer Price Index, Final Demand (PPI)	6.5%	11.2%	2.7%	2.3%

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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DISCUSSION

The overall health care price index (HCPI) increased by 3.4% year over year in April, up from 2.9% growth in March (Exhibit 1). March's growth was slightly revised downward in the new data, changing from the previously reported 3.1% year-over-year growth last month. April's price growth is notably faster than a year prior (1.9%) and is the fastest overall HCPI growth seen in our series since December 2007. HCPI growth in April not only increased, but also appears to be accelerating based on the new data, as its growth rate is 0.5 percentage points higher than a month ago, compared to an average change in prices of 0.1 percentage points over the past year.

The increase in overall HCPI this month is driven by jumps in price growth across all three major payers (Medicare, Medicaid, and private insurance). For hospital services, private price increases continue to exceed those of the public payers in April, as prices increased 6.1% year over year in April, significantly faster than Medicare (2.5%) and Medicaid price growth (1.2%) (Exhibit 7). Overall, across all health care services, Medicaid price growth was actually the fastest (4.9%) in April, followed by private price growth (4.1%), and Medicare growth (1.1%) (Exhibit 6). While the increase in private payer price growth was expected, the increase from last month of Medicaid and Medicare price growth for services was a bit of a surprise. The increase in Medicaid prices is likely at least partly attributable to the increased prices for nursing home care in April (7.1%) (Exhibit 2) for which Medicaid is often the primary payer.

This increasing health care price growth comes as overall economywide inflation has fallen somewhat. Overall inflation, as measured by the CPI and PPI, remains above average, but has fallen over the past six months. CPI growth fell to 4.9% in April, while PPI fell even further to 2.3%. PPI growth is now below its historical long-term average for the first time in over two years as economywide inflation continues to moderate.

Among major health care categories in April, the fastest growth occurred for nursing home and dental care (rising 7.1% each) (Exhibit 2). Hospital prices growth, while a somewhat slower rate (3.4%), jumped noticeably from March's value (2.5%), and we will monitor this trend closely going forward. Physician and clinical services prices remain the slowest growing major category—increasing only 0.7% year over year—marking the fifteenth straight month of below 1.0% price growth for this component (Exhibit 3). Last month's measure of physician price growth was also revised downward noticeably, from 0.9% to 0.5%.

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

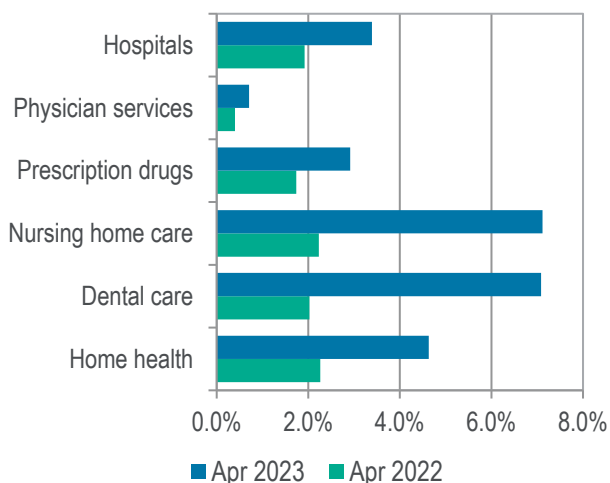
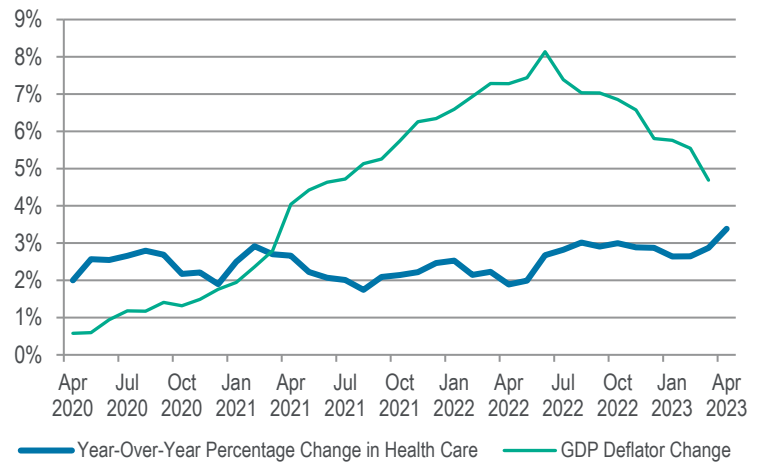


Exhibit 1. Year-over-Year Growth in HCPI & GDPD



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

Our implicit measure of overall health care utilization (total spending growth net of health care price inflation) increased in March by 4.3% year over year (Exhibit 9), continuing the steady increase in the use of health care products and services so far in 2023. Among the major categories, utilization growth from last month increased at the fastest rates for prescription drugs (7.2%), home health care (5.6%), and hospital care (4.8%). Going forward this year we expect our implicit measure of utilization will continue to remain positive and may increase for most categories. As noted in the [spending brief](#), data in the [Q1 Quarterly Services Survey](#) may pull final health spending totals even higher once incorporated and data from [CBO Monthly Budget Reviews](#) indicate FY 2023 spending for Medicare and Medicaid are on track to increase by over 15% and 7% respectively this year so far.

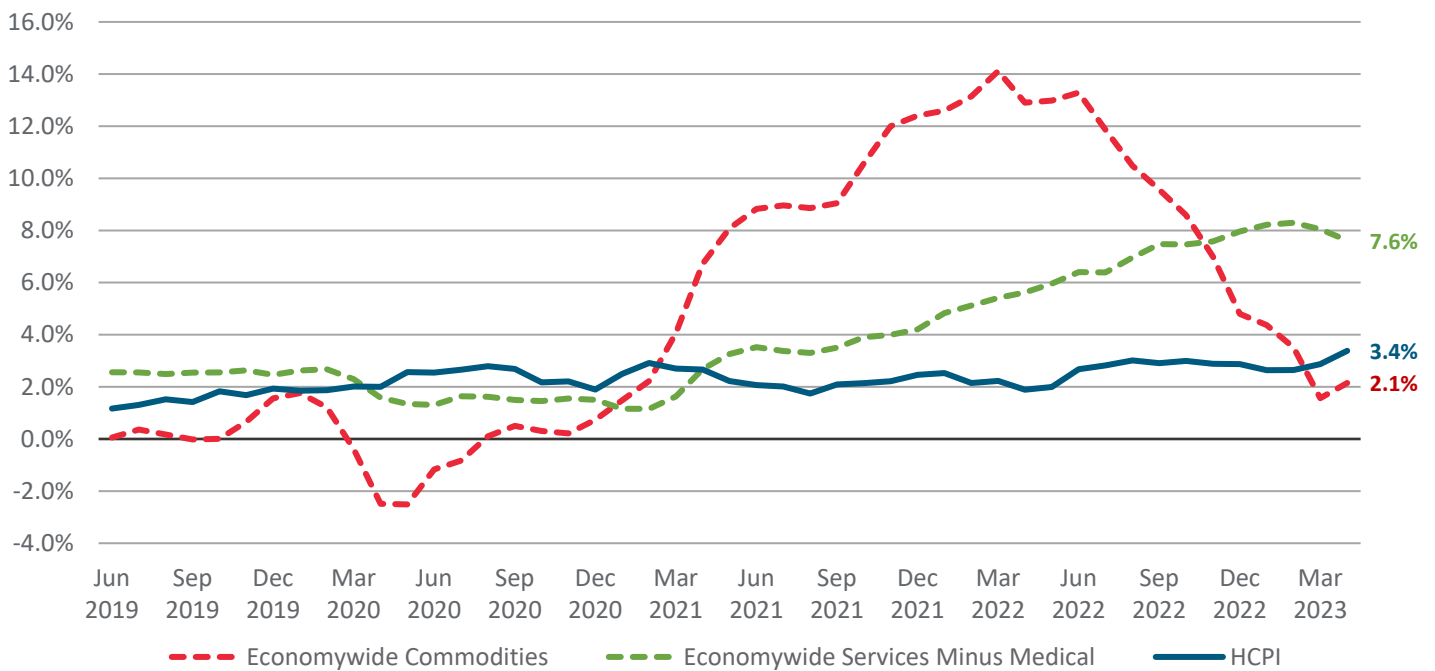
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending April 2021	Ending April 2022	Ending April 2023
Health Care Price Index (HCPI)	2.7%	1.9%	3.4%
Hospital care	3.9%	1.9%	3.4%
Physician and clinical services	3.7%	0.4%	0.7%
Prescription drugs	-1.9%	1.7%	2.9%
Nursing home care	1.7%	2.2%	7.1%
Dental Services	2.4%	2.0%	7.1%
Home health care	2.5%	2.3%	4.6%
Other professional services	2.6%	4.1%	0.3%
Other personal health care	5.5%	4.0%	5.1%
Other nondurable medical products	-0.6%	3.0%	5.5%
Durable medical equipment	-2.4%	2.9%	5.3%

Source: Altarum analysis of monthly BLS data.

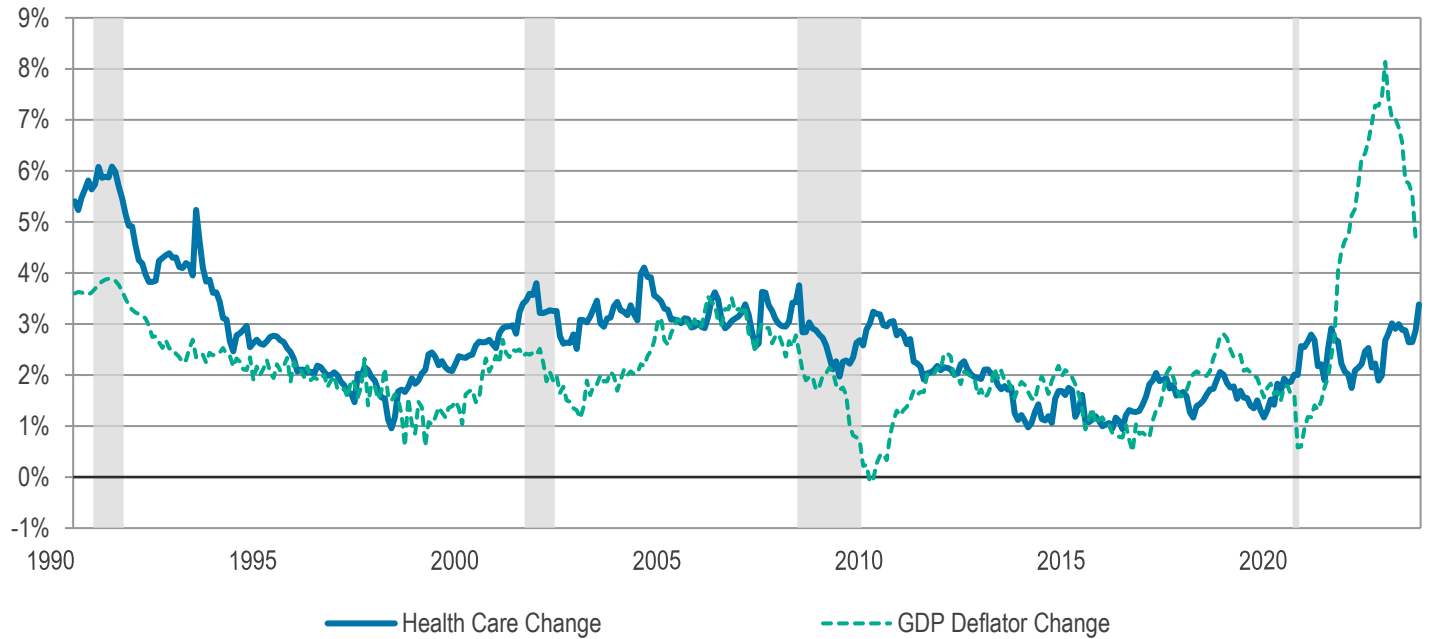
Exhibit 4. Year-over-Year Percentage Change in Health Prices Compared with Economywide Commodities vs. Economywide Services



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.

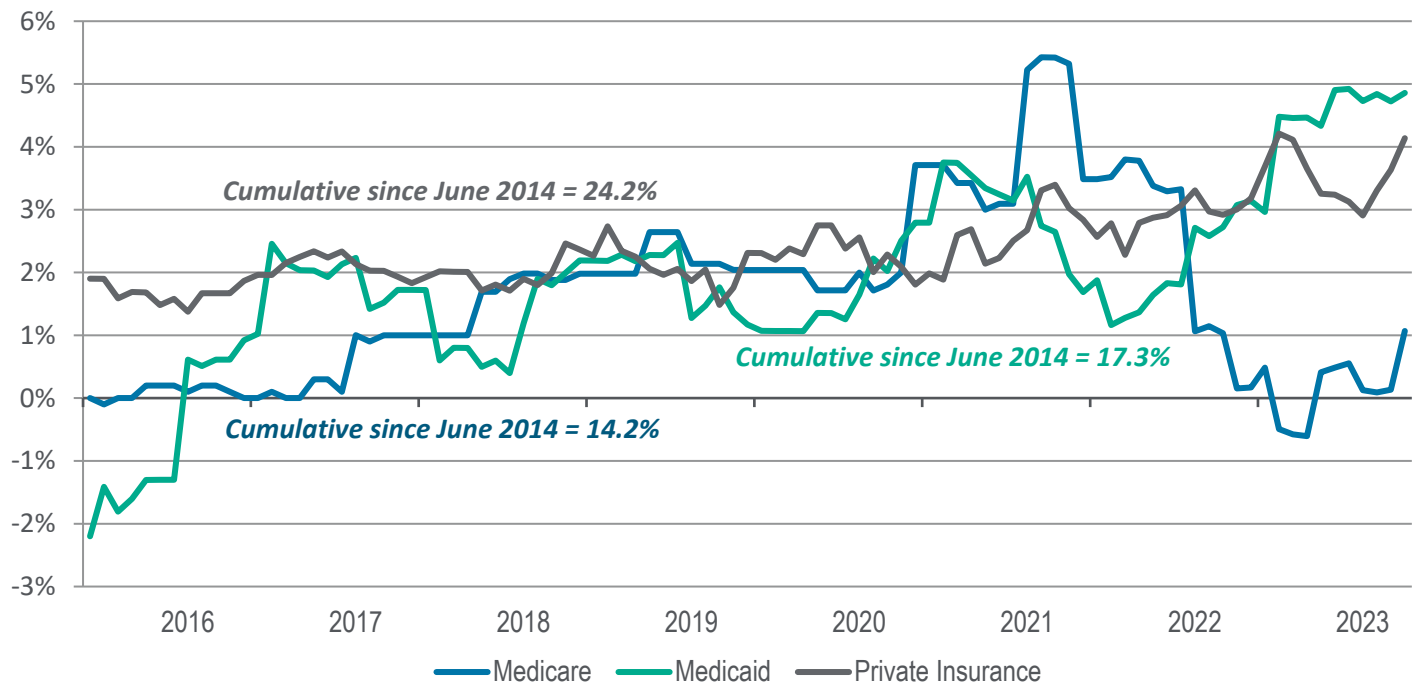
TIME SERIES TRACKER

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



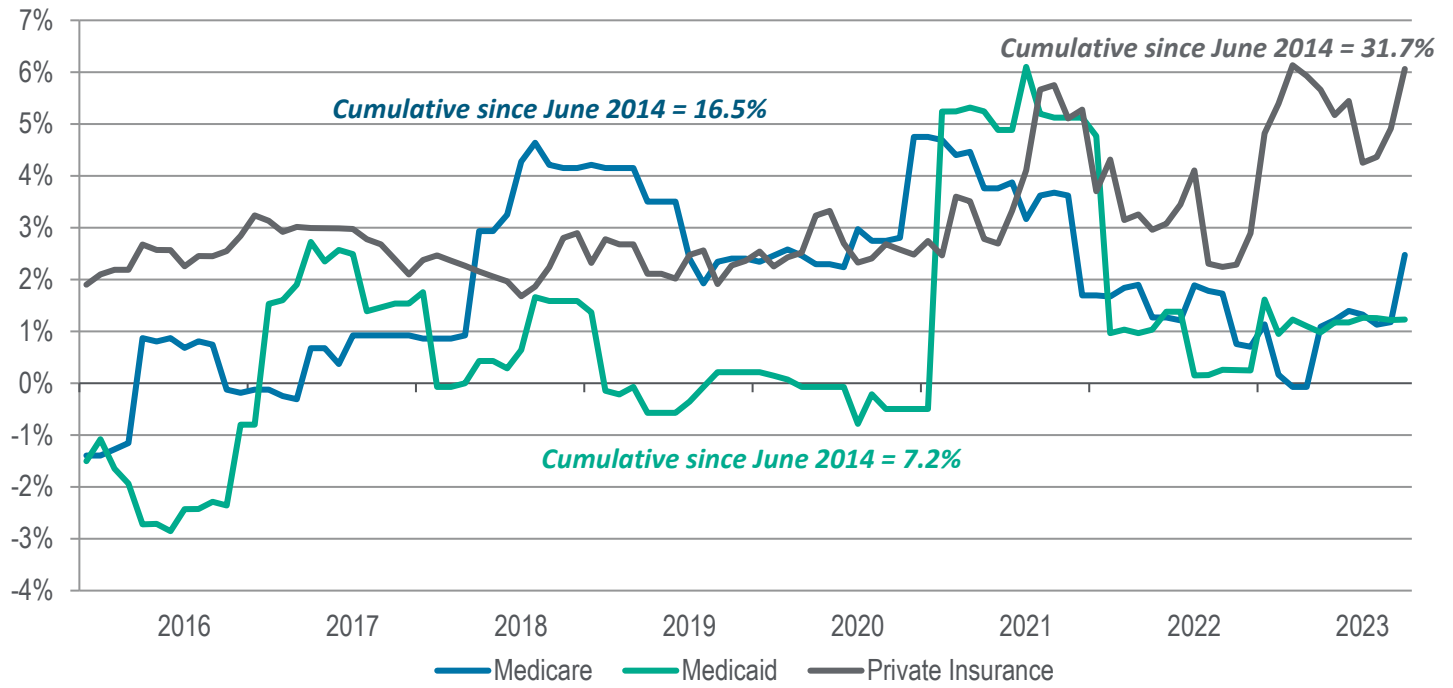
Source: Altarum monthly national health spending and price index estimates.
Note: Lightly shaded bars denote recession periods. (The [2020 recession timing](#) was announced by NBER on July 19th, 2021)

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



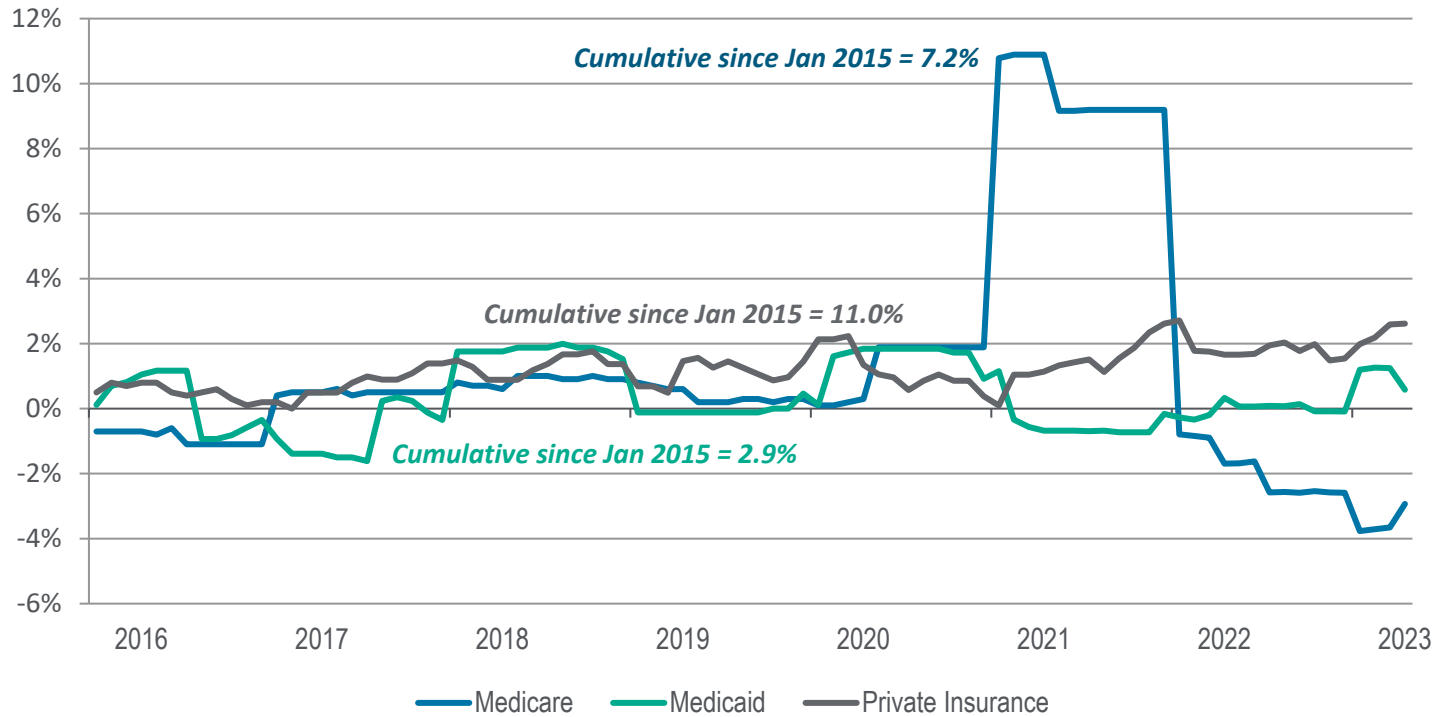
Source: Altarum analysis of monthly BLS data.

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



Source: Altarum analysis of monthly BLS data.

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



Source: Altarum analysis of monthly BLS data.

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

	March 2023	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.3%	4.2%	2.4%
Hospital care	4.8%	4.4%	1.7%
Physician and clinical services	4.1%	3.9%	2.8%
Prescription drugs	7.2%	6.8%	5.8%
Nursing home care	4.5%	5.0%	5.5%
Dental Services	0.0%	1.3%	1.4%
Home health care	5.6%	6.2%	4.2%
Other professional services	9.0%	8.1%	0.8%
Other personal health care	-0.6%	-0.9%	-0.8%
Other nondurable medical products	2.9%	2.8%	1.4%
Durable medical equipment	8.0%	8.6%	5.0%

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.

May 25, 2023

Health care adds about 40,000 jobs in April, consistent with Q1 2023 pace

HIGHLIGHTS

- ▲ Health care added 39,600 jobs in April 2023, very similar to job growth in March (31,200 new jobs) and February (36,500 new jobs) and consistent with the first quarter (Q1) 2023 average of 40,600 jobs per month.
- ▲ More than 60 percent of April health care job growth was seen in ambulatory care settings, which added 24,200 jobs. Hospitals also added 6,600 jobs and nursing and residential care facilities added 8,800 jobs.
- ▲ The economy added 253,000 jobs in April, comparable to the average 295,000 jobs per months added in Q1 2023. The unemployment rate dipped for the second month in a row to 3.4%.
- ▲ Wages in health care were growing well above the economywide average from mid-2021 through mid-2022, but health wage growth began declining in fall 2022 and fell below economywide wage growth in December 2022. Health care and economywide wage growth converged in March 2023 at 4.3% year over year.
- ▲ Wage growth in health care varies by setting of care, with growth in nursing and residential care remaining above other health care settings at 4.8% year over year in March 2023. Wages grew by 4.5% year over year in hospitals. Wage growth in ambulatory care settings remains below the other two major health care settings but has ticked up slightly over the past few months, from 3.6% in January 2023 to 4.1% in March 2023.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Apr 2022	Mar 2023	Apr 2023
Total Employment (000)	152,371	151,678	155,420	155,673
Non-Health Employment (000)	135,890	135,523	138,707	138,920
Health Employment (000)	16,481	16,155	16,713	16,753
Health Share of Total Employment	10.82%	10.65%	10.75%	10.76%
Unemployment Rate	3.5%	3.6%	3.5%	3.4%

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

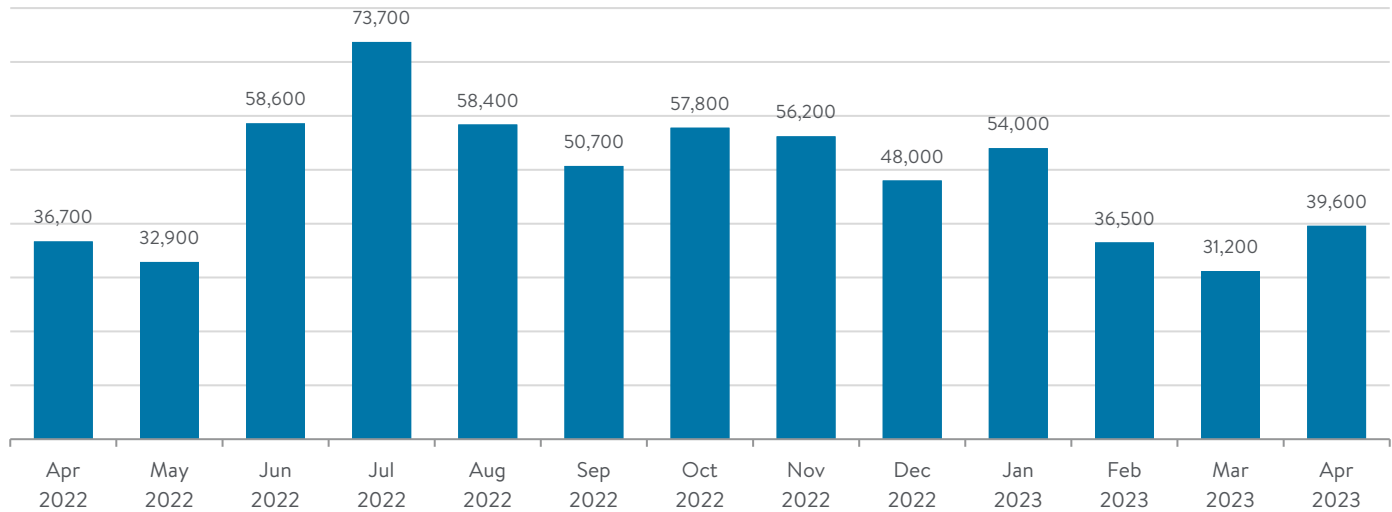
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DISCUSSION

Health care employment grew by 39,600 jobs in April 2023, close to the previous two months and to the average 40,600 jobs added in Q1 2023, but lower than the average 58,000 jobs added per month in the second half of 2022 (Exhibit 1).

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



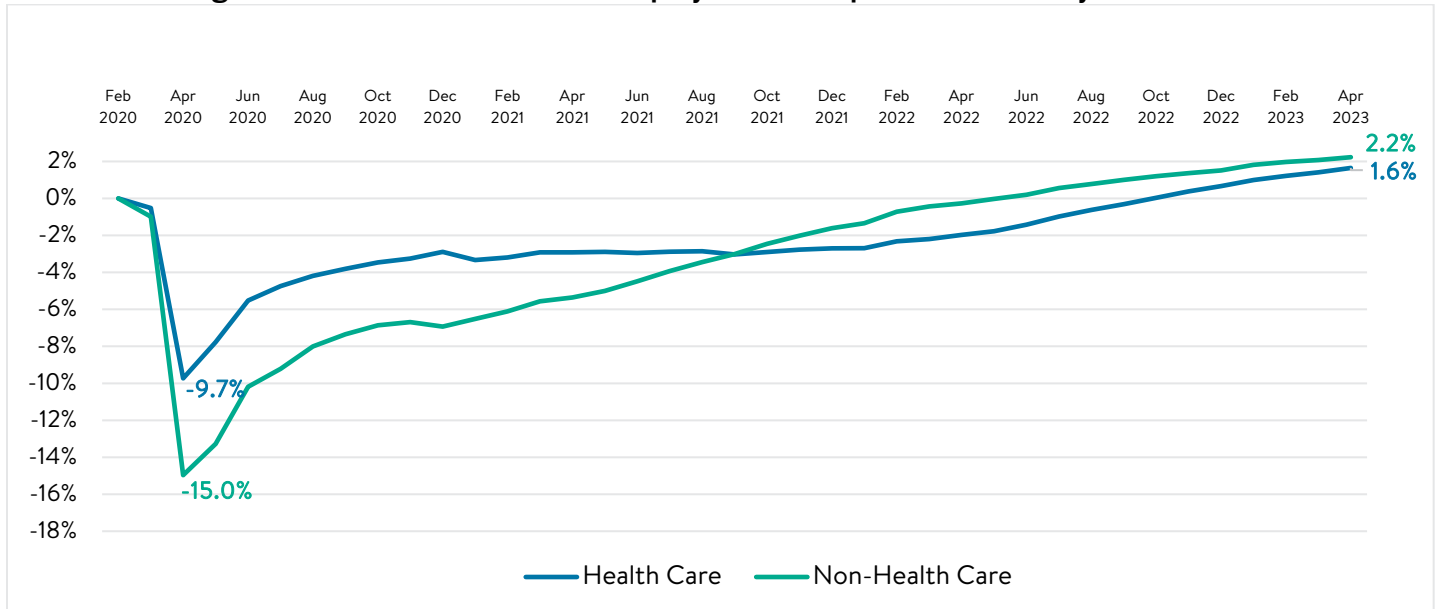
Source: Altarum analysis of monthly BLS Current Employment Statistics data.

More than 60 percent of health care job growth in April was seen in ambulatory care settings, which added 24,200 jobs, somewhat above the Q1 2023 average of 17,600 jobs per month. Ambulatory care job growth in April was led by physician offices, which added 12,200 jobs (Exhibit 7).

Hospitals added 6,600 jobs in April, just below the Q1 2023 average of 8,500 jobs per month. Nursing and residential care facilities added 8,800 jobs, somewhat below the Q1 2023 average 14,500 jobs per month. Both nursing homes (+2,600 jobs in April) and other nursing and residential care facilities (+6,200 jobs in April) have shown positive job growth since April 2022.

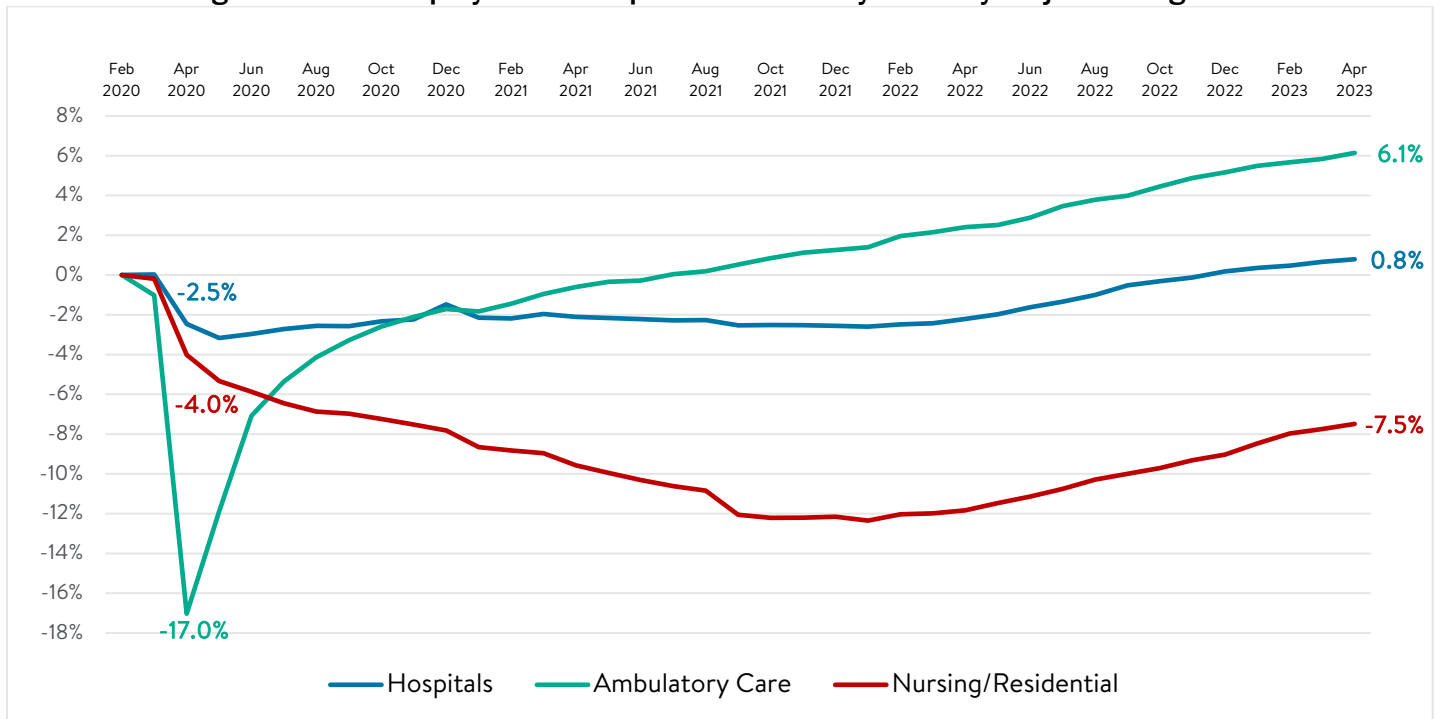
Health care employment is 271,000 jobs, or 1.6%, above where it was about three years ago before the pandemic began (February 2020) (Exhibit 2). Hospital employment is just above where it was (41,500 or 0.8% above), ambulatory care settings are well above (483,000 or 6.1% above), and nursing and residential care employment, while growing steadily now, remains 253,000 or 7.5% below where it was prior to the pandemic (Exhibit 3).

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



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

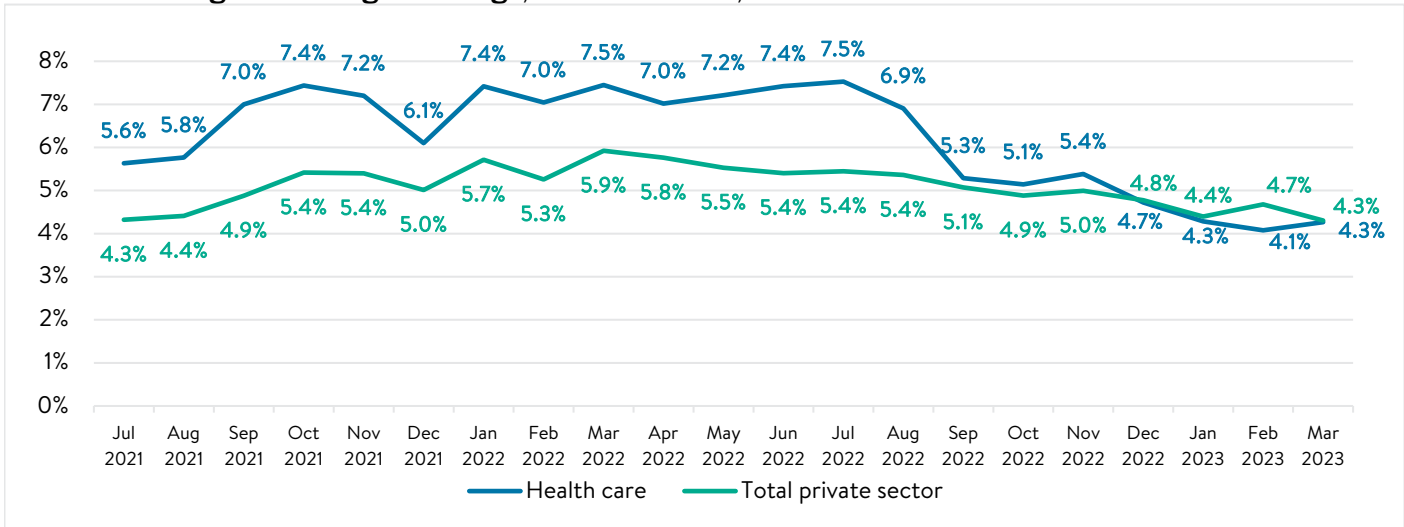
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



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

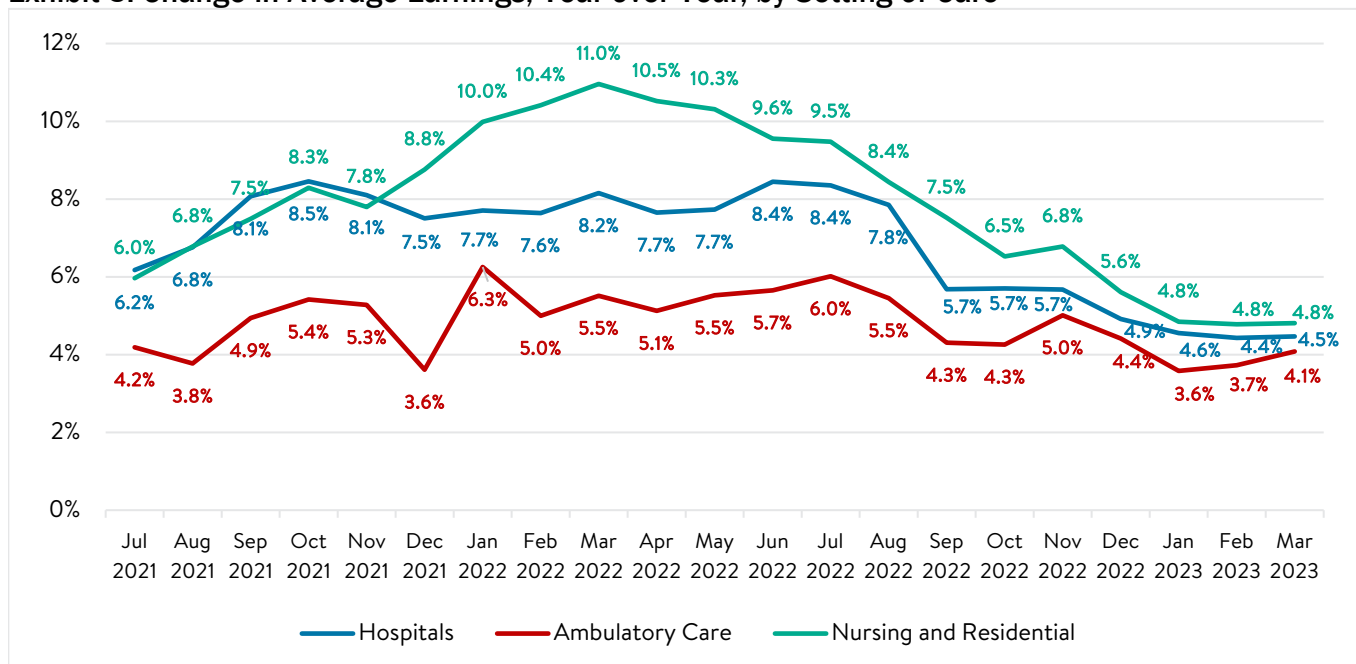
Wage growth in health care had been higher than economywide wage growth for many months but fell below the economywide average in December 2022. In March 2023, wage growth in both health care and across all private sector jobs was 4.3% (Exhibit 4).

Exhibit 4. Change in Average Earnings, Year over Year, Health Care and Total



The growth in average earnings varied considerably by setting of care in 2021 and 2022, but the gaps have narrowed as wage growth has fallen in all settings (Exhibit 5). Wage growth in nursing and residential care remains just above other health care settings at 4.8% year over year in March 2023. Wages grew by 4.5% year over year in hospitals. Wage growth in ambulatory care settings remains below the other two major health care settings but has ticked up slightly over the past few months, from 3.6% in January 2023 to 4.1% in March 2023.

Exhibit 5. Change in Average Earnings, Year over Year, by Setting of Care



DETAILED HEALTH CARE EMPLOYMENT

Exhibit 6. Employment Data by Sector, Seasonally Adjusted

Employment (in thousands)	April 2023	March 2023	April 2022	April 2021	February 2020
Non-Health Care	138,920	138,707	135,523	128,614	135,890
Health Care	16,753	16,713	16,155	16,000	16,481
Ambulatory Health Care Services	8,350	8,326	8,056	7,820	7,867
Offices of Physicians	2,879	2,866	2,788	2,724	2,726
Offices of Dentists	1,031	1,027	1,004	983	990
Offices of Other Health Care Practitioners	1,128	1,123	1,072	996	1,001
Outpatient Care Centers	1,060	1,061	1,024	994	997
Medical and Diagnostic Labs	326	323	324	307	289
Home Health Care Services	1,593	1,591	1,524	1,504	1,546
Other Ambulatory	334	335	321	312	318
Hospitals	5,277	5,271	5,120	5,126	5,236
Nursing and Residential Care Facilities	3,126	3,117	2,979	3,055	3,378
Nursing Care Facilities	1,397	1,395	1,342	1,387	1,587
Other Nursing and Residential	1,728	1,722	1,637	1,669	1,792
Health Share of Employment	10.76%	10.75%	10.65%	11.06%	10.82%

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

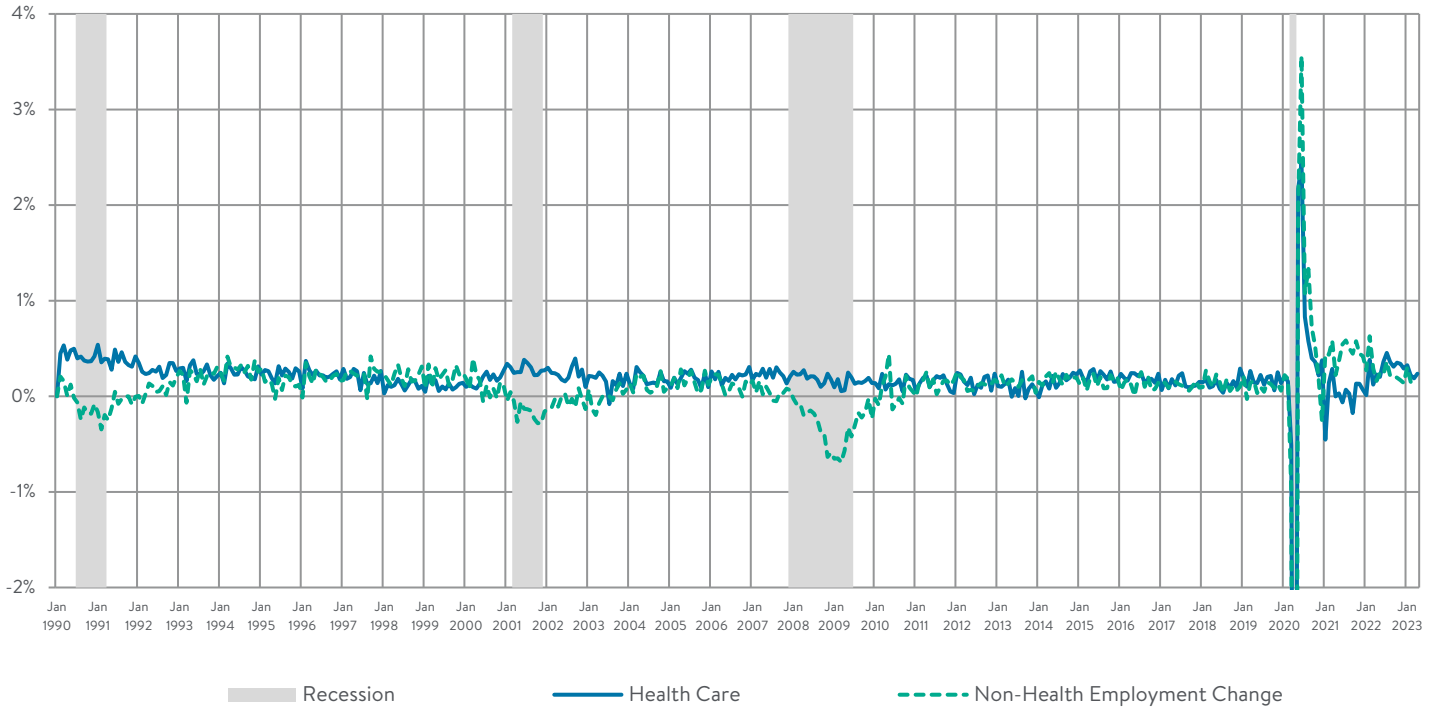
Exhibit 7. Change in Employment Data by Sector, Seasonally Adjusted

Employment Change (in thousands)	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	213.4	3,397.4	10,306.5	3,030.3
Health Care	39.6	597.6	752.5	271.7
Ambulatory Health Care Services	24.2	293.6	530.3	483.1
Offices of Physicians	12.2	90.3	154.2	152.5
Offices of Dentists	4.6	26.8	48.1	41.4
Offices of Other Health Care Practitioners	4.4	55.7	131.6	126.8
Outpatient Care Centers	-1.5	35.7	65.7	62.5
Medical and Diagnostic Labs	2.5	2.2	19.2	36.8
Home Health Care Services	2.3	69.4	88.8	46.9
Other Ambulatory	-0.3	13.6	22.7	16.3
Hospitals	6.6	157.2	151.8	41.5
Nursing and Residential Care Facilities	8.8	146.8	70.4	-252.9
Nursing Care Facilities	2.6	55.1	10.8	-189.5
Other Nursing and Residential	6.2	91.7	59.6	-63.4
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.9%	2.5%	3.9%	0.7%
Health Care	2.9%	3.7%	2.3%	0.5%
Ambulatory Health Care Services	3.5%	3.6%	3.3%	1.9%
Offices of Physicians	5.2%	3.2%	2.8%	1.7%
Offices of Dentists	5.5%	2.7%	2.4%	1.3%
Offices of Other Health Care Practitioners	4.8%	5.2%	6.4%	3.8%
Outpatient Care Centers	-1.7%	3.5%	3.3%	1.9%
Medical and Diagnostic Labs	9.7%	0.7%	3.1%	3.9%
Home Health Care Services	1.7%	4.6%	2.9%	0.9%
Other Ambulatory	-1.1%	4.2%	3.6%	1.6%
Hospitals	1.5%	3.1%	1.5%	0.2%
Nursing and Residential Care Facilities	3.4%	4.9%	1.1%	-2.4%
Nursing Care Facilities	2.3%	4.1%	0.4%	-3.9%
Other Nursing and Residential	4.4%	5.6%	1.8%	-1.1%

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

TIME SERIES TRACKER

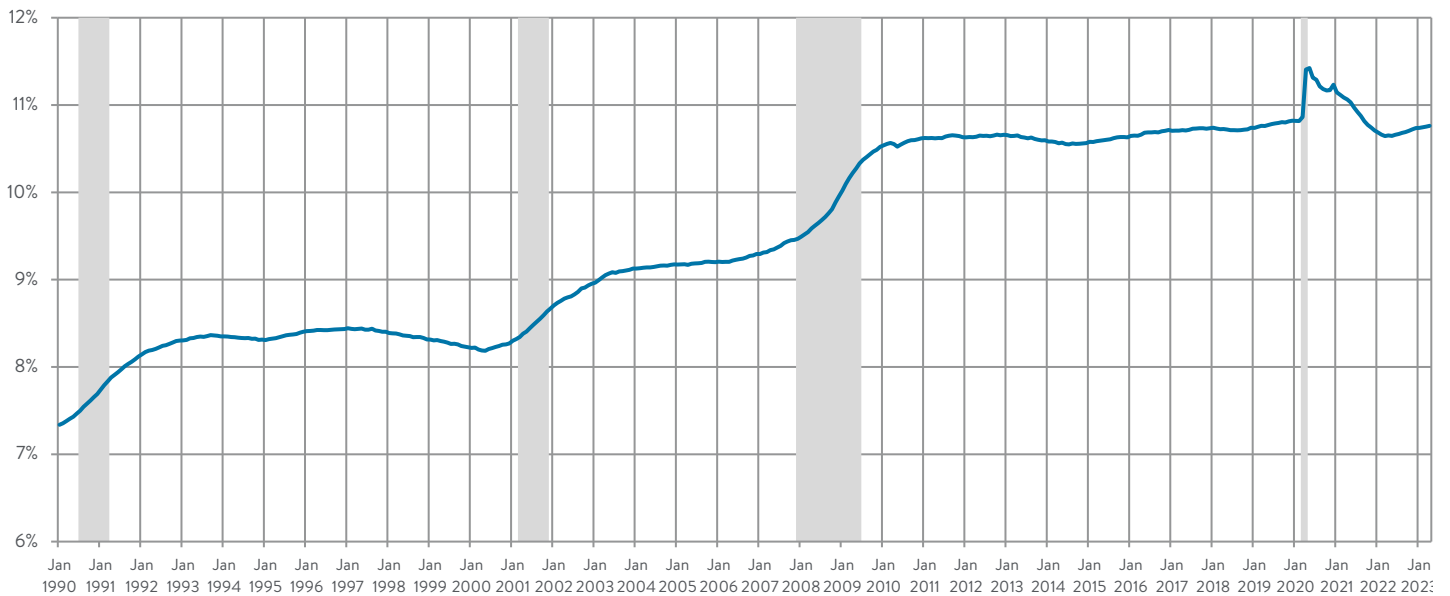
Exhibit 8. Monthly Percent Change in Health Care Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods. Full drop in employment in April 2020 (non-health -14.0% and health -8.2%) not shown on graph.

Exhibit 9. Health Care Share of Total Employment



Source: Altarum analysis of BLS data.

Note: Lightly shaded bars denote recession periods.