

September 26, 2023

Health spending growth continues to be dominated by utilization over prices

HIGHLIGHTS

- ▲ In July 2023, national health spending grew by 5.7%, year over year, and now represents 17.4% of GDP.
- ▲ Nominal GDP in July 2023 was 6.5% higher than in July 2022, and grew 0.8 percentage points faster than health spending.
- ▲ Neglecting government subsidies, spending on personal health care in July increased by 7.9%, year over year, and by 7.2% when subsidies are included, exceeding the GDP growth rate for the sixth consecutive month.
- ▲ Neglecting government subsidies, year-over-year spending on home health care (12.3%) and dental services (11.6%) grew fastest in July, while spending on hospital care increased the least (6.7%) among major categories.
- ▲ Personal health care spending growth (neglecting government subsidies) continues to be dominated by growth in utilization rather than price increases.

National Health Spending and GDP*

	Jul 2021	Jul 2022	Jun 2023	Jul 2023
GDP	23.32	25.47	26.92	27.13
National Health Spending (HS)	4.20	4.48	4.73	4.73
HS Share of GDP	18.0%	17.6%	17.6%	17.4%
HS Share of PGDP	17.7%	17.3%	17.5%	17.4%
Growth from Prior 12 Months				
HS	3.6%	6.6%	5.3%	5.7%
GDP	10.5%	9.2%	5.6%	6.5%
HS minus GDP	-6.9%	-2.7%	-0.3%	-0.8%
HS minus PGDP	-3.0%	-2.7%	0.8%	0.9%

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 Corwin Rhyan at corwin.rhyan@altarum.org. George Miller, PhD (principal author), Corwin Rhyan, 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

In July 2023, national health spending grew by 5.7%, year over year, reaching a seasonally adjusted annual rate of \$4.73 trillion. Health spending in July accounted for 17.4% of GDP and has averaged 17.5% for the past year. While the GDP growth rate continues to outpace the growth in health spending, the two rates have been converging in recent months, and now differ by 0.8 percentage points (Exhibit 1). Personal health care spending (spending on health care goods and services, which excludes categories such as the net cost of insurance and public health expenditures), however, has grown at a rate faster than GDP since February 2023 and grew by 7.2%, year over year in July.

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

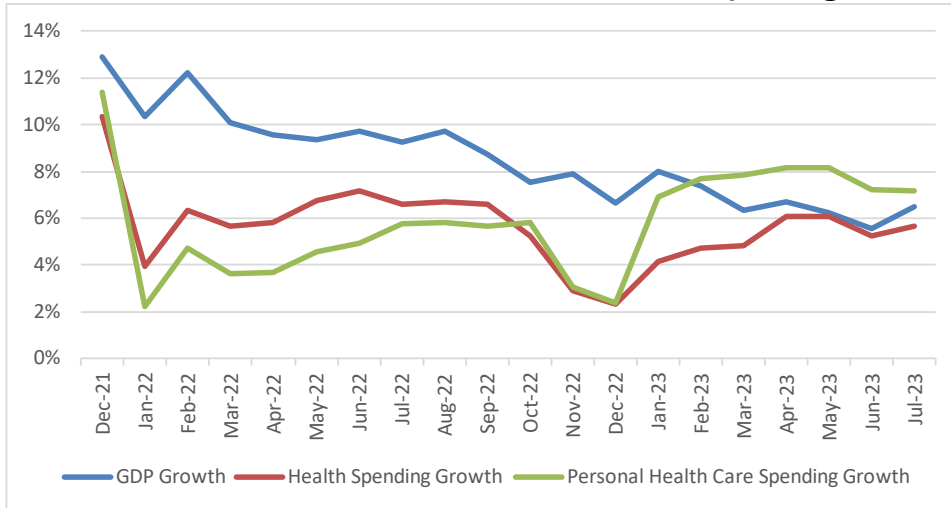


Exhibit 2 shows the trajectory of growth in national health spending and GDP since before the start of the pandemic through July 2023 with and without COVID-related federal government support to providers and public health activities, which has declined significantly in the past year. National health spending in July 2023 was 18.2% higher than its pre-pandemic (January 2020) level (17.7% without government subsidies), while GDP over the same period grew by 24.6%.

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

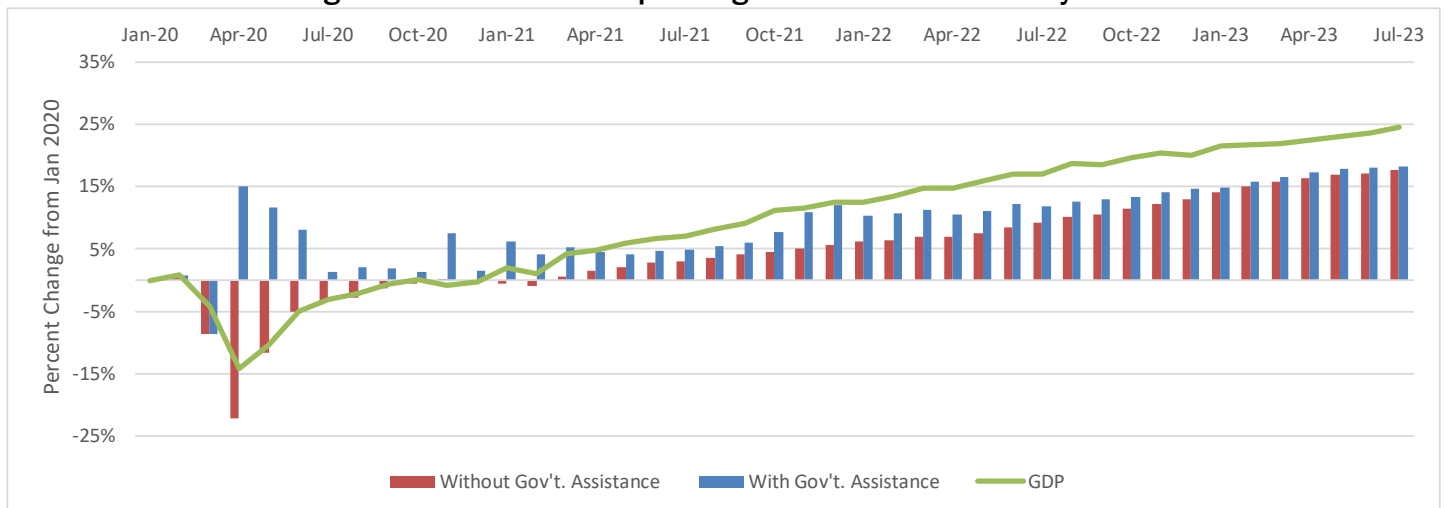


Exhibit 3 displays the growth in spending by major categories within personal health care over the past year without the impact of the decline in federal government support. Overall, personal health care spending growth since July 2022 was 7.9% without government assistance and 7.2% with government support, as government subsidies to providers were smaller in the past year than earlier in the pandemic. Excluding such support, spending on home

health care grew the fastest, at 12.3%, followed closely by dental services spending, at 11.6%. Spending on hospital care grew the slowest, at 6.7%.

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

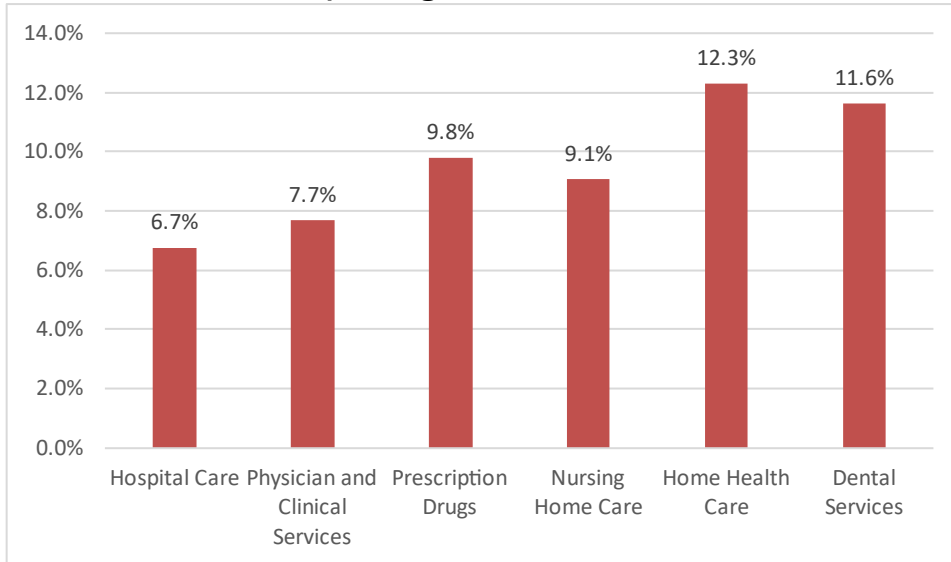
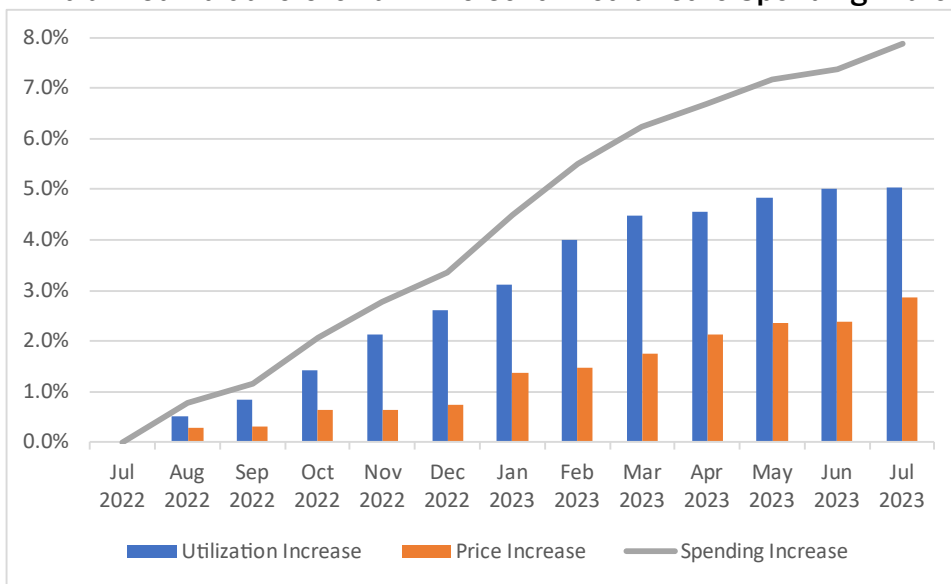


Exhibit 4 shows how spending on personal health care (without government subsidies) has grown over the past year (since July 2022) and illustrates the relative contribution of utilization and prices to this growth. It indicates that spending growth continues to be driven largely by utilization growth through July 2023: Of the 7.9% growth in personal health care spending during this period, 2.9 percentage points can be attributed to price growth, while the remaining 5.0 percentage point growth was associated with increases in utilization. (The growth in utilization was 4.3 percentage points if government subsidies are included, for an overall growth in personal health care spending of 7.2%.) Neglecting federal subsidies, the growth rate in personal health spending has declined somewhat in the past 4 months, averaging 0.4% from April through July after a monthly growth rate of 0.8% for the first 8 months of the past year. At the same time, our [previous expectation](#) that prices would become a significantly larger contributor to spending growth has yet to materialize.

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



DETAILED HEALTH SPENDING

Exhibit 5. Monthly National Spending Estimates by Detailed Category

Levels (in billions of dollars)	Jul 2020	Jul 2021	Jul 2022	Jul 2023
GDP	\$21,100.6	\$23,317.6	\$25,472.4	\$27,130.3
National Health Spending	\$4,052.2	\$4,199.1	\$4,475.4	\$4,729.4
Personal health care	\$3,278.1	\$3,514.9	\$3,716.8	\$3,983.4
Hospital care	\$1,255.5	\$1,314.7	\$1,377.3	\$1,455.0
Physician and clinical services	\$777.7	\$840.6	\$882.3	\$944.2
Other professional services	\$114.5	\$130.0	\$133.7	\$147.5
Dental services	\$129.3	\$160.6	\$170.4	\$189.2
Other personal health care	\$204.5	\$218.2	\$236.1	\$244.3
Home health care	\$120.0	\$124.3	\$132.5	\$147.9
Nursing home care	\$177.8	\$179.7	\$198.1	\$214.8
Prescription Drugs	\$350.4	\$380.4	\$408.8	\$448.9
Durable medical equipment	\$59.6	\$68.7	\$73.3	\$80.4
Nondurable medical products	\$88.8	\$97.8	\$104.3	\$111.2
Program administration and net cost of private health insurance	\$355.3	\$299.0	\$345.3	\$369.4
Government public health activities	\$225.6	\$177.3	\$192.7	\$143.1
Research	\$60.4	\$61.4	\$65.6	\$68.9
Structures and equipment	\$132.8	\$146.6	\$154.9	\$164.6
HS Share of GDP	19.2%	18.0%	17.6%	17.4%
HS Share of PGDP	18.2%	17.7%	17.3%	17.4%

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

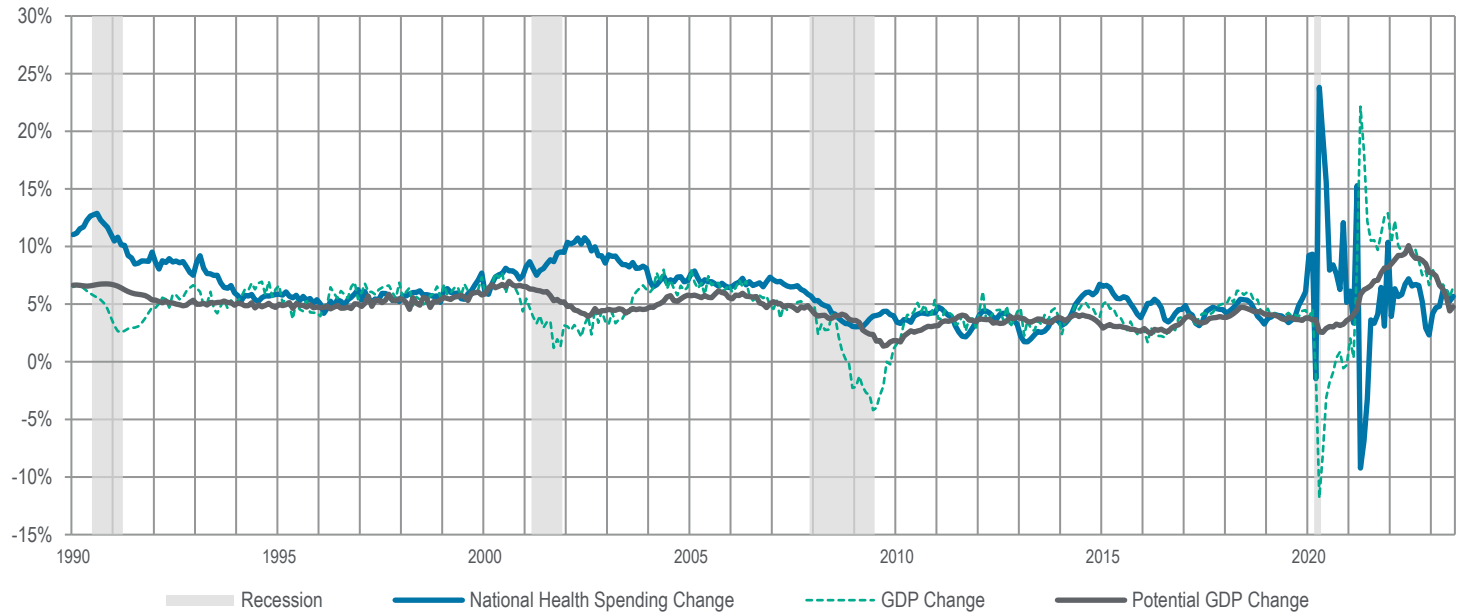
Growth Rates	Jul 2021	Jul 2022	Jul 2023
GDP	10.5%	9.2%	6.5%
National Health Spending	3.6%	6.6%	5.7%
Personal health care	7.2%	5.7%	7.2%
Hospital care	4.7%	4.8%	5.6%
Physician and clinical services	8.1%	5.0%	7.0%
Other professional services	13.5%	2.9%	10.3%
Dental services	24.2%	6.1%	11.0%
Other personal health care	6.7%	8.2%	3.5%
Home health care	3.6%	6.6%	11.6%
Nursing home care	1.1%	10.2%	8.4%
Prescription Drugs	8.6%	7.5%	9.8%
Durable medical equipment	15.1%	6.8%	9.7%
Nondurable medical products	10.1%	6.7%	6.6%
Program administration and net cost of private health insurance	-15.8%	15.5%	7.0%
Government public health activities	-21.4%	8.7%	-25.7%
Research	1.6%	6.9%	5.0%
Structures and equipment	10.4%	5.7%	6.2%
HS Minus GDP	-6.9%	-2.7%	-0.8%
HS Minus PGDP	-3.0%	-2.7%	0.9%

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

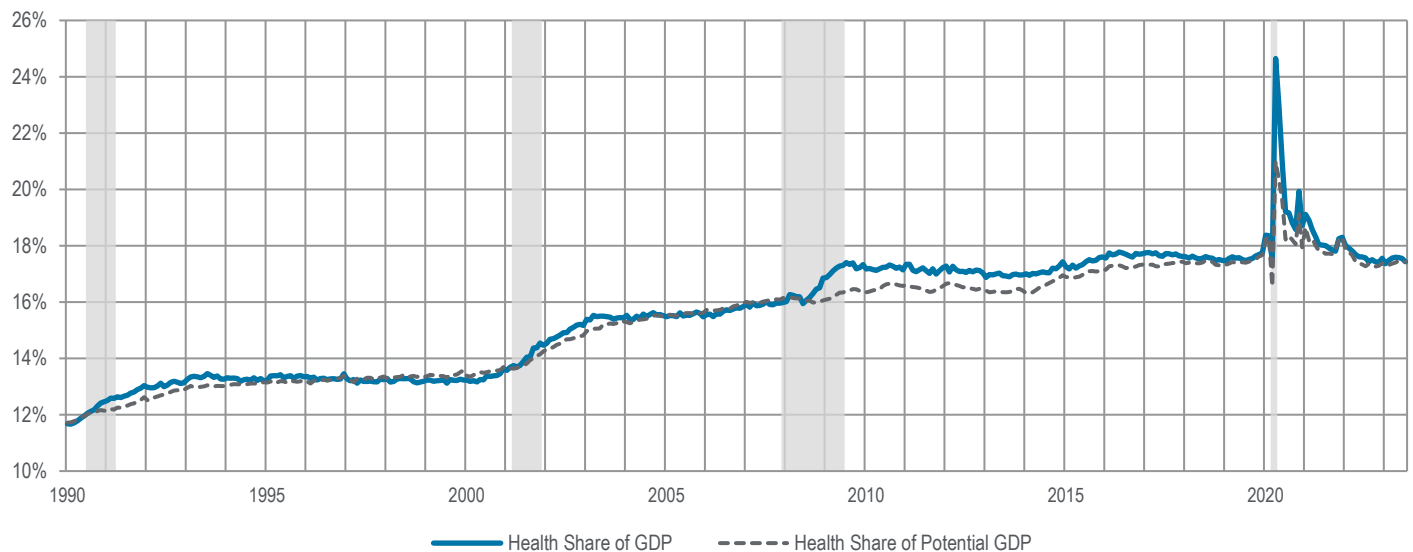
Exhibit 7. Year-over-Year Percentage Change in Spending and GDP



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.

September 26, 2023

Overall health care price and utilization growth fall slightly

HIGHLIGHTS

- ▲ Growth in the overall Health Care Price Index (HCPI) decreased to 2.8% year over year in August, falling 0.1 percentage points from the slightly revised growth rate in July (2.9%).
- ▲ Overall year-over-year economywide inflation increased for a second straight month, with CPI rising to 3.7% (up from 3.2% a month prior), and PPI increasing from 0.8% to 1.6% in August. Both appear to be driven by changes in commodities price growth.
- ▲ Among the major health care categories, prices for nursing home care (5.6%), dental care (5.3%), and home health care (5.2%) grew fastest, while physician and clinical services (0.6%) price growth was the slowest.
- ▲ Private payer price growth slowed again in August, falling to 2.8% year over year overall and 3.2% for hospitals, while continuing to converge with public payer price growth. In August, growth in Medicare and Medicaid hospital prices growth reached 3.2% and 2.0% respectively.
- ▲ Our implicit measure of health care utilization growth slowed again in July to 4.3% year over year, and down from a peak in March (5.1% growth).

	August 2021	August 2022	July 2023	August 2023
Health Care Price Index (HCPI)	1.7%	3.0%	2.9%	2.8%
GDP Deflator (GDPD)	5.1%	7.0%	2.9%	**
HCPI - GDPD	-3.4%	-4.0%	-0.1%	**
Addendum				
Personal health care spending	6.8%	5.8%	7.2%	**
Health care utilization	5.1%	2.8%	4.3%	**
Medical Consumer Price Index (MCPI)	0.4%	5.4%	-0.5%	-1.0%
Consumer Price Index, all items (CPI)	5.3%	8.3%	3.2%	3.7%
Producer Price Index, Final Demand (PPI)	8.7%	8.7%	0.8%	1.6%

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 Corwin (Corey) Rhyan at Corwin.Rhyan@altarum.org. Corey Rhyan (principal author), George Miller, PhD, 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 2.8% year over year in August, slightly slower than the growth rate from a month prior (2.9%) and below the average rate seen through the first seven months of 2023 (2.9%) (Exhibit 1). Over the past year, health care price growth has remained in a very tight range, between 2.6% and 3.3% year-over-year growth, while economywide price growth had been gradually declining from its peak in June 2022.

Yet, based on data from July and August, it appears the trend of falling economywide inflation has abated and at least temporarily reverted to increasing growth rates. CPI growth increased to 3.7% in August, moving upward mostly due to changes in commodities prices growth (Exhibit 4), while year-over-year PPI growth increased to 1.6% from 0.8% a month prior.

Given that PPI growth (which often leads changes in CPI) remains below overall CPI growth rates and the “core” measure of CPI that excludes the volatile food and energy categories [has continued to fall](#) in recent months, we believe it is most likely the uptick in overall economywide inflation may be short-lived, although we will continue to monitor these data. Regardless, it appears the gap between overall inflation and health care price growth has disappeared and the two are now tracking at similar levels.

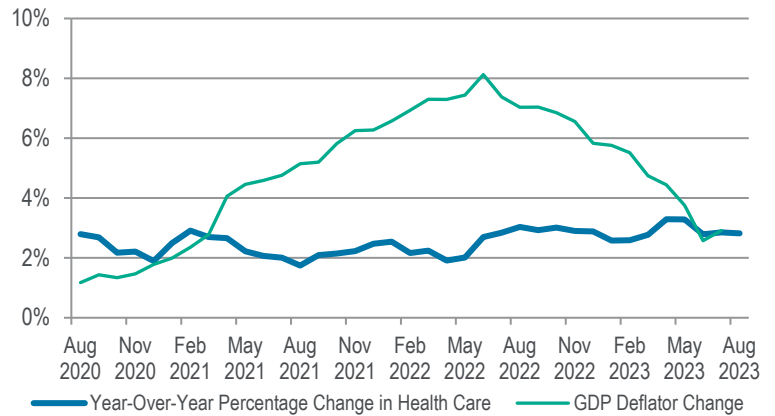
In assessing health care price growth by payer, the decline in health care price growth for private payers continued in August, falling to 2.8% year-over-year growth from a recent peak of 4.2% growth in April (Exhibit 7). Specifically for private payer hospital prices, the decline in growth has been even steeper over recent months, falling 2.9 percentage points from 6.1% growth in April to 3.2% growth in August (Exhibit 8). This continues to surprise as we had expected private payer prices to rise in 2023 as new provider contracts took effect. However, it appears the lag in new prices may be taking longer than expected to appear. Initial data for 2024 indicate that growth in [overall health care costs for employers](#) and [insurance premiums on the marketplaces](#) will be above average and these may portend future faster health care prices growth. Furthermore, with Congress mired in debates over [a possible federal shutdown](#), it seems less likely health legislation addressing health care costs on PBMs or hospital payments will move forward expeditiously, limiting future downward pressures on prices.

Among major health care categories in August, the fastest growth occurred for nursing home (5.6%), dental services (5.3%) and home health care services (5.2%) (Exhibit 2). Hospital price growth remained relatively steady compared to last month (2.4%) and physician and clinical services prices remain the slowest growing major category—

increasing only 0.6% year over year—marking the nineteenth straight month of below 1.0% price growth (Exhibit 3). Prescription drug price growth in August held constant at 2.8% growth year over year, matching the average growth rate through the first seven months of the year. The greatest drop in price growth among tracked categories was for “other professional services”, falling from 0.9% growth to 0.1% in August.

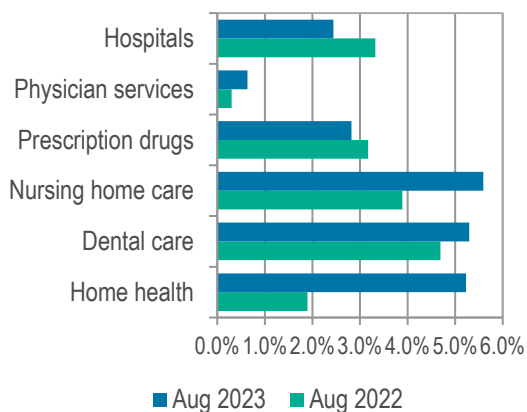
Our implicit measure of overall health care utilization growth (total spending growth net of health care price inflation) slowed again in July, now up 4.3% year-over-year (Exhibit 9), down from the 5.1% growth rate seen in February and March. This result matches other data on national health care utilization, such as data on overall [hospital volumes from July](#), and indicates trends in overall health care utilization may be tending slower in 2023. Among the major categories for July, growth in use for hospital care (3.1%) and nursing home care (2.5%) were the slowest in our data.

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.

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



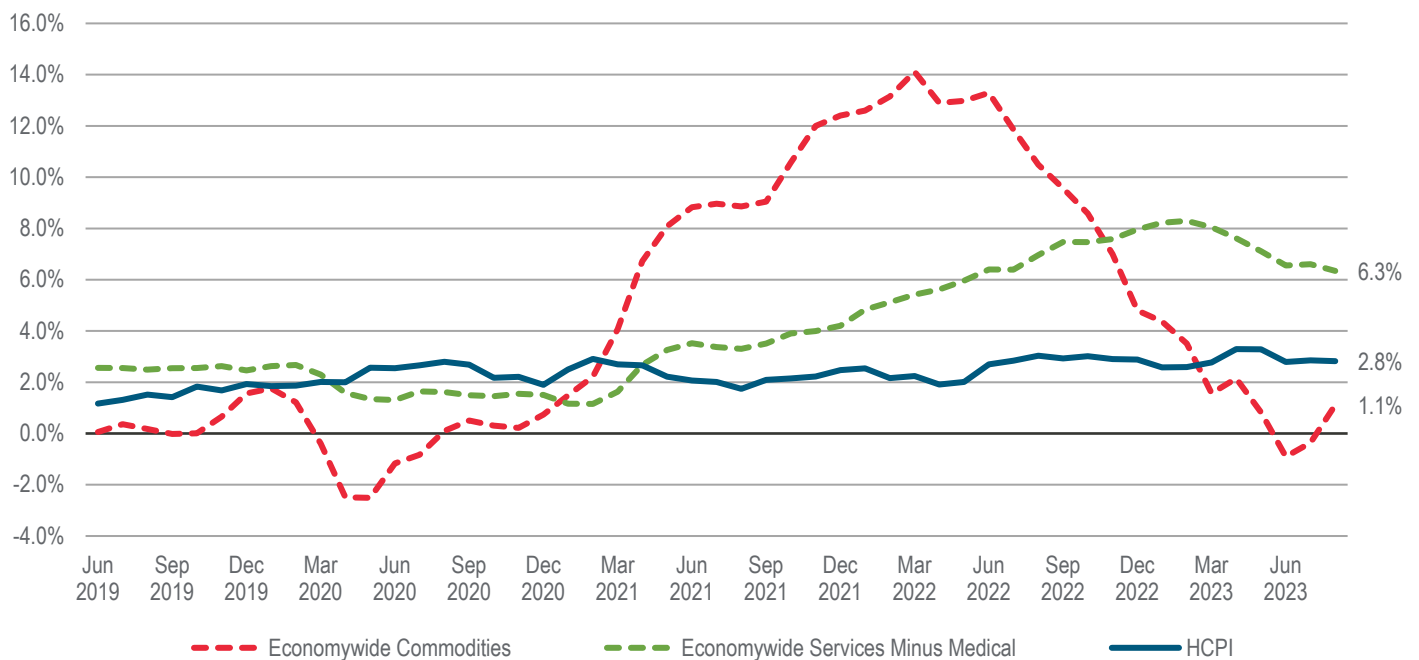
PRICE GROWTH BY DETAILED CATEGORIES

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

	Ending August 2021	Ending August 2022	Ending August 2023
Health Care Price Index (HCPI)	1.7%	3.0%	2.8%
Hospital care	2.4%	3.3%	2.4%
Physician and clinical services	3.2%	0.3%	0.6%
Prescription drugs	-2.7%	3.2%	2.8%
Nursing home care	1.1%	3.9%	5.6%
Dental Services	2.6%	4.7%	5.3%
Home health care	1.6%	1.9%	5.2%
Other professional services	2.2%	4.4%	0.1%
Other personal health care	5.0%	4.9%	5.9%
Other nondurable medical products	-1.6%	6.1%	7.5%
Durable medical equipment	-1.7%	3.5%	5.6%

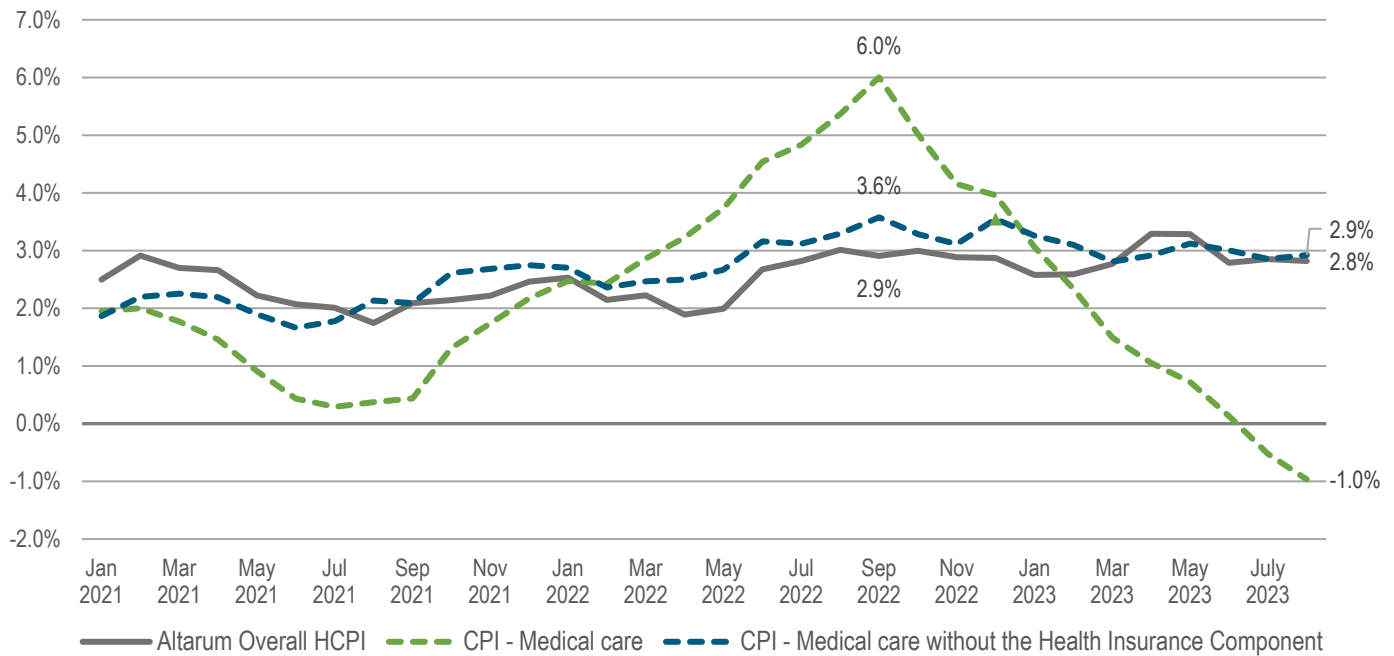
Source: Altarum analysis of monthly BLS data.

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



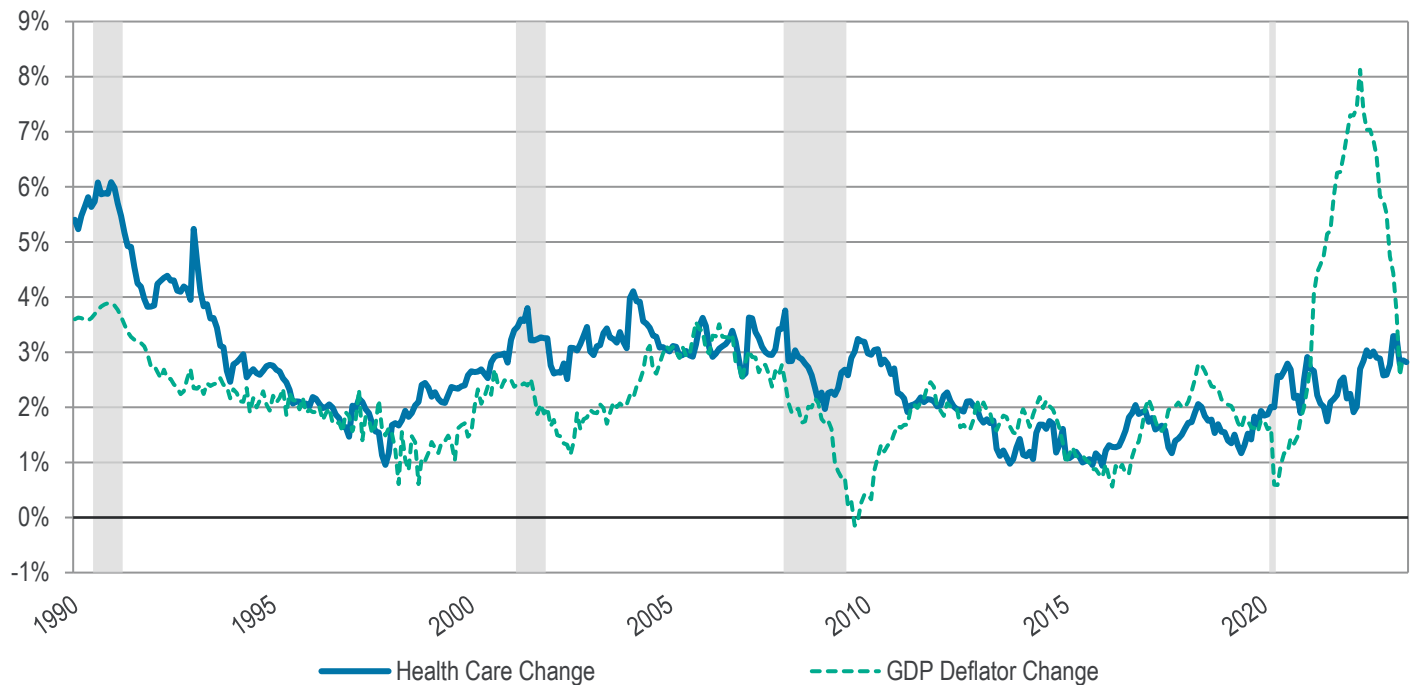
Methods. Altarum’s estimates for the monthly HCPI, a price index for personal health care spending within the National Health Expenditure Accounts, are essentially monthly versions of the annual index developed by the CMS National Health Statistics Group (NHSG). The advantages of this measure over the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

Exhibit 5. Year-over-Year Percentage Change in Medical Care CPI vs. Altarum Overall HCPI



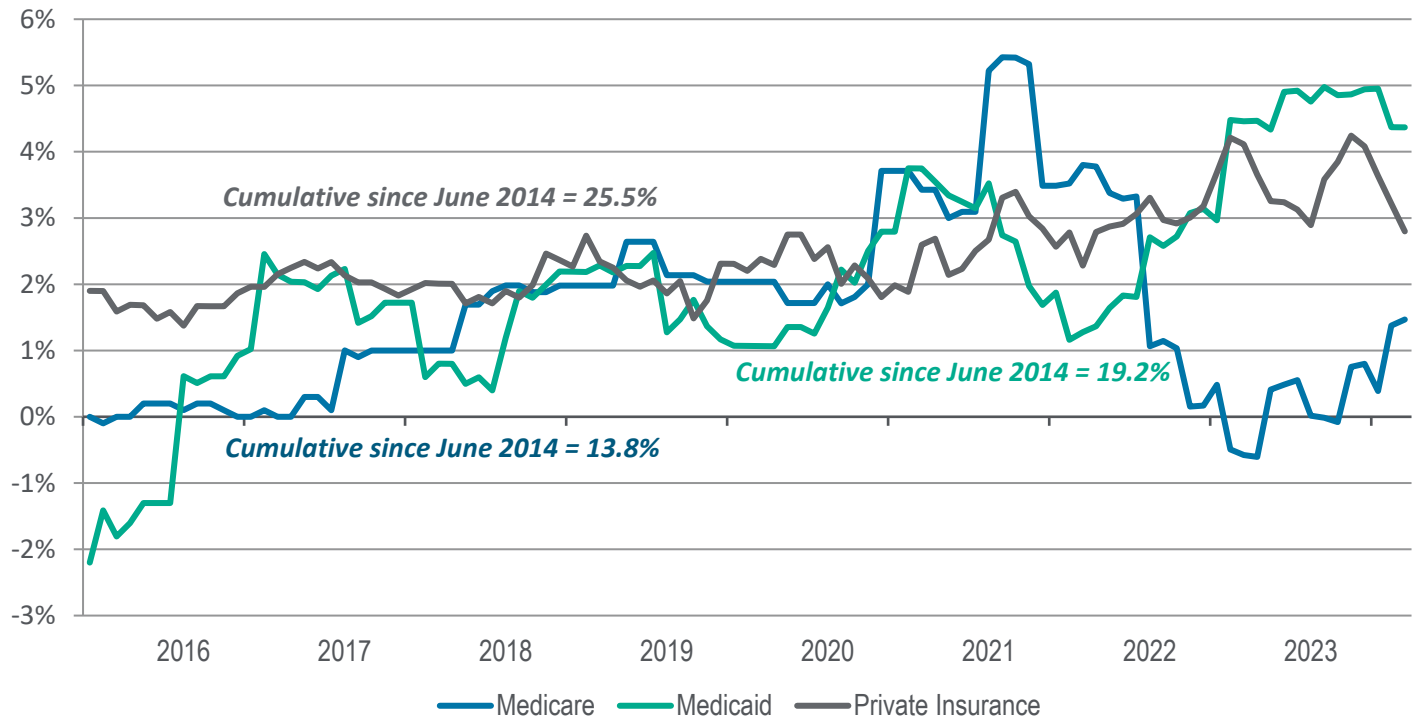
TIME SERIES TRACKER

Exhibit 6. Year-over-Year Percentage Change in Health Prices Compared with the GDP Deflator



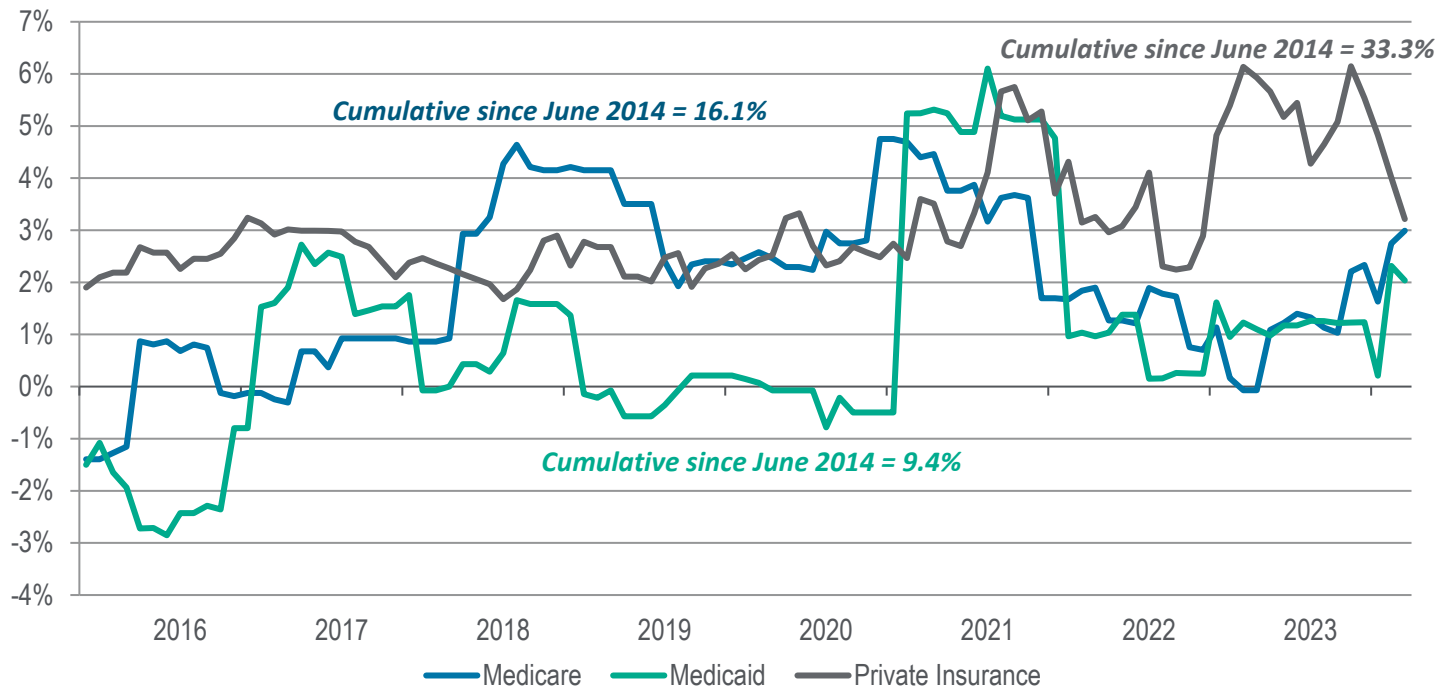
Source: Altarum monthly national health spending and price index estimates.
Note: Lightly shaded bars denote recession periods.

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



Source: Altarum analysis of monthly BLS data.

Exhibit 8. Year-over-Year Change in Hospital 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

	July 2023	3-Month Moving Average	12-Month Moving Average
Total personal health care	4.3%	4.6%	3.4%
Hospital care	3.1%	4.0%	2.8%
Physician and clinical services	6.3%	6.3%	4.2%
Prescription drugs	7.0%	7.0%	6.5%
Nursing home care	2.5%	3.6%	5.0%
Dental Services	6.0%	4.6%	2.4%
Home health care	6.6%	5.4%	6.0%
Other professional services	9.4%	8.6%	3.9%
Other personal health care	-1.9%	-2.0%	-0.7%
Other nondurable medical products	0.4%	1.1%	1.4%
Durable medical equipment	4.3%	4.8%	5.3%

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.

September 26, 2023

Health sector jobs show greatest 2-month growth since pandemic recovery

HIGHLIGHTS

- ▲ Health care added 70,900 jobs in August 2023. With a significant upward revision to July's job growth, the two-month increase of 143,900 is the largest since the initial recovery from the COVID-induced recession.
- ▲ August's health sector job growth was led by growth in ambulatory care settings, which added 39,900 jobs, while hospitals added 14,500 jobs.
- ▲ Nursing and residential care facilities added 16,500 jobs in August, with growth occurring in both nursing homes (8,900 jobs) and other nursing and residential care settings (7,600 jobs).
- ▲ The economy added 187,000 jobs in August, somewhat below the 12-month average of 257,300 jobs. The unemployment rate grew to 3.8% from July's rate of 3.5%.
- ▲ Health care wage growth in July 2023 was 3.3% year over year, somewhat below the total private sector wage growth of 4.4%.
- ▲ Wage growth in health care settings is highest in nursing and residential care, at 4.3% year over year in July 2023. Wage growth in hospitals was 3.8%, while wage growth in ambulatory care settings was 2.8% in July.

Cyclical Employment Big Picture

Seasonally Adjusted	Feb 2020	Aug 2022	Jul 2023	Aug 2023
Total Employment (000)	152,371	153,332	156,232	156,419
Non-Health Employment (000)	135,890	136,953	139,289	139,405
Health Employment (000)	16,481	16,379	16,943	17,014
Health Share of Total Employment	10.82%	10.68%	10.85%	10.88%
Unemployment Rate	3.5%	3.7%	3.5%	3.8%

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

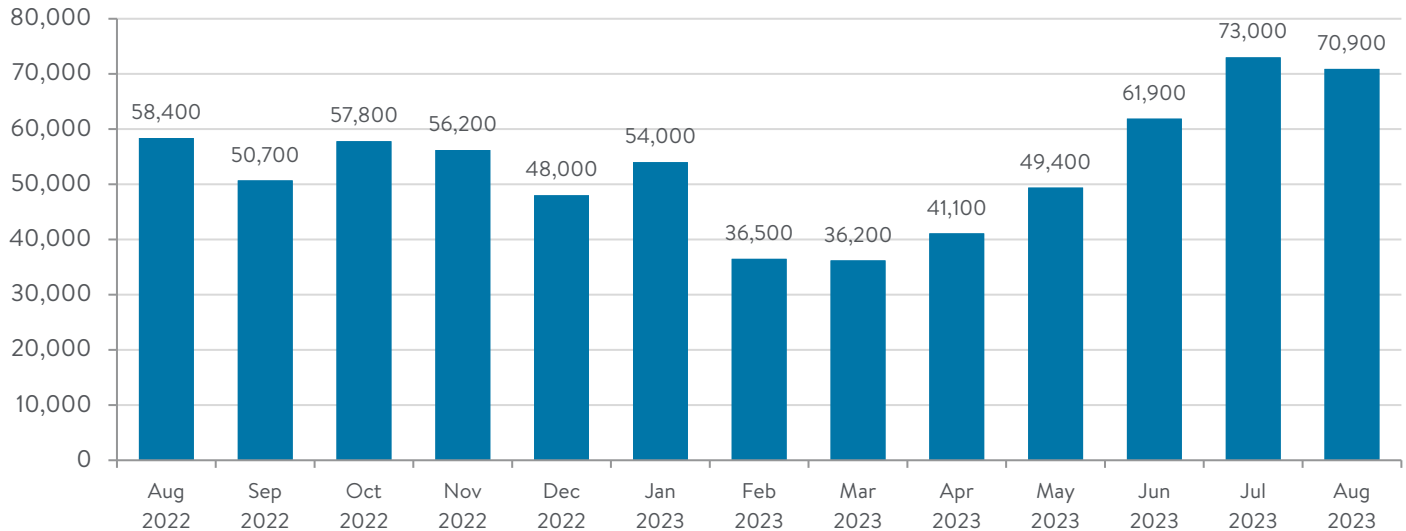
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DISCUSSION

Health care employment grew by 70,900 jobs in August 2023, significantly higher than the 12-month average of 53,000 jobs per month from September 2022 through August 2023 (Exhibit 1). Revisions to June and July added 26,700 jobs to the estimate of total health care employment for a revised estimate of 73,000 jobs gained in July. As a result, the 2-month growth of 143,900 jobs is the largest increase since the initial recovery from the April 2020 recession during the spring and summer of 2020.

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



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

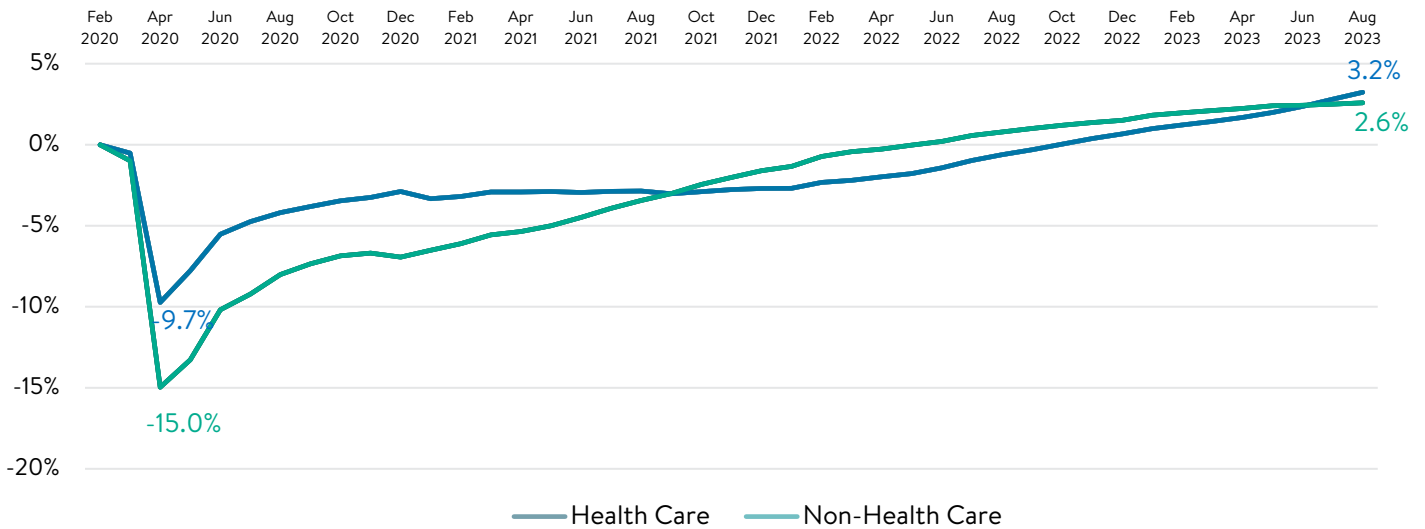
Ambulatory care settings led health care employment growth in August, adding 39,900 jobs, somewhat above the 12-month average of 26,500 jobs per month. Hospitals added 14,500 jobs in August, above the 12-month average of 13,500 jobs per month. Revised numbers for July were 37,800 new jobs in ambulatory care settings and 16,100 new jobs in hospitals.

Nursing and residential care facilities added 16,500 jobs in August (and July was revised upward to 19,100 jobs), above the 12-month average of 13,000 jobs per month. Nursing homes (+8,900 jobs in August) and residential care facilities (+7,600 jobs in August) contributed to this growth.

Health care employment is 533,00 jobs, or 3.2%, above where it was before the pandemic began (February 2020) and now exceeds the 2.6% increase in non-health care employment over the same period (Exhibits 2 and 7).

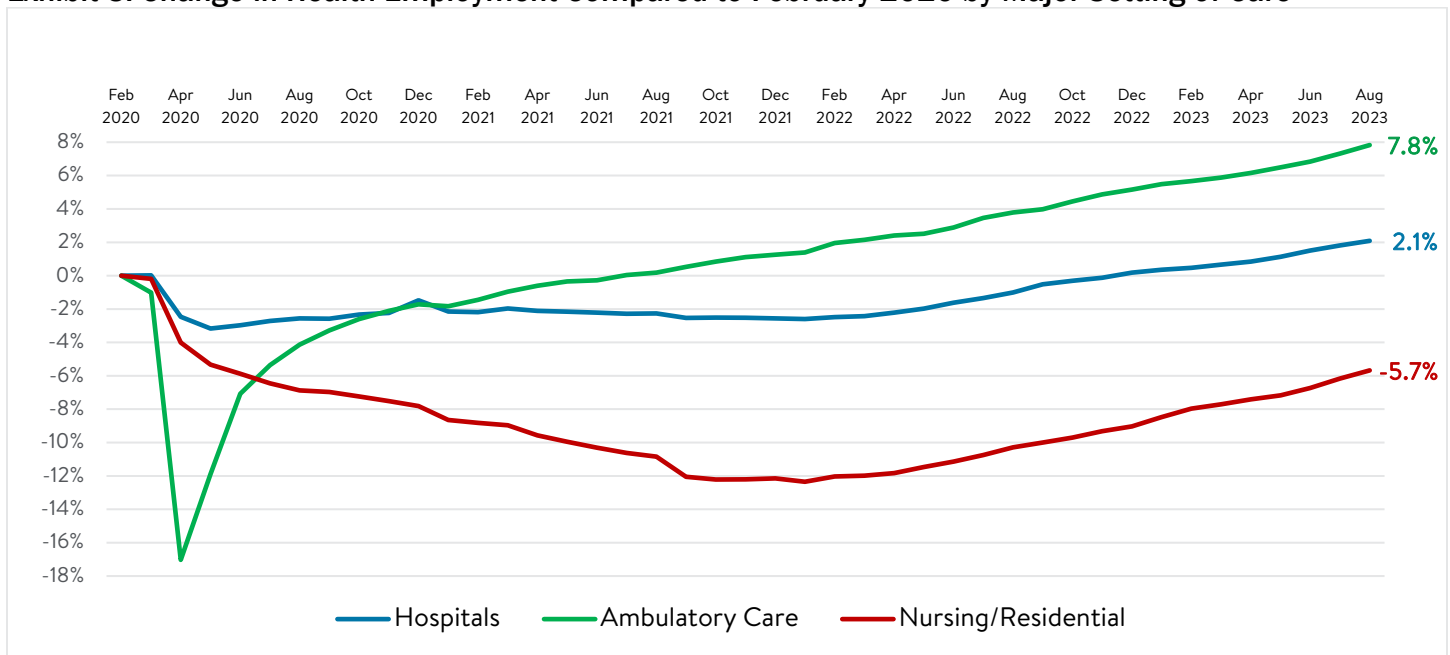
Hospital employment is slightly above its pre-pandemic level (109,400 or 2.1% above), ambulatory care settings are well above (615,900 or 7.8% above), and nursing and residential care employment, while growing steadily since January 2022, remains 191,900 or 5.7% below where it was prior to the pandemic (Exhibits 3 and 7).

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



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

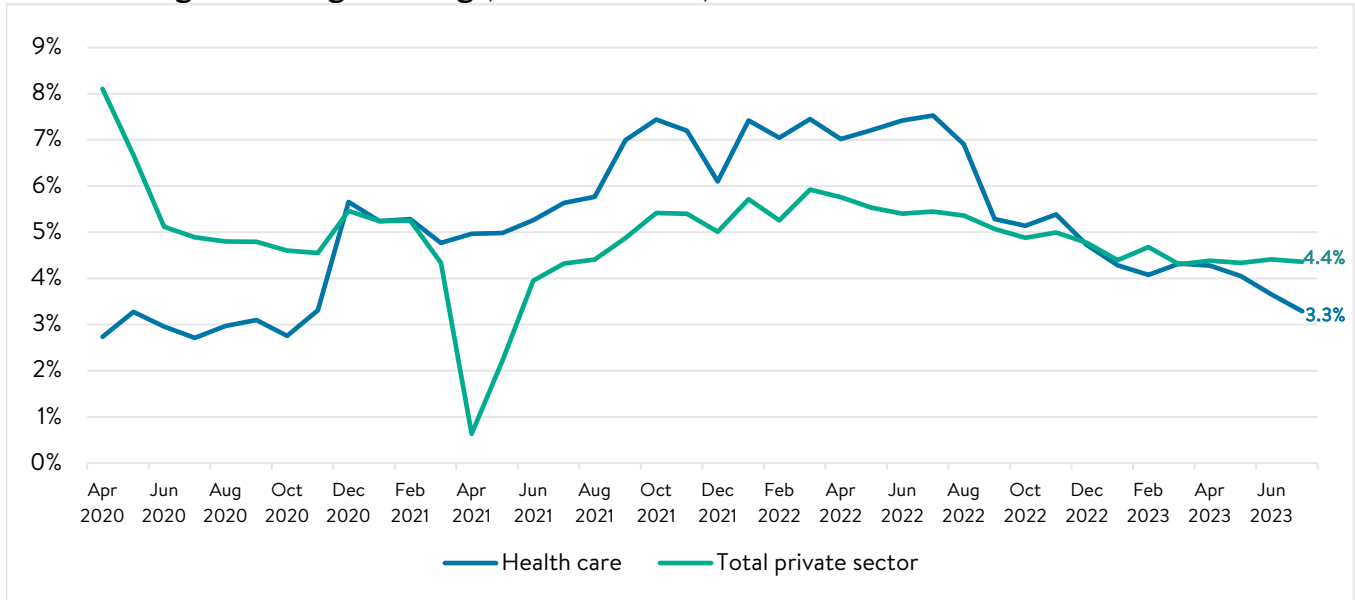
Exhibit 3. Change in Health Employment Compared to February 2020 by Major Setting of Care



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

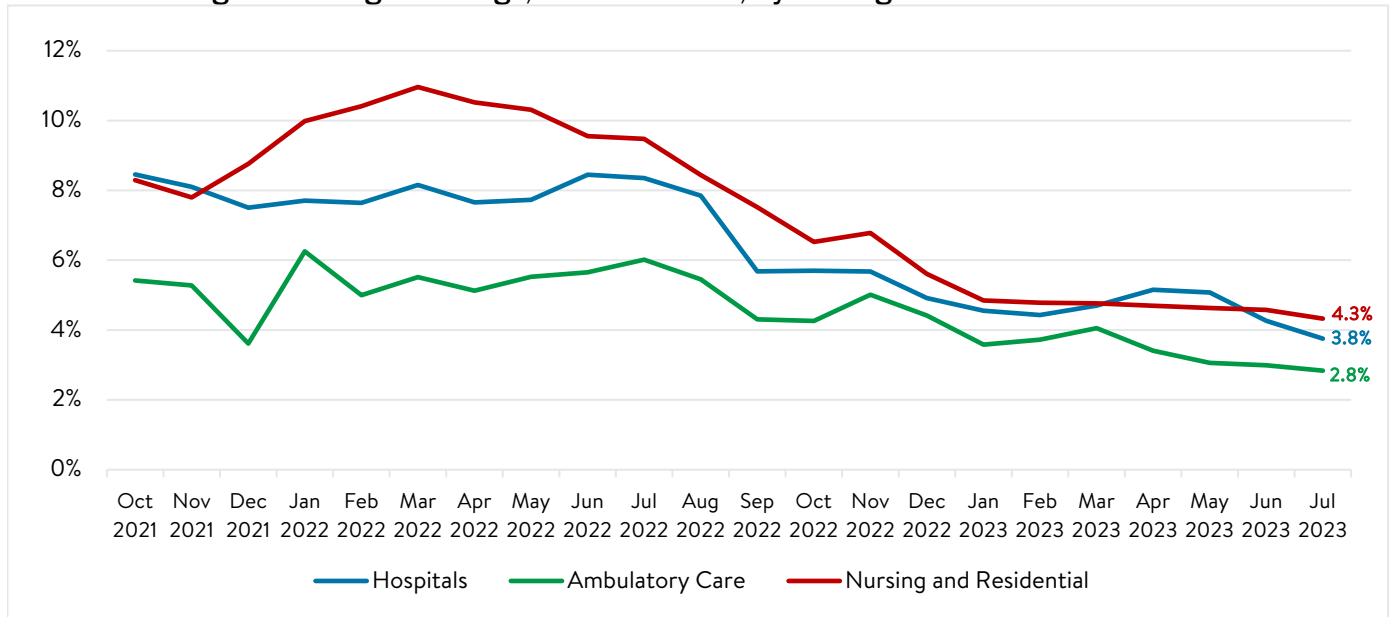
Wage growth in health care had been higher than economywide wage growth for many months but the two rates have converged recently. However, in July 2023, wage growth in health care dropped to 3.3%, year over year, while across all private sector jobs was 4.4% (Exhibit 4).

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 narrowed as wage growth fell in all settings (Exhibit 5). In July 2023, wage growth in nursing and residential care stood at 4.3% year over year, while hospital wage growth fell to 3.8% and wage growth in ambulatory care settings fell slightly to 2.8%.

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)	Aug 2023	Jul 2023	Aug 2022	Aug 2021	Feb 2020
Non-Health Care	139,405	139,289	136,953	131,211	135,890
Health Care	17,014	16,943	16,379	16,011	16,481
Ambulatory Health Care Services	8,483	8,443	8,165	7,881	7,867
Offices of Physicians	2,921	2,906	2,819	2,741	2,726
Offices of Dentists	1,040	1,042	1,024	993	990
Offices of Other Health Care Practitioners	1,147	1,138	1,094	1,023	1,001
Outpatient Care Centers	1,067	1,062	1,042	1,005	997
Medical and Diagnostic Labs	326	325	322	311	289
Home Health Care Services	1,640	1,629	1,540	1,496	1,546
Other Ambulatory	342	339	324	314	318
Hospitals	5,345	5,331	5,183	5,117	5,236
Nursing and Residential Care Facilities	3,187	3,170	3,031	3,012	3,378
Nursing Care Facilities	1,428	1,419	1,360	1,367	1,587
Other Nursing and Residential	1,758	1,751	1,671	1,645	1,792
Health Share of Employment	10.88%	10.85%	10.68%	10.88%	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	116.1	2,451.3	8,194.2	3,514.6
Health Care	70.9	635.7	1,003.8	533.4
Ambulatory Health Care Services	39.9	318.1	601.4	615.9
Offices of Physicians	14.1	101.7	179.8	194.5
Offices of Dentists	-2.5	16.0	46.7	49.9
Offices of Other Health Care Practitioners	8.1	52.2	123.9	145.8
Outpatient Care Centers	5.0	25.8	62.4	70.4
Medical and Diagnostic Labs	1.2	4.1	15.7	37.3
Home Health Care Services	11.2	100.3	144.5	93.9
Other Ambulatory	2.8	18.0	28.4	24.1
Hospitals	14.5	162.0	228.0	109.4
Nursing and Residential Care Facilities	16.5	155.6	174.4	-191.9
Nursing Care Facilities	8.9	68.6	61.3	-158.5
Other Nursing and Residential	7.6	87.0	113.1	-33.4
Annualized Percent Change	One Month	12 Months	24 Months	Since Feb 2020
Non-Health Care	1.0%	1.8%	3.1%	0.7%
Health Care	5.1%	3.9%	3.1%	0.9%
Ambulatory Health Care Services	5.8%	3.9%	3.7%	2.2%
Offices of Physicians	6.0%	3.6%	3.2%	2.0%
Offices of Dentists	-2.8%	1.6%	2.3%	1.4%
Offices of Other Health Care Practitioners	8.9%	4.8%	5.9%	4.0%
Outpatient Care Centers	5.8%	2.5%	3.1%	2.0%
Medical and Diagnostic Labs	4.5%	1.3%	2.5%	3.5%
Home Health Care Services	8.6%	6.5%	4.7%	1.7%
Other Ambulatory	10.4%	5.6%	4.4%	2.1%
Hospitals	3.3%	3.1%	2.2%	0.6%
Nursing and Residential Care Facilities	6.4%	5.1%	2.9%	-1.7%
Nursing Care Facilities	7.8%	5.0%	2.2%	-3.0%
Other Nursing and Residential	5.3%	5.2%	3.4%	-0.5%

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

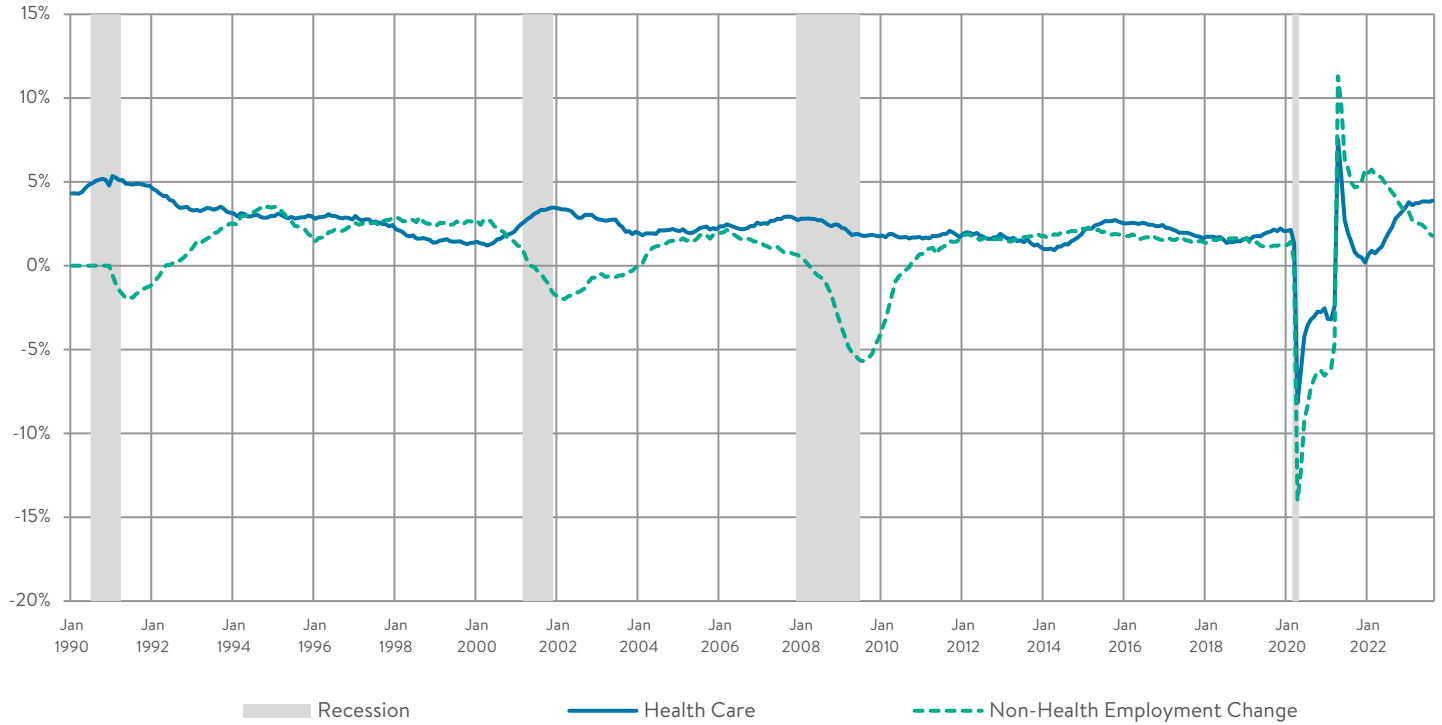
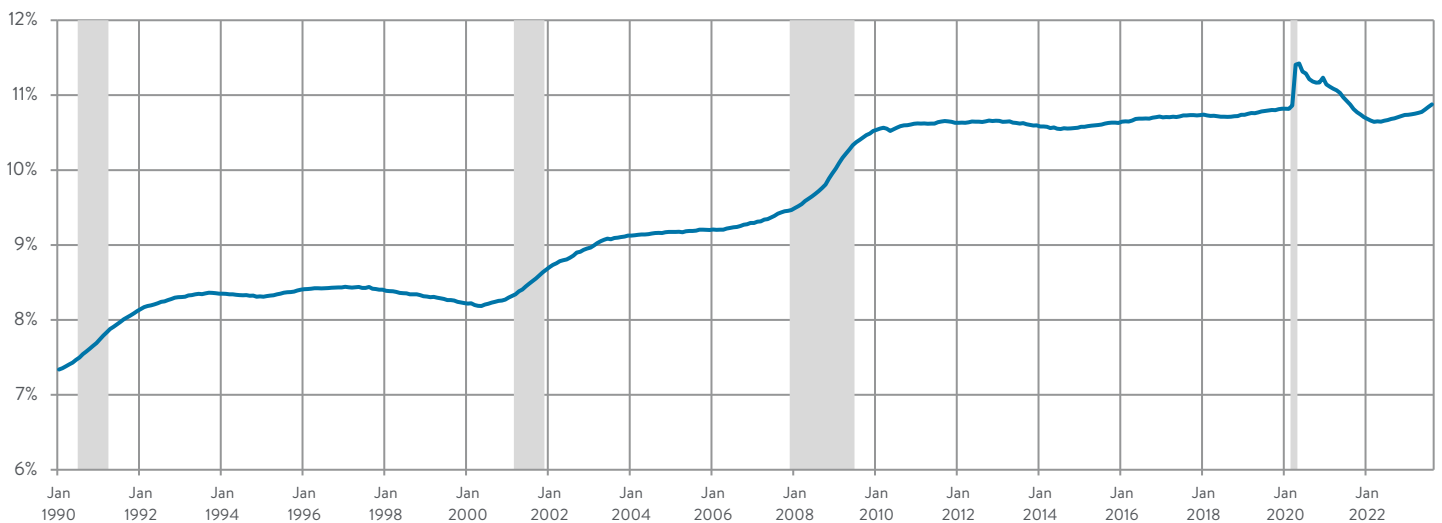


Exhibit 9. Health Care Share of Total Employment



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